

FINANCING Solutions

Aditya Birla Finance Limited

(A subsidiary of Aditya Birla Capital Ltd.)



**ADITYA BIRLA
CAPITAL**

PROTECTING INVESTING FINANCING ADVISING

(PART – A: PRIVATE AND CONFIDENTIAL (FOR ADDRESSEE ONLY))

DISCLOSURE DOCUMENT AS PER SCHEDULE II OF SEBI (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021

ADITYA BIRLA FINANCE LIMITED

Corporate Identity Number (CIN): U65990GJ1991PLC064603

PAN: AABCB5769M

Date of Incorporation: August 28, 1991

Place of Incorporation: Mumbai, Maharashtra

RBI Reg No.: N.01.00500

(A Public Limited Company Incorporated under the Companies Act, 1956)

(Formerly known as Birla Global Finance Company Limited)

Registered Office: Indian Rayon Compound, Veraval, Gujarat 362266

Corporate Office: One World Center, Tower 1C, 18th Floor, Jupiter Mill Compound, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013, Tel: 022 43567100 Fax: 022 43567266

Website: www.adityabirlafinance.com

| Company Secretary & Compliance Officer | Chief Financial Officer | Promoter |
|---|--|--|
| Mr. Ankur Shah Address: R-Tech Park, 10th Floor, Nirlon Complex, Off Western Express Highway, Goregaon East, Mumbai 400 063 Tel: 022- 62257615/ 62257600 (B) Fax: 022-43567266 Email Id: ankur.shah@adityabirlacapital.com | Mr. Pradeep Agrawal Address: One World Center, Tower 1C, 18th Floor, Jupiter Mill Compound, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013 Tel: 022 43567000 (B) Fax: 022 43567266 Email Id: pradeep.agrawal@adityabirlacapital.com | Aditya Birla Capital Limited Address: One World Center, Tower 1C, 18th Floor, Jupiter Mill Compound, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013 Tel: 022 43567000 Fax: 022 43567111 Email Id: abc.secretarial@adityabirlacapital.com Website: www.adityabirlacapital.com |

ISSUE BY ADITYA BIRLA FINANCE LIMITED ("COMPANY" OR "ISSUER") OF 3000 SECURED, RATED, LISTED, TAXABLE, REDEEMABLE, NON- CONVERTIBLE DEBENTURES (THE "NCDS") OF FACE VALUE OF RS. 10,00,000 EACH UP TO RS. THREE HUNDRED CRORE WITH A GREEN SHOE OPTION UP TO RS. ONE THOUSAND TWO HUNDRED AND EIGHTY EIGHT CRORE ONLY, TOTAL AGGREGATING TO ONE THOUSAND FIVE HUNDRED AND EIGHTY EIGHT CRORE ONLY ON A PRIVATE PLACEMENT BASIS (THE "ISSUE") TO BE LISTED ON THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED AND BSE LIMITED.

ISSUER'S ABSOLUTE RESPONSIBILITY

The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this placement memorandum contains all information with regard to the issuer and the issue which is material in the context of the issue, that the information contained in the placement memorandum is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading.

UNDERTAKING OF THE ISSUER

Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by any of the regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'Risk factors' given on page number 2 under the Section 'General Risks'.

Aditya Birla Finance Limited having made all reasonable inquiries, accepts responsibility for, and confirms that this Disclosure Document contains all information with regard to the Issuer and the Issue, which is material in the context of the issue, that the Information contained in this Disclosure Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

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

GENERAL RISKS

Investment in non-convertible securities involve a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section [•] of this placement memorandum. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

RISKS IN RELATION TO TRADING OF SECURITIES

No assurance can be given regarding an active or sustained trading in the securities of the Company/Issuer nor regarding the price at which the securities will be traded after listing.

CREDIT RATING

India Ratings & Research has assigned a rating of "IND AAA Stable" (for an amount of Rs. 15,906.60 crore) and ICRA Limited has assigned a rating (for the amount of Rs. 26,540.80 crore) of "[ICRA] AAA (Stable)".

Note: The rating is not a recommendation to buy, sell or hold securities and investors should take their own decisions. The rating may be subject to revision or withdrawal at any time by the assigning rating agency on the basis of new information and each rating should be evaluated independently of any other rating. Please refer Annexure II for the press release and rating rationale.

Neither the Issuer or any of its promoters or Directors is/are wilful defaulter.

The Company is in compliance with the necessary requirements of the Electronic Book Mechanism Guidelines and details pertaining to the uploading the placement memorandum on the Electronic Book Provider platform.

The Issue shall be open for bidding and subscribed to in accordance with the guidelines issued by SEBI and BSE pertaining to the procedure of Electronic Book Mechanism set out in the terms specified by the Operational Circular, and the related operational guidelines issued by the concerned Electronic Book Provider, as may be amended, clarified or updated from time to time (collectively, "Electronic Book Mechanism Guidelines").

This Disclosure Document is dated January 30, 2023

This is a Disclosure Document. Note: This Disclosure Document is neither a Prospectus nor a Statement In lieu of Prospectus. It does not constitute an offer or an invitation to the public to subscribe to the Debentures to be issued by Aditya Birla Finance Limited. This Disclosure Document is intended to form the basis of evaluation for potential investors to whom it is addressed and who are willing and eligible to subscribe to these Debentures. The contents of this Disclosure Document are intended to be used by the investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient. The Company can, at its sole and absolute discretion, change the terms of the offer.

| REGISTRARS & TRANSFER AGENT | DEBENTURE TRUSTEE | CREDIT RATING AGENCY | CREDIT RATING AGENCY |
|--|--|--|--|
|  Link Intime Pvt Ltd. C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 Ph no: +91 22 49186000 Fax no: +91 22 49186060 Email: isrl@intimespectrum.com Website: www.linkintime.co.in |  Vistra ITCL (India) Limited Plot C-22, G- Block, BKC Bandra (E), Mumbai – 400 052 Ph no: +91 22 2653 3333 Contact: Ms. Sonal Gokhale Email: sonal.gokhale@vistra.com SEBI Reg. No. IND000000452 Website: www.vistraitcl.com |  India Ratings & Research Private Ltd - Wockhardt Tower, West Wing, Level 4, BKC, Bandra (East) Mumbai 400 051 Ph no: 022-40001700 Fax no: 022-40001701 Contact person: Mr. Jinay Gala Email ID: jinay.gala@indiaratings.co.in Website: www.indiaratings.co.in |  ICRA Limited 1802, 18 th Floor, Tower 3, Indiabulls Finance Centre Senapati Bapat Marg, Elphinstone Road, Mumbai Ph no: 022-6179 6300 Fax no: 022-2433 1390 Contact person: Ms. Neha Parikh Email ID: neha.parikh@icraindia.com Website: www.icra.in |

ISSUE HIGHLIGHTS

| | |
|---|---|
| Date of opening of the issue | Wednesday, February 1, 2023 |
| Date of closing of the issue | |
| Date of earliest closing of the issue, if any | Not applicable |
| Credit Rating | "IND AAA Stable" and "ICRA AAA Stable". |
| Eligible Investors | As specified under clause "Who Can Apply" in this DD (Page No: 92-93) |
| Series | Further Issuance (I) ABFL NCD SERIES I3 FY 2022-23 |
| Coupon/Dividend Rate | 7.8800% |
| Coupon Payment Frequency | Annually and on Maturity |
| Yield (Further Issuance) | 8.02% |
| Redemption Date | 12 Feb 2026 |
| Redemption Amount | FV - Rs. 10,00,000/- |
| Details of Underwriting of the Issue | Not applicable |

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SECTION I

DEFINITIONS AND ABBREVIATIONS

| | |
|--------------------------------|---|
| ABFL or The Company | Aditya Birla Finance Limited is a public limited company incorporated under the Companies Act, 1956 and is registered with RBI under Section 45-IA of the RBI Act 1934, as a Systemically Important Non-Deposit taking Non- Banking Finance Company (NBFC). |
| Arrangers | Lead Arranger and /or any other Arranger associated with the issuance |
| Articles | Articles of Association of the Company |
| ALM | Asset Liability Management |
| BSE | BSE Limited |
| Board / Board of Directors | The Board of Directors of the Issuer and includes any Committee thereof |
| Business Day | Means any day of the week (excluding non-working Saturdays, Sundays and any day which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881) (as may be amended/ supplemented from time to time) in Mumbai and any other day on which banks are closed for customer business in Mumbai) on which the money market is functioning in Mumbai and "Business Days" shall be construed accordingly |
| CAGR | Compounded Annual Growth Rate |
| CAR | Capital Adequacy Ratio |
| CDSL | Central Depository Services (India) Limited |
| Debentures / NCDs | Secured, Redeemable, Non-Convertible Debentures of face value of Rs.10,00,000/- each |
| Debenture holder | The holders of the Debentures |
| Debenture Trust Deed (DTA) | Debenture Trustee Agreement dated September 6, 2022 entered between the Company and Debenture Trustee. |
| Debenture Trust Deed (DTD) | Debenture Trust Deed dated September 8, 2022 entered between the Company and Debenture Trustee. |
| Depository(ies) | National Securities Depository Limited (NSDL) and / or Central Depository Services (India) Limited (CDSL) |
| Disclosure Document / Document | This Disclosure Document through which the Debentures are being offered for private placement |
| DP | Depository Participant |
| FY | Financial Year |
| IPO | Initial Public Offering |
| I.T. Act | The Income Tax Act, 1961 (as amended from time to time) |

| | |
|----------------------|--|
| Issue | <p>Issue by Aditya Birla Finance Limited (“company” or “issuer”) of 3000 Secured, Rated, Listed, Taxable, Redeemable, Non - Convertible Debentures (the “NCDs”) of face value of Rs. 10,00,000 each, up to Rs. Three Hundred crores with a green shoe option up to Rs. One Thousand Two Hundred and Eighty Eight Crore aggregating to Rs. One Thousand Five Hundred and Eighty Eight crores on a private placement basis (“issue”), to be listed on the wholesale debt market segment of the National Stock Exchange of India limited and BSE limited.</p> <p>The Company has completed the process of allotment of NCD's with respect to earlier offer(s) or invitation(s) and has complied with the provisions of Sections 42(3) of The Companies Act, 2013.</p> |
| MCA | Ministry of Corporate Affairs, Government of India |
| MOA/ AOA | Memorandum of Association and Articles of Association of the Company |
| NAV | Net Asset Value |
| NBFC | Non-Banking Financial Company |
| NPA | Non-Performing Assets |
| NSDL | National Securities Depository Limited |
| NSE | National Stock Exchange of India Limited |
| Promoter | Aditya Birla Capital Ltd. (ABCL) (subsidiary of Grasim Industries Limited) |
| RBI | The Reserve Bank of India |
| Rs. / INR/ Rupees | The lawful currency of the Republic of India |
| ROC | The Registrar of Companies |
| RTGS | Real Time Gross Settlement System |
| SEBI | Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time) |
| SEBI Regulations | Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended by SEBI from time to time. |
| Term Sheet | Term Sheet to be issued by the Company for any Series containing the issue price, coupon rate and other conditions regarding Debentures |
| The Act | Shall mean provisions of the Companies Act, 1956 and the Companies Act, 2013 (including any statutory modification(s) or re-enactments thereof for the time being in force), which are in effect from time to time |
| Trustees | Trustees for the Debenture holders |
| WDM | Wholesale Debt Market |
| “We”, “us” and “our” | Unless the context otherwise requires, Our Company and its Subsidiaries |

GENERAL DISCLAIMER

This Disclosure Document ("Document") is neither a prospectus nor a statement in lieu of prospectus and does not constitute an offer to the public to subscribe for or otherwise acquire the Secured, Redeemable, Non-Convertible Debentures of face value of Rs. 10,00,000/- each (NCDs) issued by the Company.

The issue of Debentures, to be listed on the NSE and BSE is being made strictly on a private placement basis. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. No invitation is being made to any persons other than to those to whom application forms along with this Document have been sent. Any application by a person to whom the Document and Application Form have not been sent by the Company shall be rejected without assigning any reason. The person who is in receipt of this Document shall maintain utmost confidentiality regarding the contents of this Document and shall not reproduce or distribute in whole or in part or make any announcement in public or to a third party regarding the contents without the consent of the Issuer.

Apart from this Document, no Offer Document or Prospectus has been prepared in connection with this NCD Offer and that no Prospectus in relation to the Issuer or the NCDs relating to this Offer has been delivered for registration nor such a document is required to be registered under the applicable laws.

This Document is issued by the Company and the views contained in this Document do not necessarily reflect the views of its directors, employees, affiliates, subsidiaries, or representatives and should not be taken as such. The Document has been prepared by the Company to provide general information on the Company and does not purport to contain all the information a potential investor may require. Where this Document summarizes the provisions of any other document, that summary should not be relied upon and the relevant document should be referred to for the full effect of the provisions.

The information relating to the Company contained in Document is believed by the Company to be accurate in all respects as of the date hereof.

The Document shall not be considered as a recommendation to purchase the NCDs and recipients are urged to determine, investigate and evaluate for themselves the authenticity, origin, validity, accuracy, completeness, and adequacy or otherwise the relevance of information contained in this Document. The recipients are required to make their own independent valuation and judgment of the Company and the NCDs. It is the responsibility of potential investors to also ensure that they will sell these NCDs in strict accordance with this Document and other applicable laws, so that the sale does not constitute an offer to the public, within the meaning of the Companies Act 2013. The potential investors should also consult their own tax advisors on the tax implications relating to acquisition, ownership, sale, or redemption of NCDs and in respect of income arising thereon. Investors are also required to make their own assessment regarding their eligibility for making investment(s) in the NCDs of the Company. The Company or any of its directors, employees, advisors, affiliates; subsidiaries or representatives do not accept any responsibility and / or liability for any loss or damage however arising and of whatever nature and extent in connection with the said information.

Neither the Arranger, if any, nor any of their respective affiliates or subsidiaries have independently verified the information set out in this Document or any other information (written or oral) transmitted or made to any prospective investor in the course of its evaluation of the Issuer.

The Arranger, if any, makes no representation or warranty, express or implied, as to the accuracy or completeness of the Document, and the Arranger, if any, does not accept any responsibility for the legality, validity, effectiveness, adequacy or enforceability of any documentation executed or which may be executed in relation to this Offer. The Arranger is not required to file this document with SEBI / ROC / RBI as it is strictly on private placement basis to the prospective Investor to whom it is distributed and not an Offer to the general Public. However, post completion of the allotment, a copy of the offer document is filed with the Stock Exchanges.

The contents of this Document are intended to be used only by those investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient.

Each person receiving and acting on this Document acknowledges that such person:

- has been afforded an opportunity to request and to review and has received all additional information considered by him / her / it to be necessary to verify the accuracy of or to supplement the information herein and
- has not relied on any intermediary that may be associated with any issuance of NCDs in connection with its investigation of the accuracy of such information or its investment decision.

The Issuer does not undertake to update the Document to reflect subsequent events after the date of the Document and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer. Neither the delivery of this Document nor any sale of NCDs made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

The Document is made available to investors in the Issue on the strict understanding that it is confidential.

SEBI Disclaimer Clause

As per the provisions of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, a copy of this Document is not required to be filed with or submitted to SEBI. It is to be distinctly understood that this Document has not been cleared or vetted by SEBI. SEBI does not take any responsibility either for financial soundness of any scheme or the project for which the Issue is proposed to be made, or for the correctness of the statements made or opinions expressed in the Document. However, as per the proviso to sub rule 3 of rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a copy of this Disclosure Document has to be filed with SEBI within a period of 30 days of circulation of this Disclosure Document.

Stock Exchange Disclaimer Clause

As required, a copy of the Placement Memorandum for issue of NCDs of 3000 Secured, Rated, Listed, Taxable, Redeemable, Non - Convertible Debentures (the "NCDs") of face value of Rs. 10,00,000 each, up to Three Hundred crores with a green shoe option up to Rs. One Thousand Two Hundred and Eighty Eight Crore aggregating to Rs. One Thousand Five Hundred and Eighty Eight crores on a private placement basis ("issue") to be listed on the wholesale debt market segment of the National Stock Exchange Of India limited and BSE of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

It is to be distinctly understood that submission of the Disclosure Document to the NSE and BSE should not in any way be deemed or construed to mean that the Disclosure Document has been cleared or approved by NSE and BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Disclosure Document, nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the NSE and BSE; nor does it take any responsibility for the financial or other soundness of the Issuer, its promoters, its management or any scheme or project of the Issuer.

This Document is to facilitate investors to take an informed decision for making investment in the proposed Issue.

RBI Disclaimer Clause

The Company has obtained a certificate of registration dated February 12, 1999 bearing registration no. N - 01.0050 issued by the RBI to carry on the activities of an NBFC under section 45 IA of the RBI Act, 1934.

However, a copy of this DD has not been filed with or submitted to the Reserve Bank of India ("RBI"). It is distinctly understood that this DD should not in any way be deemed or construed to be approved or vetted by RBI. RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the Issuer or for the correctness of any of the statements or representations made or opinions expressed by the Issuer and for discharge of liability by the Issuer. By issuing the aforesaid certificate of registration dated February 12, 1999 to the Issuer, RBI neither accepts any responsibility nor guarantee for the payment of any amount due to any investor in respect of the NCDs.

Company Disclaimer Clause

The Company has certified that the disclosures made in this DD are adequate and in conformity with SEBI guidelines and RBI Guidelines in force for the time being. This requirement is to facilitate investors to take an informed decision for making an investment in the proposed Issue. The Company accepts no responsibility for statements made otherwise than in the DD or any other material issued by or at the instance of the Company and that anyone placing reliance on any other source of information would be doing so at their own risk.

Disclaimer in respect of Jurisdiction

Issue of these Debentures have been/will be made in India to investors as specified under clause "Who Can Apply" in this DD, who have been/shall be specifically approached by the Company. This DD is not to be construed or constituted as an offer to sell or an invitation to subscribe to Debentures offered hereby to any person to whom it is not specifically addressed. The Debentures are governed by and shall be construed in accordance with the existing Indian laws as applicable in the state of Gujarat. Any dispute arising in respect thereof will be subject to the exclusive jurisdiction of the courts and tribunals of Ahmedabad.

Force Majeure

The Company reserves the right to withdraw the Offer prior to the earliest closing date in the event of any unforeseen development adversely affecting the economic and regulatory environment or otherwise. In such an event, the Company will refund the application money, if any, along with interest payable on such application money, if any, without assigning any reason.

SECTION II

RISK FACTORS

(A) Forward Looking Statements:

This Disclosure Document contains certain “forward-looking statements”. These forward looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “shall”, “will”, “will continue”, “will pursue”, “would”, “will likely result”, “is likely”, “expected to”, “will achieve”, “contemplate”, “seek to”, “target”, “propose to”, “future”, “goal”, “project”, “should”, “can”, “could”, “may”, “in management’s judgment” or other words or phrases of similar import or variations of such expressions. Similarly, statements that describe our strategies, objectives, plans, or goals are also forward-looking statements.

The Company operates in a highly competitive, regulated, and ever-changing business environment and a change in any of these variables may necessitate an alteration of the Company’s plans. Further, these plans are not static, but are subject to continuous internal review and may be altered if the altered plans are perceived to suit the Company’s needs better. Further, many of the plans may be based on one or more underlying assumptions (all of which may not be contained in this Document) which may not come to fruition. Thus, actual results may differ materially from those suggested by the forward-looking statements. The Company cannot be held liable by estoppels or otherwise for any forward-looking statements contained herein. The Company and all intermediaries associated with this Document do not undertake to inform Investors of any changes in any matter in respect of which a forward-looking statement are made.

All statements contained in this Document that are not statements of historical fact constitute “forward-looking statements” and are not forecasts or projections relating to the Company’s financial performance. All forward-looking statements are subject to risks, uncertainties and assumptions that may cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that may cause actual results to differ materially from the Company’s expectations include, among others:

- General economic and business conditions in India and abroad.
- Our ability to successfully implement our strategy, our growth and expansion plans and technological changes.
- Our ability to compete effectively and access funds at competitive cost.
- Changes in the value of Rupee and other currency changes.
- Unanticipated turbulence in interest rates, equity prices or other rates or prices; the performance of the financial and capital markets in India and globally.
- Availability of funds and willingness of our lenders to lend.
- Changes in political conditions in India.
- The rate of growth of our loan assets and level of NPAs in our portfolio.
- Potential mergers, acquisitions or restructuring and increased competition.
- The outcome of any legal or regulatory proceedings in which we are or may become a party to.
- Our ability to recruit and retain our management team and skilled personnel.
- Changes in Indian and foreign laws and regulations, including tax, accounting, banking, securities, investments and loans, foreign exchange, insurance, and other regulations; changes in competition and the pricing environment in India; and regional or general changes in asset valuations; and
- Changes in laws and regulations that apply to NBFCs in India, including laws that impact our lending rates and our ability to enforce our collateral.

These are only illustrative and not exhaustive.

By their nature, certain market risk disclosures are only estimating and could be materially different from what occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company, our Directors and Officers nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. For further discussion of factors that could cause our actual results to differ, see the section titled “Risk Factors”.

(B) Use of Market Data

Unless stated otherwise, macroeconomic and industry data used throughout this Document has been obtained from publications prepared by providers of industry information, government sources and multilateral institutions. Such publications generally state that the information contained therein has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured.

Although the Issuer believes that industry data used in this Disclosure Document is reliable, it has not been independently verified.

(C) RISK FACTORS

The following are the risks envisaged by the management and Investors should consider the following risk factors carefully for evaluating the Company and its business before making any investment decision. Unless the context requires otherwise, the risk factors described below apply to Aditya Birla Finance Limited only. The risks have been quantified wherever possible. If any one of the following stated risks actually occurs, the Company's business, financial conditions and results of operations could suffer and therefore, the value of the Company's debt securities could decline.

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

A. INTERNAL RISK FACTORS

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

Our Company's gross loan including investments as on September 30, 2022 is Rs. 64,975 crore. The size of our Company's loan assets is expected to continue to increase in the future as our Company expands its business in India and offers new products. Since most of our Company's borrowers are individuals and small and medium size companies, our Company's credit risk could be higher due to their potential inability to adapt to changes in the economic and industrial scenario and global technological changes as also changes in the Indian regulatory and political environment. This may lead to an increase in the number and value of our Company's NPAs.

Our Company is exposed to the risk that third parties which owe us money, securities or other assets may not perform their obligations. These parties may default on their obligations to us due to various reasons including bankruptcy, lack of liquidity, operational failure, and other reasons. Further, any delay in enforcing the collateral due to delays in enforcement proceedings before Indian courts or otherwise could expose our Company to potential losses.

In deciding whether to extend credit to or enter transactions with customers and counter parties, our Company relies largely on information furnished by or on behalf of its customers, including financial information, based on which the Company performs its credit assessment. The Company may also depend on certain representations and undertakings as to the accuracy, correctness and completeness of information, and the verification of the same by agencies to which such functions are outsourced. Any such information, if materially misleading, may increase the risk of default. Our financial condition and results of operations could be negatively affected by relying on information that may not be true or may be materially misleading.

The Company has institutionalized a systematic credit evaluation process monitoring the performance of its asset portfolio on a regular and continual basis to detect any material development, and constantly evaluates the changes and developments in sectors to which it has substantial exposure. The Company also undertakes a periodic review of its entire asset portfolio with a view to determine the portfolio valuation, identify potential areas of action and devise appropriate strategies thereon. The Company follows a provisioning and write-off policy which is in line with what is prescribed by the RBI.

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

2. Interest Rate Risk

The Company's business is largely dependent on interest income from its operations.

The Company is exposed to interest rate risk principally as a result of lending to customers at interest rates and in amounts and for periods, which may differ from its funding sources (institutional / bank borrowings and debt offerings). The Company seeks to match its interest rate positions to minimize interest rate risk. Despite these efforts, there can be no assurance that significant interest rate movements will not have an effect on its results of operations. Interest rates are highly sensitive to many factors beyond its control, including the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation, and other factors. Due to these factors interest rates in India have historically experienced a relatively high degree of volatility. Nevertheless, the endeavor of the Company will be to keep the interest rate risk at minimum levels by proactively synchronizing resource securing and lending activities on an ongoing basis.

3. Access to Capital Markets and Commercial Borrowings

The Company's growth will depend on its continued ability to access funds at competitive rates. With the growth of its business, the Company is increasingly reliant on funding from the debt capital markets and commercial borrowings. The market for such funds is competitive and its ability to obtain funds at competitive rates will depend on various factors, including its ability to maintain its credit ratings. While its borrowing costs have been competitive in the past due to its credit rating and the quality of its asset portfolio, if the Company is unable to access funds at an effective cost that is comparable to or lower than its competitors, the Company may not be able to offer competitive interest rates for its loans. This may adversely impact its business and its future financial performance. The value of its collateral may decrease, or the Company may experience delays in enforcing its collateral when its customers default on their obligations, which may result in failure to recover the expected value of collateral and adversely affect its financial performance.

The developments in the international markets affect the Indian economy including the financial liquidity position. Our Company is exposed to the risk of liquidity in the financial markets. Changes in economic and financial conditions could make it difficult for the Company to access funds at competitive rates. Being an NBFC, we also face certain restrictions to raise money from international markets which are relatively cheaper sources of money and this further constrains our ability to raise cheaper funds.

4. Failure to recover the expected value of collateral when borrowers default on their obligations to Company may adversely affect its financial performance.

ABFL cannot guarantee that it will be able to realize the full value of its collateral, due to, among other things, defects in the perfection of collateral, delays on its part in taking immediate action in bankruptcy foreclosure proceedings, stock market downturns, claims of other lenders, legal or judicial restraint and fraudulent transfers by borrowers. In the event a specialized regulatory agency gains jurisdiction over the borrower, creditor actions can be further delayed. In addition, to put in place an institutional mechanism for the timely and transparent restructuring of corporate debt, the RBI has devised a corporate debt restructuring system. Any failure to recover the expected value of collateral security could expose ABFL to a potential loss. Apart from the RBI guidelines, ABFL may be a part of a syndicate of lenders, the majority of whom elect to pursue a different course of action than the Company would have chosen. Any such unexpected loss could adversely affect business, prospects, results of operations and financial condition.

5. Asset-Liability mismatches in the short term, which could affect company's liquidity position.

The difference between the value of assets and liabilities maturing in any time period category provides the measure to which we are exposed to the liquidity risk. As is typical for several NBFCs, a portion of our funding requirements is met through short-term funding sources, i.e. working capital demand loans, cash credit, short term loans and commercial papers. However, some portion of our assets has medium or long-term maturities. As the Company grows its business, the proportion of medium and long-term assets in the portfolio is expected to grow. In the event that the existing and committed credit facilities are withdrawn or are not available to the Company, funding mismatches may be created, and it could have an adverse effect on our business and our future financial performance.

6. **Our inability to control the number and value of NPAs in our portfolio could adversely affect our business and results of operations.**

The Company's inability to control or reduce the number and value of its NPAs may lead to deterioration of the quality of its loan portfolio and may severely impact its business.

While the Company's total provisioning against the NPAs at present may be adequate to cover all the identified losses in our loan portfolio, there may not be any assurance that in future the provisioning, though compliant with regulatory requirements, will be sufficient to cover all anticipated losses.

Further, the Company may not be able to meet its recovery targets set for the particular financial year due to the intense competition witnessed at both global and domestic levels. In such circumstances, there could be an increase in the number and value of NPAs which can impact the Company.

7. **System failures, infrastructure bottlenecks and security breaches in computer systems may adversely affect our business.**

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

Our operations also rely on the secure processing, storage, and transmission of confidential and other information in our computer systems and networks. Our computer systems, software and networks may be vulnerable to unauthorized access, computer viruses or other malicious code and other events that could compromise data integrity and security.

8. **Our indebtedness and restrictive covenants imposed by our financing agreements could restrict our ability to conduct our business and operations.**

Our financing agreements require us to maintain certain security margins. Should we breach any financial or other covenants contained in any of our financing agreements, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. Under the terms of some of the credit lines, the Company is required to obtain the prior written consent of the concerned lender prior to the Company entering into any scheme of expansion, merger, amalgamation, compromise or reconstruction or selling, leasing, transferring all or a substantial portion of its fixed and other assets; making any change in ownership or control or constitution of our Company, or in the shareholding or management or majority of directors, or in the nature of business of our Company; or making amendments in the Company's Memorandum and Articles of Association. This may restrict/ delay some of the actions / initiatives that our Company may like to take from time to time.

9. **We may not get the benefits of being Aditya Birla Group Company in case of any change of control.**

In case of any change of control due to any event such as transfer of shares by our Promoter, preferential allotment to any investor, our ability to leverage the "Aditya Birla" brand may get affected and the benefits of being an Aditya Birla Group company including leveraging of business from other Aditya Birla Group companies may not be available to us and consequently, could adversely impact our business operations and profitability.

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

Like other financial intermediaries, we are also exposed to various operational risks which include the risk of fraud or misconduct by our employees or even an outsider, unauthorized transactions by employees or third parties, misreporting and non-compliance of various statutory and legal requirements and operational errors.

It may not be always possible to deter employees from the misconduct or the precautions we take to detect and prevent these activities may not be effective in all cases. Any such instances of employee misconduct or fraud, the improper use or disclosure of confidential information, could result in regulatory and legal proceedings and may harm our reputation and also our operations.

11. We may not be able to attract or retain talented professionals required for our business.

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

12. The Company faces increasing competition from established banks and NBFCs. The successful implementation of our growth plans depends on our ability to face the competition.

The Company's main competitors are established commercial banks and NBFCs. Over the past few years, the financing area has seen the entry of banks, both nationalized as well as foreign. Banks have access to low cost funds which enables them to enjoy higher margins and / or offer finance at lower rates. NBFCs do not have access to large quantities of low-cost deposits, a factor which can render them less competitive. The Company also faces increased competition from new NBFC's foraying into this space and some of which have been quite aggressive in their pricing to garner market share.

13. We may have a high concentration of loans to certain customers or group of customers. If a substantial portion of these loans becomes non-performing, our business and financial performance could be affected.

Our business of lending with or without securities exposes us to the risk of third parties that owe us money. Our loan portfolio and non-performing asset portfolio has, or may in the future, have a high concentration in certain customers or groups of customers. These parties may default on their obligations to us due to bankruptcy, lack of liquidity, operational failure, and breach of contract, government or other regulatory intervention and other reasons including inability to adapt to changes in the macro business environment. Historically, borrowers or borrower groups have been adversely affected by economic conditions in varying degrees. Credit losses due to financial difficulties of these borrowers / borrower groups in the future could adversely affect our business and our financial performance.

Risks Relating to the Utilization of Issue Proceeds

14. Our management will have significant flexibility in applying proceeds of the Issue.

The funds raised through this Issue, after meeting the expenditures of and related to the Issue, will be used for our various activities, including but not restricted to, lending and investments, to repay our existing loans, our business operations including capital expenditure and working capital requirements.

The Main Objects clause of the Memorandum of Association of the Company permits the Company to undertake the activities for which the funds are being raised through the present Issue and also the activities which the Company has been carrying on till date.

The management of the Company, in accordance with the policies formulated by it from time to time, will have flexibility in deploying the proceeds received from the issue.

Pending utilization of the proceeds out of the Issue for the purposes described above, the Company intends to temporarily invest funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in investment grade interest bearing securities as may be approved by the Board.

Further as per the provisions of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, we are not required to appoint a monitoring agency and therefore no monitoring agency has been appointed for this Issue.

Risks Relating to the Debentures

15. Changes in general interest rates in the economy may affect the price of our Debentures.

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

16. We are not required to maintain any Debenture Redemption Reserve (DRR) for the Debentures issued under this Disclosure Document.

No Debenture Redemption Reserve is being created for the issue of NCDs in pursuance of this Document since creation of Debenture Redemption Reserve is not required for the proposed issue of Debentures. In accordance with Rule the (18) (7)(b)(iv)(A) of Companies (Share Capital and Debentures) Rules 2014 the Company is not required to create DRR for privately placed debentures.

17. Any downgrading in credit rating of our Debentures may affect the value of Debentures and thus our ability to raise further debts.

The Company has obtained credit rating from the following agencies, of which the proposed issue forms a part:

India Ratings & Research has assigned a rating of “IND AAA Stable” (for an amount of Rs. 15,906.60 crore) and ICRA Limited has assigned a rating (for the amount of Rs. 26,540.80 crore) of “[ICRA] AAA (Stable)”.

The Issuer cannot guarantee that the rating will not be downgraded. Such a downgrade in the above credit ratings may lower the value of the NCDs and may also affect the Issuer's ability to raise further debt.

B. EXTERNAL RISK FACTORS

18. We are subject to regulatory and legal risk which may adversely affect our business.

The operations of an NBFC are subject to directions/ regulations framed by the RBI and other authorities including regulations relating to foreign investment in India.

We are also subject to changes in Indian laws, regulations, and accounting principles.

There can be no assurance that the laws governing the Indian financial services sector will not change in the future or that such changes or the interpretation or enforcement of existing and future laws and rules by governmental and regulatory authorities will not affect our business and future financial performance.

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

Macroeconomic factors that affect the Indian economy and the global economic scenario have an impact on our business. The Indian economy has grown about, 6.1% in FY19, 4% in FY20, (-)6.6% in FY 21 and 8.9% in FY 22. Recent trends suggest that the economy may grow at a flat pace which may have a direct impact on our disbursements and a slowdown in the economy as a whole can increase the level of defaults thereby adversely impacting the Company's growth plans and the quality of its portfolio.

A sustained slowdown in the Indian economy could adversely affect its business, including its ability to grow its asset portfolio, the quality of its assets, and its ability to implement its strategy. India's economy could be adversely affected by a general rise in interest rates, or various other factors affecting the growth of industrial, manufacturing and services sector or general down trend in the economy.

20. Civil unrest, terrorist attacks and war could affect our business.

Terrorist attacks and other acts of violence, war, or conflicts, particularly those involving India, as well as the United States of America, the United Kingdom, Singapore, and the European Union, may adversely affect Indian and global financial markets. Such acts may negatively impact business sentiment, which could adversely affect our business and profitability. India has from time to time experienced, and continues to experience, social and civil unrest, terrorist attacks and hostilities with neighboring countries. Also, some of India's neighboring countries have experienced, or are currently experiencing internal unrest. This, in turn, could have a material adverse effect on the market for securities including the Debentures. The consequences of any armed conflicts are unpredictable, and we may not be able to foresee events that could have an adverse effect on our business and the price and yield of our NCDs.

21. Our business may be adversely impacted by natural calamities or unfavorable climatic changes.

India, Nepal, Bangladesh, Pakistan, Indonesia, and other Asian countries have experienced natural calamities such as earthquakes, floods, droughts, and a tsunami in recent years. Some of these countries have also experienced pandemics, including the outbreak of avian flu / swine flu. The extent and severity of these natural disasters and pandemics determines their impact on these economies and in turn affects the financial services sector of which our Company is a part. Prolonged spells of abnormal rainfall and other natural calamities could have an adverse impact on the economies in which we have operations, which could adversely affect our business and the price of our Debentures.

22. Any downgrading of India's sovereign rating by an international rating agency (ies) may affect our business and our liquidity to a great extent.

Any adverse revision to India's credit rating for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our financial performance and our ability to obtain financing to fund our growth on favorable terms, or at all.

NOTES TO THE RISK FACTORS

Save, as stated elsewhere in this Disclosure Document, since the date of the audited financial accounts, no developments have taken place that are likely to materially and adversely affect the performance or prospects of the Company.

SECTION III

DISCLOSURES AS PER SCHEDULE II OF SEBI (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021 AS AMENDED

A. Issuer Information

a) Name and address of the following

Details of Compliance Officer

| | |
|---|--|
| Registered Office | Aditya Birla Finance Limited Indian Rayon Compound, Veraval, Gujarat 362 266 |
| Corporate Office | Aditya Birla Finance Limited One World Center, Tower 1C 18 th Floor, Jupiter Mill Compound 841, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013, Tel: 022 43567100 Fax: 022 43567266 Website: www.adityabirlafinance.com |
| Company Secretary & Compliance Officer | Mr. Ankur Shah R-Tech Park, 10th Floor, Nirlon Complex, Off Western Express Highway, Goregaon East, Mumbai 400 063 Tel: 022- 62257615/ 62257600 (B), Fax: 022-43567266 Email Id: ankur.shah@adityabirlacapital.com Mr. Ankur Shah will also act as <i>Investor Relationship Manager and for the Grievance Redressal if any</i> . ABFL endeavors to resolve the investors' grievances within 30 days of its receipt. All grievances related to the issue quoting the Application Number (including prefix), number of bonds / debentures applied for, amount paid on application and Bank and Branch/ABFL Collection Centre where the Application was submitted, may be addressed to the Mr. Ankur Shah. |
| Details of CFO | Mr. Pradeep Agrawal Address: One World Center, Tower 1C, 18th Floor, Jupiter Mill Compound, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013 Tel: 022 43567000 (B) Fax: 022 43567266 Email Id: pradeep.agrawal@adityabirlacapital.com |
| Legal Counsel | None for this issue |
| Guarantor | None for this issue |
| Arrangers | None/If any arranger is added to the issue it will be mapped on the EBP |
| Auditors of the Company | Deloitte Haskins & Sells LLP Deloitte Haskins & Sells LLP One International Centre, Tower 3, 27th-32nd Floor, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013 Tel: 022 6185 4000 Fax: 022 6185 4001  M/s Singhi & Co. B2 402B, Marathon Innova, Off Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013 Tel: 022 6662 5537/38 |

b) A brief summary of the business/ activities of the Issuer and its line of business containing at least following information

Brief History

Aditya Birla Finance Limited (ABFL) previously known as Birla Global Finance Company Limited (BGFCL) is registered with the RBI as a Systemically Important Non-Deposit Accepting Non- Banking Finance Company (NBFC), is one of India's most reputed NBFC. Headquartered in Mumbai, the financial services business has a wide network through its branches and associates across the country. The Company was incorporated on August 28, 1991, with the Registrar of Companies, Maharashtra, Bombay (Registration Number 11-63111). The Company Law Board vide its order 67/17/CLB/MB/2011/1218 dated March 17, 2011, had shifted its Registered Office from the state of Maharashtra to the state of Gujarat. The Registrar of Companies, Gujarat, Dadra and Nagar Haveli had vide its certificate dated March 30, 2011, issued a new Registration Number U65990GJ1991PLC064603. The Registered Office of the Company is situated at Indian Rayon Compound, Veraval, Gujarat – 362 266. The company is certified as ISO 9001:2008 across all its core functional processes in March 2013 by BSI, a leading global independent business services organization. Through its lending and financing solutions, the Company enables its customers to pursue ambitious growth strategies and execute value-creating transactions.

Industry Overview

Non-Banking Financial Companies (NBFCs) act as a critical link in the overall financial system catering to a large market of niche customers. They are one of the major purveyors of credit in India. NBFCs have displayed flexibility in meeting credit needs of specific sectors like leasing, hire purchase, hire purchase finance, consumer finance etc.

NBFCs in India offer a wide variety of financial services and play an important role in providing credit to the unorganized sector and small borrowers at the local level. As a result of consolidation and restructuring in the financial sector and liberalisation and globalisation of markets only a few strong NBFCs now remain in business. However, competition has become intense due to the entry of the Indian and foreign banks into the retail lending business in a big way, thereby exerting pressure on margins. As compared to banks, NBFCs have the ability to take quicker decisions and customize their services in accordance with the needs of the customer. Thus, NBFCs can sustain in this competitive environment only through optimization of funding costs, identification of potential areas, widening geographical reach, and use of technology, cost efficiencies, strict credit monitoring and raising the level of customer service.

Issuer Business Summary

Aditya Birla Finance Ltd., a part of the Aditya Birla Group, is one of India's leading non-banking financial companies (NBFC) having diversified interests in the financial services sector. Incorporated in 1991, the company is one of the largest players in security-based lending.

ABFL offers end-to-end lending, financing, and wealth management solutions to retail, HNI, ultra HNI, micro SME, SME and corporate customers as indicated in the table below. The portfolio is well diversified across various sectors and products.

| Retail / HNI / Business Owner / Micro Enterprises | Ultra HNI | SME | Mid Corporates | Large Corporates |
|---|-------------------------------|------------------------------------|------------------------------------|--------------------------|
| Loan Against Property (LAP) | Loan Against Property (LAP) | Term Loan | Term Loan | Term Loan |
| Unsecured Personal Loans | Promoter Funding | Working Capital Demand Loan (WCDL) | Working Capital Demand Loan (WCDL) | Structured Finance |
| Unsecured Business Loans | Loan against Securities (LAS) | Loan against Property (LAP) | Structured Finance | Project Finance |
| Small ticket Secured & Unsecured Loans | IPO Financing | Lease Rental Discounting (LRD) | Construction Finance | Debt syndication |
| Unsecured Loan for Travel, Health and Education | Debt Syndication | Vendor Financing | Debt Syndication | Debt Capital Market Desk |
| Buy Now Pay Later | Wealth Business | Channel Financing | Debt Capital Market (DCM) Desk | Treasury Services |
| Checkout EMI | | Broker Funding | Treasury Services | Wealth Business |
| Wealth Business | | Wealth Business | Wealth Business | |

Subsidiaries

The Company does not have any subsidiary as on **September 30, 2022**

Details of branches of the Company as on **September 30, 2022**

| Sr. No. | Branch name | Branch Address | City |
|---------|--|--|------------|
| 1 | Agra | Unit No.710-A, 7th Floor, Corporate Park, B 109, Sanjay Place, Agra, Uttar Pradesh 282005 | Agra |
| 2 | Ahmedabad - Ratnaakar Nine Square Branch | Unit No 301, 302, 303, 3rd Floor, Ratnaakar Nine Square, Opp. Keshav Baug Party Plot, Vastrapur, Ahmedabad - 380015 | Ahmedabad |
| 3 | Ahmedabad-Samundra Annexe Branch | 802, Samudra Annexe, Off C G Road, Near Hotel Classic Gold, Navrangpura, Ahmedabad - 380 009. | Ahmedabad |
| 4 | Ahmednagar Branch | 1st Floor, Amardeep Complex, Sarjepura, Laltaki Road, Ahmednagar, Maharashtra – 414001 | Ahmednagar |
| 5 | Ajmer | 2nd floor, M Square, Plot No- 15,Ashok Vihar, Vaishali Nagar, Ajmer – 305001 | Ajmer |
| 6 | Akola | Office No 108,109, 110 & 111, Landmark Building, First Floor, Old IT Sqaure, Gaurakshan Road, Akola, Maharashtra - 444001 | Akola |
| 7 | Aligarh | 1st Floor, Centre Point Market, Samad Road, Aligarh, UP-202002 | Aligarh |
| 8 | Allahabad | 3rd Floor, Adarsh Square, Sardar Patel Marg, Civil Lines, Allahabad, Uttar Pradesh – 211001 | Allahabad |
| 9 | Alwar | 2nd Floor, Ahana Tower, Near Jai Complex, Alwar, Rajasthan – 301801 | Alwar |
| 10 | Ambala | 1st & 2nd Floor, RR Complex, Above IDFC First Bank, Geeta Gopal Chauraha, Jagdhari Road, Ambala Cant., Haryana – 133001 | Ambala |
| 11 | Amravati | 2nd Floor, Malviya Estate, Malviya Square, Near Old Cotton Market, Amravati - 444601, Maharashtra | Amravati |
| 12 | Amritsar | 3rd Floor, SCO-91, District shopping Centre, Ranjit Avenue, Amritsar - 143001, Punjab | Amritsar |
| 13 | Anakapalle | 2nd Floor, S R M Nivas, Opp. N.T.R. Market Yard, Ring Road, Anakapalle, Visakhapatnam Dist. Andhra Pradesh – 531001 | Anakapalle |
| 14 | Anand | "Royal Citadel", 2nd Floor, Anand VV Nagar Road, Anand – 388120 | Anand |
| 15 | Anantapur | 3rd floor, Vidyadhari Estates, No.14/110, Subhash Road, Anantapur, Andhra Pradesh – 515001 | Anantapur |
| 16 | Ankleshwar | Unit No 10 & 11, 2nd Floor, Roshani Plaza, Old NH-8, GIDC, Ankleshwar - 393002, Gujarat | Ankleshwar |
| 17 | Asansol | Shree Vishal Plaza, 285, G. T. Road, 2nd Floor, Asansol, West Bengal – 713301 | Asansol |
| 18 | Attur | 1st Floor, KRM Complex, Salem Kadalur Main Road Narasingapuram, Attur, Tamil Nadu – 636108 | Attur |
| 19 | Aurangabad | 2nd floor, "A", Malpani 's Oberoi Tower, Jalna Road, Aurangabad – 431001 | Aurangabad |
| 20 | Balangir | 1st Floor, Hariomm Plaza, In front of LIC Office, Chandrasekhar Nagar, Balangir, Orissa – 767002 | Balangir |
| 21 | Balasore | 4th Floor, Asis Plaza, OT Road, Balasore, Orissa – 756001 | Balasore |
| 22 | Bangalore | Star Avenue, Situated at No. 01 (78), 6th Cross Victoria Layout, Victoria Road, Bangalore – 560025 | Bangalore |
| 23 | Bareilly | 3rd Floor, 156, Civil Lines, Nr SBI Main Branch, Station Road, Bareilly, UP – 243001 | Bareilly |
| 24 | Baroda | Unit No. 201 & Part of Unit No. 202, 2nd Floor, A1 Smeet, Sarabhai Campus, Nr. Ganda Circle, Gorwa Road, Vadodara, Gujarat – 390 023 | Baroda |

| | | | |
|----|---|---|--------------|
| 25 | Begusarai-Kachhari Road | Hans plaza, 1st floor, G D College Road, Mirganj, Begusarai, Bihar – 851101 | Begusarai |
| 26 | Behrampore | 2nd Floor, Padma Plaza, Convent School Road, Berhampur, Orissa – 760002 | Behrampore |
| 27 | Bellary Branch | 3rd Floor, Jayadurgha Mansion, Opp. LV Nursing Home, Bellary, Karnataka – 583101 | Bellary |
| 28 | Belgaum | CTS # 14, 2nd floor, Shri Krishna Towers, RPD Cross, Khanapur Road, Tilakwadi, Belgaum – 590 006 | Belgaum |
| 29 | Bhadrak | 2nd Floor, Akshaya Complex, At Naripur, PO-Bhadrakh, Orissa – 756100 | Bhadrak |
| 30 | Bhagalpur - Netaji Subash Chandra Bose Marg | 2nd Floor, P R Tower, RPSS Sahay Road, Bhikhanpur, Kachari Road, Bhagalpur, Bihar – 812001 | Bhagalpur |
| 31 | Bhatinda | First Floor, MCB Z3/03228, Opp. Small Capital Finance Bank, Near Tinkoni Chowk, G.T. Road, Bhatinda, Punjab - 151001 | Bhatinda |
| 32 | Bhavnagar | 1st Floor, Plot No. 2110/B, Sumeru Elite, Opp. Custom Office, Parimal Chowk, Off. Waghawadi Road, Bhavnagar, Gujarat – 364001 | Bhavnagar |
| 33 | Bhilai | 3rd Floor, Shivnath Complex, Chauhan Estate, Near Maurya Talkies, G.E. Road, Bhilai, Chhattisgarh – 490023 | Bhilai |
| 34 | Bhilwara | 203-204, 2nd Floor, Govindam, Old RTO Road, Bhilwara - 311001 | Bhilwara |
| 35 | Bhiwani | 1st Floor, MK Plaza, Hansi Road, Bhiwani, Haryana - 127021 | Bhiwani |
| 36 | Bhopal | Unit No. 302, 2nd Floor, Kay Kay Business Center, Plot No 133, M P Nagar, Zone 1, Bhopal 462011 | Bhopal |
| 37 | Bhubaneswar - Lewis Road | 3rd Floor, Gitanjali Complex, Lewis Road, Bhubaneswar, Pin – 751002 | Bhubaneswar |
| 38 | Bhubaneswar - Chandrasekarpur Branch | 1st Floor, 133/A, District Centre, Chandrasekarpur, Bhubaneswar – 751016 | Bhubaneswar |
| 39 | Bhuj | Shop # 1, Ground Floor, Pooja Complex, Railway Station Road, Bhuj – 370001 | Bhuj |
| 40 | Bihar Sharif | 2nd Floor, Kamla Complex, Ranchi Road, Biharsharif, Nalanda, Bihar – 803101 | Bihar Sharif |
| 41 | Bikaner - Parshavnath Plaza | 3rd Floor, Parshavnath Plaza, Rani Bazaar, Bikaner, Rajasthan – 334001 | Bikaner |
| 42 | Bilaspur | A3, 1st Floor, Vyapar Vihar Road, Ward No 9, Village Talapara, Bilaspur, Chhattisgarh, 495001 | Bilaspur |
| 43 | Calicut Branch | 2nd Floor, Noble Tower, Mavoor Road, Opp. New Sagar Hotel, Calicut - Kerala, 673004 | Calicut |
| 44 | Chandigarh - Sector 8C Branch | SCO 145-146, Sector 8-C, Madhyamarg, Chandigarh – 160017 | Chandigarh |
| 45 | Chandigarh - Sector 9D | 1st Floor, SCO-42-43, Sector 9D, Chandigarh- 160009 | Chandigarh |
| 46 | Chennai - Guindy Branch | M-7, Thiru-Vi-Ka Industrial Estate, Guindy Industrial Estate, SIDCO Industrial Estate, Guindy, Chennai – 600032 | Chennai |
| 47 | Chennai | Unit No 10 & 12, 4th and 6th Floor, Oval, Venkat Narayan Road, T Nagar, Chennai, Tamil Nadu – 600017 | Chennai |
| 48 | Chhindwara | 1st Floor, Shantinath Complex, Near Sony Showroom, 25 Vivekanand Ward, Nagpur Road, Chhindwara, M.P. - 480001 | Chhindwara |
| 49 | Chittorgarh Branch | 1st Floor, Laddha Tower, C-Block, Meera Nagar, Chittorgarh, Rajasthan – 312001 | Chittorgarh |
| 50 | Cochin | 3rd Floor, Chammany Chambers, Kaloore-Kadavanthra Road, Kaloore PO, Cochin - 682017, Kerala | Cochin |
| 51 | Coimbatore | 1st & 2nd Floor, 739, Avanashi Road, Coimbatore, Tamil Nadu – 641018 | Coimbatore |
| 52 | Coimbatore- NSM Palayam | 2nd Floor, R. P. Samy Complex, 11/2C, R.P. Samy and Co., Narasimmanarayan Palayam, Tamil Nadu – 642001 | Coimbatore |

| | | | |
|----|-----------------------------------|---|-------------------|
| 53 | Coimbatore- RS Puram | 36/12, 2nd Floor, Ashirwadh Building, D. B. Road, RS Puram, Coimbatore, Tamil Nadu – 641002 | Coimbatore |
| 54 | Coimbatore- Sundarapuram | 2nd Floor, S.M. Square, Pollachi Main Road, Sundarapuram, Coimbatore, Tamil Nadu – 641023 | Coimbatore |
| 55 | Coimbatore- Saravanampatty Branch | 2nd, Floor 171/3, Pronenade Tower, Sathy Road (West), Saravanmpatti, Coimbatore – 641049 | Coimbatore |
| 56 | Cuttack | Gopal Bhawan, Infront of BSNL Office, Cantonment Road, Buxi Bazar, Cuttack – 753001 | Cuttack |
| 57 | Cuttack | 3rd Floor, S. B. Mansion, Link Road, Infront of LIC Guest House, P. O. Arunodaya Market, Cuttack, Orissa – 753012 | Cuttack |
| 58 | Damoh | 1st Floor, Shop no.103&104, Tandon Bagicha, In Front Of Saraswati School, Civil Ward No - 8, Damoh, Madhya Pradesh – 470661 | Damoh |
| 59 | Davanagere | 2nd Floor, VHV Heights, Hadadi Road, Davanagere, Karnataka – 577 002 | Davanagere |
| 60 | Dehradun | Shop No. 3, 4 and 5, 3rd Floor, M J Tower, Plot No. 235/413, Rajpur Road, Dehradun, Uttarakhand – 248001 | Dehradun |
| 61 | Delhi - Eros Tower | Ground floor, Eros Plaza, Eros Corporate Tower, Nehru Place, New Delhi – 110019 | Delhi |
| 62 | Delhi- Nehru Place Branch | 2nd, 3rd and 4th Floor of Ghansham House, Plot No 25, Nehru Place, New Delhi – 110019 | New Delhi |
| 63 | Delhi - Pitampura Branch | Unit Nos. 203, 204, 205, 206, 2nd Floor, PP Tower, Netaji Subhash Place, Pitampura, New Delhi – 110034 | Delhi |
| 64 | Dewas Branch | Ground Floor, Suryavanshi Building, 76, Tilak Nagar, Dewas, Madhya Pradesh – 455001 | Dewas |
| 65 | Dhanbad- Bank More | 1st Floor, Hotel Black Rock Campus, Katesaria Centre, Bank More, Dhanbad, Jharkhand – 826001 | Dhanbad |
| 66 | Dharmapuri | 1st Floor, 103 D Salem Main Road, Dharmapuri, Tamil Nadu – 636705 | Dharmapuri |
| 67 | Dibrugarh | 2nd Floor, Bagra Real Estate Pvt Ltd, R.K.B. Path, Near Sadar Thana, Dibrugarh, Assam – 786001 | Dibrugarh |
| 68 | Dindigul Branch | Ground Floor, 1, Scheme Road, Dindigul, Tamil Nadu – 624001 | Dindigul |
| 69 | Durgapur | Unit No – 4 / 24 & 4 / 23, 4th Floor, Suhatta, City Centre, Durgapur – 713216 | Durgapur |
| 70 | Eluru | Ground Floor, 22B-13-11, Jaganath Towers, Opp. UCO Bank, Powerpet, Eluru – 534002 | Eluru |
| 71 | Erode | 2nd Flr. Of 409/2, Brough Road, Erode – 638011 | Erode |
| 72 | Gandhidham | 2nd Flr., Plot No 339, Riddhi Siddhi Retail Space LLP, Above West Side, Ward 12A, Near Banking Circle, Gandhidham, Gujarat 370201 | Gandhidham |
| 73 | Gangtok Branch | "Karma Thendup & Karmayenten Building", 2nd floor, M G Marg, Gangtok, East Sikkim – 737101 | Gangtok |
| 74 | Gaya- Lahariya Tala | 1st Floor, Apex Tower, 376 A. P. Colony, Gaya, Bihar - 823001 | Gaya |
| 75 | Gobichettipalayam Branch | 1st Floor, No. 03, Cutchery Street, Gobichettipalayam, Tamil Nadu – 638452 | Gobichettipalayam |
| 76 | Gorakhpur | 3rd Floor, A. D. Tower, Bank Road, Gorakhpur, Uttar Pradesh – 273001 | Gorakhpur |
| 77 | Guntur | 1st Floor, Nandini Plaza 14/1, Arundelpet, Guntur, Andhra Pradesh – 522001 | Guntur |
| 78 | Gurgaon | Unit no 301, 301 A, 308, 309, 310 & 311, 3rd Floor, Platina Tower, M G Road, Gurgaon, Haryana – 122 022 | Gurgaon |
| 79 | Guwahati | 5th Floor, Sureka Square, Lachit Nagar, Near Hanuman Mandir, G.S. Road, Guwahati, Assam- 781007 | Guwahati |
| 80 | Gwalior | 3rd Floor, Orion Tower, City Centre, Gwalior - 474011, Madhya Pradesh | Gwalior |

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| 81 | Haldwani | Hall No. 15, 1st Floor, Above J4U Junction, Durga city centre, Bhotia Parao, Nainital road, Haldwani – 263139 | Haldwani |
| 82 | Haridwar | 2nd Floor of the building bearing Municipal No. 397/323/2, Situated at Avas Vikas Colony, Delhi Road Scheme Haridwar, Pargana-Jawalapur, Haridwar, Uttarakhand – 249407 | Haridwar |
| 83 | Himmatnagar Branch | Shop#1378/5/22, 1st floor, Kumar House, Durga Complex, Himmatnagar, Gujarat – 383001 | Himmatnagar |
| 84 | Hisar Branch | S.C.O. 149/150/151, First Floor, Red Square Market, Hisar, Haryana – 125001 | Hisar |
| 85 | Hospet | 1st Floor, Parwaz Plaza, College Road, Tirumala Nagar, 11 Ward, Hospet, Karnataka – 583201 | Hospet |
| 86 | Hosur | 1st Floor, Opp. Ramakrishna School, Denkanikotta Road, Hosur – 635110 | Hosur |
| 87 | Hoshiarpur Branch | Ground Floor, SCO No. 22, Adj. Punjab and Sind Bank, Chandigarh Road, Hoshiarpur, Punjab – 146001 | Hoshiarpur |
| 88 | Hubli | 1st Floor, "Kalburgi Emerald", Girls High School Road, Deshpande Nagar, Hubli - 580029, Karnataka | Hubli |
| 89 | Hyderabad - Hi Tech City | H. No. 1-98/2/11/3, 1st Floor, Shrishti Towers, Madhapur, Hyderabad, Telangana – 500081 | Hyderabad |
| 90 | Hyderabad - Somajiguda | 2nd & 3rd Floor, Bhupal Towers, 6-3-1090 /A/ T-2 & 6-3-1090 /A/ S Raj Bhavan Road, Hyderabad, Telangana – 500082 | Hyderabad |
| 91 | Idappadi | 1st Floor, Lakshmi Narayanan Complex, 34-B/15-17, Nainampatti, Opposite Government Boys School, Idappadi, Tamil Nadu – 637105 | Idappadi |
| 92 | Indore | Benchmark Business Park, 5th Floor, Block No A-3, Scheme No-54, PU-4, Opposite Satya Sai School, Vijaynagar, Indore-452010 | Indore |
| 93 | Itarsi | 18/1, 1st Floor, Keny Heights, Lane No. 11, Itarsi - 461111 | Itarsi |
| 94 | Jabalpur | 2224/1, 3rd Floor, Regal Towers, Napier Town, Swami Dayanand Saraswati Ward, Jabalpur - 482001, Madhya Pradesh | Jabalpur |
| 95 | Jaipur | 1st, 2nd & 3rd Floor, C-23, Ashok Marg, C-Scheme Jaipur, Rajasthan – 302001 | Jaipur |
| 96 | Jalandhar | Office No 27, 2nd Floor, City Square Bldg, EH-197, Civil Lines, Jalandhar -144001 | Jalandhar |
| 97 | Jalgaon Branch | 2nd Floor, City Centre, Office No. 1, 2, 3, 4, CTS 2125/9, Jalgaon, Maharashtra – 425001 | Jalgaon |
| 98 | Jamnagar | 3rd Flr., Unit No 302, Neo Atlantic, P N Marg, Opp. Ambar Cinema, Jamnagar, 361008 | Jamnagar |
| 99 | Jamshedpur | 1st Floor, House no. 1, S.B. Shop Area, Shantiniketan Building, Main Road, Bistupur, Jamshedpur, Jharkhand – 831001 | Jamshedpur |
| 100 | Jamshedpur-Bistupur Main Road | 2nd Floor, Marwah Mansion, Holding No Nil, Outer Circle Main, Bistupur Main Road, Above Jiva Ayurveda Clinic, Bistupur, Jamshedpur, Jharkhand – 831001 | Jamshedpur |
| 101 | Jhansi | 2nd Floor, City Plaza, Elite Plaza Road, Above Axis Bank, Civil Lines, Jhansi, Uttar Pradesh – 284001 | Jhansi |
| 102 | Jodhpur | Sabu Tower , 3rd floor , #2 Chopasani Road, Opp. Dhanlaxmi bank, jodhpur 342003 | Jodhpur |
| 103 | Jorhat | New Medical Stores Building, 3rd Floor, A. T. Road, Jorhat, Assam – 785001 | Jorhat |
| 104 | Junagadh | Shop No 04, 1st Floor, Seven Seas Building, Nr. Moti Baug, Vanthali Road, Junagadh, Gujarat – 362001 | Junagadh |
| 105 | Kakinada | 1st Floor, L N T House, Nookalamma Temple Street, Suryaraopeta, Kakinada – 533001, Andhra Pradesh | Kakinada |
| 106 | Kalaburagi - Gulbarga | 1-102 A & B, Ground Floor, Kandoor Mall, S.V.P. Circle, Station Main Road, Kalaburagi, Karnataka – 585102 | Kalaburagi |
| 107 | Kalyan | Unit Nos. 201 & 202 situated on the 2nd Floor, of Sai Arcade, Shivaji Chowk Above bank of Maharashtra, Kalyan, 421304 | Kalyan |
| 108 | Kanpur | 1st Flr., JS Tower, 16/106, The Mall, Kanpur (Nagar) District, Uttar Pradesh – 208001 | Kanpur |

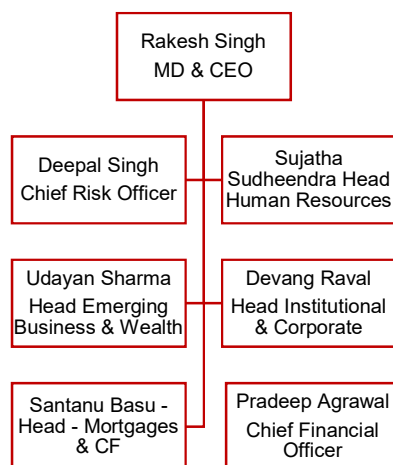
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| 109 | Karimnagar | 3-1-9,10, Y. V. Reddy Centre, CVRN Road, Opposite Verternary Hospital, Karimnagar, Telangana – 505001 | Karimnagar |
| 110 | Karnal | SCO No-224, 1st Flr., Sector - 12, HUDA, Karnal, Haryana – 132001 | Karnal |
| 111 | Karur | 2nd Floor, Padma Tower, 43, Covai Road, Karur, Tamil Nadu – 639002 | Karur |
| 112 | Khargone Branch | GS – 204, 2nd Floor, Radha Vallabh Complex, Khargone, Madhya Pradesh – 451001 | Khargone |
| 113 | Khorda- Uparsahi | 1st Floor, Indian Bank Building, TLC Road, Palahat, Khorda, Orissa – 752056 | Khorda |
| 114 | Kishangarh Branch | 1st Floor, Shree Hari Chambers, Near Link Road, Ajmer Road, Kishangarh, Rajasthan – 305801 | Kishangarh |
| 115 | Kolhapur | PKP Empire, 2nd floor, 889, E Ward, 5th Lane, Shahupuri, Kolhapur – 416001 | Kolhapur |
| 116 | Kolkata - Camac Square | Unit No 402, 4th Floor, 24 Camac Square, Kolkata – 700017 | Kolkata |
| 117 | Kolkata Bangur Estate | 2nd Floor, Bangur BFL Estate, 31 Chowringhee Road, Kolkata, West Bengal – 700016 | Kolkata |
| 118 | Korba | 1st Floor, Corporate Avenue , Plot No 93, Indira Commercial & Residential Complex, Transport Nagar, Korba – 495 677 | Korba |
| 119 | Kota | Plot no 288, 1st Floor, Shopping Centre, Above Bandhan Bank, Kota – Rajasthan – 324007 | Kota |
| 120 | Kurnool | 40/301-10, 1st Floor, M.R.B. Trade Center, Bangarpet, KURNOOL - 518004, Andhra Pradesh | Kurnool |
| 121 | Latur | Office No. B302, Second Floor, Nirmal Heights, Nandi Stop, AUSA Road, Latur, Maharashtra – 413512 | Latur |
| 122 | Lucknow | 3rd Floor, Capital House, 2, Tilak Marg, Lucknow - 226001 | Lucknow |
| 123 | Ludhiana Feroze Gandhi Market | Ground Floor and First Floor, SCO - 130-132, Apra Tower, Feroze Gandhi Market, Ludhiana, Punjab – 141001 | Ludhiana |
| 124 | Madurai | 2nd Floor, 2/3, G. V. Tower, Melakkal main road, near passport office, Madurai, Tamil Nadu – 625016 | Madurai |
| 125 | Mahbubnagar | D.No.7-5-111, 1st floor, Central Bank Upstairs, Near Petrol Bunk, Padmavathi Colony, Mahbubnagar, Telangana - 509001 | Mahbubnagar |
| 126 | Mandi | 2nd Floor, 366/7, Beside BSNL Office, Opp. Indra Market, Mandi, Himachal Pradesh – 175001 | Mandi |
| 127 | Mangalore | 03rd floor, Kayarmanj, M G Road, Mangalore - 575003, Karnataka | Mangalore |
| 128 | Mathura | 1st Floor, Tera Tower, Bhuteshwar Road, Mathura, Uttar Pradesh – 281004 | Mathura |
| 129 | Meerut | 1st floor, Park Plaza, 183/1, Mangal Pandey Nagar, Meerut, Uttar Pradesh – 250004 | Meerut |
| 130 | Mehsana | 2nd Floor, Jaydev Complex, Opp. Pashabhai Petrol Pump, Simandhar Society, State Highway, Mehsana - 384002, Gujarat | Mehsana |
| 131 | Moradabad | U.G.F.II, Parswnath Plaza II, Delhi Road, Moradabad, Uttar Pradesh – 244001 | Moradabad |
| 132 | Mumbai - Andheri | A/801, Business Square, Vishwalaxmi CHSL Wing A, Madhavdas Amarshi Road, Andheri (W), Mumbai – 400058 | Mumbai |
| 133 | Mumbai - Borivali | 7th Floor, Kundan House, Dattapada Road, Borivali East, Mumbai – 400066 | Mumbai |
| 134 | Mumbai - Corporate Office | One World Center, Tower 1, 18th Floor, Jupiter Mill Compound, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013 | Mumbai |
| 135 | Mumbai – Goregaon | 10th Floor, R-TECH PARK, Nirlon Complex, Off Western Express Highway, Goregaon (E) Mumbai- 400063 | Mumbai |
| 136 | Muzaffarpur - Maripur Main Road | 1st Floor, Urmila Complex, Near Mithanpura Chowk, Club Road, Muzaffarpur, Bihar – 842002 | Muzaffarpur |
| 137 | Mysore | #7, 2nd Floor, Kamakshi Hospital, Double Road, Saraswathipuram, Mysore – 570023 | Mysore |

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| 138 | Nagda | Shri Nathulal Complex, 2nd Floor, Plot No. 50, Jawahar Marg, Nagda - 456335, Madhya Pradesh | Nagda |
| 139 | Nagpur | C/o Aditya Birla Housing Finance Limited. 701-A, Shriram Shyam Tower, Wing – A, Sadar, Kingsway, Nr NIT Building, Nagpur – 440001 | Nagpur |
| 140 | Nammakal | 1st Floor, Varadharaja Arcade, 75, Trichy Main Road, Namakkal (PO), Tamil Nadu – 637001 | Nammakal |
| 141 | Nasik | Shree Ganesh Plaza, 1st Floor, Chandak Circle, Nasik – 422002 | Nasik |
| 142 | Navsari | Office No. 104, 1st Floor, Swiss Cottage, Asha Nagar, Navsari, Gujarat – 396445 | Navsari |
| 143 | Nawashahr | 2nd floor, Corporate Tower, Banga Road, Nawashehar, Punjab – 144514 | Nawashahr |
| 144 | Nellore | Door # 16-1-7, 2nd Floor, "Neelima Towers", R R Street, A C Statue, Nellore – 524001 | Nellore |
| 145 | New Delhi – Janakpuri | 1st Floor of B-26/27, Community Centre, Janakpuri, Delhi-110058 | New Delhi - Janakpuri |
| 146 | New Delhi - Rajendra Place | 301 & 302, 3rd Floor, Aggarwal Corporate Towers, Plot No. - 23, Rajendra Place, New Delhi – 110008 | New Delhi - Rajendra Place |
| 147 | New Delhi- Vijaya Building | N-17, 1st & 15th floor, Vijaya Building, Barakhamba Road, New Delhi-110001 | New Delhi |
| 148 | Neyveli | No. 09, A. L. R. Priyanka Complex, Paunammbal Nagar, Kumbakkonam Main Road, Neyveli, Tamil Nadu - 607308 | Neyveli |
| 149 | Nizamabad | 1st Floor, H NO.5-6-569/1, Pragati Nagar, Yellamma Gutta, Nizamabad Telangana 503001 | Nizamabad |
| 150 | Noida | D-17, Sector 3, Noida – 201301 | Noida |
| 151 | Omalur | 1st Floor, G. S. Complex, 1/394, Dharmapuri Main Road, Omalur, Tamil Nadu – 636455 | Omalur |
| 152 | Ongole | 1st Floor, ARN Complex, 37-1-169, Kurnool road, Ongole, Prakasam district, Andhra Pradesh – 523002 | Ongole |
| 153 | Palacole | 1st Floor, Kanuri Shopping Complex, Main Road, Palacole - 534 260, West Godavari Dist., Andhra Pradesh | Palacole |
| 154 | Pali | 2nd Floor, Jai Plaza, V. D. Nagar, Pali, Rajasthan - 306401 | Pali |
| 155 | Panaji | Flat No.101 & 102, 1st Floor, Milroc Lar Menezes, Swami Vivekanand Road, Opp.Old Passport Office, Panjim, Goa – 403001 | Panaji |
| 156 | Panipat | 01st Floor, Khasra No. 3735/1, Khewat No. 577, GT Road, Near Goahan Chowk, Panipat, Haryana – 132301 | Panipat |
| 157 | Panruti | 1st Floor, Shri Dhanajeyan Industries, 31/4A, Cuddalore Road, Panruti, Cuddalore District, Tamil Nadu – 607106 | Panruti |
| 158 | Panvel | 2nd Floor, Office No.- 202, 203, 204, 205, 206 & 215, Munoth Empress, F. P. 189, Opposite Panvel Bus Depot, Behind Dr. Babasaheb Ambedkar Statue, Panvel, New Mumbai – 410206 | Panvel |
| 159 | Patiala | 1st Floor, J&K Bank Building, Opp. Income tax office, Patiala-147001 (Punjab) | Patiala |
| 160 | Pathankot | 1st Floor, Above SBI, Sali Road, Pathankot, Punjab - 145001 | Pathankot |
| 161 | Patna | First Floor, Twin – Tower Hatwha, South Gandhi Maidan, Patna – 800001 | Patna |
| 162 | Patna – Kankarbagh | 2nd Floor, Bombay Deying Building, Kankarbagh Colony, More Near Hotel Srijan Four, Patna, Bihar – 800020 | Patna |
| 163 | Pollachi | 2nd Floor, 33, Coimbatore Road, Opp. Fire Service, Pollachi, Tamil Nadu – 642001 | Pollachi |
| 164 | Puducherry | 1st Floor, No 66, JSV Building, 100 Feet Road, Ellapillaichavady, Puducherry – 605005 | Puducherry |
| 165 | Pune | Lohia Jain Arcade, St. No 106, Near Chaturshrungi Temple, S B Road, Pune – 411004 | Pune |

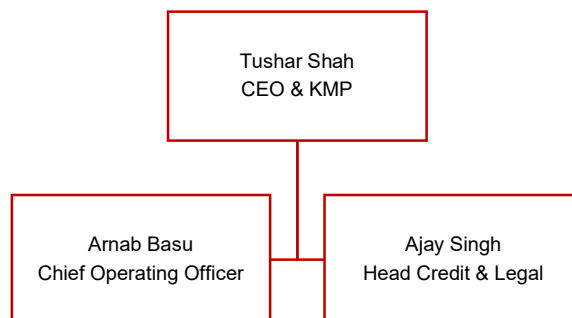
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| 166 | Puri- Vip Road | 2nd Floor, Infront of Bus Stand, Above Union Bank of India, Near Gundicha Temple, Grand Road, Puri, Dist- Puri, Orissa - 752002 | Puri |
| 167 | Raichur | 1st Floor, MPL No. 12-11-52 (Old), 12-11-88 (New), Santoshi Novatel Mall, Arab Mohalla Circle, Goushala Road, Raichur, Karnataka – 584101 | Raichur |
| 168 | Raigarh | 1st Floor, Rahul Complex, Jindal Road, Jagatpur, Raigarh, Chattisgarh - 496001 | Raigarh |
| 169 | Raipur | 4th Flr., Skypark, Adjacent to E Road, Ravi Nagar, Opp Rani Sati Mandir, Raipur -, Raipur, Chhattisgarh India 492001 | Raipur |
| 170 | Rajahmundry | #46-17-12, 1st Floor, Kilari Enclave, Danavaipet, Rajahmundry - 533103, Andhra Pradesh | Rajahmundry |
| 171 | Rajkot | 2nd Floor, B-205, 206, Imperial Heights, 150 Ring Road Rajkot 360001 | Rajkot |
| 172 | Rajnandgaon | 1st Floor, Gyan Commercial Complex, Kaurinbhata Road, Besides Digvijay Stadium, Rajnandgaon, Chhattisgarh - 491441 | Rajnandgaon |
| 173 | Ramagundum | Survey No. 264, H NO 5-6-102/103, 2nd Floor, FCI X Roads, NTPC, Jyothinagar, Ramagundam, Karimnagar, Telangana-505215 | Ramagundum |
| 174 | Ranchi | 3rd Floor, Saluja Tower, Peepee Compound, Ranchi, Jharkhand – 834001 | Ranchi |
| 175 | Rasipuram | 2nd Floor, Sathyanarayanan Vanaja Building, No. 32 CP Kanniah Street, Old Bus Stand, Rasipuram, Tamil Nadu – 637408 | Rasipuram |
| 176 | Ratlam | 1st Flr., My Dear, 22, Rajendra Prasad Marg, Ratlam - 457001, Madhya Pradesh | Ratlam |
| 177 | Ratnagiri | Shop No. 101 to 105, First Floor, Siddhivinayak City Centre, Siddhivinayak Nagar, Shivajinagar, Ratnagiri – 415612 | Ratnagiri |
| 178 | Renukoot | 14 & 15, Birla Market, Renukoot, Sonebhadra, Uttar Pradesh – 231217 | Renukoot |
| 179 | Rewari | 2nd Floor, SCO No.34, Brass Market, Urban Estate, Rewari - 123401, Haryana | Rewari |
| 180 | Rohtak | 2nd Floor, Unit no. 2 , Plot No. 120-121, Bank Square, Delhi Road, Opp. Manya Tourism, Rohtak – 124 001 | Rohtak |
| 181 | Roorkee | 1st Floor, Plot No. 173, BSM Chowk, NH73, Roorkee, Uttarakhand – 247667 | Roorkee |
| 182 | Sagar | Ground Floor, Near Muthooth Finance, Katra Ward (Anyamarg), Gujarati Bazar, Station Road, Sagar, Madhya Pradesh - 470 002 | Sagar |
| 183 | Saharanpur | 2A/2390, 1st Floor, Mohalla Ram Nagar, Pathanpura, Near - Clock Tower, Dehradun Road, Saharanpur, Uttar Pradesh – 247001 | Saharanpur |
| 184 | Salem | Shop Nos 123 to 130, Ground Floor, Kandaswara Mall, Block-B, Saradha College Road, Fairlands, Salem, Tamil Nadu – 636016 | Salem |
| 185 | Sambalpur – Budharaja | 2nd Floor, Harichitra Tower, Plot No. – 1792/3923, Holding No. – 568, Unit No. – 5, Near Air Colony, VSS Marg, Sambalpur, Orissa – 768001 | Sambalpur |
| 186 | Sangli | Office No.1, First floor, Signature building, behind Domino's Pizza, Sangli-Miraj Road, Sangli – 416416 | Sangli |
| 187 | Satna | "VIDHYA TOWER " 2nd Floor, Bharhut Nagar, Satna, Madhya Pradesh – 485001 | Satna |
| 188 | Satara | Unit No.4, 1st Floor, Adarsh Corner, Plot No. 12/Plot No. 3, Village Karanje, Radhika Road, Satara – 415002 | Satara |
| 189 | Secunderabad | 3rd and 4th Floor, Mayfair Complex, Opp. Hockey Stadium, S. P. Road, Secunderabad, District Hyderabad, Telangana – 500003 | Secunderabad |
| 190 | Shimla | Sood Complex, Opp. Mela Ram Petrol Pump, Tara Hall, Circular Road, Shimla – 171003 | Shimla |
| 191 | Shimoga | 1st Floor, Sree Karthik Plaza Durgigudi Main Road, Opp to Lakshmi Galaxy, Shimoga, Karnataka – 577201 | Shimoga |
| 192 | Siliguri | 1st Floor, Saturn's, Sevoke Road, PO & PS - Siliguri, District - Darjeeling, West Bengal – 734001 | Siliguri |
| 193 | Sirsa | Ground Floor, Property Id. SRS/B16/1095, Adjoining BPCI Petrolpump, Dabwali Road, Sirsa, Haryana - 125055 | Sirsa |

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| 194 | Sisupalgarh | Plot No. - 348/2308, Indira Housing Board Colony, Lingipur, Sisupalgarh Chhak, Bhubaneshwar, Orissa – 751002 | Sisupalgarh |
| 195 | Solapur | Office No. 83/D/1, CTS No. 8336/D/1, First Floor, H. R. Heights, Solapur Railway Lines, Solapur, Maharashtra - 413001 | Solapur |
| 196 | Sonipat | Plot No 3, 1st Floor, Karur Vyasa Bank, Teacher Colony, Atlas Road, Sonipat , Haryana, 132103 | Sonipat |
| 197 | Sundargarh | 2nd Floor, Amba Tower, Hospital Road, Sundargarh, Orissa – 770001 | Sundargarh |
| 198 | Surat | C/o. BSLI 1st Floor, Rock Ford Business Centre, Undhana Darwaja, Ring Road, Surat-395002 | Surat |
| 199 | Surat Milestone | Milestone Fiesta, Off No. 203 to 211 (3rd Floor, Near TGB Circle, L P Sawani Road, Surat - 395009, Gujarat | Surat Milestone |
| 200 | Mumbai- G Corp Branch | 5th floor, G-Corp. Tech Park, Next to Kasarvadavli Police Station, Near Hypercity Mall, Ghodbundar Road. Thane West. Thane - 400 601. | Thane |
| 201 | Tinsukia | H.No.2304, 1st floor, L.N.Jalan Complex, Kumhar Patty G NB Road, Tinsukia Assam 786125 | Tinsukia |
| 202 | Tiruchengode | 2nd Floor, Rathna Tower, No. – 510/5, Katcheri Street, Valaraigate, Velur Road, Tiruchengode, Namakkal, Tamil Nadu – 637211 | Tiruchengode |
| 203 | Tiruchirappalli- Thillai Nagar- Branch | 2nd Floor PLA Towers, C-56, 4th Cross Rd W, Thillai Nagar, Tiruchirappalli, Tamil Nadu – 620018 | Tiruchirappalli |
| 204 | Tirupati | 1st Floor, 18-2-263/C4, CMR Complex-1, Ashok Nagar, Tirumala Bye Pass Road, Tirupati-517501, Andhra Pradesh | Tirupati |
| 205 | Tiruppur | Ground Floor, 514, Easwaran Arcade, Palladam Road, Tiruppur, Tamil Nadu – 641604 | Tiruppur |
| 206 | Trichy | 1st Floor, Muthiah Tower No. 1, Royal Road, Contonment, Trichy, Tamil Nadu – 620001 | Trichy |
| 207 | Trivandrum | TC-29/3961-1, 1st Floor, KJK Wellness Centre, Ganapathy Kovil Road, Bakery Junction, Vazhuthacaud, Trivandrum, Kerala – 695034 | Trivandrum |
| 208 | Tumkur | 1st Floor, Mahalakshmi Central, BH Road, Opposite RTO Office, Ashok Nagar Tumkur, Karnataka – 572103 | Tumkur |
| 209 | Udaipur | 1st Floor, Manohar Heights, 16-C, Bank Street, Madhuban, Udaipur, Rajasthan – 313001 | Udaipur |
| 210 | Ujjain | “Narayan Bhavan”, Ground floor, 14, Bhoj Marg, Opp. Old Collector Bungalow, Freeganj, Ujjain – 456010, Madhya Pradesh | Ujjain |
| 211 | Udipi | 2nd Floor, Priyadarshani Arcade, No.25/A, Udupi Manipal State Highway, Near City Bus Stand, Udupi - 576101 | Udipi |
| 212 | Valsad | 1st Floor, Mahadev Niwas, Opp. Doctor House, Halar Road, Valsad, Gujarat – 396001 | Valsad |
| 213 | Vapi | Shop No 2, 1st Floor, Girnar Khushboo Plaza, GIDC, Vapi, District - Valsad - 396195, Gujarat | Vapi |
| 214 | Varanasi | 4th Floor, Kuber A.C Market, D 58/2, Unit No 20, 18, 17, Rathyatra Crossing, Varanasi - 221010, Uttar Pradesh | Varanasi |
| 215 | Vellore | 1st Floor, Sri Balaji Complex, Plot no:306A, Kadpadi Main road, Near Palar Bridge, Virudhuampet, Vellore-632006, Tamil Nadu | Vellore |
| 216 | Vijayapura - Bijapur | 1st Floor, Sangama Building, SS Front Road, Opp. Siddeshwara Temple, Vijayapura, Karnataka – 586101 | Vijayapura |
| 217 | Vijayawada | 3rd Floor, 40-1-52C, MG Road, Patamatalanka, Vijayawada, Andhra Pradesh – 520010 | Vijayawada |
| 218 | Visakhapatnam | 2nd Flr, Shankar Plaza, Shankar Mathan Road, Dwarka Nagar, Visakhapatnam, 530016 | Visakhapatnam |
| 219 | Warangal | 1-7-1423, 1st Floor SVA Plaza, Near HP Petrol Bunk, Balasamudram, Hanamkonda, Telangana, Andhra Pradesh – 506001 | Warangal |
| 220 | Yamunanagar | 1st Floor, SCO - 181 -182, Huda Market, Sector -17, Jagadhari, Yamuna Nagar, Haryana – 135001 | Yamunanagar |
| 221 | Zirakpur | Unit No.38 A & 39, 1st Floor, CCC Chandigarh City Centre, VIP Road, Block B, Zirakpur, Chandigarh-140603 | Zirakpur |

Senior Management Team



Senior Management Team – Project & Structured Finance



Strengths

We believe that the following are our key strengths:

Experienced management team

We believe that our senior management and our talented and experienced professionals are and would continue to be the principal drivers of our growth and success in all of our businesses. Our senior management team is supported by professionals from varied backgrounds who bring significant expertise in their respective lines of business. We believe that the extensive experience and financial acumen of our management and professionals provide us with a distinct competitive advantage.

Innovative solutions model

Our focus on coverage and ability to provide innovative solutions enables us to establish long-term relationships with corporate and retail clients. Our business model is based on providing services where we employ dedicated relationship and product managers for each key business line. This enables us to create capabilities and expertise for each product and which we believe benefits customers in achieving their desired financial objectives.

Controls, processes and risk management systems

We believe that we have strong internal controls and risk management systems to assess and monitor risks across our various business lines. Our Board of Directors has appointed various committees including Finance Committee, Risk Management Committee and Audit Committee to monitor and manage risk at the standalone business level and at the consolidated company level. Our risk management department operates as an independent department with a dedicated centralized risk management team. All new lines of business and product launches follow a rigorous internal approval process that requires assessing risk, client suitability, understanding regulations and understanding regulatory and internal policy compliance prior to launch. We believe that we have effective procedures for evaluating and managing the market, credit, and other relevant risks.

Access to capital

We are subject to the CRAR prescribed by the RBI. We are currently required to maintain a minimum ratio of 15% as prescribed under the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 (as amended from time to time) based on total capital to risk weighted assets. As a part of our governance policy, we ordinarily maintain capital adequacy higher than the statutorily prescribed CRAR.

CRAR as on:

| | |
|----------------|--------|
| March 31, 2017 | 17.33% |
| March 31, 2018 | 17.90% |
| March 31, 2019 | 17.45% |
| March 31, 2020 | 18.85% |
| March 31, 2021 | 22.77% |
| March 31, 2022 | 21.77% |

With effect from October 1, 2022, ABFL is now classified as an Upper layer company is required to maintain a Common Equity Tier 1 capital of 9% of Risk weighted assets.

The Company has been assigned the following ratings by various rating agencies as detailed below:

| Credit Rating Agency | Instruments | Ratings | Outlook |
|----------------------|--|------------|---------------|
| India Ratings | Non-Convertible Debentures | AAA | Stable |
| | Principal Protected Market Linked Debentures | AAA emr | |
| | Sub-Debt | AAA | |
| | Public issue of NCDs | AAA | |
| | Perpetual Debt | AA+ | |
| | Commercial Paper | A1+ | |
| | Fund based limits from Banks | AAA/A1+ | |
| ICRA | Non-Convertible Debentures | AAA | Stable |
| | Retail NCD Programme | AAA | |
| | Sub-Debt | AAA | |
| | Public issue of NCDs | AAA | |
| | Perpetual Debt | AA+ | |
| | Unsecured NCD | AAA | |
| | Commercial Paper | A1+ | |
| | Fund based limits from Banks | AAA/A1+ | |
| CARE | Sub-Debt | AAA | Stable |

Strategies

Leverage our technology advantage

We plan to continue investing in state of the art technology to significantly enhance our technical capabilities across our products and services offerings. We believe that we have the technological platform and information technology systems in place to support significant growth in customer base and lines of business. We believe that technology will enable us to respond effectively to the needs of our customers and meet competitive challenges.

Attract and retain talented professionals

In financial services people are the most important asset, and it is their reputation, talent, integrity, and dedication which contribute significantly to business success. We believe that the strong, team-based approach that exists within the organization will enable us to attract and retain employees. We have been successful in attracting key professionals from both Indian and foreign financial services organizations and intend to continue to seek out talent to further enhance and grow our business.

Risk Management

The Company recognizes the importance of strong risk management and has taken steps to put in place a risk management system which includes monitoring, reporting, and controlling of risks and relevant mitigation processes. The policies are reviewed on an ongoing basis.

The Company has adopted market risk management measures and policies that quantify market risk and put in place limits to minimize the impact of losses, if any, on earnings and equity capital.

The Risk Management Committee of the Board monitors the Company's risk management policies and procedures and reviews portfolio composition and the performance of the same.

The Company also faces and addresses risks from factors like increased competition, economic slowdown, challenge of retaining manpower, likely decline in asset quality, increase in operating costs, RBI provisioning policies, etc.

Our Employees

The Company lays great emphasis and focus on recruitment and retention of its employees which is the most valuable asset for a service industry like ours. We mainly hire professionals from the financial services industry. Our entry level talent intake program injects young talent from top Business Schools across the country.

We are a 'talent-driven company' with people being our principal investment towards driving strategy, sustainability, and success. With an emphasis on creating a winning culture, we identify and groom people who have the intrinsic desire to succeed. A robust Performance Management System helps in identification of high potential performers and ensuring adequate rewards along with career growth.

We strive to incubate and nurture an environment of equal opportunity, high growth and meritocracy through various systems and processes. A focus on learning ensures adequate training for all employees. We leverage the Birla ecosystem and internal opportunities of learning, development, and mobility. Our internal communication processes and employee engagement initiatives ensure retention and long-term engagement of our talent. We aspire to be an "employer of choice" in the times to come.

Competition

We face competition in all our lines of businesses. Our primary competitors are other NBFCs, public sector banks, private sector banks, co-operative banks, and foreign banks.

In Capital Markets, we face competition from other NBFC's and private sector banks. Their access to lower cost funds enables them to fund certain segments of the market at lower rates.

In Corporate Finance, the large public and private sector banks have traditionally been the market leaders. Their extensive branch network, greater local currency funding capabilities and wider range of products and services enable them to be more competitive and to capture the large as well as emerging corporate segment and expand their business.

In the Project and Structured Finance, our main competition stems from banks that have the capacity to finance Greenfield projects and have access to foreign currency loans. Our competition also stems from infrastructure NBFCs who have access to foreign currency loans.

In Mortgage Finance, our main competition stems from HFCs who have the capacity to finance long-term and have access to NHB finance. Our competition also stems from NBFCs and banks.

People being the prime asset of any service-oriented businesses, our ability to strengthen our existing businesses and establish new businesses largely depends on our ability to attract qualified and highly skilled workforce and motivate and retain the existing ones. Competition is also witnessed in the recruitment and retention of skilled and professional human resources.

Key Operational and Financial Parameters* for the last 3 Audited years and half year ended:

The following table presents the summary financial information of our Company for the period ended March 31, 2020, March 31, 2021, March 31, 2022 and September 30, 2022.

(Rs. Crore)

| Financial Summary | As on September 30, 2022 (Unaudited) | As on March 31, 2022 (Audited) | As on March 31, 2021 (Audited) | As on March 31, 2020 (Audited) |
|--|---|--------------------------------------|--------------------------------------|--------------------------------------|
| Balance Sheet | | | | |
| Net Fixed assets | 105.82 | 99.79 | 98.13 | 93.33 |
| Current assets | Refer attached Financials | 15,573.50 | 16,194.56 | 18,376.32 |
| Non-current assets | Refer attached Financials | 41,295.92 | 34,462.47 | 33,529.88 |
| Total assets | 67,346.73 | 56,969.20 | 50,755.17 | 51,999.52 |
| Non-Current Liabilities (including maturities of long-term borrowings and short-term borrowings) | Refer attached Financials | 27,833.21 | 25,639.27 | 28,566.26 |
| Financial (borrowings, trade payables, and other financial liabilities) | | 27,833.21 | 25,639.27 | 28,562.17 |
| Provisions | | - | - | 4.09 |
| Deferred tax liabilities (net) | | - | - | - |
| Other non-current liabilities | | - | - | - |
| Current Liabilities (including maturities of long-term borrowings) | | 19,275.58 | 16,278.02 | 15,355.11 |
| Financial (borrowings, trade payables, and other financial liabilities) | Refer attached Financials | 19,071.99 | 16,132.10 | 15,200.92 |
| Provision | | 104.22 | 80.62 | 92.95 |
| Current tax liabilities (net) | | 15.13 | 14.67 | 28.26 |
| Other Current liabilities | | 84.24 | 50.63 | 32.98 |
| Equity (equity and other equity) | 10,557.40 | 9,860.42 | 8,837.88 | 8,078.15 |
| Total equity and liabilities | 67,346.73 | 56,969.20 | 50,755.17 | 51,999.52 |
| | | | | |
| Profit and Loss | | | | |
| Total revenue | 3,468.46 | 5,796.87 | 5,527.96 | 6,089.38 |
| From operations | 3,454.43 | 5,784.86 | 5,517.99 | 6,076.42 |
| Other income | 14.03 | 12.02 | 9.96 | 12.96 |
| Total Expenses | 2,522.08 | 4,309.76 | 4,496.55 | 5036.47 |
| Total comprehensive income | 696.98 | 1,131.79 | 759.73 | 789.31 |
| Profit / loss | 693.02 | 1,108.33 | 768.83 | 804.95 |
| Other comprehensive income | 3.96 | 23.46 | -9.1 | -15.64 |
| Profit / loss after tax | 693.02 | 1,108.33 | 768.83 | 804.95 |
| | | | | |
| Earnings per equity share: | | | | |
| Continuing operations (a) Basic | 10.47 | 16.74 | 11.61 | 12.16 |
| Continuing operations (b) Diluted | 10.47 | 16.74 | 11.61 | 12.16 |
| Discontinued operations (a) Basic | - | - | - | - |
| Discontinuing operations (b) Diluted | - | - | - | - |
| Total Continuing and discontinued operations | 10.47 | 16.74 | 11.61 | 12.16 |

| (Rs. Crore) | | | | |
|--|---|--------------------------------------|--------------------------------------|---|
| Financial Summary | As on September 30, 2022 (Unaudited) | As on March 31, 2022 (Audited) | As on March 31, 2021 (Audited) | As on March 31, 2020 (Audited) |
| Cash Flow | | | | |
| Net cash generated from operating activities | -9,399.16 | -5,002.99 | -1,023.89 | 4,862.57 |
| Net cash used in / generated from investing activities | 362.25 | -900.63 | 2,623.39 | -1,577.75 |
| Net cash used in financing activities | 9,618.79 | 4,988.35 | -1,908.93 | -1,523.48 |
| Cash and cash equivalents (Note 1) | 595.71 | 1,510.99 | 1,820.43 | 59.08 |
| Balance as per statement of cash flows (Note 2) | 1,177.58 | 595.71 | 1,510.99 | 1,820.43 |
| Additional information | | | | |
| Net worth | 10,557.40 | 9,860.42 | 8,837.88 | 8,078.15 |
| Cash and Cash Equivalents | 1,177.58 | 595.71 | 1,510.99 | 1,820.43 |
| Current Investments | | 1,573.98 | 723.13 | 3,248.18 |
| Assets Under Management | 64,975 | 55,180.00 | 48,689.00 | 47,057.00 |
| Off Balance Sheet Assets | - | - | - | - |
| Total Debts to Total assets | 0.82 | 0.81 | 0.81 | 0.84 |
| Debt Service Coverage Ratios | N.A. | N.A | N.A | N.A |
| Interest Income | 3,283.50 | 5,531.29 | 5,283.39 | 5,727.07 |
| Interest Expense | 1,580.33 | 2,709.10 | 3,019.91 | 3,608.12 |
| Interest service coverage ratio | N.A. | N.A | N.A | N.A |
| Provisioning & Write-offs | 192.93 | 653.46 | 681.78 | 707.07 |
| Bad debts to Account receivable ratio | N.A. | N.A | - | - |
| Gross NPA (%) | 3.53 | 3.58 | 2.93 | 3.9 |
| Net NPA (%) | 2.40 | 2.19 | 1.73 | 2.72 |
| Tier I Capital Adequacy Ratio (%) | 16.06 | 18.07 | 18.43 | 15.15 |
| Tier II Capital Adequacy Ratio (%) | 2.94 | 3.70 | 4.27 | 3.94 |

*The ratios are not applicable to Non-Banking Financial Companies registered with RBI as per Reg 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Note: -

1. Cash and cash equivalents is considered as Cash and cash equivalents as at the beginning of the year
2. Balance as per statement of cash flows is considered as Cash and cash equivalents as at the end of the year

Debt Equity Ratio**(Rs. Crore)**

| Particulars | Before the Issue (As on March 31, 2022- Audited) | After the Issue* |
|---|---|------------------|
| Total Debt | 45,985.75 | 46,985.75 |
| Share Capital | 662.10 | 662.10 |
| Reserves | 9,198.32 | 8,175.78 |
| Less: Miscellaneous Expenditure (to the extent not written off or adjusted) | Nil | Nil |
| Total Shareholders' funds | 9,860.42 | 9,860.42 |
| Debt Equity Ratio | 4.66 | 4.82 |

Note: - Please note that in the above table for March 31, 2022 for Debt Equity Ratio, accrued interest has been included in the Total Debt.

c) A brief history of the Issuer since its incorporation giving details of its following activities

i. Details of Share Capital of the Company as on September 30, 2022

| Share Capital | Amount (in Rs.) |
|--|-----------------------|
| Authorised Share Capital | |
| 127,00,00,000 Equity shares of Rs. 10/- each | 1270,00,00,000 |
| 100,00,00,000 Preference Shares of Rs.10/- each | 1000,00,00,000 |
| 1,00,00,000 8 % Compulsory Convertible Cumulative Preference Shares of Rs. 10/- each | 10,00,00,000 |
| Total | 22,800,000,000 |
| Issued, Subscribed and Paid Up Share Capital | |
| 66,21,00,822 Equity Shares of Rs. 10/- each, fully paid up | 6,62,10,08,220 |
| Total | 6,62,10,08,220 |

ii. Changes in its capital structure as on last quarter end, for the last three years:-

| Date of Change (AGM/EGM) | Rs. | Particulars |
|---|-----|-------------|
| There were no changes in the Capital Structure of the Company during last three years | | |

iii. **Equity Share Capital History of the Company as on last quarter end, for last three years**

| Date of Allotment | No of shares (In Crore) | Face value Rs | Issue price (Rs. In Crore) | Consideration (Cash, other than cash, etc.) | Nature of Allotment | Cumulative | | | Remarks |
|-------------------|-------------------------|---------------|----------------------------|---|---------------------|-------------------------------------|-------------------------------------|-------------------------------------|---------------|
| | | | | | | No. of Equity Shares (Rs. In Crore) | Equity Share Capital (Rs. In Crore) | Equity Share premium (Rs. In Crore) | |
| 28.03.2018 | 0.73 | 10 | 328 | Cash | Rights Issue | 64.57 | 645.68 | 2,413.01 | Fully paid up |
| 27.09.2018 | 0.77 | 10 | 324 | Cash | Rights Issue | 65.33 | 653.39 | 2,655.32 | Fully paid up |
| 28.03.2019 | 0.28 | 10 | 263 | Cash | Rights Issue | 65.62 | 656.25 | 2,727.47 | Fully paid up |
| 01.01.2020 | 0.58 | 10 | NA | On merger | On merger | 66.21 | 662.10 | 2,727.47 | Fully paid up |

Preference Share Capital History of the Company as on last quarter end, for last five years:

No Preference shares are outstanding since January 31, 2020

Changes in the Authorised Capital of Company as on September 30, 2022

| Sr. No. | Year | Alteration |
|---------|------|--|
| 1 | 1997 | Increase from Rs. 5 lakh to Rs. 50 lakh |
| 2 | 2000 | Increase from Rs. 50 lakh to Rs.2 Crore |
| 3 | 2001 | Sub-division of shares from Rs.100 per share to Rs.10 per share. Authorised capital Rs. 2 Crore (20,00,000 Shares of Rs.10 each) |
| 4 | 2001 | Increase from Rs.2 Crore to Rs.31 Crore |
| 5 | 2006 | Increase from Rs.31 Crore to Rs.110 Crore |
| 6 | 2007 | Increase from Rs.110 Crore to Rs.210 Crore |
| 7 | 2008 | Increase from Rs.210 Crore to Rs. 310 Crore |
| 8 | 2010 | Increase from Rs.310 crore to Rs. 1,000 Crore |
| 9 | 2012 | Increase from Rs.1,000 crore to Rs. 2,000 Crore |
| 10 | 2015 | Increase from Rs.2,000 crore to Rs. 2,280 Crore (due to merger) |

Changes in the subscribed capital of the Company as on September 30, 2022

| Date of the Issue | No. of Shares and Face Value | Issue Price – per Share (Rs.) | Nature of Allotment | Cumulative Capital (Rs.) |
|----------------------------------|-------------------------------|-------------------------------|---|--------------------------|
| August 1991 | 200 of Rs.100 each | 100 | Subscription of MOA | 20,000 |
| 3rd March, 1994 | 4 shares of Rs.100 each | 100 | Issue of Further shares | 20,400 |
| 31 st March, 1994 | 160 Shares of Rs.100 each | 100 | Allotment of Rights Issue 30 th June, 1994 | 36,400 |
| 30 th September, 1998 | 26,250 shares of Rs. 100 each | 100 | Rights Issue 20 th November, 1998 | 2,661,400 |

| Date of the Issue | No. of Shares and Face Value | Issue Price – per Share (Rs.) | Nature of Allotment | Cumulative Capital (Rs.) |
|---------------------------------|-----------------------------------|-------------------------------|---|------------------------------|
| 28 th March, 2001 | 30,000,000 shares of Rs. 10 each | 30 (premium of Rs.) | Allotment on 31 st March, 2001 being part payment for Acquisition of Retail Business | 3,02,661,400 |
| 25 th July, 2006 | 23,700,000 Shares of Rs.10 each | 10 | Rights Issue 8 th November, 2006 | 309,648,420* |
| 20 th December, 2006 | 75,000,000 shares of Rs.10 each | 10 | Rights issue 20 th December, 2006 | 759,648,420 (Partly paid up) |
| | | | Called up Rs. 4 per share 30 th July, 2007 | 1,059,648,420 |
| 26 th March, 2013 | 40,325,000 shares of Rs.10 each | 31 | Allotment of Shares at premium of Rs.21 per share | 1,462,898,420 |
| 3 rd May, 2013 | 403,00,000 shares of Rs.10 each | 31 | Allotment of Shares at premium of Rs. 21 per share, Rs. 7.75 being partly paid up | 1,865,898,420 |
| | | | Called up Rs. 23.25 per shares on 28 th May, 2013 | |
| 23 rd September 2013 | 403,25,000 shares of Rs.10 each | 31 | Allotment of Shares at premium of Rs. 21 per share, Rs. 12.40 being partly paid up | 2,269,148,420 |
| | | | Called up Rs. 12.40 per shares on 10 th September, 2013 | |
| | | | Called up Rs. 6.20 per shares on 27 th December, 2013 | |
| 31 st January 2014 | 484,00,000 shares of Rs. 10 each | 31 | Allotment of Shares at premium of Rs. 21 per share | 2,753,148,420 |
| 26 th March 2014 | 403,22,600 shares of Rs. 10 each | 31 | Allotment of Shares at premium of Rs. 21 per share | 3,156,374,420 |
| 29 th September 2014 | 3,47,22,222 shares of Rs. 10 each | 36 | Allotment of Shares at premium of Rs. 26 per share | 3,503,596,640 |
| 23 rd January 2015 | 2,38,09,524 shares of Rs. 10 each | 42 | Allotment of Shares at premium of Rs. 32 per share | 3,741,691,880 |
| 13 th February 2015 | 1,66,66,700 shares of Rs. 10 each | 42 | Allotment of Shares at premium of Rs. 32 per share | 3,908,358,880 |
| 27 th March 2015 | 5,95,23,810 shares of Rs. 10 each | 42 | Allotment of Shares at premium of Rs. 32 per share | 4,503,596,980 |
| 17 th November, 2015 | 1,00,00,000 shares of Rs. 10 each | 126 | Allotment of Shares at premium of Rs. 116 per share | 4,603,596,980 |
| 29 th December, 2015 | 40,00,000 shares of Rs. 10 each | 126 | Allotment of Shares at premium of Rs. 116 per share | 4,643,596,980 |
| 3 rd February, 2016 | 534,55,883 shares of Rs. 10 each | NA | Allotment of Shares to shareholders of MGLRCL on its merger with the Company | 5,178,155,810 |
| 9 th February, 2016 | 80,00,000 shares of Rs. 10 each | 126 | Allotment of Shares at premium of Rs. 116 per share | 5,258,155,810 |
| 24 th February, 2016 | 70,00,000 shares of Rs. 10 each | 126 | Allotment of Shares at premium of Rs. 116 per share | 5,328,155,810 |

| Date of the Issue | No. of Shares and Face Value | Issue Price – per Share (Rs.) | Nature of Allotment | Cumulative Capital (Rs.) |
|----------------------------------|-----------------------------------|-------------------------------|--|--------------------------|
| 3rd March, 2016 | 80,00,000 shares of Rs. 10 each | 126 | Allotment of Shares at premium of Rs. 116 per share | 5,408,155,810 |
| 29 th March, 2016 | 187,50,000 shares of Rs. 10 each | 126 | Allotment of Shares at premium of Rs. 116 per share | 5,595,655,810 |
| 28 th July, 2016 | 115,13,158 shares of Rs. 10 each | 152 | Compulsorily Convertible Cumulative Preference Shares (CCCPS) converted into fully paid up-equity shares at premium of Rs. 142 per share | 5,710,787,390 |
| 29 th July, 2016 | 92,10,000 shares of Rs. 10 each | 152 | Right issue of equity shares at premium of Rs. 142 per share | 5,802,887,390 |
| 31 st December, 2016 | 1,02,77,778 shares of Rs. 10 each | NA | Issue of equity shares pursuant to the Scheme of Arrangement between Aditya Birla Finance Limited and Aditya Birla Money Mart Limited | 5,90,56,65,170 |
| 8 th March, 2017 | 46,00,000 shares of Rs. 10 each | 152 | Right issue of equity shares at premium of Rs. 142 per share | 5,95,16,65,170 |
| 24 th March, 2017 | 1,31,50,000 shares of Rs. 10 each | 152 | Right issue of equity shares at premium of Rs. 142 per share | 6,08,31,65,170 |
| 27 th March, 2017 | 1,34,86,800 shares of Rs. 10 each | 152 | Right issue of equity shares at premium of Rs. 142 per share | 6,21,80,33,170 |
| 30 th March, 2017 | 56,05,260 shares of Rs. 10 each | 152 | Right issue of equity shares at premium of Rs. 142 per share | 6,27,40,85,770 |
| 18 th September, 2017 | 39,55,700 shares of Rs. 10 each | 316 | Right issue of equity shares at premium of Rs. 306 per share | 6,31,36,42,770 |
| 29 th September, 2017 | 39,55,700 shares of Rs. 10 each | 316 | Right issue of equity shares at premium of Rs. 306 per share | 6,35,31,99,770 |
| 28 th December, 2017 | 29,60,000 shares of Rs. 10 each | 338 | Right issue of equity shares at premium of Rs. 328 per share | 6,38,27,99,770 |
| 28 th March, 2018 | 73,96,500 shares of Rs. 10 each | 338 | Right issue of equity shares at premium of Rs. 328 per share | 6,45,67,64,770 |
| 27 th September, 2018 | 77,17,000 shares of Rs. 10 each | 324 | Right issue of equity shares at premium of Rs. 314 per share | 6,53,39,34,770 |
| 28 th March, 2019 | 28,51,720 shares of Rs. 10 each | 263 | Right issue of equity shares at premium of Rs. 253 per share | 6,56,24,51,970 |
| 1 st January, 2020 | 58,55,625 shares of Rs. 10 each | NA | Issue of equity shares pursuant to the Scheme of Arrangement between Aditya Birla Finance Limited and Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla MyUniverse Limited) | 6,62,10,08,220 |

* Share capital of the Company was reduced by Rs. 60,500,000 and Rs. 169,512,980 in view of the Demerger proposed at the Board meeting held on 5th February 2003 and 28th December 2004.

Details of Preference Shares issued by the Company as on September 30, 2022

| Date of the Issue | No. of Shares and Face Value | Issue Price – Per Share Amount (Rs.) | Nature of Allotment | Issued Capital Amount (Rs.) |
|---------------------------------|-----------------------------------|--------------------------------------|--|-----------------------------|
| 26 th October, 2007 | 50,000,000 shares of Rs. 10 each | 10 | Preference Shares were allotted in November, 2007 | 500,000,000** |
| | 25,000,000 shares of Rs. 10 each | 10 | Preference Shares were allotted in December, 2007 | 250,000,000** |
| 20 th July, 2010 | 300,000,000 shares of Rs.10 each* | 10 | Preference Shares were allotted | 3,000,000,000* |
| 20 th July 2012 | 100,000,000 shares of Rs.10 each | 10 | Preference Shares were allotted | 1,000,000,000** |
| 28 th December, 2012 | 100,000,000 shares of Rs.10 each* | 10 | Preference Shares were allotted | 1,000,000,000* |
| 26 th March 2013 | 25,000,000 shares of Rs.10 each* | 10 | Preference Shares were allotted | 250,000,000* |
| 3rd February, 2016 | 10,000,000 shares of Rs.10 each | NA | Preference Shares were allotted to shareholders of MGLRCL on its merger with the Company | 100,000,000*** |

* These preference shares were cancelled on the merger of Madura Garments Lifestyle Retail Co. Ltd. with the Company with effect from July 1, 2015.

** 17.50 Crore – 0.01% Compulsorily Convertible Cumulative Preference Shares converted into fully paid up equity shares at the face value of Rs. 10/- each at Rs. 152/- each (including premium per share)

*** These preference shares were redeemed on January 30, 2020.

iv. Acquisition or Amalgamation in the last 1 year

None

v. Details of any Reorganization or Reconstruction in the last 1 year

| Type of Event | Date of Announcement | Date of Completion | Details |
|---------------|----------------------|--------------------|---------|
| None | | | |

d) Details of the shareholding of the Company as on the latest quarter end

i. Shareholding pattern of the Company as on September 30, 2022

| Sr. No. | Particulars | Total No. of Equity | No. of shares in Demat form | Total Shareholding as % of total no of equity |
|---------|---|---------------------|-----------------------------|---|
| 1. | Aditya Birla Capital Ltd. (subsidiary of Grasim Industries Ltd) | 66,21,00,772 | 66,21,00,772 | 100 |
| 2. | Mr. Manoj Shah * | 10 | -- | -- |
| 3. | Mr. Murlidhar Raut * | 10 | -- | -- |
| 4. | Ms. Pinky Mehta * | 4 | 4 | -- |
| 5. | Mr. Ajay Kakar* | 4 | 4 | -- |
| 6. | Mr. Subhro Bhaduri* | 4 | 4 | -- |
| 7. | Mr. A. Dhananjaya* | 4 | 4 | -- |
| 8. | Mr. Deepak Tripathi* | 1 | -- | -- |
| 9. | Mr. Goverdhan Gupta* | 1 | -- | -- |
| 10. | Mr. Bhadresh Khichi* | 1 | -- | -- |
| 11. | Mr. Dinesh Jain* | 1 | -- | -- |
| 12. | Mr. Gopal Pamnani* | 1 | -- | -- |
| 13. | Mr. R C Sharma* | 1 | -- | -- |
| 14. | Mr. Lalit Vermani* | 4 | 4 | -- |
| 15. | Mr. Mukesh Malik* | 4 | 4 | -- |
| | Total | 66,21,00,822 | 66,21,00,796 | 100 |

* Nominees of Aditya Birla Capital Ltd.

Notes:- None of the shares of the promoters have been pledged

ii. List of top 10 holders of equity shares of the Company as on September 30, 2022

| Sr No. | Name of the Shareholder | Total No of Equity Shares | No. of shares in Demat form | Total Shareholding as % of total no of equity shares |
|--------|---|---------------------------|-----------------------------|--|
| 1. | Aditya Birla Capital Ltd. (subsidiary of Grasim Industries Ltd) | 66,21,00,772 | 66,21,00,772 | 100 |
| 2. | Mr. Manoj Shah * | 10 | -- | -- |
| 3. | Mr. Murlidhar Raut * | 10 | -- | -- |
| 4. | Ms. Pinky Mehta * | 4 | 4 | -- |
| 5. | Mr. Ajay Kakar* | 4 | 4 | -- |
| 6. | Mr. A. Dhananjaya* | 4 | 4 | -- |
| 7. | Mr. Subhro Bhaduri* | 4 | 4 | -- |
| 8. | Mr. Lalit Vermani* | 4 | 4 | -- |
| 9. | Mr. Mukesh Malik* | 4 | 4 | -- |
| 10. | Mr. Gopal Pamnani* | 1 | -- | -- |

* Nominees of Aditya Birla Capital Ltd.

e) Following details regarding the directors of the Company

i. Details of the Current Directors of the Company as on date

| Directors Name, Designation & DIN | Age | Address | Date of appointment | Details of other Directorship/ Interest | Whether willful Defaulter (Yes/No) |
|--|-----|--|---------------------|---|------------------------------------|
| Mr. Darius Jehangir Kakalia Independent Director DIN – 00029159 | 73 | Rebello House, 'B' Wing, 9 th Floor, Flat No. 54, 132, Hill Road, Bandra (West), Mumbai- 400050, Maharashtra, India | 15/03/2001 | Partner in Mulla & Mulla & Craigie Blunt & Caroe | No |
| Mr. Ashwani Kumar Puri Independent Director DIN – 00160662 | 65 | 28/2 Friends Colony West, New Delhi – 110065, India | 13/09/2010 | Coforge Limited Titan Company Limited | No |
| Mr. Jitender Balakrishnan Independent Director DIN – 00028320 | 73 | 208-Tower-2, Casa Grande, S.B. Marg, Lower Parel, Mumbai –400013, Maharashtra, India | 20/07/2010 | Bharati Axa Life Insurance Company Ltd. Bhoruka Power Corporation Ltd. Polyplex Corporation Ltd. Sarda Energy & Minerals Ltd. India Glycols Ltd. Madhya Bharat Power Corporation Ltd | No |
| Ms. Alka Bharucha Independent Director DIN – 00114067 | 65 | 7E, Harbour Heights “A”, N A Sawant Marg, Colaba, Mumbai 400005, Maharashtra, India | 27/03/2015 | Partner in Bharucha & Partners, Advocates and Solicitors Safalya Investments & Traders Pvt. Ltd Honda India Power Products Ltd. Honda Cars India Ltd. Aditya Birla Sunlife AMC Limited UltraTech Cement Ltd UltraTech Nathdwara Cement Ltd. Orient Electric Limited Birlasoft Limited Hindalco Industries Limited Indian Institute of Management, Ahmedabad | No |

| Directors Name, Designation & DIN | Age | Address | Date of appointment | Details of other Directorship/ Interest | Whether willful Defaulter (Yes/No) |
|--|------------|---|----------------------------|--|---|
| Mr. S C Bhargava Independent Director DIN- 00020021 | 77 | Crescent Bay L & T, Flat No. 3302, Tower 5, Bhoiwada, Parel, Mumbai 400012 | 25/01/2019 | Aditya Birla Capital Limited A K Capital Services Limited Aditya Birla Sun Life Pension Management Limited OTC Exchange of India - nominee Director CFM Asset Reconstruction Private Limited Waacox Energy Private Limited Palace Solar Energy Private Limited Aditya Birla Renewables Subsidiary Limited Aditya Birla Renewable Energy Ltd Aditya Birla Renewables Solar Limited | No |
| Mr. Rakesh Singh Managing Director & Chief Executive Officer DIN- 07006067 | 55 | C-3501, Lodha Bellissimo, N.M.Joshi Marg, Lower Parel, Mumbai 400011 | 23/07/2019 | Aditya Birla Housing Finance Limited Narjee Monjee Institute of Management Studies London Education Management Consultants (LEDMAC Ltd.) | No |
| Mr. Kamlesh Rao Non-Executive Director DIN – 07665616 | 52 | 1405/1406, Highland Park C.H.S Limited, Lokhandwala Complex, Link Road, Andheri West, Mumbai - 400058 | 07/07/2021 | Aditya Birla Sun Life Insurance Company Limited Aditya Birla Sun Life Pension Management Limited | No |

None of the Directors' names are appearing in the CIBIL suit filed cases.

Board of Directors - Profile

➤ MR. DARIUS J. KAKALIA

Age: 74 Years; Qualification: B.com, L.L.B.

Mr. Kakalia commenced his practice as a commercial Lawyer having built an extensive transaction practice and court practice having an extensive background in corporate commercial matters, setting up of Joint Ventures, Mergers and Acquisitions, ADR's and GDR's as well as real estate transactions and disputes and litigations related to these sectors and areas of practice.

Over the years he has specialized in the power sector, acting for large Power Companies and has advised consortiums for the bids with respect to the 4000 Mw Ultra Mega Power projects that have recently been proposed by the Power Corporation of India. He has regularly appeared before the MERC, the Bombay High Court and in the Supreme Court of India with respect to various litigations relating to disputes in the power sector. He has extensive experience in power projects.

➤ MR. JITENDER BALAKRISHNAN

Age: 74 years; Qualification: B.E. (Mech) National Institute of Technology (NIT), Madras University. Post Graduate Diploma in Industrial Management, Bombay University.

Mr. Balakrishnan is an Adviser to IDBI Bank and was Deputy Managing director and group head of IDBI Bank, responsible for complete credit advances of USD 25 billion. He served as a member on IDBI's Credit Committee, Asset Liability Management Committee and investment Committee. He has wide experience in sectors like Oil and Gas, Refineries, Power, Telecom, Airports, Roads, Ports, Steel, Cement, Fertilizers, Petrochemical, Hotel, Pharmaceuticals, Paper.

➤ **MR. ASHWANI KUMAR PURI**

Age: 66 Years; Qualification: Chartered Accountants, Chartered Management Accountant (CIMA).

Mr. Puri is a financial and accounting professional with extensive experience in investment/ acquisition and advisory services, valuation and decision analysis, business and financial restructurings, dispute analysis and forensics. He was with PriceWater House Coopers (PwC) for 34 years, 22 of these as Partner/ Executive Director and has served in various positions. His selected Financial Services Clients include Asian Development Bank, Asset Reconstruction Company (India) Limited, Cerberus, Citigroup, Deutsche Bank, ICICI bank, IDBI, IFCI, Industrialization Fund for Developing Countries! Denmark, Standard Chartered Bank, USAID, WL Ross and World Bank.

➤ **MS. ALKA BHARUCHA**

Age: 66 Years; Qualification: B.A. (Hons) and LL.B from University of Bombay & LL.M from University of London. She is also practicing as a Solicitor, High Court, India and Supreme Court of England and Wales.

Ms. Bharucha began her career with Mulla & Mulla & Craigie Blunt & Caroe and joined Amarchand & Mangaldas as partner in 1992. In 2008, she co-founded Bharucha & Partners which, since inception, has been ranked by RSG Consulting, London among top 30 firms in India. For years Ms. Alka has been ranked by Chambers Global, Legal 500 and Who's Who Legal etc. amongst India's leading lawyers.

Ms. Bharucha chairs the transaction practice at Bharucha & Partners. Her core areas of expertise are mergers and acquisitions, joint venture, private equity, banking and finance. Ms. Bharucha's general corporate includes the establishment of mutual funds and providing regulatory advice to foreign institutional investors foreign venture capital investors, merchant bankers and other financial intermediaries.

Ms. Bharucha has particular experience acting for financial services clients as well as those in the telecommunications, power and logistics sector and is also actively engaged in representing trans-national corporations for investments in retail, defense and manufacturing space.

➤ **MR. SUBHASH CHANDRA BHARGAVA**

Age: 77 Years; Qualifications: Qualified Chartered Accountants.

Mr. Bhargava is a retired Ex. Director (Investments) of L.I.C. He was in Investment department for 13 years and involved in almost all activities related to finance ! investments like project financing, short term, long term loans, dealing in equity, debt, Government securities monitoring of corporates etc. Attended various programmes in IIM, Manchester School of Management etc. related to Finance. He was also a member of Technical Advisory of RBI on Money, Foreign Exchange and Govt Security Markets from May 2004 to July 2005.

➤ **MR. RAKESH SINGH**

Age: 56 Years; Qualifications: Post-Graduation in International Relations from University of Lucknow, Advance Management Program from Harvard Business School & Executive Program in Business management from Indian Institute of Management, Calcutta

Mr. Rakesh Singh is the Chief Executive Officer of Aditya Birla Finance Limited since July 2011. He has 24 years of experience in the financial services industry cutting across both large Banking and Non-Banking financial institutions. He is also leading the wealth management business of ABFL.

Mr. Singh joined ABFL from Standard Chartered Bank where he spent 15 years, starting in Retail Assets (Mumbai and Kolkata) and moving on to become Head for Mortgages, India. His last assignment with Standard Chartered Bank was as General Manager & Head SME Banking, India.

➤ **MR. KAMLESH RAO**

Age: 53 Years; Qualifications: MBA, Narsee Monjee Institute of Management Studies, B.E. Instrumentation, Vivekanand Education Society's Institute of Technology

Mr. Kamlesh Rao is the MD & CEO at Aditya Birla Sun Life Insurance (ABSLI). He has a successful track record of entering new markets & businesses and turning them around by placing them on a high growth trajectory.

As an integral part of the Banking & Financial Services industry, his experience has been shaped over a career spanning 25 years. In his previous role as the Managing Director & CEO – Retail at Kotak Securities Limited, Mr. Rao was responsible for planning and executing strategic initiatives. He was instrumental in driving the growth and strategy for Secondary Markets, Primary Markets, Margin funding and distribution of Investment products. Prior to joining Kotak Securities Limited, Mr. Rao held various roles at Kotak Mahindra Bank Limited over the course of 19 years. His experience spans across the asset and liability portfolios, including retail lending, business loans, unsecured loans, mortgages, SME lending, HNI banking and broking. He joined the bank as a Management Trainee and rapidly rose through the ranks to become the Managing Director & CEO – Retail at Kotak Securities Limited.

In his earlier stint, Mr. Rao has been a part of several prestigious committees including the NSE & BSE Advisory Committees and Secondary Market Advisory Committee (SMAC). He holds a degree in Engineering and is a Management graduate.

Mr. Rao is a part of the Senior Management Team at Aditya Birla Capital. At ABSLI, he is focused towards taking the company to a leadership position within the private life insurance space.

Details of change in directors since last three years:

| Sr. No. | Name, Designation and DIN | Date of Appointment | Date of Cessation, if applicable | Date of resignation, if applicable | Remarks |
|----------------|---|----------------------------|---|---|--|
| 1. | Mr. S C Bhargava Additional Director DIN-00020021 | 25/01/2019 | Not Applicable | Not Applicable | Appointed as an Additional Director |
| 2. | Mr. Rakesh Singh Chief Executive Officer DIN-07006067 | 23/07/2019 | Not Applicable | Not Applicable | Appointed as the Managing Director & Chief Executive Officer |
| 3. | Mr. Bishwanath Puranmalka Non-Executive Director DIN- 00007432 | 31/03/1999 | Not Applicable | 14/01/2021 | Resigned as a Non-Executive Director |
| 4. | Mr. Kamlesh Rao Non-Executive Director DIN - 07665616 | 07/02/2021 | Not Applicable | Not Applicable | Appointed as the Non-executive Director |
| 5. | Mr. Baldev Raj Gupta Independent Director DIN- 00020066 | 28/07/2016 | Not Applicable | 27/07/2021 | Expiry of Term as an Independent Director |
| 6. | Mr. Ajay Srinivasan Non-Executive Director DIN- 00121181 | 31/07/2007 | Not Applicable | 03/08/2022 | Resigned as a Non-Executive Director |

f) Following details regarding the auditors of the Company

i. Details of Auditors of the Company (Statutory Auditors): -

| Name of the Auditor | Address | Auditor since |
|------------------------------|--|-----------------------------------|
| Deloitte Haskins & Sells LLP | One International Centre, Tower 3, 27th-32nd Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai 400 013 | 2020-21 |
| M/s. Singhi & Co. | B2 402B Marathon Innova, Off Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013 | 2021-22 (w.e.f December 16, 2021) |

ii. Details of change in the Statutory Auditors since last three years: -

| Name of the Auditor | Address | Date of Appointment | Date of Cessation, if applicable | Date of resignation, if applicable |
|------------------------------|--|---------------------------------------|--|------------------------------------|
| S.R. Batliboi & Co. LLP | 14 th Floor, The Ruby Mills, Senapati Bapat Marg, Dadar (W), Mumbai 400 028 | Auditor from FY 2013-14 to FY 2019-20 | July 10, 2020 (on expiry of term as per Companies Act, 2013) | Not applicable |
| Deloitte Haskins & Sells LLP | One International Centre, Tower 3, 27th-32nd Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai 400 013 | July 10, 2020 | Not applicable | Not applicable |
| M/s. Singhi & Co. | B2 402B Marathon Innova, Off Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013 | December 16, 2021 | Not applicable | Not applicable |

Details of the following liabilities of the issuer, as at the end of the last quarter:

1. Details of Outstanding Facilities (as on Sept 30, 2022):

a) Secured Term Loan

(Rs Crore)

| Name of Lender | Type of Facility | Amount Sanctioned (INR crore) | Amount Outstanding (INR crore) | Maturity Date | Repayment schedule | Security |
|----------------|-------------------|-------------------------------|--------------------------------|---------------|--|--|
| Bank of Baroda | Secured Term Loan | 200.00 | 200.00 | 06-Jun-23 | Bullet Repayment | Pari-passu charge on receivables of the Company through Security Trustee |
| | | 50.00 | 50.00 | 18-Aug-23 | 5 equal annual installments | Same as Above |
| | | 100.00 | 100.00 | 18-Aug-23 | 5 equal annual installments | Same as Above |
| | | 150.00 | 150.00 | 18-Aug-23 | 5 equal annual installments | Same as Above |
| | | 250.00 | 250.00 | 31-Oct-23 | 20 equal quarterly installments | Same as Above |
| | | 250.00 | 250.00 | 31-Oct-23 | 20 equal quarterly installments | Same as Above |
| | | 305.51 | 305.51 | 19-Jun-25 | 18 quarterly installments, 6 months moratorium | Same as Above |
| | | 305.51 | 305.51 | 19-Jun-25 | 18 quarterly installments, 6 months moratorium | Same as Above |
| | | 250.00 | 250.00 | 24-Dec-26 | 5 equal annual installments | Same as Above |
| | | 150.00 | 150.00 | 24-Dec-26 | 5 equal annual installments | Same as Above |
| | | 300.00 | 300.00 | 24-Dec-26 | 5 equal annual installments | Same as Above |
| | | 300.00 | 300.00 | 24-Dec-26 | 5 equal annual installments | Same as Above |

| | | | | | | |
|-----------------------|-------------------|----------|--------|-----------|---|---------------|
| | | 500.00 | 500.00 | 30-Jun-27 | 5 equal annual installments | Same as Above |
| | | 300.00 | 300.00 | 30-Jun-27 | 5 equal annual installments | Same as Above |
| | | 700.00 | 700.00 | 30-Jun-27 | 5 equal annual installments | Same as Above |
| | | 500.00 | 500.00 | 30-Jun-27 | 5 equal annual installments | Same as Above |
| | | 500.00 | 500.00 | 29-Sep-27 | 5 equal annual installments | Same as Above |
| | | 1,500.00 | - | | | Same as Above |
| Bank of India | Secured Term Loan | 187.26 | 187.26 | 31-Dec-24 | 8 equal HY installments, 12 months moratorium | Same as Above |
| | | 280.93 | 280.93 | 26-Mar-25 | 8 equal HY installments, 12 months moratorium | Same as Above |
| | | 199.96 | 199.96 | 31-Dec-26 | 6 equal HY installments, 24 months moratorium | Same as Above |
| | | 300.00 | 300.00 | 31-Dec-26 | 6 equal HY installments, 24 months moratorium | Same as Above |
| Bank of Maharashtra | Secured Term Loan | 99.99 | 99.99 | 29-Sep-26 | 12 equal quarterly installments, 24 months moratorium | Same as Above |
| | | 150.00 | 150.00 | 29-Sep-26 | 12 equal quarterly installments, 24 months moratorium | Same as Above |
| Canara Bank | Secured Term Loan | 187.41 | 187.41 | 26-Mar-24 | 8 equal HY installments, 12 months moratorium | Same as Above |
| Central Bank of India | Secured Term Loan | 144.43 | 144.43 | 31-Dec-25 | 18 equal quarterly installments, 6 months moratorium | Same as Above |
| | | 116.66 | 116.66 | 31-Mar-26 | 18 equal quarterly installments, 6 months moratorium | Same as Above |
| | | 124.99 | 124.99 | 30-Apr-26 | 18 equal quarterly installments, 6 months moratorium | Same as Above |
| | | 199.99 | 199.99 | 30-Sep-26 | 8 equal HY installments, 12 months moratorium | Same as Above |
| | | 149.99 | 149.99 | 28-Feb-27 | 8 equal HY installments, 12 months moratorium | Same as Above |
| | | 150.00 | 150.00 | 30-Mar-27 | 8 equal HY installments, 12 months moratorium | Same as Above |

| | | | | | | |
|-----------------------------|-------------------|--------|--------|-----------|---|--|
| Citibank NA | Secured Term Loan | 180.00 | - | | | Same as Above |
| DBS Bank India Ltd. | Secured Term Loan | 300.00 | 300.00 | 26-Feb-24 | Bullet repayment | Same as Above |
| Deutsche Bank AG | Secured Term Loan | 107.06 | 107.06 | 20-Dec-24 | 36 monthly installments, 12 months moratorium | Exclusive charge on specific assets |
| Deutsche Bank AG | | 104.98 | 104.98 | 20-Dec-24 | 46 monthly installments, 7 months moratorium | Exclusive charge on specific assets |
| Deutsche Bank AG | | 110.65 | 110.65 | 20-Dec-24 | 41 monthly installments, 5 months moratorium | Exclusive charge on specific assets |
| Deutsche Bank AG | | 177.35 | 177.35 | 20-Sep-25 | 48 monthly installments | Exclusive charge on specific assets |
| Emirates NBD Bank (P.J.S.C) | Secured Term Loan | 50.00 | 50.00 | 26-Mar-24 | 6 equal HY installments | Pari-passu charge on receivables of the Company through Security Trustee |
| HDFC Bank Ltd. | Secured Term Loan | 100.00 | 100.00 | 26-Apr-23 | 8 equal HY installments | Same as Above |
| | | 62.50 | 62.50 | 27-Jun-23 | 8 equal HY installments | Same as Above |
| | | 125.00 | 125.00 | 31-Jul-23 | 8 equal HY installments | Same as Above |
| | | 62.50 | 62.50 | 28-Aug-23 | 8 equal HY installments | Same as Above |
| | | 100.00 | 100.00 | 29-Oct-22 | 6 equal HY installments | Same as Above |
| | | 83.33 | 83.33 | 31-Dec-23 | 12 equal quarterly installments | Same as Above |
| | | 100.00 | 100.00 | 14-Jan-24 | 12 equal quarterly installments | Same as Above |
| | | 150.00 | 150.00 | 29-Jan-24 | 12 equal quarterly installments | Same as Above |
| | | 75.00 | 75.00 | 26-Mar-24 | 12 equal quarterly installments | Same as Above |
| | | 98.86 | 98.86 | 20-Aug-24 | 12 equal quarterly installments | Same as Above |
| | | 416.67 | 416.67 | 28-Jan-25 | 12 equal quarterly installments | Same as Above |
| | | 416.67 | 416.67 | 15-Mar-25 | 12 equal quarterly installments | Same as Above |
| | | 500.00 | 500.00 | 21-Jul-25 | 12 equal quarterly installments | Same as Above |
| | | | | | | |
| ICICI Bank Ltd. | Secured Term Loan | 500.00 | 500.00 | 28-Feb-26 | 5 equal HY installments, 18 months moratorium | Same as Above |
| | | 250.00 | 250.00 | 28-Feb-26 | 5 equal HY installments, 18 months moratorium | Same as Above |

| | | | | | | |
|---------------------------|-------------------|--------|--------|-----------|---|---------------|
| IDBI Bank Ltd. | Secured Term Loan | 250.00 | - | | | Same as Above |
| Indian Bank | Secured Term Loan | 175.00 | 175.00 | 30-Mar-26 | 8 equal HY installments, 12 months moratorium | Same as Above |
| | | 500.00 | 500.00 | 28-Jul-26 | 8 equal HY installments, 12 months moratorium | Same as Above |
| | | 300.00 | 300.00 | 24-Mar-27 | 8 equal HY installments, 12 months moratorium | Same as Above |
| | | 500.00 | 500.00 | 22-Jun-27 | 18 equal quarterly installments, 6 months moratorium | Same as Above |
| | | 500.00 | 500.00 | 26-Sep-27 | 8 equal HY installments, 12 months moratorium | Same as Above |
| | | 500.00 | - | | | Same as Above |
| Indusind Bank Ltd. | Secured Term Loan | 200.00 | 200.00 | 26-Aug-24 | 3 equal HY installments payable on 30th, 36th & 42nd month | Same as Above |
| | | 200.00 | 200.00 | 30-Sep-24 | 3 equal HY installments payable on 30th, 36th & 42nd month | Same as Above |
| | | 300.00 | 300.00 | 07-Aug-25 | 3 equal HY installments payable on 30th, 36th & 42nd month | Same as Above |
| Karnataka Bank | Secured Term Loan | 200.00 | 200.00 | 24-Sep-24 | 4 equal HY installments, 12 months moratorium | Same as Above |
| The Karur Vyasa Bank Ltd. | Secured Term Loan | 200.00 | 200.00 | 31-Dec-25 | 6 equal HY installments, 6 months moratorium | Same as Above |
| Kotak Mahindra Bank Ltd. | Secured Term Loan | 150.00 | 150.00 | 23-Sep-25 | 4 equal annual installments | Same as Above |
| Mizuho Bank Ltd. | Secured Term Loan | 250.00 | 250.00 | 14-Feb-25 | Bullet repayment | Same as Above |
| MUFG Bank Ltd. | Secured Term Loan | 110.00 | 110.00 | 26-Mar-24 | Bullet repayment | Same as Above |
| | | 160.00 | 160.00 | 30-Sep-24 | Bullet repayment | Same as Above |
| Oriental Bank of Commerce | Secured Term Loan | 124.78 | 124.78 | 29-May-23 | 2 equal annual installments payable on 48th and 60th month | Same as Above |
| | | 186.84 | 186.84 | 26-Dec-24 | 4 equal annual installments, 12 months moratorium | Same as Above |
| Punjab National Bank | Secured Term Loan | 349.71 | 349.71 | 27-Mar-25 | 2 equal annual installments at the end of 48th and 60th month | Same as Above |

| | | | | | | |
|-------------------------------------|-------------------|----------|----------|-----------|--|---------------|
| | | 499.77 | 499.77 | 31-Mar-26 | 6 equal HY installments, 24 months moratorium | Same as Above |
| | | 500.00 | 500.00 | 31-Mar-26 | 6 equal HY installments, 24 months moratorium | Same as Above |
| | | 249.94 | 249.94 | 29-Jun-27 | 5 equal annual installments | Same as Above |
| | | 249.99 | 249.99 | 28-Jul-27 | 5 equal annual installments | Same as Above |
| | | 499.89 | 499.89 | 30-Sep-27 | 9 equal HY installments, 6 months moratorium | Same as Above |
| | | 1,500.00 | - | | | Same as Above |
| SIDBI | Secured Term Loan | 235.00 | 235.00 | 10-Dec-24 | 19 equal quarterly installments, 5 months moratorium | Same as Above |
| | | 105.50 | 105.50 | 10-Feb-25 | 19 equal quarterly installments, 5 months moratorium | Same as Above |
| | | 200.00 | 200.00 | 10-Sep-26 | 10 equal HY installments, 12 months moratorium | Same as Above |
| | | 450.00 | 450.00 | 10-Dec-26 | 10 equal HY installments, 12 months moratorium | Same as Above |
| | | 500.00 | 500.00 | 10-Sep-27 | 10 equal HY installments, 12 months moratorium | Same as Above |
| | | 500.00 | 500.00 | 10-Nov-27 | 10 equal HY installments, 12 months moratorium | Same as Above |
| | | 1,500.00 | 1,500.00 | 10-Dec-27 | 18 equal quarterly installments, 12 months moratorium | Same as Above |
| South Indian Bank Ltd. | Secured Term Loan | 250.00 | 250.00 | 28-Sep-27 | 2 equal annual installments payable on 48th month and 60th month | Same as Above |
| State Bank of India | Secured Term Loan | 1,000.00 | 1,000.00 | 31-Mar-27 | 4 equal annual installments, 12 months moratorium | Same as Above |
| | | 1,000.00 | 1,000.00 | 31-Mar-27 | 4 equal annual installments, 12 months moratorium | Same as Above |
| Sumitomo Mitsui Banking Corporation | Secured Term Loan | 300.00 | - | | | Same as Above |
| Syndicate Bank | Secured Term Loan | 500.00 | 500.00 | 17-Mar-23 | Bullet Repayment | Same as Above |

| | | | | | | |
|---------------------------------|-------------------|------------------|------------------|-----------|--|---------------|
| | | 187.50 | 187.50 | 26-Mar-24 | 16 equal quarterly installments, 12 months moratorium | Same as Above |
| | | 150.00 | 150.00 | 27-Sep-24 | 16 equal quarterly installments, 12 months moratorium | Same as Above |
| | | 168.75 | 168.75 | 24-Oct-24 | 16 equal quarterly installments, 12 months moratorium | Same as Above |
| The Jammu And Kashmir Bank Ltd. | Secured Term Loan | 99.60 | 99.60 | 22-Feb-23 | Bullet Repayment | Same as Above |
| UCO Bank | Secured Term Loan | 159.95 | 159.95 | 24-Dec-25 | 5 equal annual installments | Same as Above |
| | | 79.98 | 79.98 | 30-Mar-26 | 5 equal annual installments | Same as Above |
| | | 79.98 | 79.98 | 30-Mar-26 | 5 equal annual installments | Same as Above |
| Union Bank of India | Secured Term Loan | 100.00 | 100.00 | 31-Dec-22 | 3 equal annual installments payable on 48th, 54th and 60th month | Same as Above |
| | | 499.92 | 499.92 | 31-Mar-27 | 16 equal quarterly instalments, 12 months moratorium | Same as Above |
| | | 500.00 | 500.00 | 30-Apr-27 | 16 equal quarterly instalments, 12 months moratorium | Same as Above |
| | | 200.00 | 200.00 | 30-Jun-27 | 16 equal quarterly instalments, 12 months moratorium | Same as Above |
| | | 400.00 | 400.00 | 30-Sep-27 | 16 equal quarterly instalments, 12 months moratorium | Same as Above |
| | | 400.00 | 400.00 | 30-Sep-27 | 16 equal quarterly instalments, 12 months moratorium | Same as Above |
| | | 124.57 | 124.57 | 27-Dec-23 | Bullet Repayment | Same as Above |
| | | | | | | |
| | | 31,319.86 | 27,089.86 | | | |

b) Details of External Commercial Borrowings (ECB):

| Name of Lender | Type of Facility | Amount Sanctioned (INR crore) | Amount Outstanding (INR crore) | Maturity Date | Repayment schedule | Security |
|--|-------------------------|--------------------------------------|---------------------------------------|----------------------|---------------------------|--|
| International Finance Corporation | ECB | 1,000.00 | 1,000.00 | 01-Oct-25 | 7 Years, Bullet Repayment | Pari-passu charge on receivables of the Company through Security Trustee |
| Sumitomo Mitsui Banking Corporation, Singapore | ECB | 245.78 | 245.78 | 05-Nov-22 | 3 Years, Bullet Repayment | Same as above |
| Sumitomo Mitsui Banking Corporation, Singapore | ECB | 285.44 | 285.44 | 13-Feb-23 | 3 Years, Bullet Repayment | Same as above |
| Sumitomo Mitsui Banking Corporation, Singapore | ECB | 148.52 | 148.52 | 18-Mar-23 | 3 Years, Bullet Repayment | Same as above |
| Sumitomo Mitsui Banking Corporation, Singapore | ECB | 74.26 | 74.26 | 18-Mar-23 | 3 Years, Bullet Repayment | Same as above |
| | | 1,754.00 | 1,754.00 | | | |

c) **Working capital facility**

| Name of Lender | Type of Facility | Amount Sanctioned (INR crore) | Amount Outstanding (INR crore) | Repayment Schedule | Security |
|-------------------------|------------------|-------------------------------|--------------------------------|---|--|
| Axis Bank | WCDL | 200.00 | - | Repayable on demand | Pari-passu charge on receivables of the Company through Security Trustee |
| Bank of America | CC/WCDL | 600.00 | 360.00 | Repayable on demand | Same as above |
| Bank of Baroda | CC/WCDL | 300.00 | 300.00 | Repayable on demand | Same as above |
| Canara Bank | WCDL | 200.00 | - | Cash Credit facility is repayable on Demand and Working Capital Demand Loan minimum tenor is 7 Days | Same as above |
| DCB Bank | WCDL | 75.00 | 75.00 | Repayable on demand | Same as above |
| HDFC Bank Ltd. | CC/WCDL | 500.00 | - | 30 Days / As Mutually Agreed specifically for Working Capital Demand Loan | Same as above |
| Indian Bank | CC/WCDL | 350.00 | 350.00 | Repayable on demand | Same as above |
| IndusInd Bank Ltd | CC/WCDL | 300.00 | 200.00 | Working Capital Demand Loan repayable on demand, Minimum tenor -7 days, Maximum Tenor - 360 Days | Same as above |
| Karnataka Bank | CC/WCDL | 50.00 | 50.00 | Repayable on demand | Same as above |
| Kotak Mahindra Bank Ltd | CC / WCDL | 250.00 | - | Repayable on Demand and Working Capital Demand Loan tenor is maximum One year | Same as above |
| Mizuho Bank Ltd. | WCDL | 175.00 | - | Repayable on demand | Same as above |
| MUFG Bank Ltd. | STL | 160.00 | - | Repayable on demand | Same as above |
| Punjab & Sind Bank | CC / WCDL | 75.00 | - | Repayable on demand | Same as above |
| Punjab National Bank | CC / WCDL | 275.00 | 249.96 | Repayable on demand | Same as above |
| Qatar National Bank | WCDL | 45.00 | 45.00 | Repayable on demand | Same as above |
| Standard Chartered Bank | CC / WCDL | 125.00 | - | Repayable on demand | Same as above |
| State Bank of India | CC / WCDL | 1,050.00 | 420.00 | Repayable on demand | Same as above |
| Union Bank of India | CC / WCDL | 100.00 | 100.00 | Repayable on demand | Same as above |
| Union Bank of India | STL/ LOC | 800.00 | 800.00 | Bullet repayment | Same as above |
| United Overseas Bank | WCDL | 70.00 | 70.00 | Repayable on demand | Same as above |
| Total | | 5,700.00 | 3,019.96 | | |

The security for the above borrowings (except as mentioned otherwise) is governed primarily by the security trustee agreement dated February 25, 2011 and supplemental security trustee agreements cum deed of hypothecation dated April 30, 2013 and August 07, 2015, entered into between the Company and Vistra ITCL (India) Limited (formerly IL&FS Trust Company Ltd ("Security Trustee") along with the various lenders.

Under the Security Trustee Agreement and supplemental security trustee agreements cum deed of hypothecation dated January 20, 2020, the Company is permitted to raise Rs. 45,000 crore. The security created under the Security Trustee Agreement is a hypothecation on the receivables of the Company, present and future, in Favor of the Security Trustee, to be held in trust for the benefit of the Lenders. The security created or to be created under the Security Trustee Agreement is a continuing security ranking *pari-passu inter se* without any preference or priority to one Lender over the others and shall remain in full force and effect until all amounts outstanding to the Lenders are discharged.

2. **Details of Outstanding Unsecured Loan Facilities as on Sept 30, 2022: -**

| Name of lender | Type of Facility | Amount Sanctioned (INR crore) | Principal Amount Outstanding (INR crore) | Maturity Date | Repayment Schedule |
|----------------|------------------|-------------------------------|--|---------------|---------------------|
| DCB Bank | CC/WCDL | 50 | - | - | Repayable on demand |
| | Total | 50 | - | | |

3. **a) Details of Outstanding NCDs as on Sept 30, 2022:**

| Series of NCDs | Tenor (in days) | Coupon / XIRR | Amount (Rs. in Cr) | Date of Allotment | Redemption/ Maturity Date | Credit Rating | Secured /Unsecured | Security |
|---|-----------------|---------------|--------------------|-------------------|--|--|--------------------|---|
| 8.77% Secured Redeemable Non Convertible Debenture Series ABFL NCD N1 FY 2015-16. | 2,557 | 8.77% p.a. | 60 | 07-Oct-15 | 07-Oct-22 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Pari-passu charge on receivables of the Company through Securit |
| 8.77% Secured Redeemable Non Convertible Debenture Series ABFL NCD O1 FY 2015-16. | 2,557 | 8.77% p.a. | 21 | 12-Oct-15 | 12-Oct-22 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 8.77% Secured Redeemable Non Convertible Debenture Series ABFL NCD Q1 FY 2015-16. | 3,651 | 8.77% p.a. | 15 | 19-Oct-15 | 17-Oct-25 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 8.71% Secured Redeemable Non Convertible Debenture Series ABFL NCD S1 FY 2015-16. | 3,650 | 8.71% p.a. | 500 | 03-Nov-15 | 50% on November 01, 2024 & 50% on October 31, 2025 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |

| | | | | | | | | |
|---|-------|-----------------------------------|----|-----------|-----------|--|---------|---------------|
| 8.85% Secured Redeemable Non Convertible Debenture Series ABFL NCD W3 FY 2015-16. | 3,653 | 8.85% p.a. | 10 | 23-Feb-16 | 23-Feb-26 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 8.90% Secured Redeemable Non Convertible Debenture Series ABFL NCD X1 FY 2015-16. | 3,649 | 8.90% p.a. | 10 | 09-Mar-16 | 06-Mar-26 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 8.90% Secured Redeemable Non Convertible Debenture Series ABFL NCD Z3 FY 2015-16. | 3,651 | 8.90% p.a. | 5 | 21-Mar-16 | 20-Mar-26 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 8% XIRR Secured Rated Listed Redeemable Non Convertible Debentures Series ABFL NCD C1 FY 2017-18. | 3,650 | Zero Coupon (8.00% on XIRR basis) | 5 | 13-Jun-17 | 11-Jun-27 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 8.90% Secured Rated Listed Redeemable Non Convertible Debentures Series ABFL NCD C4 FY 2018-19. | 2,557 | 8.90% p.a. | 51 | 26-Jun-18 | 26-Jun-25 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |

| | | | | | | | | |
|--|-------|------------|-----|-----------|-----------|--|---------|---------------|
| 8.90% Secured Rated Listed Redeemable Non Convertible Debentures Series ABFL NCD D2 FY 2018-19. | 1,826 | 8.90% p.a. | 15 | 27-Jul-18 | 27-Jul-23 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 8.90% Secured Rated Listed Redeemable Non Convertible Debentures Series ABFL NCD D2 FY 2018-19. | 1,689 | 8.90% p.a. | 145 | 11-Dec-18 | 27-Jul-23 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 9.15% Secured Rated Listed Redeemable Non Convertible Debentures Series ABFL NCD I 1 FY 2018-19. | 1,826 | 9.15% p.a. | 70 | 21-Dec-18 | 21-Dec-23 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 9.15% Secured Rated Listed Redeemable Non Convertible Debentures Series ABFL NCD I 2 FY 2018-19. | 3,653 | 9.15% p.a. | 15 | 21-Dec-18 | 21-Dec-28 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 9.15% Secured Rated Listed Redeemable Non Convertible Debentures Series ABFL NCD I 1 FY 2018-19. | 1,820 | 9.15% p.a. | 81 | 27-Dec-18 | 21-Dec-23 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |

| | | | | | | | | |
|---|-------|---------------|------|-----------|--|---|---------|---------------------|
| 9.15 Secured Rated Listed Redeemable Non Convertible Debentures Series ABFL NCD I 2 FY 2018-19. | 3,647 | 9.15% p.a. | 69 | 27-Dec-18 | 21-Dec-28 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 9.15% Secured Rated Listed Redeemable Non Convertible Debentures Series ABFL NCD I 1 FY 2018-19. | 1,809 | 9.15% p.a. | 16 | 07-Jan-19 | 21-Dec-23 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 9.15% Secured Rated Listed Redeemable Non Convertible Debenture Series ABFL NCD I 2 FY 2018-19. | 3,600 | 9.15% p.a. | 38.5 | 12-Feb-19 | 21-Dec-28 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 9.15% Secured Rated Listed Redeemable Non Convertible Debenture Series ABFL NCD I 2 FY 2018-19. | 3,555 | 9.15% p.a. | 150 | 29-Mar-19 | 21-Dec-28 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 9% Secured Rated Listed Redeemable Non Convertible Debenture Series ABFL NCD B2 FY 2019-20. | 3,651 | 9.00% p.a. | 1500 | 20-May-19 | 50% - May 19, 2028 50% - May 18, 2029 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |

| | | | | | | | | |
|---|-------|---------------|-------|-----------|-----------|---|---------|---------------------|
| 8.65% Secured Rated Listed Redeemable Non Convertible Debenture Series ABFL NCD C1 FY 2019-2020. | 1,827 | 8.65% p.a. | 173 | 12-Jun-19 | 12-Jun-24 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 8.65% Secured Rated Listed Redeemable Non Convertible Debenture Series ABFL NCD C1 FY 2019-2020. | 1,815 | 8.65% p.a. | 198 | 24-Jun-19 | 12-Jun-24 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 8.65% Secured Rated Listed Redeemable Non Convertible Debenture Series ABFL NCD C1 FY 2019-2020. | 1,811 | 8.65% p.a. | 111.6 | 28-Jun-19 | 12-Jun-24 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 8.70% Secured Rated Listed Redeemable Non Convertible Debenture Series ABFL NCD D1 FY 2019-2020. | 3,653 | 8.70% p.a. | 29.2 | 04-Jul-19 | 04-Jul-29 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 8.65% Secured Rated Listed Redeemable Non Convertible Debenture Series ABFL NCD C1 FY 2019-2020. | 1,785 | 8.65% p.a. | 98.7 | 24-Jul-19 | 12-Jun-24 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |

| | | | | | | | | |
|--|-------|------------|------|-----------|---|--|---------|---------------|
| 7.75% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1. | 1,101 | 7.75% p.a. | 150 | 04-Dec-19 | 09-Dec-22 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 8.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD J1. | 3,651 | 8.15% p.a. | 1000 | 20-Jan-20 | 25% at the end of 7th Yr (Wednesday, January 20, 2027), 25% at the end of 8th Yr (Thursday, January 20, 2028), 25% at the end of 9th Yr (Friday, January 19, 2029) & 25% at the end of 10th Yr (Friday, January 18, 2030) | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 7.75% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A1 FY 2020-21 | 1,125 | 7.75% p.a. | 205 | 17-Apr-20 | 17-May-23 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 7.57% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A2 FY 2020-21 | 1,156 | 7.57% p.a. | 225 | 28-Apr-20 | 28-Jun-23 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 7.69% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A3 FY 2020-21 | 1,823 | 7.69% p.a. | 25 | 28-Apr-20 | 25-Apr-25 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |

| | | | | | | | | |
|--|-------|------------|-----|-----------|-----------|--|---------|---------------|
| 5.9000% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD G1 FY 2020-21. MATURITY DATE – 29/12/2023 | 1,163 | 5.90% p.a. | 330 | 22-Oct-20 | 29-Dec-23 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 6.2500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1 FY 2020-21. MATURITY DATE – 23/12/2025 | 1,826 | 6.25% p.a. | 75 | 23-Dec-20 | 23-Dec-25 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 7.2400% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K1 FY 2020-21. MATURITY DATE – 18/02/2031 | 3,652 | 7.24% p.a. | 25 | 18-Feb-21 | 18-Feb-31 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE – 30/05/2023 | 824 | 6.15% p.a. | 775 | 25-Feb-21 | 30-May-23 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |

| | | | | | | | | |
|--|-------|---|-----|-----------|----------------------------------|---|---------|---------------------|
| 3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non- Convertible Debentures Series: ABFL NCD 'L1' FY 2020-21- MATURITY DATE – 16/03/2023 | 730 | 5.75% p.a. (Floatin g Coupon with Quarter ly Reset, Payabl e Annuall y) | 500 | 16-Mar-21 | 16-Mar-23 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non- Convertible Debentures Series: ABFL NCD 'L2' FY 2020-21- MATURITY DATE – 19/03/2023 | 728 | 5.75% p.a. (Floatin g Coupon with Quarter ly Reset, Payabl e Annuall y) | 250 | 19-Mar-21 | 17-Mar-23 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 6.1500% SECURED RATED LISTED REDEEMABL E NON- CONVERTIBL E DEBENTURE. SERIES ABFL NCD L3 FY 2020-21. MATURITY DATE – 28/03/2024 | 1,093 | 6.15% p.a. | 420 | 31-Mar-21 | 28-Mar-24 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non- Convertible Debentures Series: ABFL NCD 'B1' FY 2021-22- MATURITY DATE – 05/05/2023 | 728 | 5.11% p.a. (Floatin g Coupon with Quarter ly Reset, Payabl e Annuall y) | 250 | 07-May-21 | 05-May-23 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 7.2600% SECURED RATED LISTED REDEEMABL E NON CONVERTIBL E DEBENTURE S.SERIES | 3,651 | 7.26% p.a | 750 | 31-May-21 | 25% at the end of 7th Year | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) | Secured | Same as above |
| | | | | | (Wednesday, May 31, 2028) | | | Same as above |
| | | | | | 25% at the end of 8th Year | | | Same as above |

| | | | | | | | | |
|---|-------|--|-----|-----------|-----------------------------|--|---------|---------------|
| B2.DATE OF MATURITY 30/05/2031 | | | | | (Thursday, May 31, 2029) | from ICRA. | | Same as above |
| | | | | | 25% at the end of 9th Year | | | Same as above |
| | | | | | (Friday, May 31, 2030) | | | Same as above |
| | | | | | 25% at the end of 10th Year | | | Same as above |
| | | | | | (Friday, May 30, 2031) | | | Same as above |
| 5.1500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE S.SERIES C1.DATE OF MATURITY 16/06/2023 | 729 | 5.1500 % p.a | 50 | 17-Jun-21 | 16-Jun-23 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| Zero Coupon SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE S.SERIES C2.DATE OF MATURITY 14/06/2024 | 1,093 | Zero Coupon (5.75% p.a, on XIRR basis) | 75 | 17-Jun-21 | 14-Jun-24 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 6.5500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE S.SERIES D1.DATE OF MATURITY 24/07/2026 | 1,824 | 6.55% p.a. | 500 | 26-Jul-21 | 24-Jul-26 | IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 5.8500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE S.SERIES E1.DATE OF MATURITY 02/08/2024 | 1093 | 5.85% p.a. | 250 | 05-Aug-21 | 02-Aug-24 | IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |

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|--|------|--|------|-----------|-----------|---|---------|---------------|
| 7.100% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE S. SERIES G1.DATE OF MATURITY 03/10/2031 | 3651 | 7.10% p.a. | 50 | 04-Oct-21 | 03-Oct-31 | IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 6.4500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE S. SERIES G2.DATE OF MATURITY 01/10/2026 | 1823 | 6.45% p.a. | 115 | 04-Oct-21 | 01-Oct-26 | IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 3M TBILL LINKED SECURED RATED LISTED NON CONVERTIBLE DEBENTURE S. ABFL NCD SERIES 'J1' FY2021-22.DATE OF MATURITY 21/01/2025 | 1096 | 5.22% p.a. (Floating Coupon with Quarterly Reset, Payable Annually) | 500 | 21-Jan-22 | 21-Jan-25 | IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 6.4000% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE S. SERIES J2.DATE OF MATURITY 22/07/2025 | 1278 | 6.40% p.a. | 350 | 21-Jan-22 | 22-Jul-25 | IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| PRINCIPAL PROTECTED (10 YEAR G-SEC PRICE LINKED) SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE S. ABFL NCD | 730 | 1 Greater than 50% of Digital Level 6.0082 % p.a. (6.0000 % XIRR (Annualized yield)) | 45.1 | 04-May-22 | 03-May-24 | IND PP-MLD AAA emr/Stable | Secured | Same as above |

| | | | | | | | | |
|--|------|---|-----|-----------|-----------|---|---------|---------------------|
| SERIES PPMLD B1 FY 2022-23 – MAY 04, 2022. DATE OF MATURITY 03/05/2024 | | 2 Less than or equal to 50% of Digital Level 0 % | | | | | | |
| 7.6000% SECURED RATED LISTED NON CONVERTIBL E DEBENTURE S. ABFL NCD SERIES C1 FY2022- 23.DATE OF MATURITY 06/06/2025 | 1094 | 7.60% p.a. | 110 | 08-Jun-22 | 06-Jun-25 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 7.6000% SECURED RATED LISTED NON CONVERTIBL E DEBENTURE S. FURTHER ISSUANCE I ABFL NCD SERIES C1 FY2022- 23.DATE OF MATURITY 06/06/2025 | 1088 | 7.60% p.a. | 250 | 14-Jun-22 | 06-Jun-25 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| PRINCIPAL PROTECTED (10 YEAR G- SEC PRICE LINKED) SECURED RATED LISTED REDEEMABL E NON CONVERTIBL E DEBENTURE S. ABFL NCD SERIES PPMLD C4 FY 2022-23 – JUNE 28, 2022. DATE OF MATURITY 27/06/2024 | 730 | 1 Greater than 50% of Digital Level 7.3400 % p.a. (7.3300 % XIRR (Annual ized yield)) 2 Less than or equal to 50% of Digital Level 0 % | 25 | 28-Jun-22 | 27-Jun-24 | IND PP- MLD AAA emr/Sta ble | Secured | Same as above |

| | | | | | | | | |
|--|------|--|-----|-----------|-----------|--|---------|---------------|
| 7.6000% SECURED RATED LISTED NON CONVERTIBLE DEBENTURE S. FURTHER ISSUANCE II ABFL NCD SERIES C1 FY2022-23. DATE OF MATURITY 06/06/2025 | 1071 | 7.60% p.a. | 250 | 01-Jul-22 | 06-Jun-25 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE S. FURTHER ISSUANCE (I) SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025 | 1080 | 8.90% p.a. | 300 | 12-Jul-22 | 26-Jun-25 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| Zero Coupon SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE S. SERIES D1. DATE OF MATURITY 11/07/2025 | 1095 | Zero Coupon (7.80% p.a. on XIRR basis) | 325 | 12-Jul-22 | 11-Jul-25 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 7.5000% SECURED RATED LISTED NON CONVERTIBLE DEBENTURE S. ABFL NCD SERIES E1 FY2022-23. DATE OF MATURITY 18/08/2025 | 1096 | 7.50% p.a. | 400 | 18-Aug-22 | 18-Aug-25 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |

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|--|------|--|-------|-----------|-----------|---|---------|---------------------|
| Zero Coupon SECURED RATED LISTED NON CONVERTIBLE DEBENTURE S. ABFL NCD SERIES E2 FY2022- 23.DATE OF MATURITY 23/08/2024 | 730 | Zero Coupon (7.26% p.a. on XIRR basis) | 136 | 24-Aug-22 | 23-Aug-24 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| PRINCIPAL PROTECTED (10 YEAR G- SEC PRICE LINKED) SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE S. ABFL NCD SERIES PPMLD E3 FY 2022-23 – DATE OF MATURITY 09/04/2025 | 957 | 1 Greater than 50% of Digital Level 7.2941 % p.a. (7.3100 % XIRR (Annual ized yield)) 2 Less than or equal to 50% of Digital Level 0 % | 102.2 | 26-Aug-22 | 09-Apr-25 | IND PP- MLD AAA emr/Sta ble | Secured | Same as above |
| 9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. FURTHER ISSUANCE IV SERIES ABFL NCD I2 FY 2018-19. MATURITY DATE - 21/12/2028 | 2296 | 9.15% p.a. | 25 | 08-Sep-22 | 21-Dec-28 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| 7.5000% SECURED RATED LISTED NON CONVERTIBLE DEBENTURE S. Further Issuance (I) ABFL NCD Series E1 FY 2022-23.DATE OF MATURITY 18/08/2025 | 1064 | 7.50% p.a. | 465 | 19-Sep-22 | 18-Aug-25 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |

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|--|------|---------------|------------------|-----------|-----------|---|---------|---------------------|
| 8.90% SECURED RATED LISTED REDEEMABL E NON CONVERTIBL E DEBENTURE S. FURTHER ISSUANCE (I) SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025 | 1002 | 8.90% p.a. | 25 | 28-Sep-22 | 26-Jun-25 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | Same as above |
| Total | | . | 12,715.30 | | | | | |

b) Details of Unsecured NCDs (sub-debt) as on Sept 30, 2022.

| Series of NCS | Tenor (in days) | Coupon / XIRR | Amount (Rs. in Cr) | Date of Allotment | Redemption Date | Credit Rating |
|---|-----------------|---------------|--------------------|-------------------|-----------------|--|
| 9.85% Unsecured Redeemable Non Convertible Debentures ABFL Sub Debt Series 1 2013-14. | 3650 | 9.85% p.a. | 100 | 04-Jun-13 | 02-Jun-23 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. |
| 9.75% Unsecured Redeemable Non Convertible Debentures Series ABFL Sub Debt Series A 2014-15. | 3653 | 9.75% p.a. | 50 | 12-Dec-14 | 12-Dec-24 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. |
| 9.45% Unsecured Redeemable Non Convertible Debentures Series ABFL Sub Debt Series B 2014-15. | 3653 | 9.45% p.a. | 45 | 09-Jan-15 | 09-Jan-25 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. |
| 9.25% Unsecured Redeemable Taxable Non Convertible Subordinate Debentures Series ABFL Sub Debt A1 FY 2015-16. | 3642 | 9.25% p.a. | 25 | 17-Jun-15 | 06-Jun-25 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. |
| 9.25% Unsecured Redeemable Taxable Non Convertible Subordinate Debentures Series ABFL Sub Debt B1 FY 2015-16. | 3650 | 9.25% p.a. | 30 | 14-Jul-15 | 11-Jul-25 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. |
| 9.25% Unsecured Redeemable Taxable Non Convertible Subordinate Debentures Series ABFL Sub Debt C1 FY 2015-16. | 3650 | 9.25% p.a. | 33 | 25-Aug-15 | 22-Aug-25 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. |
| 9.10% Unsecured Redeemable Non Convertible Debentures Series ABFL Sub Debt D1 FY 2015-16. | 3650 | 9.10% p.a. | 25 | 08-Mar-16 | 06-Mar-26 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. |
| 9.10% Unsecured Redeemable Non Convertible Debentures. Series ABFL Sub Debt E1 FY 2015-16. | 3652 | 9.10% p.a. | 8 | 10-Mar-16 | 10-Mar-26 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. |
| 9.10% Unsecured Redeemable Non Convertible Debentures. Series ABFL Sub Debt F1 FY 2015-16. | 3644 | 9.10% p.a. | 25.50 | 18-Mar-16 | 10-Mar-26 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. |

| | | | | | | |
|--|------|-------------------------------------|-------|-----------|-----------|--|
| 9.10% Unsecured Redeemable Non Convertible Subordinate Debentures. Series ABFL Sub Debt SC1 FY 2016-17. | 3652 | 9.10% p.a. | 52.50 | 23-Jun-16 | 23-Jun-26 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. |
| 8.97% Unsecured Redeemable Non Convertible Subordinate Debentures Series ABFL Sub Debt SD1 FY 2016-17. | 3652 | 8.97% p.a. | 100 | 28-Jul-16 | 28-Jul-26 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. |
| 8.95% Unsecured Redeemable Non Convertible Subordinate Debentures Series ABFL Sub Debt SD 2 FY 2016-17. | 3652 | 8.95% p.a. | 75 | 28-Jul-16 | 28-Jul-26 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. |
| 8.90% Unsecured Redeemable Non Convertible Debentures Series ABFL Sub Debt SF1 FY 2016-17. | 3652 | 8.9% p.a. | 200 | 29-Sep-16 | 29-Sep-26 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. |
| 8.90% Unsecured Redeemable Non Convertible Debentures Series ABFL Sub Debt SH1 FY 2016-17. | 3651 | 8.9% p.a. | 200 | 21-Nov-16 | 20-Nov-26 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. |
| 8.25% Unsecured Rated Listed Taxable Redeemable Non Convertible Subordinated Debentures Series ABFL Sub Debt SL1 FY 2016-17. | 3652 | 8.25% p.a. | 10 | 09-Mar-17 | 09-Mar-27 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. |
| 8.50% Unsecured Rated Listed Taxable Redeemable Non Convertible Debentures Series ABFL Sub Debt SB1 FY 2017-18. | 3652 | 8.5% p.a. | 165 | 18-May-17 | 18-May-27 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. |
| 9.76% Unsecured Rated Listed Non Convertible Debenture Series SL 1. | 3653 | 9.76% p.a. | 250 | 04-Dec-18 | 04-Dec-28 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. |
| 8.95% Unsecured Rated Listed Non Convertible Debenture Series SC 1. | 3653 | 8.95% p.a | 200 | 06-Jun-19 | 06-Jun-29 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. |
| 8.95% Unsecured Rated Listed Non Convertible Debenture Series SC 1. | 3446 | Coupon - 8.95% p.a; XIRR - 8.67% | 100 | 30-Dec-19 | 06-Jun-29 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. |

| | | | | | | |
|---|------|---|--------------|-----------|-----------|---|
| 8.95% Unsecured Rated Listed Non Convertible Debenture Series SC 1. | 3401 | Coupon - 8.95% p.a; XIRR - 8.25% | 50 | 13-Feb-20 | 06-Jun-29 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. |
| 7.43% Unsecured Rated Listed Non Convertible Debenture Series SI 1. | 3650 | 7.43% p.a. | 80 | 29-Dec-20 | 27-Dec-30 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. |
| 7.34% Unsecured Rated Listed Non Convertible Debenture Series SC 1. | 3652 | 7.34% p.a. | 75 | 11-Jun-21 | 11-Jun-31 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. |
| 7.43% Unsecured Rated Listed Non Convertible Debenture Series SC 1. | 3651 | 7.43% p.a. | 35 | 06-Dec-21 | 05-Dec-31 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. |
| 7.43% Unsecured Rated Listed Non Convertible Debenture Series SC 1. | 3567 | 7.43% p.a. | 210 | 28-Feb-22 | 05-Dec-31 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. |
| | | TOTAL | 2,144 | | | |

c) Details of (Unsecured) Perpetual NCDs as on Sept 30, 2022

| Series of NCS | Tenor / Period of Maturity | Coupon / XIRR | Amount (Rs. in Cr) | Date of Allotment | Redemption Date / Schedule | Credit Rating |
|--|-----------------------------------|----------------------|---------------------------|--------------------------|-----------------------------------|--------------------------------|
| 8.7% Unsecured Rated Listed Taxable Redeemable Non-Convertible Perpetual Debentures. Series ABFL Perpetual Pd1 FY 2017-18. | Perpetual | 8.70% p.a. | 200.00 | 21-July 2017 | Perpetual | [IND] AA+ [ICRA] AA+ Stable |
| | | Total | 200.00 | | | |

Details of (Unsecured) Partly Paid NCD as on Sept 30, 2022

| Series of NCS | Tenor / Period of Maturity | Coupon / XIRR | Amount (Rs. in Cr) | Date of Allotment | Redemption Date / Schedule | Credit Rating |
|--|-----------------------------------|----------------------|---------------------------|--------------------------|-----------------------------------|----------------------|
| 7.57% Unsecured Rated Listed Redeemable Non-Convertible Partly Paid Debentures. Series ABFL NCD 'EP1' FY 2020-21. Date of Maturity 03/08/2035. | 5475 days | 7.57% p.a. | 154.00 | August 06, 2020 | August 03, 2035 | [ICRA] AAA Stable |
| | | Total | 154.00 | | | |

List of top 10 holders of Secured Non-convertible Securities in the terms of value (in cumulative basis, as on September 30, 2022):

a. Secured, Redeemable Non-Convertible Debentures

| Sr. No. | Name of holders of Non-convertible Securities | Amt (Rs. in Crs.) | % of total Secured NCS outstanding |
|---------|---|-------------------|------------------------------------|
| 1 | Life Insurance Corporation Of India | 3,700 | 29% |
| 2 | State Bank Of India | 1,850 | 15% |
| 3 | ICICI Prudential Mutual Fund | 1,000 | 8% |
| 4 | Bank of Baroda | 985 | 8% |
| 5 | Punjab National Bank | 535 | 4% |
| 6 | Aditya Birla Mutual Fund | 380 | 3% |
| 7 | Union Bank Of India | 370 | 3% |
| 8 | Infosys Ltd Employees' Pf Trust | 324 | 3% |
| 9 | Central bank of india | 315 | 2% |
| 10 | Nippon India Mutual Fund | 300 | 2% |
| | Total | 9,759 | |

- b. Unsecured, Redeemable Non-Convertible Subordinated Debentures of Face value of Rs. 10 lakhs each for total of Rs. 1,899 crores and Rs. 1 crore each for Rs. 245 crores issued as Tier II Capital on private placement basis and not in reference to any particular series of debentures issued.**

Unsecured – Subordinated NCDs

| Sr. No. | Name of holders of Non-convertible Securities | Amt (Rs. in Crs.) | % of total Subordinated NCS outstanding |
|---------|---|-------------------|---|
| 1 | The Larsen and Toubro Officers and Supervisory Staff | 177 | 8% |
| 2 | Birla Sun Life Insurance Company Limited | 95 | 4% |
| 3 | Indian Institute Of Science | 89 | 4% |
| 4 | Shell India Employees Provident Fund Trust | 81 | 4% |
| 5 | Visakhapatnam Steel Project Employees Pf Trust | 79 | 4% |
| 6 | Maruti Suzuki India Limited Employees Pf Trust | 71 | 3% |
| 7 | The PF Trust For The Employees Of Indian Oil Corporation Ltd (Md) | 60 | 3% |
| 8 | Postal Life Insurance Fund A/C UTI AMC | 50 | 2% |
| 9 | Britania Industries Limited | 48 | 2% |
| 10 | HVPNL Employees Pension Fund Trust | 46 | 2% |
| | Total | 796 | |

Unsecured – Perpetual NCDs

| Sr. No | Name of holders of Non-convertible Securities | Amt (Rs. in Crs.) | % of total Unsecured Perpetual NCS outstanding |
|--------|---|-------------------|--|
| 1 | HVPNL Employees Pension Fund Trust | 35 | 18% |
| 2 | ASEB Employees Pension Fund Investment Trust | 15 | 8% |
| 3 | Tata Communications Employees' Provident Fundtrust | 13 | 6% |
| 4 | Pepsico India Holdings Employees Provident Fund | 11 | 6% |
| 5 | WB State Electricity Transmission Co Limited Employees Pension Fund | 10 | 5% |
| 6 | Tata Sons Consolidated Provident Fund | 7 | 4% |
| 7 | Marico Limited Employees Provident Fund | 5 | 3% |
| 8 | Tata Coffee Limited Staff Provident Fund | 4 | 2% |
| 9 | Bharatiya Vidya Bhavan Staff Contributory Provident Fund | 4 | 2% |
| 10 | Cadila Healthcare Ltd Managerial Cadre Epf | 4 | 2% |
| | Total | 109 | |

Unsecured – Partly Paid NCD

| Sr. No | Name of holders of Non-convertible Securities | Amt (Rs. in Crs.) | % of total Unsecured Partly Paid NCS outstanding |
|---------------|--|--------------------------|---|
| 1 | ICICI Prudential Life Insurance Company Limited | 154 | 100 |
| | Total | 154 | |

4. The amount of corporate guarantee issued by the Issuer along with name of the counterparty (like name of the subsidiary, JV entity, group companies etc.) on behalf of whom it has been issued as on **Sept 30, 2022**:

The Company is an NBFC engaged in lending business, provides corporate guarantees and letter of comforts in its ordinary course of business. The details are as under:

| Particulars | As at Sept 30, 2022 (Rs. in Lacs) |
|---|--|
| Corporate guarantees, Overdraft, Letter of credit & Letter of comfort given by the Company on behalf of the clients | 14,256.09 |

Details of the outstanding Commercial Paper as on Sept 30, 2022.

| Sr. No. | ISIN of Commercial Paper | Maturity Date | Amount Outstanding (Rs. in crs) |
|----------------|---------------------------------|----------------------|--|
| 1 | INE860H14U78 | October 21, 2022 | 200 |
| 2 | INE860H14V77 | December 12, 2022 | 150 |
| 3 | INE860H14W01 | January 3, 2023 | 200 |
| 4 | INE860H14W19 | January 6, 2023 | 100 |
| 5 | INE860H14W27 | February 10, 2023 | 200 |
| 6 | INE860H14W43 | November 18, 2022 | 150 |
| 7 | INE860H14W50 | December 27, 2022 | 25 |
| 8 | INE860H14Y25 | October 31, 2022 | 75 |
| 9 | INE860H14Y33 | November 7, 2022 | 200 |
| 10 | INE860H14Y17 | November 9, 2022 | 25 |
| 11 | INE860H14Y17 | November 9, 2022 | 200 |
| 12 | INE860H14Y17 | November 9, 2022 | 100 |
| 13 | INE860H14Y41 | November 21, 2022 | 200 |
| 14 | INE860H14Y41 | November 21, 2022 | 1,110 |
| 15 | INE860H14Y58 | November 25, 2022 | 100 |
| 16 | INE860H14Y58 | November 25, 2022 | 500 |
| 17 | INE860H14Y66 | December 2, 2022 | 80 |
| 18 | INE860H14Y58 | November 25, 2022 | 25 |
| 19 | INE860H14Y66 | December 2, 2022 | 100 |
| 20 | INE860H14Y58 | November 25, 2022 | 200 |
| 21 | INE860H14Y66 | December 2, 2022 | 150 |
| 22 | INE860H14Y66 | December 2, 2022 | 400 |
| 23 | INE860H14Y66 | December 2, 2022 | 500 |
| 24 | INE860H14V77 | December 12, 2022 | 400 |
| 25 | INE860H14V77 | December 12, 2022 | 415 |
| 26 | INE860H14V77 | December 12, 2022 | 200 |
| | Total | | 6,005 |

Details of Rest of the borrowing (hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on Sept 30, 2022

| Party Name (in case of Facility) / Instrument Name | Type of Facility / Instrument | Amt Sanctioned / Issued | Principal Amt outstanding | Repayment Date / Schedule | Credit Rating | Secured / Unsecured | Security |
|--|-------------------------------|-------------------------|---------------------------|---------------------------|---------------|---------------------|----------|
| NIL | | | | | | | |

5. Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guaranteed by the Issuer, in the past 5 years: - NIL

The Issuer hereby confirms that:

- a. The Issuer has been servicing all its principal and interest liabilities on time and there has been no instance of delay or default since inception.
 - b. The Issuer has neither defaulted in repayment/ redemption of any of its borrowings nor affected any kind of roll over against any of its borrowings in the past.
6. Details of any outstanding borrowings taken/ debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option.

The Issuer has reissued the following existing Non-convertible securities at a premium/discount as on Sept 30, 2022 - mentioned below

| Series of NCS | Tenor/ Period of Maturity | Coupon | Amount INR Crs | Date of Allotment | Redempti on on Date / Schedule | Credit Rating | Secured / Unsecured | Security |
|---------------------------------|---------------------------|-----------------------------------|----------------|-------------------|--------------------------------|--|---------------------|----------|
| SERIES ABFL NCD D2 FY 2018-19. | 1689 | 8.9000% p.a. - 9.4000% XIRR basis | 145 | 11 December 2018 | 27 July 2023 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | do |
| SERIES ABFL NCD I 1 FY 2018-19. | 1820 | Coupon 9.1500% - 9.1000% XIRR | 81 | 27 December 2018 | 21 December 2023 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | do |
| SERIES ABFL NCD I 2 FY 2018-19. | 3647 | 9.1500% - 9.1000% XIRR basis | 69 | 27 December 2018 | 21 December 2028 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | do |
| SERIES ABFL NCD I 1 FY 2018-19. | 1809 | 9.1500% - 9.0000% XIRR basis | 16 | 07 January 2019 | 21 December 2023 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | do |
| SERIES ABFL NCD I 2 FY 2018-19. | 3600 | 9.1500% - 9.0500% XIRR basis | 38.5 | 12 February 2019 | 21 December 2028 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | do |
| SERIES ABFL NCD I 2 FY 2018-19. | 3555 | 9.1500% - 8.6500% XIRR basis | 150 | 29 March 2019 | 21 December 2028 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | do |

| | | | | | | | | |
|--|------|--|-------|------------------------|-----------------------|--|---------------|----|
| SERIES ABFL NCD C1 FY 2019-2020. | 1815 | 8.65% p.a. - 8.6500% on XIRR basis | 198 | 24 June 2019 | 12 June 2024 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | do |
| SERIES ABFL NCD C1 FY 2019-2020. | 1811 | 8.65% p.a. - 8.6500% on XIRR basis | 111.6 | 28 June 2019 | 12 June 2024 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | do |
| SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURIT Y 12/06/2024 | 1785 | Coupon 8.65% p.a. - 8.5000% on XIRR Basis | 987 | 24 July 2019 | 12 June 2024 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Secured | do |
| SERIES ABFL SUB DEBT SC1 FY2019-20 DATE OF MATURIT Y 06/06/2029 | 3446 | Coupon 8.95% p.a. - 8.6700% on XIRR Basis | 100 | 30 December 2019 | 06 June 2029 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Unsecure d | do |
| ABFL Sub debt NCD Series 'SI1' FY2021-22 DATE OF MATURIT Y 05/12/2031 | 3567 | Coupon 7.43% p.a. - 7.65% on XIRR Basis | 210 | 28 February 2022 | 5 December 2031 | 'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA. | Unsecure d | do |

7. **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:

| | | (Rs. in crs) |
|--------------|---------------------------------|------------------|
| 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 | 2,79,762.8 | 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% |

8. 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**

9. 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 functionaries 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 monitored through regular portfolio MIS analysis.
2. Established and market-benchmarked credit policy, wherein modifications/refinements to individual programmes are made whenever considered necessary or appropriate.
3. 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.

Security / Further Borrowings

The Secured, Redeemable Non-Convertible Debentures including payment of all interest, liquidated damages, remuneration of the Debenture Trustee and all other fees, costs, charges, expenses and other monies payable are secured by way of creation of Pari passu charge by way of hypothecation:-

1. On all current and future loan assets of the Company and all monies receivables thereunder and such future current assets of the Company from time to time and accepted by the Debenture Trustee.
2. Securities held by the Company (such as NCDs, CPs, PSU bonds etc.)

ABFL shall be entitled, from time to time, to make further issue of Debentures or such other instrument to the Public, members of the Company or to any other person(s) and/or raise further loans/advances and/or avail of further financial and/or guarantee(s) facilities from Indian or International Financial Institutions, Banks and/or any other person(s) on the security of the said properties or any part thereof and/ or such other assets and properties and having such ranking including ranking in priority to the security to be created in favour of the Trustees as may be decided by the Company from time to time.

The Company shall not create further Encumbrances on the Security without the consent of the Debenture Trustee. The Company shall provide, as and when required, a CA certificate to the Debenture Trustee confirming that the Required Security Cover for the outstanding Debenture is maintained.

The Debenture Trust Deed between the Debenture Trustee and the Company for Non-convertible Debentures aggregating to Rs. 5,000 crore to be issued from time to time in one or more series was executed on September 8, 2022.

Existing charges on debt contracted and permission to deal with assets charged

1. The following assets are charged in favor of **Vistra ITCL (India) Limited**, in the capacity of **Security Trustee** for various secured lenders, vide Security Trustee Agreement dated February 25, 2011, supplemental security trustee agreements cum deed of hypothecation dated April 30, 2013 and August 07, 2015, deed of accession dated April 11, 2017 and supplemental security trustee agreements cum deed of hypothecation dated November 29, 2017 and January 13, 2020 as annexed with various accession deeds for charge created of Rs. 45,000 crores.
 - a) All receivables of the Borrower arising out of its business,
 - b) All other book debts,
 - c) Receivables from senior and junior pass through certificates in which the Borrower has invested,
 - d) Such other current Assets as may be identified by the Borrower from time to time and accepted by the Security Trustee, but exclude any specific receivables in respect of which lien (undertaking to create charge) or a mortgage or charge or other Encumbrance has been created to secure borrowings of any nature whatsoever, including in case of the issues of debentures, inter-corporate deposits term loans, working capital demand loans, cash credit and other fund based and non-fund based credit facility/(ies) availed by the Borrower.

"Receivables" shall mean to include:

- a) All receivables of the Borrower arising out of its business,
- b) All other book debts,
- c) Receivables from senior and junior pass through certificates in which the Borrower has invested,
- d) Such other current Assets as may be identified by the Borrower from time to time and accepted by the Security Trustee, but exclude any specific receivables in respect of which lien (undertaking to create charge) or a mortgage or charge or other encumbrance has been created to secure borrowings of any nature whatsoever, including in case of the issues of debentures, inter-corporate deposits term loans, working capital demand loans, cash credit and other fund based and non-fund based credit facility/(ies) availed by the Borrower;

As per the Security Trustee Agreement dated February 25, 2011, and supplemental security trustee agreements cum deed of hypothecation dated April 30, 2013, August 07, 2015, April 11, 2017 (Deed of accession), November 29, 2017 and January 13, 2020 the Company has the right to deal with the Current Assets including the right to create further first pari-passu charge on the Current Assets, so long as the Asset Cover is maintained.

2. The following assets are charged in favour of **Vistra ITCL (India) Limited** in its capacity as **Debenture Trustee** with respect to issue of Non-Convertible Debentures of Rs. 35,000 crores by the Company vide Debenture Trust Deed dated February 14, 2012, November 21, 2012, November 19, 2013, December 01, 2014, May 07, 2015, April 26, 2016, February 23, 2017, July 06, 2017, September 10, 2018, May 14, 2019, April 30, 2021 and September 8, 2022 (only current assets are charged for the last two DTDs).
 - i. First charge over Immovable Property - Flat no. 802, Samudra Annexe, OFF C G Road, Near Hotel Classic Gold, Navrangpura, Ahmedabad – 380 009.
 - ii. First pari-passu charge over following Movable Assets:
 - a. Receivables arising from unsecured loans / receivable on bill / LC discounting, trade advances given by the Company.
 - b. Securities held by the Company (such as NCDs, CPs, PSU bonds etc.)
 - c. Such other assets which the Company may add from time to time.

To the extent of a shortfall in asset cover charge, then on the other Current Assets of the Company by way of first pari-passu charge in favour of the Debenture Trustee.

Current Assets defined as:

- a. All receivables of the Company arising out of loan, lease and hire purchase transactions
- b. All other book debts
- c. Such other current assets as may be identified by the Company from time to time and accepted by the Debenture Trustee.

As per the Debenture Trust Deeds dated February 14, 2012, November 21, 2012, November 19, 2013, December 01, 2014, May 07, 2015, April 26, 2016, February 23, 2017, July 06, 2017, September 10, 2018, May 14, 2019, April 30, 2021 and September 8, 2022 the Company shall be entitled to borrow / raise loans or avail of financial assistance in whatever form and also issue debentures / bonds / other securities in any manner having *pair-passu* ranking / second charge and, on such terms and conditions as the Company may think appropriate, without the consent of, or intimation to, the Debenture Holders or the Debenture Trustee in this connection provided that the required Security Cover is always maintained.

The Company undertakes that the assets on which charge is created are free from any encumbrances and in cases where the assets are already charged to secure a debt, the permission or consent to create a second or *pari-passu* charge on the assets of the issuer has been obtained from the earlier creditor.

Under the Security Trustee Agreement and supplemental security trustee agreements cum deed of hypothecation dated January 20, 2020, the Company is permitted to raise Rs. 45,000 crore. The security created under the Security Trustee Agreement is a hypothecation on the receivables of the Company, present and future, in Favor of the Security Trustee, to be held in trust for the benefit of the Lenders. The security created or to be created under the Security Trustee Agreement is a continuing security ranking *pari-passu inter se* without any preference or priority to one Lender over the others and shall remain in full force and effect until all amounts outstanding to the Lenders are discharged

10. Details of Promoters of the Company

Our Promoter was originally incorporated on October 15, 2007 under the Companies Act, 1956 as 'Aditya Birla Financial Services Private Limited' with the Registrar of Companies, Maharashtra at Mumbai. The registered office of the Company was changed from the from the state of Maharashtra to the State of Gujarat i.e. under the jurisdiction of the Registrar of Companies, Ahmedabad, Gujarat with effect from December 15, 2019. The Promoter was converted from a private limited company to a public limited company and thereafter the name of the Promoter was changed from 'Aditya Birla Financial Services Private Limited' to 'Aditya Birla Financial Services Limited' with effect from December 04, 2014. The name of our Promoter was further changed to its present name 'Aditya Birla Capital Limited' and a fresh certificate of incorporation was issued by the Registrar of Companies, Ahmedabad on June 21, 2017.

The Promoter has been registered with the RBI as a Non-Banking Finance Company- Non-Deposit taking-Systemically Important Core Investment Company (CIC-ND-SI) vide a certificate of registration dated October 16, 2015. As per this certificate of registration, our Company has been permitted to carry on the business of CIC-ND-SI and has to abide by all the instructions by the RBI on CIC-ND-SI as collated in Master Direction – Core Investment Companies (Reserve Bank) Directions, 2016 vide circular no. DNBR. PD.003/03.10.119/2016-17 dated August 25, 2016 and the instructions issued thereafter. Under this certificate of registration, RBI has provided the following disclaimer:

(a) Reserve Bank of India does not accept any responsibility or guarantee about the present position as to the financial soundness of the Company or for the correctness of any of the statements or representations made or opinions expressed by the Company and for discharge of liability by the Company.

(b) Neither is there any provision in law to keep, nor does the Company keep any part of the deposits with the Reserve Bank and by issuing the certificate of registration to the Company, the Reserve Bank neither accepts any responsibility nor guarantee for the payment of the deposit amount to any depositor.

The Board of Directors of the Company at its Meeting held on August 11, 2016 approved a Composite Scheme of Arrangement between (erstwhile) Aditya Birla Nuvo Limited ("ABNL"), Grasim Industries Limited ("Grasim") and Aditya Birla Capital Limited (Formerly known as Aditya Birla Financial Services Limited) and their respective Shareholders and Creditors ("the Composite Scheme"). The Hon'ble National Company Law Tribunal, Bench at Ahmedabad sanctioned the Composite Scheme on June 01, 2017 and the certified true copy of the Scheme as received on June 07, 2017 was filed with the Registrar of Companies (ROC) on July 04, 2017, being the effective date. The Demerger Committee of Aditya Birla Capital Limited fixed July 20, 2017 as the record date for allotment of Equity Shares as per the Share Entitlement ratio pursuant to the Composite Scheme. The Equity Shares of Aditya Birla Capital Limited was allotted to each eligible Shareholder of Grasim Industries Limited, whose names were recorded in the register of Members of Grasim as on the record date i.e. July 20, 2017 was made on August 14, 2017, as per the Share Entitlement ratio pursuant to the Composite Scheme.

The Equity Shares of our Promoter are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (BSE and NSE shall together be collectively hereinafter referred to as "the Indian Stock Exchanges") and were admitted to trading on the Indian Stock Exchanges with effect from September 01, 2017. The Global Depositary Shares ("GDSs") issued pursuant to the Composite Scheme were listed on the official list of the Luxembourg Stock Exchange ("LSE") and admitted to trading on the Euro MTF market of LSE with effect from October 11, 2017.

Our Promoter is the holding company of various companies having presence across several business sectors including NBFC, asset management, life insurance, health insurance and wellness, housing finance, private equity, general insurance broking, wealth management, broking, online personal finance management, pension fund management and Asset Reconstruction Company.

We confirm that the Permanent Account Number and Bank Account Number of the Promoter and Permanent Account Number of the Directors have been submitted to the stock exchanges on which the non-convertible securities are proposed to be listed, at the time of filing the draft offer document.

i. **Details of Promoter Holding in the Company as on September 30, 2022**

| Sr. No. | Name of the shareholders | Total No. of Equity Shares | No. of shares in Demat form | Total Shareholding as % of total no of equity shares | No of shares pledged | % of shares pledged with respect to shares owned |
|---------|--|----------------------------|-----------------------------|--|----------------------|--|
| 1. | Aditya Birla Capital Ltd. (subsidiary of Grasim Industries Ltd) | 66,21,00,772 | 66,21,00,772 | 100 | None | Nil |
| 2. | Mr. Manoj Shah * | 10 | -- | -- | | |
| 3. | Mr. Murlidhar Raut * | 10 | -- | -- | | |
| 4. | Ms. Pinky Mehta * | 4 | 4 | -- | | |
| 5. | Mr. Ajay Kakar* | 4 | 4 | -- | | |
| 6. | Mr. A. Dhananjaya* | 4 | 4 | -- | | |
| 7. | Mr. Subhro Bhaduri* | 4 | 4 | -- | | |
| 8. | Mr. R C Sharma* | 1 | -- | -- | | |
| 9. | Mr. Deepak Tripathi* | 1 | -- | -- | | |
| 10. | Mr. Gopal Pamnani* | 1 | -- | -- | | |
| 11. | Mr. Goverdhan Gupta* | 1 | -- | -- | | |
| 12. | Mr. Bhadresh Khichi* | 1 | -- | -- | | |
| 13. | Mr. Dinesh Jain* | 1 | -- | -- | | |
| 14. | Mr. Lalit Vermani* | 4 | 4 | -- | | |
| 15. | Mr. Mukesh Malik* | 4 | 4 | -- | | |
| | Total | 66,21,00,822 | 66,21,00,796 | 100 | - | - |

* Nominees of Aditya Birla Capital Ltd.

- j) Columnar Representation of Audited Consolidated (wherever available) and Standalone Financial Information (like Profit & Loss statement, Balance Sheet and Cash Flow statement) for at least last three years and Latest Audited / Limited Review Half Yearly –

Balance Sheet as at 30th September, 2022, 31st March, 2022 , 31st March, 2021 and 31st March, 2020

Rs. in crs

| Particulars | As at 30 September, 2022 | As at 31 March, 2022 | As at 31 March, 2021 | As at 31 March, 2020 |
|---|---|---------------------------------|---------------------------------|---------------------------------|
| I ASSETS | | | | |
| 1 Financial assets | | | | |
| (a) Cash and cash equivalents | 1,177.58 | 595.71 | 1,510.99 | 1,830.56 |
| (b) Bank balance other than included in (a) above | 34.37 | 96.81 | 19.13 | - |
| (c) Derivative financial instruments | 0.05 | 0.19 | - | 54.08 |
| (d) Receivable | - | - | - | 16.02 |
| (I) Trade receivables | 50.90 | 12.44 | 9.99 | - |
| (II) Other receivables | - | - | - | - |
| (e) Loans | 63,632.95 | 53,607.46 | 47,597.43 | 45,987.80 |
| (f) Investments | 1,412.39 | 1,694.04 | 792.91 | 3,342.40 |
| (g) Other financial assets | 46.37 | 53.62 | 51.18 | 4.66 |
| 2 Non-financial assets | | | | |
| (a) Current tax assets (net) | 343.32 | 342.39 | 239.72 | 233.65 |
| (b) Deferred tax assets (net) | 353.37 | 259.55 | 260.13 | 240.59 |
| (c) Property, plant and equipment's | 33.58 | 18.81 | 14.66 | 19.53 |
| (d) Right of use Lease Assets | 112.63 | 121.87 | 94.05 | 80.69 |
| (e) Intangible assets under development | 10.38 | 10.89 | 11.98 | 48.98 |
| (f) Other intangible assets | 61.87 | 70.09 | 71.50 | 24.81 |
| (g) Other non-financial assets | 76.98 | 85.33 | 81.51 | 90.79 |
| Total assets | 67,346.73 | 56,969.20 | 50,755.17 | 51,974.57 |
| II LIABILITIES AND EQUITY | | | | |
| Liabilities | | | | |
| 1 Financial liabilities | | | | |
| (a) Derivative financial instruments | 68.78 | 77.99 | 30.64 | 0.00 |
| (b) Payables | - | - | - | - |
| (I) Trade Payables | | | | |
| (i) total outstanding dues of micro enterprises and small enterprises | 0.47 | 6.97 | 2.15 | 2.82 |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 461.08 | 235.25 | 109.58 | 62.53 |
| (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 | 19,222.37 | 15,781.26 | 16,578.75 | 17,869.23 |
| (d) Borrowings (other than debt securities) | 33,759.31 | 27,717.16 | 22,454.60 | 23,438.45 |

| | | | | |
|-------------------------------------|------------------|------------------|------------------|------------------|
| (e) Subordinated liabilities | 2,428.53 | 2,487.34 | 2,181.83 | 2,101.42 |
| (f) Lease liabilities | 121.38 | 129.10 | 102.25 | 89.10 |
| (g) Other financial liabilities | 466.18 | 470.13 | 311.58 | 175.92 |
| 2 Non-financial liabilities | | | | |
| (a) Current tax liabilities (Net) | 79.90 | 15.13 | 14.67 | 28.26 |
| (b) Provisions | 90.81 | 104.22 | 80.63 | 97.04 |
| (c) Other non-financial liabilities | 90.52 | 84.24 | 50.63 | 31.65 |
| Total liabilities | 56,789.33 | 47,108.79 | 41,917.29 | 43,896.42 |
| Equity | | | | |
| (a) Equity share capital | 662.10 | 662.10 | 662.10 | 662.10 |
| (b) Other equity | 9,895.30 | 9,198.32 | 8,175.78 | 7,416.05 |
| Total equity | 10,557.40 | 9,860.41 | 8,837.88 | 8,078.15 |
| Total liabilities and equity | 67,346.73 | 56,969.20 | 50,755.17 | 51,974.57 |

Profit and Loss statement for the year ended 30th September, 2022, 31st March, 2022, 31st March, 2021 and 31st March, 2020

| Rs. in crs | | | | |
|--|-------------------------------------|---------------------------------|------------------------------------|---------------------------------|
| Particulars | Year ended 30 September, 2022 | Year ended 31 March, 2022 | Year ended 31 March, 2021 | Year ended 31 March, 2020 |
| Revenue from operations | | | | |
| (i) Interest income | 3,283.50 | 5,531.29 | 5,289.86 | 5,649.39 |
| (ii) Dividend income | - | 2.85 | 2.85 | 19.25 |
| (iii) Fees and commission income | 179.09 | 248.81 | 152.52 | 374.62 |
| (iv) Net gain on fair value changes | -8.16 | 1.91 | 72.77 | 158.48 |
| (I) Total revenue from operations | 3,454.43 | 5,784.86 | 5,518.00 | 6,201.74 |
| (II) Other income | 14.03 | 12.02 | 9.96 | 12.96 |
| (III) Total income (I + II) | 3,468.46 | 5,796.87 | 5,527.96 | 6,214.70 |
| Expenses | | | | |
| (i) Finance costs | 1,580.33 | 2,709.10 | 3,019.91 | 3,604.64 |
| (ii) Impairment on financial instruments | 340.22 | 653.46 | 681.78 | 707.07 |
| (iii) Employee benefit expenses | 327.42 | 520.73 | 448.92 | 422.75 |
| (iv) Depreciation, amortization and impairment | 38.45 | 68.35 | 58.50 | 49.77 |
| (v) Other expenses | 235.67 | 358.12 | 287.45 | 377.57 |
| (IV) Total expenses | 2,522.08 | 4,309.76 | 4,496.55 | 5,161.79 |
| (V) Profit before exceptional items and tax (III - IV) | 946.37 | 1,487.12 | 1,031.41 | 1,052.91 |
| (VI) Exceptional items | - | - | - | - |
| (VII) Profit before tax (V- VI) | 946.37 | 1,487.12 | 1,031.41 | 1,052.91 |
| (VIII) Tax expense: | | | | |
| (1) Current tax | 348.50 | 382.65 | 286.00 | 291.36 |
| (2) Deferred tax expenses (credit) | -95.15 | (7.31) | (16.48) | (37.93) |
| (3) Tax relating to earlier year(s) | - | 3.45 | (6.94) | (5.47) |
| (IX) Profit for the year | 693.02 | 1,108.33 | 768.83 | 804.95 |
| (X) Other comprehensive income | | | | |
| Items that will not be reclassified to profit or loss | | | | |
| Remeasurement gain on defined benefit plan | 3.27 | 5.32 | 4.40 | (4.26) |
| Income tax impact of above | -0.82 | (1.34) | (1.11) | 1.07 |
| | 2.44 | 3.98 | 3.29 | (3.19) |
| Changes in fair value of equity instruments carried at FVTOCI | 0.73 | 0.24 | 0.35 | (0.14) |
| Income tax impact of above | -0.18 | (0.06) | (0.09) | 0.04 |
| | 0.55 | 0.18 | 0.26 | (0.10) |
| Items that will be reclassified to profit or loss | | | | |
| Fair Value change on derivatives designated as cash flow hedge | 1.29 | 25.79 | (16.91) | (16.49) |
| Income tax impact on above | -0.32 | (6.49) | 4.26 | 4.15 |
| | 0.96 | 19.30 | (12.66) | (12.34) |
| Other comprehensive income for the year | 3.96 | 23.46 | (9.10) | (15.64) |
| Total comprehensive income for the year | 696.98 | 1,131.79 | 759.73 | 789.31 |
| (XI) Earnings per equity share | | | | |
| Basic (₹) | 10.47 | 16.74 | 11.61 | 12.16 |
| Diluted (₹) | 10.47 | 16.74 | 11.61 | 12.16 |

Cash flow statement for the year ended 30th September, 2022, 31st March, 2022 , 31st March, 2021 and 31st March, 2020
Rs. in crs

| Particulars | Quarter ended 30 September, 2022 | Year ended 31 March, 2022 | Year ended 31 March, 2021 | Year ended 31 March, 2020 |
|--|----------------------------------|---------------------------|---------------------------|---------------------------|
| Operating activities | | | | |
| Profit before tax | 946.37 | 1,487.12 | 1,031.41 | 1,052.91 |
| Adjustments for reconcile profit before tax to net cash flow: | | | | |
| Depreciation/Amortisation and Impairment | 38.45 | 68.35 | 58.50 | 49.77 |
| Impairment on financial instruments | 340.22 | 653.46 | 681.78 | 707.07 |
| Interest on Deposit with Banks | -1.82 | (12.63) | (6.48) | - |
| Net (Gain)/Loss on fair value changes | 8.16 | (1.91) | (72.77) | (158.48) |
| (Gain)/Loss on sale of property, plant and equipment | 0.01 | 0.06 | 0.96 | (0.02) |
| Dividend income | - | (2.85) | (2.85) | - |
| Interest income on investment | -59.20 | (73.36) | (54.30) | - |
| Finance cost on lease liability | 4.30 | 8.93 | 8.97 | 7.25 |
| Profit on surrender of lease liability/income from rent concession | -0.78 | (3.92) | (6.92) | - |
| Operating Profit before working capital changes | 1,275.71 | 2,123.25 | 1,638.30 | 1,658.50 |
| Adjustment for working capital changes | | | | |
| (Increase) in Loans | -10,366.12 | (6,697.64) | (2,293.99) | 3,494.27 |
| (Increase)/Decrease in Trade Receivables | -38.04 | (3.30) | 2.34 | (6.51) |
| (Increase) in Other financial assets | 6.85 | (5.68) | (7.77) | 23.57 |
| (Increase)/Decrease in Other non-financial assets | 12.28 | (0.13) | 10.46 | (30.82) |
| Increase in Trade Payables | 219.33 | 130.49 | 7.05 | 15.70 |
| (Decrease) in Other financial liabilities | -220.62 | (124.21) | (93.69) | 151.29 |
| Increase/(Decrease) in Provisions | -10.14 | 28.91 | (12.01) | 4.70 |
| Increase in Other non-financial liabilities | 6.27 | 33.61 | 17.65 | (5.11) |
| | (9,114.50) | (4,514.69) | (731.65) | 5,305.59 |
| Income taxes paid (Net) | -284.66 | (488.30) | (298.72) | (495.09) |
| Net cash flow (used in) operating activities | (9,399.16) | (5,002.99) | (1,030.37) | 4,810.50 |
| Investing activities | | | | |
| Purchase of Intangible assets including assets under development | -10.12 | (33.03) | (34.80) | (48.94) |
| Proceeds from Sale of property, plant and equipment's | 0.66 | 1.55 | 0.84 | 0.71 |
| Purchase of property, plant and equipment's | -26.04 | (16.46) | (3.29) | (8.48) |
| Proceeds from Sale of Long Term Investments | 6.94 | 15.01 | 30.18 | 69.40 |
| Net (Purchase) / Sale of Short Term Investments | 271.02 | (839.86) | 2,560.24 | (1,676.95) |
| Purchase of Long Term Investments | (0.15) | (30.14) | - | - |
| Dividend received | - | 2.85 | 2.85 | - |
| Interest received on deposit with Banks | 1.58 | 12.44 | 6.35 | - |
| Fixed deposits placed during the year | 62.69 | (77.50) | (19.00) | - |
| Addition / (Deletion) on Demerger | - | - | - | 0.16 |
| Interest received on Investment | 55.66 | 64.50 | 86.50 | - |
| Net cash flow (used in)/from investing activities | 362.25 | (900.63) | 2,629.86 | (1,664.10) |

| | | | | |
|--|-----------------|-----------------|-------------------|-------------------|
| Financing activities | | | | |
| Proceeds from long term borrowings | 12,757.30 | 12,652.75 | 8,276.00 | 11,678.50 |
| Repayment of long term borrowings | -6,573.01 | (9,444.03) | (11,222.09) | (7,544.57) |
| Short-Term Borrowings (Net) | 3,449.01 | 1,917.44 | 1,065.02 | (5,493.53) |
| Adjustment in Reserves on account of Demerger | - | - | - | 7.93 |
| Lease Payments | (14.51) | (28.56) | (27.86) | (23.25) |
| Dividend Paid | - | (109.25) | - | - |
| Net cash flow from/(used in) financing activities | 9,618.79 | 4,988.35 | (1,908.93) | (1,374.92) |
| Net (Decrease) in Cash and Cash Equivalents | 581.87 | (915.27) | (309.44) | 1,771.47 |
| Cash and cash equivalents at beginning of the year | 595.71 | 1,510.99 | 1,820.43 | 59.09 |
| Cash and cash equivalents at the end of the year | 1,177.58 | 595.71 | 1,510.99 | 1,830.56 |
| Components of cash and cash equivalents | | | | |
| Cash/Cheques on hand | - | - | - | - |
| Balance with banks | - | - | - | - |
| In Fixed Deposits | - | - | - | 222.95 |
| In current accounts | 1,177.58 | 595.71 | 1,510.99 | 1,607.62 |
| Total cash and cash equivalents | 1,177.58 | 595.71 | 1,510.99 | 1,830.56 |
| Cash Flow from Operations includes: | | | | |
| Interest Received | 3,086.71 | 5,427.81 | 5,284.73 | 5,685.43 |
| Interest Paid | 1,776.17 | 2,986.03 | 3,316.60 | 3,277.75 |

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

None

- l) The names of the debenture trustee(s) shall be mentioned with statement to the effect that debenture trustee(s) has given his consent to the Issuer for his appointment under regulation 4 (4) and in all the subsequent periodical communications sent to the holders of debt securities

The Company has appointed **Vistra ITCL (India) Limited** as the Debenture Trustee for the Issue. The address and contact details of the Debenture Trustee are as under:

Address : ILFS Financial Centre, Plot C-22, G-Block Bandra Kurla Complex Bandra (E), Mumbai - 400 051

Tel: 022-2659 3535 Fax: 022- 2653 3297 Website : www.itclindia.com

Contact : Ms. Sonal Gokhale Email: sonal.gokhale@vistra.com;

SEBI Reg. No. IND000000452

Vistra ITCL (India) Limited has given its consent to the Company under Schedule II Regulation 2.3.20 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended to be appointed as the Debenture Trustee for this Issue.

All the rights and remedies of the Debenture Holders under this issue shall vest in and shall be exercised by the Debenture Trustees without reference to the Debenture Holders. All investors under this issue are deemed to have irrevocably given their authority and consent to the Debenture Trustee appointed by the Company to act as their trustees and for doing such acts and signing such documents to carry out their duty in such capacity. Any payment by the Company to the Debenture Trustees on behalf of the Debenture holders shall completely and irrevocably, from the time of making such payment, discharge the Company pro tanto as regards its liability to the Debenture Holders.

- m) The detailed rating rationale (s) adopted (not older than one year on the date of opening of the issue)/ credit rating letter issued (not older than one month on the date of opening of the issue) by the rating agencies shall be disclosed

A copy of the rating letters along with rationale obtained from ICRA Limited and India Ratings & Research is enclosed in Annexure II

- n) If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure(procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document. None
- o) Copy of consent letter from the Debenture Trustee shall be disclosed
The Debenture Trustee i.e. Vistra ITCL (India) Limited has given its consent vide letter dated September 6, 2022 to act as Debenture Trustee to the proposed issue.
- p) Names of all the recognised stock exchanges where the debt securities are proposed to be listed clearly indicating the designated stock exchange – BSE Limited (Designated Stock Exchange) and National Stock Exchange of India Limited

q) Other Details

i. DRR creation - relevant regulations and applicability

No Debenture Redemption Reserve is being created for the issue of NCDs in pursuance of this Document since creation of Debenture Redemption Reserve is not required for the proposed issue of Debentures. In accordance with Rule the (18) (7)(b)(iv)(A) of Companies (Share Capital and Debentures) Rules 2014 the Company is not required to create DRR for privately placed debentures.

ii. Issue/instrument specific regulations - relevant details (Companies Act, RBI guidelines, etc.)

The Company, the Debentures and Company's obligations under the Debentures shall, at all times, be subject to the provisions of the Act, regulations/guidelines/directions of RBI, SEBI and Stock Exchanges and other applicable laws and regulations from time to time.

The Debentures are governed by and shall be construed in accordance with the existing Indian laws as applicable in the state of Gujarat. Any dispute arising in respect thereof will be subject to the exclusive jurisdiction of the courts and tribunals of Ahmedabad.

Further, the said Debentures shall be subject to the terms and conditions as contained in the application form, Disclosure Document, Debenture Trust Deed, Debenture Trustee Agreement and other Transaction / Security document.

iii. Application process

Who can Apply

As decided vide the Board resolution, only the following categories of investors, when specifically contacted, are eligible to invest in these Debentures:

1. Qualified Institutional Buyer as defined under the SEBI (Issue of Capital and Disclosure Requirements) Regulation, 2009;
2. Company as defined under Companies Act, 2013;
3. Provident fund(s), pension fund(s), superannuation fund(s) and gratuity fund(s) (with no restriction on their corpus amount);
4. Individual, HUF, Partnership firm, Limited Liability Partnership (LLP) with a minimum subscription for NCDs of Rs. 1 Crore;
5. Any Non-Banking Finance company registered with RBI
6. International / multilateral / bilateral agencies
7. Sovereign wealth funds and
8. Foreign portfolio investor as defined under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
9. Foreign Financial Institutions and
10. Foreign and Domestic Banks

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

Every application is to be accompanied by bank account details and MICR code of the bank for the purpose of availing direct credit of interest and all amounts through electronic transfer of funds or RTGS.

Application by Scheduled Commercial Banks

The application must be accompanied by certified true copies of (i) Board Resolution authorising investments; (ii) Letter of Authorization or Power of Attorney and (iii) specimen signatures of authorised signatories

Application by Co-operative Banks

The application must be accompanied by certified true copies of: (i) Resolution authorizing investment along with operating instructions/power of attorney; and (ii) specimen signatures of authorised signatories.

Applications by Companies/Financial Institutions

The applications must be accompanied by certified true copies of (i) Memorandum and Articles of Association/Constitution /Bye-laws (ii) resolution authorising investment and containing operating instructions and (iii) specimen signatures of authorised signatories.

Application by Mutual Funds

(i) A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. (ii) Applications made by the AMCs or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which application is being made. The applications must be accompanied by certified true copies of (i) SEBI Registration Certificate and Trust Deed (iii) resolution authorising investment and containing operating instructions and (iii) specimen signatures of authorised signatories.

Application by Insurance Companies

The applications must be accompanied by certified copies of (i) Memorandum and Articles of Association (ii) Power of Attorney (iii) Resolution authorising investment and containing operating instructions (iv) Specimen signatures of authorised signatories.

Application by Provident, Gratuity, Pension Fund

The applications must be accompanied by certified true copies of (i) Trust Deed / Bye Laws / Resolutions, (ii) Resolution authorising investment and (iii) Specimen signatures of the authorised signatories.

Applications under Power of Attorney / Relevant Authority

In case of applications made under a Power of Attorney or by a Limited Company or a Body Corporate or Registered Society or Mutual Fund, and scientific and/or industrial research organisations or Trusts etc., the relevant Power of Attorney or the relevant resolution or authority to make the application, as the case may be, together with the certified true copy thereof along with the certified copy of the Memorandum and Articles of Association and/or Bye-Laws as the case may be must be attached to the Application Form or lodged for scrutiny separately with the photocopy of the Application Form, quoting the serial number of the Application Form at the Company's office where the application has been submitted failing which the applications are liable to be rejected.

DISCLAIMER:

Please note that only those persons to whom the information document has been specifically addressed are eligible to apply. However, an application, even if complete in all respects, is liable to be rejected without assigning any reasons for the same. The list of documents provided in this information document is only indicative, and an investor is required to provide all those documents / authorisations / information, which are likely to be required by the company. The company may, but is not bound to revert to any investor for any additional documents/information, and can accept or reject an application as it deems fit. The regulations/notifications regarding investment mentioned above are merely in the form of guidelines and the company

Does not warrant that they are accurate or have not been modified. Each of the above categories of investors is required to check and comply with extant rules/regulations/ guidelines, etc. Governing or regulating their investments as issued by their respective regulatory authorities, and the company is not, in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the company required to check or confirm the same.

Market Lot

The market lot would be one debenture.

Issue of Debentures only in Demat Form

ABFL will make necessary arrangements with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited (CDSL) for the issue of Debentures in Dematerialized form. Investors shall hold the Debentures and deal with the same as per the provisions of Depositories Act, 1996 /rules as notified by NSDL / CDSL from time to time.

Investors should mention their Depository Participants name, DP-ID and Beneficiary Account Number in the appropriate place in the Application Form. ABFL shall take necessary steps to credit the Depository Account of the allottee (s) with the number of debentures allotted. In case of incorrect details provided by the investors and inability of the Company to credit the depository account, the allotment of debentures would be held in abeyance till the investors furnish the correct depository account details to the Company.

Notwithstanding the foregoing applicant(s) have the option to seek rematerialisation of Debentures (i.e., the investors shall have the right to hold the Debentures in physical form) at any time in the future.

Mode of Subscription

The Company is following the procedure laid down by SEBI vide its circular dated January 5, 2018 **Electronic book mechanism for issuance of securities on private placement basis and as amended from time to time**. The company is issuing debentures on private placement basis as per the said referred circular. The Company will use the electronic platform of either of NSE and BSE for the same. The investors too will have to bid according to the said circular. Additionally, the below mentioned process too has to be complied with.

During the period of the issue, investors can subscribe to the Debentures by completing the application forms for the Debentures in the prescribed form. The application form should be filled in block letters in English.

In case the bidding is taking place on BSE's platform, the payment should be credited in RTGS form to **ANY ONE OF** the Designated Bank Accounts of ICCL as under:

| Beneficiary Name | INDIAN CLEARING CORPORATION LTD | | |
|------------------|---------------------------------|-------------|-------------|
| Name of Bank | ICICI Bank | Yes Bank | HDFC Bank |
| Account No | ICCLEB | ICCLEB | ICCLEB |
| IFSC Code | ICIC0000106 | YESB0CMSNOC | HDFC0000060 |
| Mode | NEFT / RTGS | NEFT / RTGS | NEFT / RTGS |

In case the Issuer has received moneys from applicants for Debentures in excess of the aggregate of the application moneys relating to the Debentures in respect of which allotments have been made, the Issuer shall repay the moneys to the extent of such excess forthwith without interest, and if such money is not repaid within eight days after the Issuer becomes liable to repay it, the Issuer and every Director of the Issuer who is an officer in default shall, on and from the expiry of the eighth day be jointly and severally liable to repay that money with interest at the rate of fifteen per cent having regard to the length of the period of delay in making the repayment of such money.

B. Issue Details (Summary Term Sheet)

Private Placement of 3000 Secured, Rated, Listed, Taxable, Redeemable, Non-Convertible Debentures of the Face Value of Rs. 10,00,000/- each up, up to Rs. Three Hundred Crore with a green shoe option up to Rs. One Thousand Two Hundred and Eighty Eight Crore aggregating to Rs. One Thousand Five Hundred and Eighty Eight Crore only.

| | |
|--|--|
| Issuer | Aditya Birla Finance Limited (ABFL) |
| Security Name (Series) | Further Issuance (I) ABFL NCD Series I3 FY 2022-23 (ISIN INE860H07IH9) |
| Type of Instrument | Secured, Rated, Listed, Taxable, Redeemable, Non-Convertible Debentures (NCDs) |
| Nature of Instrument | Secured |
| Seniority | Senior |
| Mode of Issue | Private Placement |
| Eligible Investors | Mentioned in the Placement Memorandum (Page Nos. 92 - 93) |
| Listing (including name of stock exchange(s) where it will be listed and timeline for listing) | On the Wholesale Debt Market (WDM) segment of NSE and BSE to be completed by T+3 trading days (T being Issue Closure of issue) |
| Rating of the Instrument | [ICRA] AAA (Stable) from ICRA Ltd & IND AAA (Stable) from India Ratings |
| Base Issue Size | Rs. 300 crs |
| Option to retain oversubscription (Amount) | Rs. 1,288 crs |
| Total Issue Size | Rs. 1,588 crs |
| Minimum subscription | 10 Debentures of Rs.10,00,000 each and in multiples of 1 Debenture thereafter |
| Market Lot/Trading Lot | 1 Debenture |
| Anchor Portion Details | Yes Name of Anchor - State Bank of India Quantum - Rs. 90 crs |
| Limit of Anchor Portion | Not exceeding 30% of the Base Issue size |
| Objects of the issue | The fund raised through this Issue, after meeting the expenditure of and related to the Issue, will be used for our various financing activities, to repay our existing loans and our business operations including for our capital expenditure, working capital and investment requirements. The Main Objects clause of the Memorandum of Association of the Company permits the Company to undertake the activities for which the funds are being raised through the present Issue and the activities which the Company has been carrying on till date |
| Detail of the utilization of the proceeds | The management of the Company, in accordance with the policies formulated by it from time to time, will have flexibility in deploying the proceeds received from the Issue. The proceeds of the issue should not be utilised for extending loans to group company / Related parties. Pending utilization of the proceeds out of the Issue for the purposes described above, the Company intends to temporarily invest funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in investment grade interest bearing securities |

| | |
|---|--|
| Coupon Rate | 7.8800% |
| Yield (Original Issuance) | N.A. |
| Yield Reissuance YTM – Current Issue (Further Issuance) | 8.02% |
| Coupon Payment Frequency | Annually and on Maturity |
| Step Up/Step Down Coupon Rate /Coupon Payment Frequency | N.A. |
| Premium / Discount at which security is issued & the effective yield as a result of such Premium / discount | Scenario I - Discount of Rs 0.3834/- per Rs. 100.00 i.e. Rs. 3,834 per debenture, effective yield 8.0200% on XIRR Basis. Scenario II - Discount of Rs 0.3833/- per Rs. 100.00 i.e. Rs. 3,833 per debenture, effective yield 8.0200% on XIRR Basis |
| Coupon Payment Dates | Saturday, December 30, 2023 Monday, December 30, 2024 Tuesday, December 30, 2025 Thursday, February 12, 2026 |
| Coupon Type/Interest Rate Parameter | Fixed Coupon |
| Type of Bidding | Price Based |
| Bid Book | Open |
| Pay-in of Funds | Clearing Corporation / Escrow Bank Account |
| Type of allotment | Multiple Yield |
| Day Count Basis | Actual / Actual |
| Interest on Application Money | Not Applicable |
| Default Interest Rate | 2% p.a. over the coupon rate on the defaulted interest and/or principal redemption amount for the duration of default |
| Tenor (Original Issuance) | 1140 Days |
| Tenor (Further Issuance) | 1106 Days |
| Redemption Date | 12 February 2026 |
| Redemption Amount | Rs.10,00,000/- (Rupees Ten Lakh only) per Debenture |
| Redemption Premium per debenture | N.A. |
| Issue Price (Original Issuance) | Rs.10,00,000/- per Debenture |
| Issue price (Further Issuance) | N.A. |
| Put option Date | N.A. |
| Put Option Price | N.A. |
| Call Option Date | N.A. |
| Call Option Price | N.A. |
| Put Notification Time | N.A. |
| Call Notification Time | N.A. |
| Face Value | Rs.10,00,000/- (Rupees Ten Lakh only) per Debenture |
| Minimum Application & in multiples of Debt securities thereafter | 10 Debentures of Rs.10,00,000 each and in multiples of 1 Debenture thereafter |

| | |
|---|--|
| 1. Issue Opening Date | Wednesday, February 1, 2023 |
| 2. Issue Closing Date | |
| 3. Pay in Date | Thursday, February 2, 2023 |
| 4. Deemed Date of Allotment | |
| Issuance mode of the Instrument | Demat only (for private placement) |
| Trading mode of the Instrument | Demat only (for private placement) |
| EBP | On BSE Platform |
| Settlement Cycle | The process of pay-in of funds by investors and pay-out to issuer shall be done on T+1 day basis (i.e. Thursday, February 2, 2023 where T day is the issue day i.e. Wednesday, February 1, 2023) |
| Settlement mode of the Instrument (Designated Bank Accounts of BSE EBP) | <p>1. HDFC BANK: Beneficiary Name: INDIAN CLEARING CORPORATION LIMITED Account Number: ICCLEB IFSC Code: HDFC0000060 Mode: NEFT/RTGS</p> <p>2. ICICI Bank: Beneficiary Name: INDIAN CLEARING CORPORATION LTD Account Number: ICCLEB IFSC Code: ICIC0000106 Mode: NEFT/RTGS</p> <p>3. YES Bank: Beneficiary Name: INDIAN CLEARING CORPORATION LTD Account Number: ICCLEB IFSC Code: YESB0CMSNOC Mode: NEFT/RTGS</p> |
| Depository(ies) | <p>NSDL / CDSL:</p> <p>Depositories (NSDL / CDSL) will/ shall activate the ISINs of debt securities issued on private placement basis only after the Stock Exchange(s) have accorded approval for listing of such securities.</p> <p>Further, in order to facilitate re-issuances of new debt securities in an existing ISIN,</p> <p>Depositories (NSDL / CDSL) will/ shall allot such new debt securities under a new temporary ISIN which shall be kept frozen. Upon receipt of listing approval from Stock Exchange(s) for such new debt securities, the debt securities credited in the new temporary ISIN shall be debited and the same shall be credited in the pre-existing ISIN of the existing debt securities, before they become available for trading.</p> <p>Stock Exchange(s) shall inform the listing approval details to the Depositories whenever listing permission is given to debt securities issued on private placement basis.</p> |

| | |
|---|---|
| Disclosure of Interest/Dividend/redemption dates | Saturday, December 30, 2023 Monday, December 30, 2024 Tuesday, December 30, 2025 Thursday, February 12, 2026 |
| Business Day Convention | <u>As per Operation framework issued by SEBI on 10 August 2021 (Refer SEBI Circular - SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021, SEBI/HO/DDHS/DDHS Div1/P/CIR/2022/00139 Dated October 10, 2022 and SEBI/HO/DDHS/DDHS Div1/P/CIR/2022/167 Dated November 30, 2022.) –</u> (a) If any interest payment falls due on a holiday, such interest (as calculated up to the day preceding the original date of payment) will be paid on the next working day. Date of subsequent interest payment(s) shall remain unchanged. (b) If payment of redemption proceeds (i.e. principal amount along with last interest payment) falls due on a holiday, such redemption proceeds will be paid on the preceding working day. The amount of interest in such case will be calculated upto the date preceding the actual date of payment of redemption proceeds. |
| Record Date | 15 days prior to each Coupon Payment / Principal repayment. If the record date is non-business day, then the previous working day will be considered. |
| All covenants of the issue (including side letters, accelerated payment clause, etc.) | Nil |
| Description regarding Security (where applicable) including type of security (movable/ immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security / likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/ Information Memorandum. | As per Debenture Trust Deed dated September 8, 2022 - hypothecation by way of first pari passu charge in favour of the Debenture Trustee over its Receivables, Securities, future moveable assets and Current Assets as may be identified by the Company from time to time. 1.11 times security cover covering principal and interest 1.11 times security cover covering principal and interest to the primary investor and 1 time (on principal and interest) to the subsequent holders (as more particularly stated in the security cover section given below). The minimum security cover for the primary subscriber will be 1.11 times and subsequent debenture holders will be 1 time. Default Interest Rate is 2% pa over the coupon rate and further as stated in the covenants section of the term sheet below. |
| Undertaking on Creation of Security | The Company has provided hypothecation by way of first pari passu charge in favour of the Debenture Trustee over its Receivables, Securities, future moveable assets and Current Assets for its NCD issuances. The said security has been created. |
| Security Cover | As per Debenture Trust Deed dated September 8, 2022 1.11 times security cover covering principal and interest The Primary subscriber sells the debenture(s) the security cover in such case(s) will be 1 time only for all subsequent debenture holders. The security cover on further issuances under this ISIN will be decided at the time of each subsequent reissuance. |
| Trustee | Vistra ITCL (India) Limited |
| Transaction Documents | Placement Memorandum , Debenture Trust Deed, Debenture Trustee Agreement and any other document that may be designated by the Debenture Trustee as a Transaction Document. This Placement Memorandum shall be read in conjunction with the other Transaction Documents and in case of any ambiguity or inconsistency or differences with any Transaction Document including the Debenture Trust Deed, this Placement Memorandum shall prevail. |
| Conditions Precedent to Disbursement | N.A. |
| Condition Subsequent to Disbursement | N.A. |

| | |
|---|---|
| Events of Default including manner of voting /conditions of joining Inter Creditor Agreement) | Detailed Events of Default are stated in the Debenture Trust Deed dated September 8, 2022 The Fifth Schedule of the said DTD contains the provisions for the meetings of the Debenture holders. At such meeting of the Debenture holders, the joining with Inter Creditor Agreement will be made part of the meeting agenda and the Company will follow the process laid down vide SEBI circular dated Oct. 13, 2020. |
| Creation of Recovery Expense Fund | Furnished Bank Guarantee of Rs. 25 Lacs for REF on January 25, 2021 (Amendment Date: December 7, 2022) in favour of BSE Limited. Expiry Date: January 22, 2024 and Claim Date: January 21, 2025 |
| Conditions for breach of covenants (as specified in Debenture Trust Deed) | Detailed Conditions for breach of covenants are stated in the DTD dated September 8, 2022 |
| Provisions related to Cross Default Clause | N.A. |
| Risk factors pertaining to the issue | Please refer to the Risk factors disclosed in the IM |
| Role and Responsibilities of Debenture Trustee | As per Debenture Trust Deed dated September 8, 2022 |
| Governing Law and Jurisdiction | Indian Law, Ahmedabad |
| Covenants | <p>i) In case of delay in execution of Trust Deed and Charge documents, the Company will refund the subscription with agreed rate of interest or will pay penal interest of at least 2% p.a. over the coupon rate till these conditions are complied with at the option of the investor.</p> <p>ii) In case of delay in listing of securities issued on privately placement basis beyond the timelines specified above, the issuer;</p> <p>1. Will pay penal interest of 1% p.a. over the coupon rate for the period of delay to the investor (i.e. from date of allotment to the date of listing). 2. Will be permitted to utilise the issue proceeds of its subsequent two privately placed issuances of securities only after receiving final listing approval from Stock Exchanges.</p> |
| Allotment Details | Refer Annexure VI |

* The proposed bond issue does not form part of non-equity regulatory capital mentioned under Chapter V of SEBI NCS Regulations, 2021.

Cash Flow: Scenario - I - Illustration of Cash Flow for - Further Issuance (I) ABFL NCD Series I3 FY 2022-23 (ISIN INE860H07IH9)

| | |
|---|---|
| Company | Aditya Birla Finance Ltd |
| Face Value (per security) (in Rs.) | Rs. 10,00,000/- (Rupees Ten Lakh only) per Debenture |
| Deemed Date of Allotment | Thursday, February 2, 2023 |
| Redemption Date | Thursday, February 12, 2026 |
| Coupon Rate/ Yield (%) | 7.8800% |
| Yield (Further Issuance) | 8.0200% |
| Redemption (Premium / Discount) | At par |
| Further Issue price | Rs. 100.3506/- per Rs. 100.00; i.e. Rs. 10,03,506 per Debenture |
| Premium / Discount at which security is issued & the effective yield as a result of such Premium / discount | Discount of Rs 0.3834/- per Rs. 100.00 i.e. Rs. 3,834 per debenture, effective yield 8.0200% on XIRR Basis |
| Frequency of Interest payment with specified date | <u>Further Issuance (I) ABFL NCD Series I3 FY 2022-23</u> Saturday, December 30, 2023, Monday, December 30, 2024 Tuesday, December 30, 2025; Thursday, February 12, 2026 |
| Day count Convention | Actual / Actual |

| Cash Flows | Date | No. of days in Coupon Period | Amount per Debenture (In Rupees) |
|--|-----------------------------|------------------------------|----------------------------------|
| Principal Inflow Principal Rs. - 9,96,166 + Accrued Interest Rs. 7,340 per debenture) | Thursday, February 02, 2023 | - | 10,03,506 |
| 1 st Coupon | Saturday, December 30, 2023 | 365 | 78,800 |
| 2 nd Coupon | Monday, December 30, 2024 | 366 | 78,800 |
| 3 rd Coupon | Tuesday, December 30, 2025 | 365 | 78,800 |
| 4 th Coupon | Thursday, February 12, 2026 | 44 | 9,500 |
| Principal Outflow | Thursday, February 12, 2026 | | 10,00,000 |

Cash Flow: Scenario - II - Illustration of Cash Flow for - Further Issuance (I) ABFL NCD Series I3 FY 2022-23 (ISIN INE860H07IH9)

| | |
|---|--|
| Company | Aditya Birla Finance Ltd |
| Face Value (per security) (in Rs.) | Rs. 10,00,000/- (Rupees Ten Lakh only) per Debenture |
| Deemed Date of Allotment | Thursday, February 2, 2023 |
| Redemption Date | Thursday, February 12, 2026 |
| Coupon Rate/ Yield (%) | 7.8800% |
| Yield (Further Issuance) | 8.0200% |
| Redemption (Premium / Discount) | At par |
| Further Issue price | Rs. 100.3507/- per Rs. 100.00; i.e. Rs. 10,03,507 per Debenture |
| Premium / Discount at which security is issued & the effective yield as a result of such Premium / discount | Discount of Rs 0.3833/- per Rs. 100.00 i.e. Rs. 3,833 per debenture, effective yield 8.0200% on XIRR Basis |
| Frequency of Interest payment with specified date | Further Issuance (I) ABFL NCD Series I3 FY 2022-23 Saturday, December 30, 2023, Monday, December 30, 2024 Tuesday, December 30, 2025; Thursday, February 12, 2026 |
| Day count Convention | Actual / Actual |

| Cash Flows | Date | No. of days in Coupon Period | Amount per Debenture (In Rupees) |
|---|-----------------------------|------------------------------|----------------------------------|
| Principal Inflow Principal Rs. - 9,96,167+ Accrued Interest Rs. 7,340 per debenture) | Thursday, February 02, 2023 | - | 10,03,507 |
| 1 st Coupon | Saturday, December 30, 2023 | 365 | 78,800 |
| 2 nd Coupon | Monday, December 30, 2024 | 366 | 78,800 |
| 3 rd Coupon | Tuesday, December 30, 2025 | 365 | 78,800 |
| 4 th Coupon | Thursday, February 12, 2026 | 44 | 9,500 |
| Principal Outflow | Thursday, February 12, 2026 | | 10,00,000 |

Notes:

- The Company reserves the right to change the Series timetable. The Company reserves the right to further issue debentures under aforesaid series / ISIN;
- While the debt securities are secured to the tune of 100% of the principal and interest amount or as per the terms of offer document/ information Memorandum, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained.
- The Company undertakes that the assets on which charge is created are free from any encumbrances and in cases where the assets are already charged to secure a debt, the permission or consent to create ~~a second or~~ pari-passu charge on the assets of the issuer has been obtained from the earlier creditor.
- The Company has complied with the disclosure requirements as required under the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and other relevant circulars as amended from time to time.

Link of Financials and Reports: -

<https://smefinance.adityabirlacapital.com/Pages/Individual/Tools-Knowledge/AllFinancialReport.aspx>

Listing

The NCDs to be issued in terms of this Document are proposed to be listed on the Wholesale Debt Market (WDM) segment of the National Stock Exchange of India Limited (NSE) and BSE Limited. The Company shall comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as amended from time to time.

Application shall be submitted to NSE and BSE to list the Debentures to be privately placed through Disclosure Document and to seek permission to deal in such Debentures.

The Company shall complete all the formalities relating to listing of the Debentures within 3 days from the date of closure of each issue in accordance with the SEBI Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021, SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/00139 Dated October 10, 2022 and SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/167 Dated November 30, 2022.

In line with the regulation of Reserve Bank of India, RBI/2011-12/423 A.P. (DIR Series) Circular No. 89 dated March 01, 2012, in the scenario of the NCDs being subscribed by SEBI registered FII's / sub-accounts of FII's and if NCD issue has not been listed on the WDM segment of NSE and/or BSE within prescribed timelines in SEBI Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021, SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/00139 Dated October 10, 2022 and SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/167 Dated November 30, 2022., then the Company will buy back the said securities, where applicable.

Monitoring of Utilization of Funds

There is no requirement for appointment of a monitoring agency in terms of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

Material Event / Development or change

There are no material events / developments or changes at the time of the Issue other than those mentioned in this Document which may affect the issue or the investor's decision to invest in the debt securities.

Additional Notes to Issue Details

1. Terms of the Issue

For terms of Issue please refer paragraph titled 'Term Sheet'.

2. Rights of Debenture Holders

The Debenture Holders will not be entitled to any rights and privileges of shareholders other than those available to them under statutory requirements. The Debentures issued under any Series under this Information Document shall not confer upon the Debenture Holders, the right to receive notice, or to attend and vote at the general meetings of shareholders or Debenture Holders issued under any other Series or issued other than under this Information Document or of any other class of securities of the Company.

3. Modification of Rights

The rights, privileges, terms and conditions attached to each Series of the Debentures under this Information Document may be varied, modified or abrogated with the consent, in writing, of those registered holders of the Series of Debentures in the physical form and beneficial owners of the Debentures in the dematerialized form who hold at least three fourths of the outstanding amount of the relevant Series of Debentures or with the sanction accorded pursuant to a resolution passed at a meeting of the relevant Series of Debenture Holders, provided that nothing in such consent or resolution shall be operative against the Company where such consent or resolution modifies or varies the terms and conditions of the Debentures, if the same are not acceptable to the Company.

4. Minimum subscription

Minimum subscription is not applicable to privately placed debt securities.

5. Issue of Debentures only in Demat Form

ABFL will make necessary arrangements with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited (CDSL) for the issue of Debentures in Dematerialized form. Investors shall hold the Debentures and deal with the same as per the provisions of Depositories Act, 1996 /rules as notified by NSDL / CDSL from time to time.

Investors should mention their Depository Participants name, DP-ID and Beneficiary Account Number in the appropriate place in the Application Form. ABFL shall take necessary steps to credit the Depository Account of the allottee (s) with the number of debentures allotted. In case of incorrect details provided by the investors and inability of the Company to credit the depository account, the allotment of debentures would be held in abeyance till the investors furnish the correct depository account details to the Company.

Notwithstanding the foregoing applicant(s) have the option to seek rematerialisation of Debentures (i.e., the investors shall have the right to hold the Debentures in physical form) at any time in the future.

6. Refunds

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 7 (seven) days from the Deemed Date of Allotment of the Debentures without interest.

In case the Issuer has received moneys from applicants for Debentures in excess of the aggregate of the application moneys relating to the Debentures in respect of which allotments have been made, the Issuer shall repay the moneys to the extent of such excess forthwith without interest, and if such money is not repaid within eight days after the Issuer becomes liable to repay it, the Issuer and every Director of the Issuer who is an officer in default shall, on and from the expiry of the eighth day be jointly and severally liable to repay that money with interest at the rate of fifteen per cent having regard to the length of the period of delay in making the repayment of such money.

7. Deemed Date of Allotment

The deemed date of allotment for each series will be mentioned in the respective Disclosure Documents.

8. Interest on The Coupon Bearing Debentures

Interest rate

1. In case of fixed rate Debentures, they shall carry interest at fixed coupon rate as per the respective Disclosure Documents from the corresponding deemed date of allotment.
2. In case of floating rate Debentures, the relevant coupon for any interest period shall be determined by the underlying benchmark, mark up/down on the same and the reset frequency as per the respective Disclosure Documents.

The interest shall be subject to deduction of tax at source at the rates prevailing from time to time under the provisions of the Income tax Act, 1961, or any other statutory modification or re-enactment thereof, for which a certificate will be issued by ABFL.

Computation of interest

Interest for each of the interest periods shall be computed on actual by actual number of day basis on the principal outstanding on the Debentures at the coupon rate as mentioned in the Disclosure Documents.

Payment of interest

Payment of interest on the Debenture(s) will be made to those of the debenture holders whose name(s) appear in the register of debenture holder(s) (or to the first holder in case of joint holders) as on the Record Date fixed by the Company for this purpose and /or as per the list provided by NSDL/CDSL to the Company of the beneficiaries who hold Debentures in demat form on such Record Date, and are eligible to receive interest. Payment will be made by the Company after verifying the bank details of the Investors by way of direct credit through Electronic Clearing Service (ECS), Real Time Gross Settlement (RTGS) or National Electronic Funds Transfer (NEFT) and where such facilities are not available, the Company shall make payment of all such amounts by way of cheque(s)/demand draft(s)/interest warrant(s), which will be dispatched to the debenture holder(s) by registered post/ speed post/ courier or hand delivery on or before the Interest Payment Dates as specified in the relevant Disclosure documents.

9. Interest on Application Money

Interest at the applicable coupon rate/implicit yield (subject to deduction of tax at source at the rates prevailing from time to time under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof for which a certificate will be issued by ABFL) will be paid on the application money. Such interest shall be paid from the date of realization of the cheque(s) / demand draft(s) up to but not including the deemed date of allotment. The respective interest payment instruments along with the letters of allotment / refund orders, as the case may be, will be dispatched by registered post to the sole / first applicant, at the sole risk of the applicant.

10. Tax Deduction at Source (TDS)

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source. For seeking TDS Exemption / lower rate of TDS, relevant certificate / document must be lodged by the debenture holders at the office of registrar and transfer agent, at least 15 days prior to the Interest Payment Date. Tax exemption certificate in respect of non- deduction of tax on interest on application money, must be submitted along with the Application Form to the satisfaction of the Issuer. The prospective investor is advised to consult his tax advisor before investing in the Debentures to be issued by the Issuer.

However, Investors may note that as per Finance Act, 2008, tax is not required to be deducted at source on interest payable on security issued by a company, where such security is in dematerialized form and is listed on a recognized Stock Exchange in India in accordance with the Securities Contracts.

11. Redemption

The Debentures shall be redeemed at such price, at the expiry of the respective tenor as mentioned in the Disclosure Documents. In case the Deemed Date of Allotment is revised then the Redemption Date will also stand revised accordingly.

12. Mode of Transfer

All requests for transfer should be submitted to the respective Depository Participants prior to the Record Date for payment of interest/ principal.

Provided further that nothing in this section shall prejudice any power of the Company to register as Debenture holder any person to whom the right to any Debenture of the Company has been transmitted by operation of law.

Transfer of Debentures would be in accordance with the rules / procedures as prescribed by NSDL / CDSL/ Depository participant.

13. Payment on Redemption

Debentures held in Demat Form

In case of the NCDs held in demat form, no action is required on the part of the debenture holder(s) at the time of redemption of the NCDs and on the Redemption Date, the redemption proceeds would be paid to those debenture holder(s) whose name(s) appear on the list of beneficial owners given by the Depositories to the Company. The name(s) would be as per the Depositories' records on the Record Date fixed for the purpose of redemption.

All such NCDs will be simultaneously redeemed through appropriate debit corporate action.

The Company shall compute the redemption amounts to be paid to each of the debenture holders based on the relevant Disclosure Documents.

The redemption proceeds shall be directly credited through Electronic Clearing Service (ECS), RTGS or National Electronic Funds Transfer (NEFT) and where such facilities are not available the Company shall make payment of all such amounts by way of cheque/ demand draft. The cheque/demand draft for redemption proceeds, will be dispatched by courier or hand delivery or registered post at the address provided in the Application / at the address as notified by the debenture holder(s) or at the address with Depositories' record. Once the redemption proceeds have been credited to the account of the debenture holder(s) or the cheque/demand draft for redemption proceeds is dispatched to the debenture holder(s) at the addresses provided or available from the Depositories record, the Company's liability to redeem the NCDs on the date of redemption shall stand extinguished and the Company will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCD(s).

14. Effect of Holidays

If the coupon payment dates, excepting the date of allotment, falls on Saturday, Sunday or a public holiday the next working day will be considered as the effective date(s). If the maturity date fall on Saturday, Sunday or a public holiday, the redemption proceeds will be paid on the previous working day.

15. Issue of Duplicate Debenture Certificate(s)

If any debenture certificate(s) is / are mutilated or defaced or the pages for recording transfers of NCDs are fully utilised, the same may be replaced by the Company against the surrender of such certificate(s) and upon payment by the claimant of such costs as may be determined by the Company. Provided, where the Debenture Certificate(s) is / are mutilated or defaced, the same will be replaced as aforesaid, only if the certificate numbers, debenture holder number(s) and the distinctive numbers are legible. If any Debenture Certificate(s) is / are destroyed, stolen or lost, then upon production of proof thereof to the satisfaction of the Company and upon furnishing such indemnity / security and / or documents as the Company may deem adequate, duplicate Debenture Certificate(s) shall be issued subject to the charge for the same being borne by the Debenture holder.

16. Debenture Certificate in Dematerialised mode

ABFL shall allot Debentures within such number of days as prescribed under Companies Act, 2013 to investors in due course after verification of the application form, the accompanying documents and on realization of the application money and will comply with the provisions of the section 42(6) of the Companies Act, 2013 and rules framed thereunder. The allotted Debentures at the first instance will be credited in dematerialised form within two days of the date of allotment.

17. Right to accept or reject applications

ABFL is entitled at its sole and absolute discretion to accept or reject an application, in part or in full, without assigning any reason thereof. The application form, which is not complete in all respects, shall be liable to be rejected. Any application, which has been rejected, would be intimated by ABFL along with the refund warrant / cheques.

18. Record Date

Record Dates for each interest payment/principal repayment or any other event will be 15 calendar days prior to the relevant event. In case the same is a non-working day, then the previous working will be considered.

19. Right of the Company to Purchase & Re-Issue Debentures

ABFL will have the power exercisable at its absolute discretion from time to time to purchase some or all of the Debentures held by the Debenture holder at any time prior to the specified date(s) of redemption. Such buy-back of debentures may be at par or at premium/discount to the par value at the sole discretion of ABFL. In the event of the Debentures being so purchased and/or redeemed before maturity in any circumstances whatsoever, ABFL shall have the right to re-issue the Debentures under Section 71 and/or applicable provisions of the Companies Act 2013.

20. Right to Securitize

The Company is permitted to securitize its receivables, including the receivables that form the part of Mortgaged Properties, from time to time, provided it maintains the Required Security Cover at all times during the tenor of the Debentures.

21. Fictitious Applications

As a matter of abundant caution and although not applicable in the case of Debentures, attention of applicants is specially drawn to the provisions of Section 38 of the Companies Act, 2013:

"Any person who:

- a) Makes in a fictitious name an application to a Company for acquiring, or subscribing for, any shares therein, or
- b) Otherwise induces a Company to allot, or register any transfer of, shares therein to him, or any other person in a fictitious name, shall be punishable with imprisonment for a term which may extend to five years.

22. Notices

The notices to the Debenture holders required to be given by ABFL or the Trustees shall be deemed to have been given if sent by ordinary post to the sole/first allottee or sole/first registered holder of the Debentures, as the case may be. All notices to be given by debenture holders shall be sent by registered post or by hand delivery to ABFL at its Registered / Corporate Office.

23. Succession

In the event of demise of the Debenture holder, ABFL will recognize the executor or administrator of the deceased Debenture holder, or the holder of succession certificate or other legal representative as having title to the Debentures. ABFL shall not be bound to recognize such executor, administrator or holder of the succession certificate or other legal representative as having title to the Debentures, unless such executor or administrator obtains probate or letter of administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a competent Court in India having jurisdiction over the matter. The Directors of ABFL may, in their absolute discretion, where they think fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Debentures standing in the name of the deceased Debenture holder on production of sufficient documentary proof or indemnity.

24. Allotment Basis

Acceptance of the offer to invest and the allotment shall be decided by ABFL. The Company reserves the right to reject in full or part any or all of the offers received by them to invest in the debentures without assigning any reason for such rejection. Acceptance of the offer shall be subject to completion of subscription formalities as detailed in the application form.

25. Trustee

Vistra ITCL (India) Limited has been appointed to act as the Trustees for the Debenture holders (hereinafter referred to as "Trustees"). All remedies of the Debenture holder(s) for the amounts due on the Debentures will be vested with the Trustees on behalf of the Debenture holder(s).

The Debenture holders shall without any further act or deed be deemed to have irrevocably given their consent and authorize the Trustees or any of their Agents or authorized officials to do inter alia acts, deeds and things necessary in respect of or relating to the creation of security in terms of this Information Document of Private Placement.

26. Register of Debenture Holders

ABFL shall maintain Register of Debenture holders containing necessary particulars at its Registered Office / Registrar & Share Transfer Agent's office.

27. Modification of Rights

The rights, privileges, terms and conditions attached to each Series of the NCDs may be varied, modified or abrogated with the consent, in writing, of those registered holders of the Series of NCDs in the physical form and beneficial owners of the NCDs in the dematerialised form who hold at least three fourths of the outstanding amount of the relevant Series of NCDs or with the sanction accorded pursuant to a resolution passed at a meeting of the relevant Series of debenture holders, provided that nothing in such consent or resolution shall be operative against the Company where such consent or resolution modifies or varies the terms and conditions of the NCDs, if the same are not acceptable to the Company.

28. Application under Power of Attorney

In the case of applications made under Power of Attorney or by limited companies, corporate bodies, registered societies, trusts etc. a certified true copy of the Power of Attorney or the relevant authority, as the case may be along with a certified copy of the Document & Articles of Association and/or Bye Laws and/or the Deed of Trust, certified true copy of the Board Resolution, list of authorized signatories must be lodged along with the application or sent directly to the Company along with a copy of the Application Form.

29. Tax Benefits

There are no specific tax benefits attached to the Debentures. Investors are advised to consider the tax implications of their respective investment in the Debentures.

30. Appointment of Debenture Trustee

That the Company hereby appoints Vistra ITCL (India) Limited as the Debenture Trustee for the Debenture holders of all the series of the Debentures aggregating to Rs. 5000 crore (Rupees Five thousand crores only) to be issued by the Company from time to time and Vistra ITCL (India) Limited hereby agrees to act as Debenture Trustee for the Debenture holders, subject to the completion of diligence of all relevant information pertaining to the assets of the Company and security to be created to secure the Debentures, to the satisfaction of the Debenture Trustee. The Debenture Trustee and the Company shall also enter into a debenture trust deed (hereinafter referred to as the "Debenture Trust Deed") and such other documents as may be required from time to time in relation to the Debentures. The Debenture Trustee agrees to act as Debenture Trustee on behalf of and for the benefit of the Debenture Holders and for the purposes related thereto, strictly in accordance with the provisions of the Transaction Documents and more particularly given in the Debenture Trust Deed. Notwithstanding anything to the contrary, the Debenture Trustee shall not act on any instructions of the Company and shall at all times only act in accordance with the instruction of the Debenture Holders in accordance with Debenture Trust Deed.

1. The Debenture Trust Deed shall be finalized by the parties and consist of two parts: Part A containing statutory/standard information pertaining to the debt issue consisting of clauses pertaining to Form SH-12 in terms of Rule 18(5) of the Companies (Share Capital and Debentures) Rules, 2014; and Part B containing details specific to the particular debt issue.
2. As the Debentures are to be secured, the Company shall create the securities over such of its moveable properties and on such terms and conditions as disclosed in the Disclosure Document and execute the Debenture Trust Deed and other necessary security documents for all series of Debentures as approved by the Debenture Trustee, prior to filing of the application for listing of the Debentures, in accordance with the extant Debt Listing Regulations and other applicable regulations and circulars issued by SEBI, and shall be registered with Registrar of Companies, Central Registry of Securitization Asset Reconstruction and Security Interest (CERSAI), Depository etc., as applicable, within 30 days of creation of charge. The Company agrees that, in case the charge is not registered anywhere or is not independently verifiable, then the same shall be considered a breach of covenants/terms of the issue by the Company.
3. The Company shall comply with the provisions of SEBI Debenture Trustee Regulations, Debt Listing Regulations, debt listing agreement, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended from time to time), the Companies Act and other applicable provisions under applicable laws, regulations, circulars and guidelines ("Relevant Laws") in connection with the issuance, allotment, listing and ensuring continued compliance of the Debentures until the redemption in full of the Debentures. Further the Company undertakes to comply with all regulations/provisions of Companies Act, 2013, guidelines of other regulatory authorities in respect of allotment of debentures till redemption.
4. The Company will submit the required details along with the necessary documents mentioned in the checklist of the listing application, for the purpose of listing the Debentures on the Wholesale Debt Markets segment of the Bombay Stock Exchange Limited and/or National Stock Exchange ("Stock Exchange"), after the allotment of the Debentures, and will apply to obtain the listing approval from the Stock Exchange. A copy of the listing approval received from the Stock Exchange will be forwarded to the Debenture Trustee.
5. The Company hereby declares and confirms that the Company or the person in control of the Company, or its promoter has not been restrained or prohibited or debarred by the SEBI from accessing the securities market or dealing in securities.
6. The terms of this Agreement shall be effective only upon the submission by the Company of the requisite information and documents to the satisfaction of the Debenture Trustee for carrying out the requisite due diligence as required in terms of the Relevant Laws including in connection with verification of the security / contractual comforts and the asset cover for the Debentures, which is undertaken by the Company to be submitted simultaneously with or prior to the execution of this Agreement. In view of the foregoing, the Company shall provide all the information and documents as set out in Annexure A hereto, as applicable.

31. Terms of carrying out due diligence by Debenture Trustee

a) The Debenture Trustee, either through itself or its agents /advisors/consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets (on which the charge is proposed to be created) and whether all permissions or consents (if any) as may be required to create the security as stipulated in the Disclosure Document, has been obtained. For the purpose of carrying out the due diligence as required in terms of the Relevant Laws, the Debenture Trustee, either through itself or its agents /advisors/consultants, shall have the power to examine the books of account of the Company and to have the Company's assets (on which the charge is proposed to be created) inspected by its officers and/or external auditors/valuers/consultants/lawyers/technical experts/management consultants appointed by the Debenture Trustee.

b) The Company shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, CERSAI, depositories, information utility or any other authority, as may be relevant, where the assets on which the charge is proposed to be created and/or encumbrances in relation to such assets or any third party security provider are registered / disclosed.

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

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

e) The Debenture Trustee shall have the power to either independently appoint, or direct the Company to (after consultation with the Debenture Trustee) appoint intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture Trustee. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by the Company.

1. The Company shall pay to the Debenture Trustees so long as they hold the office of the Debenture Trustee, remuneration for their services as Debenture Trustee in addition to all legal, traveling and other costs, charges and expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Debenture Trust Deed and all other documents executed/to be executed to give effect to the creation of security for securing the Debentures and such any other expenses like advertisement, notices, letters to debenture holders etc. as per the offer letter dated March 19, 2021 as may be amended/modified from time to time ("DT Offer Letter"). The Company agreed to pay to the Debenture Trustee an amount of Rs 5,00,000/- as acceptance of the offer and annually of Rs 2,00,000/- till the Debentures under the Trust deed are fully repaid & forms for release of charge for the relevant issuances covered by the trust deeds are filed. Additionally in the event of Default or in case of enforcement of security, a minimum of Rs. 5,00,000/- shall be payable in advance by the Lender/Investor towards assistance in initiation of any proceedings.

2. The Company undertakes to promptly furnish all and any information as may be required by the Debenture Trustee, including such information as required to be furnished in terms of the Relevant Laws and the Debenture Trust Deed on a regular basis, including without limitation the following documents, as may be applicable:

- a. Draft Disclosure Document in relation to the issue of Debentures to facilitate the Debenture Trustee to review and provide comments, if any;
- b. The necessary corporate authorisations by way of board resolution and/or shareholder resolution necessary for the issue, allotment and the creation of security thereunder;
- c. Certificate issued by the Registrar of Companies in relation to the charge created to secure the Debentures;
- d. Letters from credit rating agencies about ratings;
- e. Proof of credit of the Debenture in favour of the Debenture holders/dispatch of Debenture certificates to the Debenture holder within 30 days of registration of charge with the registrar of companies (in case where the allotment letter has been issued and debenture certificate is to be issued after registration of charge);
- f. Depository details;
- g. Latest annual report;
- h. Executed Debenture Trustee Agreement;
- i. Debenture trust deed;
- j. Security documents executed in relation to the Debentures; Certified true copy of the resolution(s) for allotment of Debentures
- k. Confirmation/proofs of payment of interest and principal amounts made to the Debenture Holders on due dates as per the terms of the debenture trust deed and Relevant Laws and regulations as may be issued by Securities and Exchange Board of India including Relevant Laws;
- l. Statutory auditor's certificate for utilization of funds/issue proceeds;
- m. Statutory auditor certificate, on a half yearly basis giving the value of book debt and receivables, including compliance with the covenants of the offer document/ information memorandum, in case where listed debt securities are secured by way of receivables;
- n. Information to enable the Debenture Trustee to carry out the necessary due diligence and monitor the asset cover on a quarterly basis and to ensure the implementation of the conditions regarding creation of security for the debentures, if any, debenture redemption reserve and recovery expense fund;
- o. Periodical reports / information on quarterly/ half yearly / annual basis as required to be submitted to stock exchanges under the SEBI Debenture Regulations, Debt Listing Regulation, debt listing agreement or the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended from time to time);
- p. Beneficiary position reports as provided by the registrar and transfer agent;
- q. Approval for listing of the Debentures from the stock exchange;
- r. Due diligence certificate from legal counsel, if any;
- s. Acknowledgement of filing prospectus / information memorandum / disclosure document with the Stock Exchange/ Registrar of Companies ;
- t. Listing & trading permission from the Stock Exchange;
- u. Such other documents as may be reasonably required by the Debenture Trustee.

3. The Company shall, pay on demand, all actual costs and expenses (including legal fees) incurred by the Debenture Trustee in connection with the preparation, negotiation of or entry into this Agreement and/or any amendment of, supplement to or waiver in respect of this Agreement and against submission of the requisite supporting documents, as evidenced by way of receipt or invoice by the Debenture Trustee. Apart from the Debenture Trustee fees, the Company shall, from time to time, make payment to/ reimburse the Debenture Trustee in respect of all expenses and out-of-pocket costs incurred by the Debenture Trustee. The Company shall promptly pay, and in any event before any interest or penalty becomes payable, any stamp, documentary, registration or similar tax payable in connection with the entry into, registration, performance, enforcement or admissibility in evidence of this Agreement or any such other documents executed in connection to this transaction and/or any such amendment, supplement or waiver.

32. Governing Laws

The Debentures are governed by and shall be construed in accordance with the existing Indian laws. Any dispute between the Company and the Debenture holder will be subject to the jurisdiction of the courts in the city of Mumbai.

33. ABFL hereby undertakes that it shall use a common form of transfer for all debentures issued by the Issuer.

34. **Delay in Allotment of securities:** ABFL will adhere to SEBI Operational Circular SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021, SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/00139 Dated October 10, 2022 and SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/167 Dated November 30, 2022.

SECTION IV

DISCLOSURES UNDER FORM PAS-4 PRESCRIBED UNDER COMPANIES ACT, 2013

FORM NO PAS-4

PRIVATE PLACEMENT OFFER LETTER

[Pursuant to section 42 and rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014]

| Sr. No. | Disclosure Requirements | Page No. |
|-----------|---|---|
| 1. | GENERAL INFORMATION | |
| i. | Name, address, website and other contact details of the company indicating both registered office and corporate office. | Page 17 |
| ii. | Date of incorporation of the company. | August 28, 1991 |
| iii. | Business carried on by the company and its subsidiaries with the details of branches or units, if any. | Page 19 – 23 |
| iv. | Brief particulars of the management of the company. | Page 24 |
| v. | Names, addresses, Director Identification Number (DIN) and occupations of the directors. | Page 36 – 40 |
| vi. | Management's perception of risk factors. | Page 10 – 16 |
| vii. | Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of: (a) Statutory dues; (b) Debentures and interest thereon; (c) Deposits and interest thereon; and (d) Loan from any bank or financial institution and interest thereon. | There was a delay of 28 days in transfer of provident fund dues for the month of November 2016 of Rs. 0.63 Crs. The Company has since transferred the amount and also paid the relevant penalty to the Provident Fund Authorities |
| viii. | Names, designation, address and phone number, email ID of the nodal/ compliance officer of the company, if any, for the private placement offer process. | Page 17 |
| ix. | Any default in Annual filing of the Company under the Companies Act, 2013 or the rules made thereunder. | None |
| 2. | PARTICULARS OF THE OFFER | |
| i. | Financial Position of the Company for last 3 years | Page 28 – 29 |
| ii. | Date of passing of board resolution. | November 5, 2022 |
| iii. | Date of passing of resolution in the general meeting, authorising the offer of securities. | Special Resolution for the issue of NCDs on private placement basis was passed by Members at the Extra Ordinary General Meeting held on November 7, 2022. |
| iv. | Kinds of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued; | Secured, Redeemable, Listed, Rated, Non-Convertible Debenture |
| v. | Price at which the security is being offered including the premium, if any, along with justification of the price. | Rs. 10,00,000 per NCD |
| vi. | Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer; | Not Applicable |
| vii. | Relevant date with reference to which the price has been arrived at. [Relevant Date means a date at least thirty days prior to the date on which the general meeting of the company is scheduled to be held] | Not Applicable |
| viii. | The class or classes of persons to whom the allotment is proposed to be made; | Page 92-93 |

| Sr. No. | Disclosure Requirements | Page No. |
|---------|---|---|
| ix. | The proposed time within which the allotment shall be completed; | Refer Issue Details |
| x. | The change in control, if any, in the company that would occur consequent to the private placement; | Not Applicable |
| xi. | the number of persons to whom the allotment on preferential basis/private placement/ rights issue has already been made during the year, in terms of number of securities as well as price; | Not Applicable |
| xii. | the justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer; | Not Applicable |
| xiii. | Amount which the company intends to raise by way of proposed offer of securities; | Refer Issue Details |
| xiv. | Terms of raising of securities: (i)Duration, if applicable; (ii)Rate of dividend; (iii)Rate of interest; (iv)Mode of payment; and (v)Repayment date and schedule | Refer Issue Details |
| xv. | Proposed time schedule for which the private placement offer cum application letter is valid. | Refer Issue Details |
| xvi. | Purposes and objects of the offer. | Refer Issue Details |
| xvii. | Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects. | Not Applicable |
| xviii. | Principle terms of assets charged as security, if applicable. | Page 95 – 101 |
| xix. | The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the company and its future operations; | None |
| 3. | Mode of payment for subscription - Other Banking Channels | Refer Issue Details & Application form |
| 4. | DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC. | |
| a. | Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons. | None |
| b. | Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the offer letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed. | There are no litigation or legal action pending against Aditya Birla Capital Ltd. (subsidiary of Grasim Industries Limited) |
| c. | Remuneration of directors (during the current year and last three financial years). | Refer Financial Statements attached |
| d. | Related party transactions entered during the last three financial years immediately preceding the year of issue of private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided. | Refer Financial Statements attached |
| e. | Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of issue of private placement offer cum application letter and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark. | None |

| Sr. No. | Disclosure Requirements | Page No. |
|---------|--|---|
| f. | Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last three years immediately preceding the year of circulation of offer letter in the case of company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the offer letter and if so, section- wise details thereof for the company and all of its subsidiaries. | None |
| g. | Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company. | Refer Financial Statements attached |
| 5. | FINANCIAL POSITION OF THE COMPANY | |
| a. | The capital structure of the company in the following manner in a tabular form: | |
| (i)(a) | The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value); | Page 30 |
| (b) | Size of the present offer; and | Refer Issue Details |
| (c) | Paid up capital: (I) After the offer; and (II) After conversion of convertible instruments (if applicable); | Not Applicable Not Applicable |
| (d) | Share premium account (before and after the offer). | Not Applicable |
| (ii) | The details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration. Provided that the issuer company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the offer letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case | Page 30 - 35 Not applicable |
| b. | Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of private placement offer cum application letter | Refer Financial Statements attached |
| c. | Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid) | Dividend at the contractual coupon rate was declared on the Preference Shares issued by the Company; Being an NBFC, the Company is not required to disclose interest coverage ratio in its Financial results |
| d. | A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of issue of private placement offer cum application letter | Page 28 – 29 |
| e. | Audited Cash Flow Statement for the three years immediately preceding the date of issue of private placement offer cum application letter | Refer Financial Statements attached |
| f. | Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company. | (i) During the current year, pursuant to RBI Notification no. DNBR CC. No.011/CGM (CDS) dated March 27, 2015, the Company has revised its recognition norms |

| Sr. No. | Disclosure Requirements | Page No. |
|---------|-------------------------|--|
| | | <p>of Non-Performing Assets (NPA) from four months to three months. Had the Company continued to use the earlier policy of classification of NPA, provisions for the year ended 31 March, 2018 would have been lower by Rs 111.07 lakhs and profit before tax would have been higher by Rs 111.07 lakhs (net of tax Rs 73.18 lakhs).</p> <p>During the current year, pursuant to RBI Notification no. DNBR CC. No.011/CGM (CDS) dated March 27, 2015, the Company has increased provisions on standard assets from 0.35% to 0.40%. Had the Company continued to use the earlier policy for provision on standard assets, provisions and write-off for the year ended 31 March, 2018 would have been lower by Rs 2,125.19 lakhs and profit before tax would have been higher by Rs 2,125.19 lakhs (net of tax Rs 1,400.16 lakhs).</p> <p>Management has amended the Company's provisioning policy to include an accelerated provisioning on Unsecured NPA's and General contingency provision on unsecured standard assets. These additional provisions would be over and above the provisioning on standard assets and NPA as required by RBI. Based on the amended policy, an additional provision of Rs 1,060.37 lakhs and Rs 209.54 lakhs has been created on unsecured NPA loans and on unsecured standard asset as at 31 March, 2018 respectively. Had the Company followed its earlier provisioning policy, the provision charge for the</p> |

| Sr. No. | Disclosure Requirements | Page No. |
|--|-------------------------|--|
| | | year ended 31 March, 2018 would have been lower by Rs 1,269.91 lakhs and the profit before tax for the year ended 31 March, 2018 would have been higher by Rs 1,269.91 lakhs (net of tax Rs 836.67 lakhs). |
| | | |
| Part – B (To be filed by the Applicant) | | |
| a. Name b. Father's Name c. Complete Address including flat/house number, street, locality, pin code Phone Number, if any d. Email id, if any e. PAN f. Bank Account Details Signature Initial of the officer of the Company designated to keep the record | | As per respective Investor Application Form |
| | | |

SECTION V

Material Contracts and Documents

The list of material contracts and documents is as under:

1. Letter dated January 12, 2023 from India Ratings & Research Limited assigning the credit rating to the Secured Redeemable NCDs of the Company.
2. Letter dated January 30, 2023 from ICRA Limited assigning the credit rating to the Secured Redeemable NCDs of the Company.
3. Audited Balance Sheet for year ended 31st March 2020, 31st March 2021 & 31st March 2022
4. Letter from Vistra ITCL (India) Limited dated September 6, 2022 giving consent for acting as Trustees.
5. Debenture Trustee Agreement (DTA) and Debenture Trust Deed (DTD) dated September 6, 2022 and September 8, 2022 respectively executed between the Debenture Trustee and the Company for Non- Convertible Debentures aggregating to **Rs. 5,000** crore to be issued from time to time in one or more series.
6. NOC from Debenture Trustee and Security Trustee dated October 13, 2020
7. Certificate of incorporation of the Company dated August 28, 1991.
8. Memorandum and Articles of the Company
9. Copy of resolution passed by the Board of Directors at their meeting held on **November 5, 2022** approving the issuances of Secured Redeemable Non-Convertible Debentures.
10. Copy of resolution passed by the shareholders of the Company at Annual General Meeting of the Company held on **November 7, 2022**, authorizing the issuances of Secured Redeemable Non-Convertible Debentures on a private placement basis.
11. Copy of resolution passed by the shareholders of the Company at Annual General Meeting held on **November 7, 2022**, approving the overall borrowing of the Company.

DECLARATION BY THE DIRECTORS THAT

- a. the company has complied with the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act and the rules and regulations made thereunder;
- b. the compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government;
- c. the monies received under the offer shall be used only for the purposes and objects indicated in the Offer letter;
- d. whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association

I am authorized by the Board of Directors of the Company vide resolution dated November 5, 2022 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with.

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

For Aditya Birla Finance Limited

Anirudh
Muchhal

Digitally signed
by Anirudh
Muchhal
Date: 2023.01.30
14:41:26 +05'30'

Ankur
Deepakbhai
Shah

Digitally signed by
Ankur Deepakbhai
Shah
Date: 2023.01.30
15:49:15 +05'30'

Authorised Signatories

Date: January 30, 2023

1. Copy of board resolution
2. Copy of shareholders resolution

SECTION VI

ANNEXURES

- I. Audited Financial Statements For FY 2020-21, 2019-20, 2018-19
- II. Credit Rating Letters & Rationale
- III. Consent Letter from the Debenture Trustee
- IV. Annexure A & Annexure B from the Debenture Trustee
- V. Application Form
- VI. Allotment Details



CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF BOARD OF DIRECTORS OF ADITYA BIRLA FINANCE LIMITED HELD ON NOVEMBER 5, 2022 AT AB CAPITAL BOARD ROOM, 18TH FLOOR, TOWER 1, ONE WORLD CENTRE, JUPITER MILL COMPOUND, SENAPATI BAPAT MARG, ELPHINSTONE ROAD MUMBAI - 400013

Secured Debentures

"RESOLVED THAT in partial modification of all the earlier resolution(s) passed by the Board of Directors of the Company and pursuant to sections 42, 71, 179 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for time being in force) and the Rules made thereunder and RBI Directions/ Guidelines and SEBI Regulations/ Guidelines, the Company do borrow funds by issuance of Secured Redeemable Non-Convertible Debentures for amount not exceeding Rs. 60,000 Crore, in one or more tranches, either unlisted or to be listed on the Wholesale Debt Market Segment of National Stock Exchange of India Ltd. and / or BSE Limited, on a private placement basis (NCDs), on the following broad terms and conditions:

| | |
|--|---|
| Instrument | Secured, Redeemable Non-Convertible Debentures |
| Issue Size | Amount not exceeding Rs. 60,000 crore |
| Offer Document | Disclosure Document |
| Face value of each instrument | Standard denomination of Rs. 1 lakh or such other denomination as is accepted |
| Type of Issue | Private placement basis only |
| Rate of Interest / Coupon rate/ Implicit yield | As may be decided |
| Tenor | As may be decided |
| Security | The Debentures to be issued by the Company in any Series together with interest, costs, charges, remuneration of the Debenture Trustee and all other moneys payable in respect thereof shall be secured, in accordance with the Companies Act, 2013 and the Rules made there under, which will include if so required, creation of: 1) exclusive / pari passu first charge on specific immovable property of the Company; 2) pari passu first charge on receivables arising from unsecured loans given by the Company; Such other assets which the Company may add from time to time and first pari-passu charge on the other Current Assets of the Company and excluding those assets / receivables exclusively charged. |
| Purpose of issue | To augment the long-term resources of the Company for its financing activities |
| Mode of holding by the investors | Compulsorily in demat form with either CDSL or NSDL |



| | |
|---------------------|-------------------|
| Listing of the NCDs | As may be decided |
|---------------------|-------------------|

"RESOLVED FURTHER THAT the Board be and hereby approves the following group of persons as the "Identified Persons" for the purpose of issuance of debentures on private placement basis:

1. Qualified Institutional Buyer as defined under the SEBI (Issue of Capital and Disclosure Requirements) Regulation, 2009;
2. company as defined under Companies Act, 2013;
3. provident fund(s), pension fund(s) and gratuity fund(s) (with no restriction on their corpus amount);
4. Individual, HUF, Partnership firm, Limited Liability Partnership (LLP) with a minimum subscription for NCDs of Rs. 1 Crore;
5. Any Non-Banking Finance company registered with RBI
6. International / multilateral / bilateral agencies
7. Sovereign wealth funds
8. Foreign portfolio investor as defined under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
9. Foreign Financial Institutions and
10. Foreign and Domestic Banks.

"RESOLVED FURTHER THAT any two of the following viz. Ms. Vishakha Mulye, Director, Mr. Rakesh Singh, Managing Director & Chief Executive Officer, Mr. Pradeep Agrawal, Chief Financial Officer (CFO), Mr. Deep Pal Singh, Chief Risk Officer and Mr. Chandramohan Amritkar, Head – Treasury, are authorized to decide on rate of interest, tenor of the Debentures, identify the investors from the above mentioned group of Identified Persons or any other terms and conditions including any modifications relating thereto."

"RESOLVED FURTHER that in connection with the issue of above NCDs, any two jointly of the following signatories

Ms. Vishakha Mulye
Mr. Tushar Shah
Mr. Deep Pal Singh
Mr. Chandramohan Amritkar
Mr. Akhil Kanodia
Mr. Ankur Shah
Mr. Arnab Basu
Mr. Devang Rawal
Mr. Mayur Agarwal
Mr. Prakash Dandwani
Mr. Rajeev Sharma
Mr. Vijay Nawal

Mr. Rakesh Singh
Mr. Pradeep Agrawal
Mr. Ajay Singh
Ms. Sujatha Sudheendra
Mr. Anirudh Muchhal
Mr. Amit Agrawal
Mr. Arpan Patel
Mr. Himanshu Redkar
Mr. Nirmal Kishore
Ms. Pooja Pandey
Mr. Sajjad Noorani



be and are hereby authorised to appoint Debenture Trustees, Registrar and Transfer Agents, Depositories, Distributors, Legal Counsel, Merchant Bankers, register on Issuer Services Portal of NSDL and avail all/any of the services provided by NSDL / CDSL through Issuer Services Portal and such other intermediaries as may be required and to negotiate with the Intermediaries and fix such remuneration and finalise the terms of their appointment, as may be deemed fit;"

"RESOLVED FURTHER THAT the aforesaid authorised officials may designate/ authorise/ appoint person(s) as authorised users to access the Issuer Services Portal of NSDL / CDSL and to provide any details, information, document, and submit any request / instructions on Issuer Services Portal on behalf of the Company AND THAT the Company undertakes to be bound by the Terms & Conditions

Aditya Birla Finance Ltd.

(A subsidiary of Aditya Birla Capital Ltd.)

One Indiabulls Centre, Tower 1, 18th Floor, Jupiter Mill Compound,

841, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013

+91 22 4356 7000 | (F) +91 22 4356 7266

www.adityabirlafinance.com

Registered Office: Indian Rayon Compound, Veraval, Gujarat -362 266

CIN: U65990GJ1991PLC064603



**ADITYA BIRLA
CAPITAL**

PROTECTING INVESTING FINANCING ADVISING

of Issuer Services Portal, Bye Laws and Business Rules of NSDL / CDSL as amended from time to time;"

"RESOLVED FURTHER THAT the Company acknowledges and agrees that the users as designated/ authorized/ appointed by authorized signatories has been authorized to access the Issuer Services Portal of NSDL / CDSL and provide any details, information, document and submit any request / instructions on Issuer Services Portal on behalf of the Company, keeping in view the risks involved and consequences of usage of such rights and that the Company shall keep the NSDL / CDSL absolved, indemnified, harmless and protected from any liabilities whatsoever and howsoever that may arise out of any misuse or compromise of these rights/passwords by the authorized user;"

"RESOLVED FURTHER THAT the Company Secretary, be and is hereby appointed as the Compliance Officer of the Company for the purpose of the issue of the said NCDs;"

"RESOLVED FURTHER THAT a draft Disclosure Document placed at the meeting be and is hereby approved and the Disclosure Document be filed with either or both of the Stock Exchange(s) ("SE") and application be made to the SE for listing of the said NCDs and that aforesaid signatories be and are hereby authorized (any two acting jointly) to sign the Disclosure Document on behalf of the Company, file the same with SE and / or other Regulator(s) for the purpose of listing and make such changes therein, as required from time to time;"

"RESOLVED FURTHER THAT the aforesaid persons be and are hereby authorized (any two acting jointly) to allot secured non-convertible privately placed redeemable debentures / any other similar financial instrument and authorize execution / issuance of Debenture Trust Deed, such other deeds, instruments, letters of allotment, certificates, documents, declarations, undertakings and writings (including Listing Agreement) as may be required to be executed in connection with the issue / subscription to the said Debentures / any other financial instrument;"

"RESOLVED FURTHER THAT all the above documents, deeds, instruments, letters of allotment, certificates, declarations, undertakings and writings can be signed by using digital signature;"

"RESOLVED FURTHER THAT the Common Seal of the Company will not be affixed on any of the documents to be executed as per the provisions of the Articles of Association;"

"RESOLVED FURTHER THAT any one of the Directors' are severally authorized to sign the declaration as required under Form PAS 4 of the Companies Act, 2013, SEBI Act / Regulations, Securities Contracts (Regulation) Act, 1956, as applicable;"

"RESOLVED FURTHER THAT a copy of the resolution certified to be true by any one of the Directors or the key managerial personnel of the Company be and is hereby given to the stock exchanges, authorities, bodies corporate and they be requested to act upon the same."

For Aditya Birla Finance Limited

Ankur Shah
Company Secretary
November 28, 2022



Aditya Birla Finance Ltd.
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**ADITYA BIRLA
CAPITAL**

PROTECTING INVESTING FINANCING ADVISING



CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED BY THE MEMBERS OF ADITYA BIRLA FINANCE LIMITED AT THEIR EXTRA ORDINARY GENERAL MEETING HELD ON NOVEMBER 07, 2022 AT ABFL BOARD ROOM, 18TH FLOOR, TOWER 1, ONE WORLD CENTRE, JUPITER MILL COMPOUND, SENAPATI BAPAT MARG, ELPHINSTONE ROAD, MUMBAI – 400 013

“RESOLVED THAT pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for time being in force), other applicable rules under Companies Act, 2013 and SEBI Regulations/ Guidelines, Reserve Bank of India Directions / Guidelines, and such other consents as may be required, if any, the approval of the Members be and is hereby accorded to the Board of Directors to borrow funds :

- (a) by issuance of Secured, Redeemable Non-Convertible Debentures for an amount not exceeding Rs. 60,000 Crore (Rupees Sixty Thousand Crore Only)
- (b) by issuance of Unsecured, Redeemable Non-Convertible Debentures which shall be subordinated to the claims of other creditors and are free from restrictive clauses and are not redeemable at the instance of the holder or without the consent of the RBI, for an amount not exceeding Rs. 4,500 crore (Rupees Four Thousand Five Hundred Crore Only)
- (c) by issuance of Unsecured, Redeemable Non-Convertible Debentures qualifying for inclusion as Tier-I Capital which shall be subordinated to the claims of other creditors and are free from restrictive clauses and are not redeemable at the instance of the holder or without the consent of the RBI, for an amount not exceeding Rs. 900 crore (Rupees Nine Hundred Crore Only)
- (d) by issuance of unsecured debentures (not qualifying as perpetual / sub-debt, but senior to these debentures) which shall be senior to the claims of sub debt and perpetual debt for an amount not exceeding Rs.5,000 Crore (Rupees Five Thousand Crore Only)
- (e) By issuance of Secured / unsecured redeemable non-convertible Debentures for amount not exceeding Rs. 3,000 Crore in the overseas markets (also known as masala bonds).

from time to time, in one or more tranches, by making offer(s), or invitation(s), to subscribe to the Debenture(s), either unlisted or to be listed on the Wholesale Debt Market Segment of National Stock Exchange of India Ltd. and / or BSE Limited, on a private placement basis (NCDs), on such terms and conditions as the Board may from time to time determine and consider proper.”

Aditya Birla Finance Limited

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Indian Rayon Compound, Veraval,
Gujarat -362 266
CIN: U65990GJ1991PLC064603



Aditya Birla Finance Ltd.

(A part of Aditya Birla Capital Ltd.)



ADITYA BIRLA CAPITAL

PROTECTING INVESTING FINANCING ADVISING

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all the acts, deeds, things as may be necessary, usual or expedient to give effect to the aforesaid resolution.”

For Aditya Birla Finance Limited

ANKUR

DEEPAK SHAH

ANKUR DEEPAK
SHAH
2022.11.18
12:16:35 +05'30'

Ankur Shah
Company Secretary
ACS – 17618
November 18, 2022

Aditya Birla Finance Limited

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Gujarat - 362 266
CIN: U65990GJ1991PLC064603





CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED BY THE MEMBERS OF ADITYA BIRLA FINANCE LIMITED AT THEIR EXTRA ORDINARY GENERAL MEETING HELD ON NOVEMBER 07, 2022 AT ABFL BOARD ROOM, 18TH FLOOR, TOWER 1, ONE WORLD CENTRE, JUPITER MILL COMPOUND, SENAPATI BAPAT MARG, ELPHINSTONE ROAD, MUMBAI – 400 013

TO APPROVE BORROWING LIMITS OF THE COMPANY

“RESOLVED THAT in supersession of the resolution passed by the Members at the Annual General Meeting held on July 22, 2019 and pursuant to Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Rules made thereunder, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any Committee thereof for the time being exercising the powers conferred on the Board by this resolution) to borrow such sum or sums of money in any manner from time to time, with or without security and upon such terms and conditions as the Board may deem fit and expedient for the purpose of the business of the Company, notwithstanding, that the monies to be borrowed, together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided however, that the total amount borrowed / to be borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) and outstanding at any time shall not exceed Rs. 1,00,000 crore (Rupees One Lakh Crore Only).”

“RESOLVED FURTHER that the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required.”

For Aditya Birla Finance Limited

**Ankur Shah
Company Secretary
November 29, 2022**






CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED BY THE MEMBERS OF ADITYA BIRLA FINANCE LIMITED AT THEIR EXTRA ORDINARY GENERAL MEETING HELD ON NOVEMBER 07, 2022 AT ABFL BOARD ROOM, 18TH FLOOR, TOWER 1, ONE WORLD CENTRE, JUPITER MILL COMPOUND, SENAPATI BAPAT MARG, ELPHINSTONE ROAD, MUMBAI – 400 013

CREATION OF CHARGES ON ASSETS OF THE COMPANY

“RESOLVED THAT in supersession of the resolution passed by the Members at the Annual General Meeting held on July 22, 2019 and pursuant to Section 180 (1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 (“Act”), the consent of the Members be and is hereby granted to the Board of Directors (hereinafter referred to as the “Board” which term shall include any Committee thereof for the time being exercising the powers conferred on the Board by this resolution) to create such security, mortgages, charges and hypothecation as may be necessary on such of the assets of the Company, both present and future, in such manner as the Board / Committee may direct, to or in favor of the Security Trustee(s), financial institutions, investment institutions and their subsidiaries, banks, mutual funds, trusts and other bodies corporate (hereinafter referred to as the “Lending Agencies”) and Trustees for the holders of debentures / bonds and / or other instruments which may be issued on private placement basis or otherwise, to secure rupee term loans / foreign currency loans, debentures, bonds and other instruments together with interest thereon at the agreed rates, further interest, liquidated damages, premium on pre-payment or on redemption, costs, charges, expenses and all other monies payable by the Company to the Trustees under the Trust Deed and to the Lending Agencies under their respective Agreements / Loan Agreements / Debenture Trust Deeds to be entered into by the Company in respect of the borrowings such that the outstanding amount of debt at any point of time does not exceed Rs. 1,00,000 Crore (Rupees One Lakh Crore Only).

“RESOLVED FURTHER that the Board be and is hereby authorized to finalize with the Lending Agencies / Trustees, the documents for creating the aforesaid mortgages, charges and/or hypothecations and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this Resolution.”

For Aditya Birla Finance Limited


Ankur Shah
Company Secretary
ACS – 17618
November 29, 2022



Deloitte Haskins & Sells LLP

Chartered Accountants
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Mumbai, 400 013
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Singhi & Co.

Chartered Accountants
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INDEPENDENT AUDITORS' LIMITED REVIEW REPORT ON THE UNAUDITED QUARTER AND SIX MONTHS ENDED FINANCIAL RESULTS PURSUANT TO REGULATION 52 OF THE SEBI (LODR) REGULATIONS, 2015, AS AMENDED

TO THE BOARD OF DIRECTORS OF ADITYA BIRLA FINANCE LIMITED

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **Aditya Birla Finance Limited** (the "Company") for the quarter and six months ended September 30, 2022 (the "Statement") being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements ("SRE") 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India ("ICAI"). A review of interim financial information consists of making inquiries, primarily of Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted and procedures performed as stated in paragraph 3 above nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



**Deloitte
Haskins & Sells LLP**

Singhi & Co.

5. The Statement includes comparative financial figures of the Company for the quarter and half year ended September 30, 2021, which have been reviewed by one of the joint auditors vide its report dated October 30, 2021 in which that joint auditor has expressed an unmodified conclusion.

The conclusion of the other joint auditor is not modified in respect of this matter.

For Deloitte Haskins & Sells LLP

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No. 039826)



UDIN:22039826BCDEOS2620

Place: Mumbai
Date: November 5, 2022

For Singhi & Co.

Chartered Accountants
(Firm's Registration. No. 302049E)

Amit Hundia
Partner
(Membership No. 120761)



UDIN:22120761BCDSGY2862

Place: Mumbai
Date: November 5, 2022

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER, 2022

| Sr. No. | Particulars | Quarter ended | | | Six Months Ended | | Year Ended |
|-----------|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|---------------------------|
| | | 30 Sep, 2022 (Unaudited) | 30 Jun, 2022 (Unaudited) | 30 Sep, 2021 (Unaudited) | 30 Sep, 2022 (Unaudited) | 30 Sep, 2021 (Unaudited) | 31 Mar, 2022 (Audited) |
| 1 | Revenue from operations | | | | | | |
| | (a) Interest income | 1,74,321.77 | 1,54,028.26 | 1,38,935.24 | 3,28,350.03 | 2,70,849.68 | 5,53,128.87 |
| | (b) Dividend income | - | - | - | - | - | 285.31 |
| | (c) Fees and commission income | 9,922.69 | 7,986.32 | 5,006.46 | 17,909.01 | 10,472.76 | 24,880.80 |
| | (d) Net gain/(loss) on fair value changes | (6.60) | (809.36) | (304.79) | (815.96) | 62.86 | 190.62 |
| | Total revenue from operations | 1,84,237.86 | 1,61,205.22 | 1,43,636.91 | 3,45,443.08 | 2,81,385.30 | 5,78,485.60 |
| 2 | Other Income | 726.78 | 676.09 | 542.66 | 1,402.87 | 1,196.45 | 1,201.65 |
| 3 | Total Income (1+2) | 1,84,964.64 | 1,61,881.31 | 1,44,179.57 | 3,46,845.95 | 2,82,581.75 | 5,79,687.25 |
| 4 | Expenses | | | | | | |
| | (a) Finance costs | 85,142.68 | 72,890.48 | 67,813.08 | 1,58,033.16 | 1,34,163.78 | 2,70,909.59 |
| | (b) Impairment on financial instruments | 19,292.65 | 14,728.96 | 14,330.64 | 34,021.61 | 33,381.31 | 65,346.00 |
| | (c) Employee benefit expenses | 17,592.95 | 15,148.72 | 13,019.11 | 32,741.67 | 25,153.23 | 52,072.80 |
| | (d) Depreciation, amortization and impairment | 2,004.10 | 1,840.92 | 1,686.49 | 3,845.02 | 3,179.63 | 6,835.39 |
| | (e) Other expenses | 12,146.56 | 11,420.46 | 8,620.67 | 23,567.02 | 16,519.07 | 35,811.83 |
| | Total expenses | 1,36,178.94 | 1,16,029.54 | 1,05,469.99 | 2,52,208.48 | 2,12,397.02 | 4,30,975.61 |
| 5 | Profit before exceptional items and tax (3-4) | 48,785.70 | 45,851.77 | 38,709.58 | 94,637.47 | 70,184.73 | 1,48,711.64 |
| 6 | Tax expenses | | | | | | |
| | (a) Current tax | 19,820.44 | 15,030.00 | 14,360.00 | 34,850.44 | 25,720.00 | 38,264.50 |
| | (b) Deferred tax expenses (credit) | (6,820.15) | (2,695.02) | (4,518.47) | (9,515.17) | (7,862.44) | (730.52) |
| | (c) Tax relating to earlier period/year | - | - | 14.21 | - | 14.21 | 344.60 |
| | Total tax expenses | 13,000.29 | 12,334.98 | 9,855.74 | 25,335.27 | 17,871.77 | 37,878.58 |
| 7 | Profit for the period/year (5-6) | 35,785.41 | 33,516.79 | 28,853.84 | 69,302.20 | 52,312.96 | 1,10,833.06 |
| 8 | Other comprehensive income (OCI) | | | | | | |
| | (a) Items that will not be reclassified to profit and loss | | | | | | |
| | Re-measurement profit/(loss) on defined benefit plans | 46.81 | 279.69 | 76.48 | 326.50 | 261.81 | 531.55 |
| | Income tax effect of above | (11.78) | (70.39) | (19.25) | (82.17) | (65.89) | (133.78) |
| | Gain/(loss) on investments | 73.47 | - | 24.22 | 73.47 | 24.22 | 24.22 |
| | Income tax effect of above | (18.49) | - | (6.10) | (18.49) | (6.10) | (6.10) |
| | (b) Items that will be reclassified to profit and loss | | | | | | |
| | Fair value change on derivatives designated as cash flow hedge | (289.38) | 418.22 | 579.54 | 128.84 | 523.78 | 2,578.79 |
| | Income tax effect of above | 72.83 | (105.26) | (145.85) | (32.43) | (131.82) | (649.03) |
| | Total other comprehensive income | (126.54) | 522.26 | 509.04 | 395.72 | 606.00 | 2,345.65 |
| 9 | Total comprehensive income for the period/year (7+8) | 35,658.87 | 34,039.05 | 29,362.88 | 69,697.92 | 52,918.96 | 1,13,178.71 |
| 10 | Paid up equity share capital (Face value of ₹ 10 each) | 66,210.08 | 66,210.08 | 66,210.08 | 66,210.08 | 66,210.08 | 66,210.08 |
| 11 | Reserve excluding revaluation reserve | | | | | | 9,19,831.90 |
| 12 | Basic/diluted earnings per share (in ₹) | 5.41 | 5.06 | 4.36 | 10.47 | 7.90 | 16.74 |
| | (Not annualised except for year ended 31 March, 2022) | | | | | | |



Note:

1. Statement of Assets and Liabilities as at 30 September, 2022

| (₹ in Lakhs) | | |
|---|-----------------------------------|---------------------------------|
| Particulars | As at 30 Sep, 2022 (Unaudited) | As at 31 Mar, 2022 (Audited) |
| I ASSETS | | |
| 1 Financial assets | | |
| (a) Cash and cash equivalents | 1,17,758.39 | 59,571.14 |
| (b) Bank balance other than included in (a) above | 3,436.89 | 9,681.37 |
| (c) Derivative financial instruments | 5.06 | 19.02 |
| (d) Receivables | | |
| (I) Trade receivables | 5,089.99 | 1,243.96 |
| (II) Other receivables | - | - |
| (e) Loans | 63,63,295.06 | 53,60,746.02 |
| (f) Investments | 1,41,238.75 | 1,69,403.56 |
| (g) Other financial assets | 4,636.93 | 5,361.81 |
| | 66,35,461.07 | 56,06,026.88 |
| 2 Non-financial assets | | |
| (a) Current tax assets (net) | 34,331.75 | 34,239.10 |
| (b) Deferred tax assets (net) | 35,336.99 | 25,954.92 |
| (c) Property, plant and equipment | 3,357.92 | 1,881.37 |
| (d) Right of use lease assets | 11,263.09 | 12,187.33 |
| (e) Intangible assets under development | 1,037.75 | 1,089.05 |
| (f) Other intangible assets | 6,186.50 | 7,008.52 |
| (g) Other non-financial assets | 7,697.67 | 8,533.26 |
| | 99,211.67 | 90,893.55 |
| Total assets | 67,34,672.74 | 56,96,920.43 |
| II LIABILITIES AND EQUITY | | |
| Liabilities | | |
| 1 Financial liabilities | | |
| (a) Derivative financial instruments | 6,877.81 | 7,799.24 |
| (b) Payables | | |
| (I) Trade payables | | |
| (i) total outstanding dues of micro enterprises and small enterprises | 47.14 | 696.87 |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 46,107.67 | 23,524.76 |
| (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 | 19,22,237.17 | 15,78,125.70 |
| (d) Borrowings (other than debt securities) | 33,75,931.46 | 27,71,715.04 |
| (e) Subordinated liabilities | 2,42,853.11 | 2,48,733.99 |
| (f) Lease liability | 12,138.04 | 12,910.38 |
| (g) Other financial liabilities | 46,618.10 | 47,013.29 |
| | 56,52,810.50 | 46,90,519.27 |
| 2 Non-financial liabilities | | |
| (a) Current tax liabilities (Net) | 7,989.72 | 1,513.10 |
| (b) Provisions | 9,080.99 | 10,421.69 |
| (c) Other non-financial liabilities | 9,051.62 | 8,424.39 |
| | 26,122.33 | 20,359.18 |
| Equity | | |
| (a) Equity share capital | 66,210.08 | 66,210.08 |
| (b) Other equity | 9,89,529.83 | 9,19,831.90 |
| | 10,55,739.91 | 9,86,041.98 |
| Total liabilities and equity | 67,34,672.74 | 56,96,920.43 |



Note:

2. Cash flows statement for the six months ended 30 September, 2022

(₹ in Lakhs)

| Particulars | Six months ended 30 Sep, 2022 (Unaudited) | Six months ended 30 Sep, 2021 (Unaudited) |
|--|---|---|
| Operating activities | | |
| Profit before tax | 94,637.47 | 70,184.73 |
| Adjustments for reconcile profit before tax to net cash flow: | | |
| Depreciation/amortisation and impairment | 3,845.02 | 3,179.63 |
| Impairment on financial instruments | 34,021.61 | 33,381.31 |
| Interest on deposit with banks | (182.19) | - |
| Net (gain)/loss on fair value changes | 815.96 | (62.86) |
| (Gain)/loss on sale of property, plant and equipment | 1.03 | (0.46) |
| Interest income on investment | (5,919.95) | (2,592.59) |
| Finance cost on lease liability | 429.55 | 450.29 |
| Profit on surrender of lease liability/income from rent concession | (77.83) | (159.86) |
| Operating Profit before working capital changes | 1,27,570.67 | 1,04,380.19 |
| Adjustment for working capital changes | | |
| (Increase)/decrease in loans | (10,36,612.41) | 43,535.44 |
| (Increase) in trade receivables | (3,804.27) | (992.02) |
| Decrease/(increase) in other financial assets | 684.57 | (30,414.08) |
| Decrease in other non-financial assets | 1,227.67 | 1,064.09 |
| Increase in trade payables | 21,933.18 | 2,645.32 |
| (Decrease) in other financial liabilities | (22,062.14) | (23,198.00) |
| (Decrease)/increase in provisions | (1,014.20) | 2,244.21 |
| Increase/(decrease) in other non-financial liabilities | 627.23 | (843.12) |
| | (9,11,449.70) | 98,422.03 |
| Income taxes paid (Net) | (28,466.47) | (23,658.68) |
| Net cash flow from/(used in) operating activities | (9,39,916.17) | 74,763.35 |
| Investing activities | | |
| Purchase of intangible assets including assets under development | (1,012.38) | (1,826.39) |
| Proceeds from sale of property, plant and equipment | 66.22 | 66.62 |
| Purchase of property, plant and equipment | (2,603.54) | (420.93) |
| Proceeds from sale of long term investments | 693.99 | 375.69 |
| Purchase of long term investments | (14.68) | - |
| Net (purchase)/sale of short term investments | 27,102.11 | 2,749.68 |
| Interest received on deposit with banks | 158.11 | - |
| Deposit placed during the period | 6,268.56 | (6,595.00) |
| Interest received on investment | 5,566.47 | 2,595.23 |
| Net cash flow from/(used in) investing activities | 36,224.86 | (3,055.10) |
| Financing activities | | |
| Proceeds from long term borrowings | 12,75,730.00 | 5,05,563.49 |
| Repayment of long term borrowings | (6,57,301.39) | (5,51,936.00) |
| Short-term borrowings (Net) | 3,44,901.11 | (81,843.84) |
| Lease payments | (1,451.16) | (1,446.18) |
| Net cash flow from/(used in) financing activities | 9,61,878.56 | (1,29,662.53) |
| Net increase/(decrease) in cash and cash equivalents | 58,187.25 | (57,954.28) |
| Cash and cash equivalents at beginning of the period | 59,571.14 | 1,51,098.56 |
| Cash and cash equivalents at the end of the period | 1,17,758.39 | 93,144.28 |
| Components of cash and cash equivalents | | |
| Balance with banks | | |
| In current accounts | 1,17,758.39 | 93,144.28 |
| Total cash and cash equivalents | 1,17,758.39 | 93,144.28 |
| Cash Flow from Operations includes: | | |
| Interest received | 3,08,670.91 | 2,54,980.24 |
| Interest paid | 1,77,616.60 | 1,71,455.03 |



ADITYA BIRLA FINANCE LIMITED
 Website : www.adityabirlafinance.com
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 Tel.: 91-22-43567100 Fax: 91-22-43567265

Notes 2: Cash flows statement for the six months ended 30 September, 2022 (continued)

| Additional disclosure pursuant to Ind AS 7 | | |
|--|---|---|
| Particulars | Six months ended 30 Sep, 2022 (Unaudited) | Six months ended 30 Sep, 2021 (Unaudited) |
| Opening balance of Debt securities, borrowings (other than debt securities) and subordinated liabilities | 45,98,574.73 | 41,21,518.38 |
| Cash flow | 9,63,329.72 | (1,28,216.35) |
| Fair value adjustment | (869.72) | 2,932.82 |
| Interest accrued on borrowings | (20,012.99) | (37,291.25) |
| Closing balance of Debt securities, borrowings (other than debt securities) and subordinated liabilities | 55,41,021.74 | 39,58,943.60 |



- 3 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings, held on 05 November, 2022. The Joint Statutory Auditors of the Company have carried out review of the aforesaid result for the quarter and six months ended 30 September, 2022.
- 4 These financial results have been prepared in accordance with the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended.
- 5 These financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard ("Ind AS") prescribed under section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and the other accounting principles generally accepted in India.
- 6 Operating business segment results are reviewed regularly by the Company's Chief Operating Decision Maker to make decisions about resources to be allocated to the segments and assess their performance. Business segment is the primary segment comprising of 'Financing activity'. As the Company operates only in a single business segment, no segment information thereof is given as required under Ind AS 108. The Company has its operations within India and all revenue is generated within India.
- 7 Disclosure in terms of RBI Circular - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06 August, 2020; RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 05 May, 2021.

| Type of borrower | (A) | (B) | (C) | (D) | (E) |
|--------------------|---|---|--|--|--|
| | Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year i.e 31 March, 2022 | Of (A), aggregate debt that slipped into NPA during the half-year | Of (A) amount written off during the half-year | Of (A) amount paid by the borrowers during the half-year** | Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year i.e. 30 September, 2022 |
| Personal loans | 12,915.61 | 762.07 | 539.06 | 1,878.42 | 9,736.06 |
| Corporate persons* | 22,311.72 | 4,317.92 | 671.01 | 2,052.52 | 15,270.27 |
| Of which MSMEs | 22,200.22 | 4,317.92 | 671.01 | 1,941.03 | 15,270.27 |
| Others | 1,755.37 | - | - | 42.81 | 1,712.56 |
| Total | 36,982.70 | 5,079.99 | 1,210.07 | 3,973.75 | 26,718.89 |

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

**Amount paid by the borrower during the half year is net of interest capitalised.

- 8 RBI vide Circular dated 12 November, 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances Clarifications" (IRACP) has clarified/harmonized certain aspects of extant regulatory guidelines with a view to ensuring uniformity in the implementation of IRACP norms across all lending institutions. The Company has taken necessary steps to comply with the norms/changes for regulatory reporting, with effect from 01 October, 2022 as clarified vide circular dated 15 February, 2022. Such clarifications/harmonization has no impact on the financial results for the quarter and six months ended 30 September, 2022. .
- 9 Disclosures pursuant to Master Direction — Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 in terms of RBI circular RBI/DOR/2021-22/86 DOR.STR. REC. 51/21.04.048/2021-22 dated 24 September, 2021.

(a)(i) Details of Loans not in default that are acquired during the six months ended 30 September, 2022.

| | |
|--|-------------|
| Count of loan account acquired | 22195 |
| Amount of loan account acquired (₹ in Lakhs) | 1,03,044.72 |
| Weighted average maturity (Residual maturity) (In months) | 100 |
| Weighted average holding period (Upto date of acquisition) (In months) | 11 |
| Retention of beneficial economic interest (MRR of assignor)* | 3.39% |
| Coverage of tangible security * | 73% |
| Rating wise distribution of loans acquired by value | |
| A(SO) | 7.92% |
| A | 9.70% |
| A- | 33.92% |
| BBB+ | 4.06% |
| BBB- | 7.28% |
| Unrated | 37.12% |

* Ratio is computed basis weighted average of loans acquired.

(a)(ii) Details of Loans not in default that are transferred during the six months ended 30 September, 2022 : Nil

(b) Details of stressed loans transferred during the the six months ended 30 September, 2022 : Nil



- 10 The Reserve Bank of India vide its press release dated 30 September, 2022 has categorised the Company in the Upper layer under Scale Based Regulation (SBR) for NBFCs. The Company is taking necessary steps in complying with the requirements of SBR as applicable.
- 11 Disclosure in compliance with Regulations 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the six months ended 30 September, 2022 is attached as Annexure 1.
- 12 The figures for the quarter ended 30 September, 2022 & 30 September, 2021 are the balancing figure between unaudited year to date figures and upto three months ended 30 June, 2022 & 30 June, 2021 respectively.

Place : Mumbai
Date: 05 November, 2022


Rakesh Singh
Managing Director and Chief Executive Officer
(DIN - 07006067)



Annexure 1 : Disclosure in compliance with Regulations 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, for the six months ended 30 September, 2022.

| Sr No. | Particulars | Ratios |
|--------|---|--------------|
| 1 | Debt-equity ratio (No. of times) | 5.25 |
| 2 | Debt service coverage ratio* | NA |
| 3 | Interest service coverage ratio* | NA |
| 4 | Outstanding redeemable preference shares (No. of shares) | Nil |
| 5 | Capital redemption reserve (₹ In lakhs) | 1,000.00 |
| 6 | Debenture redemption reserve (₹ In lakhs) | Nil |
| 7 | Net worth (₹ In lakhs) | 10,55,739.91 |
| 8 | Net Profit after tax (₹ In lakhs) | 69,302.20 |
| 9 | Earnings per share (not annualised) Basic and diluted (In ₹) | 10.47 |
| 10 | Current ratio* | NA |
| 11 | Long term debt to working capital* | NA |
| 12 | Bad debts to Account receivable ratio* | NA |
| 13 | Current liability ratio* | NA |
| 14 | Total debts to total assets (No. of times) | 0.82 |
| 15 | Inventory turnover* | NA |
| 16 | Debtors turnover* | NA |
| 17 | Operating margin (%) | NA |
| 18 | Net profit margin (%) | 20.06% |
| 19 | Paid up Equity Share Capital (Face Value of ₹ 10/- each) | 66,210.08 |
| 20 | Reserve excluding Revaluation Reserve (₹ In lakhs) | 9,89,529.83 |
| 21 | Securities Premium Account (₹ In lakhs) | 3,63,738.29 |
| | Sector specific equivalent ratios: | |
| 22 | Capital Adequacy Ratio (%) | 19.00% |
| 23 | Liquidity coverage ratio (%) | 86.64% |
| 24 | Expected Credit Loss (ECL) Ratios | |
| | (a) Amount of Gross Stage 3 Assets (₹ In lakhs) | 2,29,362.56 |
| | (b) Amount of Net Stage 3 Assets (₹ In lakhs) | 1,30,602.85 |
| | (c) Gross Stage 3 (%) | 3.53% |
| | (d) Net Stage 3 (%) | 2.04% |

Notes :

- Debt-equity ratio = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities)/Net worth.
- *The Company is a Non-Banking Financial Company registered under the Reserve Bank of India Act, 1934 hence these ratios are not applicable.
- Total Debts to Total assets = (Debt securities+ Borrowings (other than debt securities) + Subordinated liabilities)/total assets.
- Net profit margin= Net profit after tax/Total revenue from operations.
- Net worth = Equity share capital + Other equity.
- Capital to risk-weighted assets ratio and Liquidity coverage ratio, are calculated as per the RBI guidelines.
- As per Reg. 54 of the SEBI (LODR) Regulations, 2015, the Company at all times maintains 100% asset cover as per the terms of the Offer Document/Information Memorandum and the Debenture Trust deed, sufficient to discharge its liabilities for the Non-convertible debt securities issued, by way of pari passu charge over its immovable property and on all current & future receivables and monies receivables thereunder and future current assets except the ECLGS loans amounting to Rs. 50,004.00 lakhs charged in favour of Deutsche Bank. The security cover available for the outstanding non-convertible debt securities is 2.24 times.



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INDEPENDENT AUDITORS' REPORT**To the Members of Aditya Birla Finance Limited
Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of Aditya Birla Finance Limited (the "Company"), which comprise the Balance Sheet as at 31st March 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and 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 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act ("SA's"). Our responsibilities under those Standards are further described in the Auditors' Responsibility 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Emphasis of Matter

We draw attention to Note 70 to the financial statements, in which the Company describes the continuing uncertainties arising from the COVID 19 pandemic.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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.



| Sr. No. | Key Audit Matter | Auditors' Response |
|------------|---|---|
| 1. | <p>Allowances for Expected Credit Losses ("ECL"):</p> <p>As at March 31, 2022, the carrying value of loan assets measured at amortised cost, aggregated ₹ 53,60,746.02 lakh (net of allowance of expected credit loss ₹1,07,482.53 lakh) constituting approximately 94% of the Company's total assets. Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. ECL on such loan assets measured at amortised cost is a critical estimate involving greater level of management judgement.</p> <p>As part of our risk assessment, we determined that the allowance for ECL on loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements.</p> <p>The elements of estimating ECL which involved increased level of audit focus are the following:</p> <ul style="list-style-type: none"> • Qualitative and quantitative factors used in staging the loan assets measured at amortised cost. • Basis used for estimating Probabilities of Default ("PD"), Loss Given Default ("LGD") and Exposure at Default ("EAD") at product level with past trends; • Judgements used in projecting economic scenarios and probability weights applied to reflect future economic conditions; and • Adjustments to model driven ECL results to address emerging trends. <p>(Refer Note 4.1, 10 and 52 to the Financial Statements)</p> | <p>We performed the following audit procedures:</p> <p>We have examined the policies approved by the Board of Directors of the Company that articulate the objectives of managing each portfolio and their business models. We have also verified the methodology adopted for computation of ECL ("ECL Model") that addresses policies approved by the Board of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures measured at amortised cost.</p> <p>Additionally, we have confirmed that adjustments to the output of the ECL Model is consistent with the documented rationale and basis for such adjustments and that the amount of adjustment have been approved by the Audit Committee of the Board of Directors.</p> <p>Our audit procedures related to the allowance for ECL included the following, among others:</p> <ul style="list-style-type: none"> • Testing the design and operating effectiveness of the following: <ul style="list-style-type: none"> - completeness and accuracy of the Exposure at Default ("EAD") and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the qualitative factors to be applied. - completeness, accuracy and appropriateness of information used in the estimation of the PD and LGD for the different stages depending on the nature of the portfolio; and - accuracy of the computation of the ECL estimate including reasonableness of the methodology used to determine macro-economic overlays and adjustments to the output of the ECL Model. • Test of details on a sample in respect of the following: <ul style="list-style-type: none"> - we tested accuracy and completeness of the input data such as ratings and period of default and other related information used in estimating the PD; - completeness and accuracy of the staging of the loans and the underlying data based on which the ECL estimates have been computed. |



| Sr. No. | Key Audit Matter | Auditors' Response |
|------------|---|---|
| | | <ul style="list-style-type: none"> - we evaluated reasonableness of LGD estimates by comparing actual recoveries post the loan asset becoming credit impaired with estimates of LGD; and - we evaluated the incorporation of the applicable assumptions into the ECL Model and tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company. • We also evaluated the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL Model and ensured that the adjustment was in conformity with the amount approved by the Audit Committee. • We also assessed the disclosures made in relation to the ECL allowance to confirm compliance with the provisions of Ind AS 107. |
| 2. | <p>Key Information Technology and General Controls</p> <p>The Company is dependent on its Information Technology ("IT") systems due to the significant number of transactions that are processed daily across such multiple and discrete IT systems.</p> <p>Also, IT application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner and under controlled environments. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data.</p> <p>On account of the pervasive use of its IT systems, the testing of the general computer controls of the key IT systems used in financial reporting was considered to be a Key Audit Matter</p> | <p>With the assistance of our IT specialists, we obtained an understanding of the Company's IT applications, databases and operating systems relevant to financial reporting and the control environment. For these elements of the IT infrastructure the areas of our focus included access security (including controls over privileged access), program change controls, database management and network operations.</p> <p>In particular:</p> <ul style="list-style-type: none"> • we tested the design, implementation and operating effectiveness of the Company's general IT controls over the key IT systems relevant to financial reporting. This included evaluation of Company's controls over segregation of duties and access rights being provisioned / modified based on duly approved requests, access for exit cases being revoked in a timely manner and access of all users being recertified during the period of audit; • We also tested key automated business cycle controls and logic for the reports generated through the IT infrastructure that were relevant for financial reporting or were used in the exercise of internal financial controls with reference to financial statements. Our tests included testing of the compensating controls or alternate |



| Sr. No. | Key Audit Matter | Auditors' Response |
|---------|------------------|---|
| | | procedures to assess whether there were any unaddressed IT risks that would materially impact the financial statements. |

Information Other than the Financial Statements and Auditors' Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures thereto, Management Discussion and Analysis ("MD&A") (collectively referred to as "other information") but does not include the financial statements and our auditors' report thereon.
- 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other 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 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibility for the Audit of the Financial Statements

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 auditors' 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.



As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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 auditors' 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.

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.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit of the financial statements, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
- d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 31 March 2022, taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'. 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 Auditors' report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards for material foreseeable losses, if any, or long-term contracts including derivative contracts.
 - 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 (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and



- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. With respect of dividend declared and paid:
- (a) There was no dividend proposed in the previous year which is declared and paid by the Company during the year.
- (b) The interim dividend declared and paid by the Company during the year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend. No dividend was declared and paid subsequent to the balance sheet date till the date of this report.
2. As required by the Companies (Auditor's Report) Order, 2020 (the 'Order') issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Sanjiv V. Pilgaonkar
Partner
Membership No. 039826
UDIN: 22039826AITLMH6885



Place: Mumbai
Date: May 11, 2022

For **SINGHI & CO.**

Chartered Accountants
(Firm's Registration No. 302049E)



Amit Hundia
Partner
Membership No. 120761
UDIN: 22120761AIUYOM3589



Place: Mumbai
Date: May 11, 2022

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Act')

We have audited the Internal Financial Controls with reference to financial statements of Aditya Birla Finance Limited (the "Company") as of 31st March, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining Internal Financial Controls based on the internal control with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note'). 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 respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Financial Statement and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of Internal Financial Controls with reference to Financial Statement, 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 with reference to financial statements.



Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate Internal Financial Controls system with reference to Financial Statements and such Internal Financial Controls with reference to Financial Statements were operating effectively as at 31 March, 2022 based on the criteria for Internal Financial Control with reference to Financial Statement established by the respective Company considering the essential components of internal control stated in the Guidance Note.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants
(FirmRegistrationNo.117366W/W-100018)



Sanjiv V. Pilgaonkar
Partner
Membership No. 039826
UDIN: 22039826AITLMH6885



Place: Mumbai
Date: May 11, 2022

For **SINGHI & CO.**

Chartered Accountants
(Firm Registration No. 302049E)



Amit Hundia
Partner
Membership No.120761
UDIN: 22120761AIUYOM3589

Place: Mumbai
Date: May 11, 2022



ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date) to the members of Aditya Birla Finance Limited on the Financial Statements as at and for the year ended 31st March 2022)

To the best of our information and according to the explanations provided to us by the Company and the books of account examined by us in the normal course of audit, we state that:

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

- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant and Equipment, and the relevant details of Right-of-Use assets.
- (B) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment, were physically verified during the year by the Management in accordance with a regular programme of verification which in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. No material discrepancies were noticed on such verification.
- (c) Based on our examination of the documents provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its Property, Plant and Equipment (Including Right of Use assets) or intangible assets or both during the year. Accordingly, paragraph 3(i)(d), of the Order is not applicable.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) In respect of the Company's Inventories:

- (a) The Company is engaged primarily in lending activities and consequently does not hold any physical inventories. Accordingly, paragraph 3(ii)(a) of the Order is not applicable.
- (b) As stated in note no 65, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, by banks or financial institutions on the basis of security of loans (assets) during the year. We have observed differences / reconciliation items in the quarterly returns or statements filed by the Company with such banks or financial institutions as compared to the books of account maintained by the Company. However, we have not carried out a specific audit of such statements. The details of such differences / reconciliation items are given in note no. 65 of the Financial Statements of the Company:



(₹ in Lakhs)

| Quarter ended | Particulars of Securities Provided | Amount as per books of account | Amount as reported in the quarterly return/ statement | Amount of difference |
|----------------|------------------------------------|--------------------------------|---|----------------------|
| June 2021 | Loans receivable | 43,48,961 | 43,42,495 | 6,466 |
| September 2021 | Loans receivable | 46,26,445 | 46,10,894 | 15,551 |
| December 2021 | Loans receivable | 48,16,907 | 48,44,432 | (27,525) |
| March 2022 | Loans receivable | 53,35,302 | 53,34,821 | 481 |

- (iii) As explained in note 1 to the financial statements, the Company is a non-deposit taking non-banking financial company ("NBFC") registered with the Reserve Bank of India ("RBI") and as part of its business activities, is engaged in the business of lending across various types of loans.

During the year, in the ordinary course of its business, the Company has made investments in, provided guarantee/ security to and granted loans and advances in the nature of loans, secured and unsecured, to companies, firms, limited liability partnerships and other parties. With respect to such investments, guarantees/ security and loans and advances:

- The provisions of paragraph 3(iii)(a) of the Order are not applicable to the Company as its principal business is to give loans;
- In our opinion, having regard to the nature of the Company's business, the investments made, guarantees provided, security given and the terms and conditions for the grant of all loans and advances in the nature of loans and guarantees provided during the year are, prima facie, not prejudicial to the Company's interest;
- In respect of loans and advances in the nature of loans (together referred to as "loan assets"), the schedule of repayment of principal and payment of interest has been stipulated. Note 4.1(v) to the Financial Statements explains the Company's accounting policy relating to impairment of financial assets which include loans assets. In accordance with that policy, loan assets with balances as at 31 March, 2022, aggregating ₹195,603.41 lakhs were categorised as credit impaired ("Stage 3") and ₹ 295,576.00 lakhs were categorised as those where the credit risk has increased significantly since Initial recognition ("Stage 2"). Disclosures in respect of such loans have been provided in Note 10 to the Financial Statements. Additionally, out of loans and advances in the nature of loans with balances as at the year-end aggregating ₹ 49,77,028.10 lakhs, where credit risk has not significantly increased since initial recognition (categorised as "Stage 1"), delinquencies in the repayment of principal and payment of interest aggregating ₹ 16,927.35 lakhs were also identified, albeit of less than 31 days. In all other cases, the repayment of principal and interest is regular. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified.
- The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at the year-end is ₹ 1,25,930.25 lakhs. Reasonable steps are being taken by the Company for recovery of the principal and interest.
- The provisions of paragraph 3(iii)(e) of the Order are not applicable to the Company as its principal business is to give loans.
- The Company has not granted any loans or advances in the nature of loans that were either repayable on demand or without specifying any terms or period of repayment.



- (iv) In our opinion, the Company has complied with the provisions of Section 185 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees provided or security given, as applicable and the provisions of Section 186 of the Companies Act 2013 are not applicable to the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company being Non-Banking Finance Company registered with RBI, provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, are not applicable to the Company. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.
- (vi) The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013, for business activities carried out by the Company. Hence, reporting under paragraph 3 (vi) of the order is not applicable.
- (vii) In respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Cess and other material statutory dues applicable to it, with the appropriate authorities. As explained to us, the Company did not have any dues payable on account of sales tax, service tax, duty of customs, duty of excise and value added tax.
- (b) There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax Cess and any other material statutory dues in arrears as at 31 March 2022, for a period of more than six months from the date they became payable.
- (c) The Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31 March 2022, on account of disputes are given below:

(₹ in Lakhs)

| Name of the statute | Nature of dues | Amount involved* | Amount unpaid | Period to which the amount relates | Forum where dispute is pending |
|----------------------------|-----------------------|-------------------------|----------------------|---|--|
| Income Tax Act, 1961 | Income Tax | 55.83 | 55.83 | AY 2007-08 | Income Tax Officer (Assessing Officer) |
| Income Tax Act, 1961 | Income Tax | 3,234.12 | 3,234.12 | AY 2011-12 | Income Tax Appellate Tribunal (ITAT) |
| Income Tax Act, 1961 | Income Tax | 189.43 | 189.43 | AY 2012-13 | Commissioner of Income Tax (Appeals) |
| Income Tax Act, 1961 | Income Tax | 0.76 | 0.76 | AY 2013-14 | Income Tax Officer (Assessing Officer) |



(₹ in Lakhs)

| <i>Name of the statute</i> | <i>Nature of dues</i> | <i>Amount involved*</i> | <i>Amount unpaid</i> | <i>Period to which the amount relates</i> | <i>Forum where dispute is pending</i> |
|----------------------------|-----------------------|-------------------------|----------------------|---|---|
| Income Tax Act, 1961 | Income Tax | 0.49 | 0.49 | AY 2014-15 | Income Tax Officer (Assessing Officer) |
| Income Tax Act, 1961 | Income Tax | 0.36 | 0.36 | AY 2015-16 | Income Tax Officer (Assessing Officer) |
| Income Tax Act, 1961 | Income Tax | 1,515.52 | 1,515.52 | AY 2017-18 | Commissioner of Income Tax (Appeals) |
| Finance Act, 1994 | Service Tax | 69.84 | 62.86 | FY 2014-15 and 2015-16 | Custom, Excise and Service Tax Appellate Tribunal, Mumbai |
| Finance Act, 1994 | Service Tax | 61.65 | 57.03 | April, 2016 to June, 2017 | Commissioner of Central Excise (Appeals) – II |
| Income Tax Act, 1961 | Income Tax | 2,256.60 | 2,256.60 | AY 2018-19 | Commissioner of Income Tax (Appeals) |

*Includes interest and penalty

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) With respect to reporting requirements of paragraph 3(ix) of the Order:
- The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
 - The Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
 - In our opinion, term loans availed by the Company during the year, were applied by the Company for the purposes for which the loans were obtained.
 - On the basis of the maturity profile of financial assets and financial liabilities provided in Note 44 to the Financial Statements, financial liabilities maturing within the 12 months following the reporting date (i.e. 31 March 2022) falls short of the expected recoveries from financial assets during that period. Further, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
 - The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.
 - The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(f) of the Order is not applicable.



- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under paragraph 3(x)(a) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partially or optionally) during the year under review and hence reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no material fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under section 143(12) of the Companies Act, 2013, has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report) and provided to us, while determining the nature, timing and extent of our audit procedures.
- (xii) The Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.
- (xiii) In our opinion, the Company has complied with the provisions of Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements, etc., as required by the applicable accounting standards.
- (xiv) (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, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 ("RBI Act") and it has obtained the registration.
- (b) The Company has conducted the Non-Banking Financial activities with a valid Certificate of Registration ("CoR") from the RBI as per the RBI Act. The Company has not conducted any housing finance activities and is not required to obtain CoR for such activities from the RBI.
- (c) The Company is not a Core Investment Company ("CIC") and hence reporting under paragraph 3(xvi)(c) of the Order is not applicable to the Company.
- (d) The Group does not have more than one CIC as part of the group.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 amounts towards Corporate Social Responsibility ('CSR') on other than ongoing projects requiring transfer to a Fund specified in Schedule VII to the Companies Act, 2013, in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under paragraph 3(xx)(a) of the Order is not applicable for the year.
- (b) In respect of ongoing projects, the Company has transferred the unspent amount towards CSR, to a special account within a period of 30 days from the end of the financial year, in compliance with the provisions of section 135(6) of the Act.
- (xxi) The Company did not have any Subsidiary, Associate or Joint Venture and hence, reporting under the clause (xxi) of the Order is not applicable.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No.117366W/W-100018)



Sanjiv V. Pilgaonkar
Partner

Membership No. 039826

UDIN: 22039826AITLMH6885



Place: Mumbai

Date: May 11, 2022

For **SINGHI & CO.**

Chartered Accountants

(Firm's Registration No. 302049E)



Amit Hundia
Partner

Membership No.120761

UDIN: 22120761AIUYOM3589

Place: Mumbai

Date: May 11, 2022



Aditya Birla Finance Limited
Balance Sheet as at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

| Particulars | Note No. | As at 31 March, 2022 | As at 31 March, 2021 |
|---|----------|----------------------|----------------------|
| I ASSETS | | | |
| 1 Financial assets | | | |
| (a) Cash and cash equivalents | 6 | 59,571.14 | 1,51,098.56 |
| (b) Bank balance other than included in (a) above | 7 | 9,681.37 | 1,913.09 |
| (c) Derivative financial instruments | 8 | 19.02 | |
| (d) Receivable | | | |
| (i) Trade receivables | 9 | 1,243.96 | 998.86 |
| (ii) Other receivables | | | |
| (e) Loans | 10 | 53,60,746.02 | 47,59,743.36 |
| (f) Investments | 11 | 1,69,403.56 | 79,290.90 |
| (g) Other financial assets | 12 | 5,361.81 | 5,117.95 |
| 2 Non-financial assets | | | |
| (a) Current tax assets (net) | 13 | 34,239.10 | 23,971.65 |
| (b) Deferred tax assets (net) | 41 | 25,954.92 | 26,013.31 |
| (c) Property, plant and equipment's | 14 | 1,881.37 | 1,465.80 |
| (d) Right of use Lease Assets | 15 | 12,187.33 | 9,405.31 |
| (e) Intangible assets under development | 16 | 1,089.05 | 1,197.92 |
| (f) Other intangible assets | 17 | 7,008.52 | 7,149.74 |
| (g) Other non-financial assets | 18 | 8,533.26 | 8,150.54 |
| Total assets | | 56,96,920.43 | 50,75,516.99 |
| II LIABILITIES AND EQUITY | | | |
| Liabilities | | | |
| 1 Financial liabilities | | | |
| (a) Derivative financial instruments | 8 | 7,799.24 | 3,063.81 |
| (b) Payables | | | |
| (i) Trade Payables | | | |
| (i) total outstanding dues of micro enterprises and small enterprises | 19 | 696.87 | 214.66 |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 19 | 23,524.76 | 10,957.65 |
| (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 | 20 | 15,78,125.70 | 16,57,875.04 |
| (d) Borrowings (other than debt securities) | 21 | 27,71,715.04 | 22,45,460.08 |
| (e) Subordinated liabilities | 22 | 2,48,733.99 | 2,18,183.26 |
| (f) Lease liabilities | 23 | 12,910.38 | 10,224.64 |
| (g) Other financial liabilities | 24 | 47,013.29 | 31,157.53 |
| 2 Non-financial liabilities | | | |
| (a) Current tax liabilities (Net) | 25 | 1,513.10 | 1,466.63 |
| (b) Provisions | 26 | 10,421.69 | 8,062.51 |
| (c) Other non-financial liabilities | 27 | 8,424.39 | 5,063.24 |
| Total liabilities | | 47,10,878.45 | 41,91,729.05 |
| Equity | | | |
| (a) Equity share capital | 28 | 66,210.08 | 66,210.08 |
| (b) Other equity | 29 | 9,19,831.90 | 8,17,577.86 |
| Total equity | | 9,86,041.98 | 8,83,787.94 |
| Total liabilities and equity | | 56,96,920.43 | 50,75,516.99 |

Summary of significant accounting policies


4

The accompanying notes are forming part of the financial statements.

As per our report of even date attached.

As per our report of even date attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm Reg. No: 117366W/W-100018


per Sanjiv V. Pillgaonkar
Partner

Membership No: 039826

For Singhi & Co.
Chartered Accountants
ICAI Firm Reg. No: 302049E


per Amit Hundia
Partner


Membership No: 120761

For and on behalf of the Board of Directors of
Aditya Birla Finance Limited


Ajay Srinivasan
Director

DIN - 00121181


Pradeep Agrawal
Chief Financial Officer


Rakesh Singh
Managing Director and Chief
Executive Officer
DIN - 07006067


Ankur Shah
Company Secretary

Place: Mumbai
Date: 11 May, 2022

Place: Mumbai
Date: 11 May, 2022

Place: Mumbai
Date: 11 May, 2022



Aditya Birla Finance Limited
Statement of Profit and Loss for the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

| Particulars | Note No. | Year ended 31 March, 2022 | Year ended 31 March, 2021 |
|--|----------|------------------------------|------------------------------|
| Revenue from operations | | | |
| (i) Interest income | 31 | 5,53,128.87 | 5,28,986.36 |
| (ii) Dividend Income | 32 | 285.31 | 284.75 |
| (iii) Fees and commission income | 33 | 24,880.80 | 15,251.64 |
| (iv) Net gain on fair value changes | 34 | 190.62 | 7,277.03 |
| (I) Total revenue from operations | | 5,78,485.60 | 5,51,799.78 |
| (II) Other income | 35 | 1,201.65 | 996.48 |
| (III) Total income (I + II) | | 5,79,687.25 | 5,52,796.26 |
| Expenses | | | |
| (i) Finance costs | 36 | 2,70,909.59 | 3,01,990.53 |
| (ii) Impairment on financial instruments | 37 | 65,346.00 | 68,177.51 |
| (iii) Employee benefit expenses | 38 | 52,072.80 | 44,892.29 |
| (iv) Depreciation, amortization and impairment | 39 | 6,835.39 | 5,850.05 |
| (v) Other expenses | 40 | 35,811.83 | 28,744.65 |
| (IV) Total expenses | | 4,30,975.61 | 4,49,655.03 |
| (V) Profit before exceptional items and tax (III - IV) | | 1,48,711.64 | 1,03,141.23 |
| (VI) Exceptional items | | - | - |
| (VII) Profit before tax (V - VI) | | 1,48,711.64 | 1,03,141.23 |
| (VIII) Tax expense: | | | |
| (1) Current tax | 41 | 38,264.50 | 28,600.00 |
| (2) Deferred tax expenses (credit) | 41 | (730.52) | (1,648.16) |
| (3) Tax relating to earlier year(s) | 41 | 344.60 | (693.82) |
| (IX) Profit for the year | | 1,10,833.06 | 76,883.21 |
| (X) Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss | | | |
| Remeasurement gain on defined benefit plan | | 531.55 | 439.59 |
| Income tax impact of above | | (133.78) | (110.64) |
| | | 397.77 | 328.95 |
| Changes in fair value of equity instruments carried at FVTOCI | | 24.22 | 35.36 |
| Income tax impact of above | | (6.10) | (8.90) |
| | | 18.12 | 26.46 |
| Items that will be reclassified to profit or loss | | | |
| Fair Value change on derivatives designated as cash flow hedge | | 2,578.79 | (1,691.42) |
| Income tax impact on above | | (649.03) | 425.70 |
| | | 1,929.76 | (1,265.72) |
| Other comprehensive income for the year | | 2,345.65 | (910.31) |
| Total comprehensive income for the year | | 1,13,178.71 | 75,972.90 |
| (XI) Earnings per equity share | | | |
| Basic (₹) | 42 | 16.74 | 11.61 |
| Diluted (₹) | 42 | 16.74 | 11.61 |

Summary of significant accounting policies

4

The accompanying notes are forming part of the financial statements.

As per our report of even date attached.

As per our report of even date attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm Reg. No: 117366W/W-100018


per Sanjiv V. Pilgaonkar
Partner

Membership No: 039826

For Singhi & Co.
Chartered Accountants
ICAI Firm Reg. No: 302049E


per Amit Hundia
Partner


Membership No: 120761

For and on behalf of the Board of Directors of
Aditya Birla Finance Limited


Ajay Shrivastava
Director

DIN - 00121181


Pradeep Agrawal
Chief Financial Officer


Rakesh Singh
Managing Director and Chief
Executive Officer
DIN - 07006067


Ankur Shah
Company Secretary

Place: Mumbai
Date: 11 May, 2022

Place: Mumbai
Date: 11 May, 2022

Place: Mumbai
Date: 11 May, 2022



Aditya Birla Finance Limited
Cash flows statement for the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

| Particulars | Year ended 31 March, 2022 | Year ended 31 March, 2021 |
|--|------------------------------|------------------------------|
| Operating activities | | |
| Profit before tax | 1,48,711.64 | 1,03,141.23 |
| Adjustments for reconcile profit before tax to net cash flow: | | |
| Depreciation/Amortisation and Impairment | 6,835.39 | 5,850.05 |
| Impairment on financial instruments | 65,346.00 | 68,177.51 |
| Interest on Deposit with Banks | (1,262.58) | (647.80) |
| Net (Gain)/Loss on fair value changes | (190.62) | (7,277.03) |
| (Gain)/Loss on sale of property, plant and equipment | 6.00 | 95.94 |
| Dividend income | (285.31) | (284.75) |
| Interest income on investment | (7,336.05) | (5,430.12) |
| Finance cost on lease liability | 892.61 | 897.27 |
| Profit on surrender of lease liability/income from rent concession | (392.09) | (691.99) |
| Operating Profit before working capital changes | 2,12,324.99 | 1,63,830.31 |
| Adjustment for working capital changes | | |
| (Increase) in Loans | (6,69,763.97) | (2,29,398.74) |
| (Increase)/Decrease in Trade Receivables | (329.79) | 233.63 |
| (Increase) in Other financial assets | (568.03) | (776.78) |
| (Increase)/Decrease in Other non-financial assets | (12.69) | 1,046.49 |
| Increase in Trade Payables | 13,049.32 | 705.37 |
| (Decrease) in Other financial liabilities | (12,420.51) | (9,369.11) |
| Increase/(Decrease) in Provisions | 2,890.73 | (1,201.46) |
| Increase in Other non-financial liabilities | 3,361.16 | 1,765.05 |
| Income taxes paid (Net) | (4,51,468.79) | (73,165.24) |
| Net cash flow (used in) operating activities | (5,00,298.87) | (1,03,037.21) |
| Investing activities | | |
| Purchase of Intangible assets including assets under development | (3,302.51) | (3,479.95) |
| Proceeds from Sale of property, plant and equipment's | 155.15 | 83.74 |
| Purchase of property, plant and equipment's | (1,646.48) | (328.69) |
| Proceeds from Sale of Long Term Investments | 1,500.91 | 3,017.84 |
| Net (Purchase) / Sale of Short Term Investments | (83,985.92) | 2,56,023.66 |
| Purchase of Long Term Investments | (3,014.37) | |
| Dividend received | 285.31 | 284.75 |
| Interest received on deposit with Banks | 1,244.03 | 634.71 |
| Fixed deposits placed during the year | (7,749.73) | (1,900.00) |
| Interest received on Investment | 6,450.11 | 8,650.27 |
| Net cash flow (used in)/from investing activities | (90,063.50) | 2,62,986.33 |
| Financing activities | | |
| Proceeds from long term borrowings | 12,65,274.81 | 8,27,599.99 |
| Repayment of long term borrowings | (9,44,403.00) | (11,22,209.08) |
| Short-Term Borrowings (Net) | 1,91,743.51 | 1,06,501.88 |
| Lease Payments | (2,855.71) | (2,785.88) |
| Dividend Paid | (10,924.66) | |
| Net cash flow from/(used in) financing activities | 4,98,834.95 | (1,90,893.09) |
| Net (Decrease) in Cash and Cash Equivalents | (91,527.42) | (30,943.97) |
| Cash and cash equivalents at beginning of the year | 1,51,098.56 | 1,82,042.53 |
| Cash and cash equivalents at the end of the year | 59,571.14 | 1,51,098.56 |
| Components of cash and cash equivalents | | |
| Cash/Cheques on hand | | |
| Balance with banks | | |
| In Fixed Deposits | | |
| In current accounts | 59,571.14 | 1,51,098.56 |
| Total cash and cash equivalents | 59,571.14 | 1,51,098.56 |
| Cash Flow from Operations includes: | | |
| Interest Received | 5,42,780.97 | 5,28,473.44 |
| Interest Paid | 2,98,603.08 | 3,31,659.63 |



Additional disclosure pursuant to Ind AS 7

| Particulars | Year ended 31 March, 2022 | Year ended 31 March, 2021 |
|--|------------------------------|------------------------------|
| Opening balance of Debt securities, borrowings (other than debt securities) and subordinated liabilities | 41,21,518.38 | 43,45,528.87 |
| Cash Flow | 5,12,615.32 | (1,88,107.21) |
| Fair Value Adjustment | (6,972.87) | (5,336.91) |
| Interest Accrued on borrowings | (28,586.10) | (30,566.37) |
| Closing balance of Debt securities, borrowings (other than debt securities) and subordinated liabilities | 45,98,574.73 | 41,21,518.38 |

Summary of significant accounting policies: Note 4

The accompanying notes are forming part of the financial statements.

As per our report of even date attached.

As per our report of even date attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm Reg. No: 117366W/W-100018

For Singhi & Co.
Chartered Accountants
ICAI Firm Reg. No: 302049E

For and on behalf of the Board of Directors of
Aditya Birla Finance Limited



per Sanjiv V. Pilgaonkar
Partner

Membership No: 039826



per Amit Hundia
Partner

Membership No: 120761



Ajay Srinivasan
Director

DIN - 00121181



Rakesh Singh
Managing Director and
Chief Executive Officer
DIN - 07006067



Pradeep Agrawal
Chief Financial Officer



Ankur Shah
Company Secretary

Place: Mumbai
Date: 11 May, 2022

Place: Mumbai
Date: 11 May, 2022

Place: Mumbai
Date: 11 May, 2022



Aditya Birla Finance Limited
Notes to the Financial Statements
For the year ended 31 March, 2022

Note 1: Corporate information - Brief description about the Company

Aditya Birla Finance Limited ('ABFL' or 'the Company') is a public company domiciled in India incorporated on 28 August, 1991 under the provisions of the Companies Act, 1956.

The Company is registered with Reserve Bank of India (RBI) as non-deposit taking systematically important Non Banking Financial Company (NBFC) with Registration no.N-01.00500 and is certified as ISO 9001: 2015 for all its Business processes by British Standards Institution (BSI).

The Company is also certified with ISO 27001: 2013 - Information security Management System (ISMS) for Human resource and administration, Information Technology and Internal audit & compliance functions.

The Company is among the leading well-diversified financial services company in India offering end-to-end lending, financing and wealth management solutions to a diversified range of customers across the country.

The Company is one of the wholly owned subsidiary of Aditya Birla Capital Limited and the ultimate parent company is Grasim Industries Limited.

The registered office of the Company is Indian Rayon Compound, Veraval, Gujarat - 362266.

The audited financial statements were subject to review and recommendation of Audit Committee and approval of Board of Directors. On 11 May, 2022 Board of Directors of the Company approved and recommended the audited financial statements for consideration and adoption by the shareholders in its Annual General Meeting.

Note 2: Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Act and the guidelines and directives issued by the Reserve Bank of India (RBI), to the extent applicable. The financial statements have been prepared and presented on going concern basis. The financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant accounting standards. Accounting policies have been consistently applied to all periods presented, unless otherwise stated.

The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company are discussed in Note 5 - Significant accounting judgements, estimates and assumptions.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakh, except when otherwise indicated.

Note 3: Presentation of financial statements:

The financial statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

- i. The normal course of business
- ii. The event of default
- iii. The event of insolvency or bankruptcy of the Company and/or its counterparties

Functional and Presentation currency

The financial statements are presented in Indian rupees (rounded to the nearest lakhs) which is determined to be the functional currency of the Company and the currency of the primary economic environment in which the Company operates.



Note 4: Significant accounting policies:

Note 4.1: 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.

Note 4.1 (i): Classification of financial instruments

The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets.

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial assets to be measured at fair value through profit or loss account

The business model is assessed on the basis of aggregated portfolios based on observable factors. These factors include:

- ▶ Reports reviewed by the entity's key management personnel on the performance of the financial assets.
- ▶ The risks impacting the performance of the business model (and the financial assets held within that business model) and its management thereof.
- ▶ The compensation of the managing teams (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- ▶ The expected frequency, value and timing of trades.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account.

The Company also assesses the contractual terms of financial assets on the basis of its contractual cash flow characteristics that are solely for the payments of principal and interest on the principal amount outstanding.

'Principal' is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

Sales that are infrequent and insignificant in value both individually and in aggregate are considered to be consistent with the business model whose objective is to hold and collect the contractual cash flows.

The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss.

Note 4.1 (ii): Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, except in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.



Subsequent measurement - Financial assets measured at amortised cost

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate method (EIR). Amortised cost is calculated by taking into account any fees or costs that are an integral part of the EIR. The amortisation is included in Interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

These financial assets comprise bank balances, trade receivables, loans and other financial assets.

Subsequent measurement - Financial assets measured at fair value through other comprehensive income

Debt instruments: A 'debt instrument' is classified as at the Fair Value through Other Comprehensive Income (FVTOCI) if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent Solely Payment of Principal and Interest (SPPI).

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

Equity Instruments: All equity investments in scope of Ind AS 109 are measured at fair value. For all such equity investments, the Company may make an irrevocable election to present in OCI the subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the Fair Value through Profit or Loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Subsequent measurement - Items at fair value through profit or loss

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

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Note 4.1 (iii): Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include borrowings including Company overdrafts and trade and other payables.



Subsequent measurement

The measurement of financial liabilities depends on their classification.

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Note 4.1 (iv): Recognition and Derecognition of financial assets and liabilities

Recognition:

A financial asset or financial liability is recognised in the balance sheet when the Company becomes a party to the contractual provisions of the instrument, which is generally on trade date. Loans and receivables are recognised when cash is advanced (or settled) to the borrowers. Financial assets at fair value through profit or loss are recognised initially at fair value. All other financial assets are recognised initially at fair value plus directly attributable transaction costs.

Derecognition:

Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- (a) The right to receive cash flows from the asset have expired, or
- (b) The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (i) the Company has transferred substantially all the risks and rewards of the asset, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Note 4.1 (v): Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments are measured at amortised cost e.g., loans, debt securities, deposits, and other balances
- b) Financial assets that are measured as at FVTOCI
- c) Loan commitments which are not measured as at FVTPL
- d) Financial guarantee contracts which are not measured as at FVTPL.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.



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The Company has established a policy to perform an assessment at the end of each reporting period of whether credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument.

To calculate ECL, the Company estimate the risk of a default occurring on the financial instrument during its expected life. ECLs are estimated based on the present value of all cash shortfalls over the remaining expected life of the financial asset i.e., the difference between the contractual cash flows that are due to the Company under the contract, and the cash flows that the Company expects to receive are discounted at the effective interest rate of the loan.

The Company groups its loans into Stage 1, Stage 2 and Stage 3, based on the applied impairment methodology, as described below:

Stage 1: 12-months ECL

For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised.

Stage 2: Lifetime ECL – not credit impaired

For exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset) is recognised.

Stage 3: Lifetime ECL – credit impaired

Exposures are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount.

ECL impairment loss allowance (or reversal) during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'Impairment on financial instruments' in the Statement of Profit and Loss. On the other side, for financial assets measured as at amortised cost, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March, 2020 on Implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the company exceeds the total provision required under IRACP (including standard asset provisioning), as at 31 March, 2022 and accordingly, no amount is required to be transferred to impairment reserve.

Note 4.1 (vi): Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Note 4.1 (vii): Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset 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 subjected to write-offs. The Company reserves the right to recover such written off amount. Any subsequent recoveries against such loans are credited to the statement of profit and loss.



Note 4.1 (viii): Derivative Financial Instruments and Hedge Accounting:

The Company enters into forward contracts to hedge the foreign currency risk of firm commitments and highly probable forecast transactions. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item.

The Company enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate and foreign exchange rate risks. The Company does not hold derivative financial instruments for speculative purposes.

Hedge Accounting : The Company designates certain hedging instruments in respect of foreign currency risk and interest rate risk as cash flow hedges. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows, and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognised in Other Comprehensive Income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss.

Amounts previously recognised in Other Comprehensive Income and accumulated in other equity relating to (effective portion as described above) are re-classified to the Statement of Profit and Loss in the periods when the hedged item affects profit or loss. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires, terminated, or exercised, without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in Other Comprehensive Income and accumulated in other equity at that time remains in other equity and is recognised when the forecast transaction is ultimately recognised in Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in other equity is recognised immediately in the Statement of Profit and Loss.

Note 4.1 (ix): Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments (as explained in note 4.1 (ii) and (iii)) at fair value on each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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



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

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

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

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

Note 4.2: Revenue from operations

Note 4.2 (i): Interest Income: For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the EIR. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of provision) of the financial asset.

Note 4.2 (ii): Dividend Income

Dividend income is recognised

- a. When the right to receive the payment is established which is generally when shareholders approve the dividend,
- b. it is probable that the economic benefits associated with the dividend will flow to the entity and
- c. the amount of the dividend can be measured reliably

Note 4.2 (iii): Rental Income

Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases where the increase is in line with expected general inflation. Rental Income is recognised as per the contractual terms.

Operating leases are leases where the Company does not transfer substantially all of the risk and benefits of ownership of the asset.

Note 4.2 (iv): Fees & Commission Income

Fees and commissions are recognised when the Company satisfies the performance obligation, at fair value of the consideration received or receivable based on a five-step model as set out below, unless included in the effective interest calculation:

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

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



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

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

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

Note 4.2 (v): Net gain/(loss) on Fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss (refer Note 34), held by the Company on the balance sheet date is recognised as an unrealised gain/(loss). In cases there is a net gain/(loss) in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations in the statement of Profit and Loss. Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL is recognised in net gain/(loss) on fair value changes.

Similarly, any differences between the fair values of financial assets classified as fair value through other comprehensive income are disclosed in the OCI.

However, net gain/(loss) on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the Statement of Profit and Loss.

Note 4.3: Expenses

Note 4.3 (i): Finance Costs

Finance costs represents Interest expense recognised by applying the EIR to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

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

Note 4.3 (ii): Retirement and other employee benefits

Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ex-gratia are recognised in the period in which the employee renders the related service.

Post employment employee benefit

a) Defined contribution schemes

The Company makes defined contribution to Government managed Employee Provident Fund, Government managed Employee Pension Fund, Employee Deposit Linked Insurance, Employee State Insurance and Superannuation Schemes which are recognised in Statement of Profit and Loss on accrual basis. Payments to defined contribution retirement benefit plans are recognised as an expense when employee have rendered the service entitling them to the contribution.



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If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

b) Defined benefit expenses

The Company's liabilities under Payment of Gratuity Act and long term compensated absences are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Actuarial gain and losses are recognised immediately in Statement of Profit and Loss as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

The Company presents the entire leave as a provision in the Balance Sheet, since it does not have any unconditional right to defer its settlement for twelve months after the reporting date.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss at the earliest of:

- ▶ The date of the plan amendment or curtailment, and
- ▶ The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation under employee benefit expenses in the Statement of Profit and Loss.

- ▶ Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements,
- ▶ Net interest expense or income.

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, attrition rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Other long-term employee benefits

Company's liabilities towards compensated absences to employees are accrued on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary using Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss.

The Company presents the Provision for compensated absences under provisions in the Balance Sheet.

Note 4.3 (iii): Rent expense

In case of short term leases and leases for which the underlying asset is of low value, the company has elected not to apply the requirements of Ind AS 116 and the lease payments associated with those leases are recognised as rent expense on a straight line basis.



Note 4.3 (iv): Leases

The Company as a lessee

The Company's lease assets primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes right – of – use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the under lying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset generates cash flows that are largely dependent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment on exercise of an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly for all contracts as on April 1, 2019, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17. The weighted average incremental borrowing rate applied to lease liabilities as at 01 April, 2021 is between the range of 4.95% p.a. to 6.95% p.a. for a period varying from 1 to 10 years.



Critical accounting judgements and key sources of estimation uncertainty

Critical judgements required in the application of Ind AS 116 may include, among others, the following:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Classification of lease agreements (when the entity is a lessor);
- Determination of whether variable payments are in substance fixed;
- Establishing whether there are multiple leases in an arrangement;
- Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

Note 4.3 (v): Other income and expenses

All Other income and expense are recognized in the period they occur.

Note 4.3 (vi): Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

Note 4.3 (vii): Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalised as a part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

All other borrowing costs are expensed in the period in which they occur at amortised cost using Effective Interest Rate (EIR). Borrowing costs consist of interest and other costs that an entity incurs in connection with borrowing funds.

Note 4.3 (viii): Taxes

Current tax

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.



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Deferred tax

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

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

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

Deferred tax relating to items recognised outside profit or loss account is recognised either in OCI or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income (OCI) or directly in equity.

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

Note 4.4: Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet and for the purpose of statement of cash flows comprise cash at bank and cheques in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

Note 4.5: Property, Plant and Equipments

All items of property, plant and equipments are stated at historical cost, net of accumulated depreciation and impairment loss if any. The cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

Depreciation methods, estimated useful lives and residual value

Depreciation on the property, plant and equipments is provided on straight line method using the rates arrived as per estimates made by the management supported by technical assessment which coincides with the useful lives of assets as specified in Schedule II to the Companies Act, 2013, except for the assets specified below. The Company has used the following useful lives of the property, plant and equipments to provide depreciation.



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Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

| Asset | Useful Life as Prescribed by Schedule II of the Companies Act, 2013 | Estimated Useful Life by Company |
|--|---|--|
| Office Computers and Electronic Equipments (including Plant & Machinery) | 3 Years | 4 Years |
| Vehicles | 8 Years | 5 Years |
| Furniture, Fixtures and Other Office Equipments | 10 Years | 7 Years |
| Office equipment | 5 Years | 4 Years |
| Software | 6 Years | 3 years (However it may vary based on tenure of license) |
| Leasehold Improvements | Over the primary period of the lease | Lower of 3 Years or primary period |

Useful life of assets different from prescribed in Schedule II has been estimated by management supported by technical assessment.

Depreciation on assets acquired / sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from/ till the date of acquisition or sale.

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

Note 4.6: Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses if any. Intangible assets are amortised on straight line basis over a period of 3 years. The useful lives of intangible assets are assessed as finite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Note 4.7: Provisions and Contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the 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 recognised as a finance cost.



Note 4.8: Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Note 4.9: Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share.

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to ordinary equity holders of Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to ordinary equity holders of Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, inclusive of tax) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Note 4.10: Segment Reporting

Operating business segment results are reviewed regularly by the Company's Chief Operating Decision Maker to make decisions about resources to be allocated to the segments and assess their performance. Business segment is the primary segment comprising of 'Financing activity'. As the Company operates only in a single business segment, no segment information thereof is given as required under Ind AS 108.

Note 4.11: Dividend

The Company recognises a liability to make cash to equity holders of the Company when the dividend is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, an interim dividend is authorised when it is approved by the Board of Directors and final dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Note 4.12: Business Combination under Common Control

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

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

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made only to harmonize significant accounting policies.
- The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.
- The identity of the reserves are preserved and appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves with disclosure of its nature and purpose in the notes.



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Note 5: Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

Note 5.1: Business Model Assessment

Classification and measurement of financial assets depends on the results of the Solely Payments of Principal and Interest and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated.

The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Note 5.2: Estimation of defined benefit plans (gratuity benefits)

Refer Note 4.3 (ii)

Note 5.3: Fair value measurement:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Note 5.4: Impairment of loans portfolio

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

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

The impairment loss on loans and advances is disclosed in more detail in Note 10.



Note 5.5: Provisions other than impairment on loan portfolio and contingent liabilities

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

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

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

Note 5.6: Effective Interest Rate (EIR) method

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount. The future cash flows are estimated taking into account all the contractual terms of the instrument. The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets measured at fair value through profit and loss ("FVTPL"), transaction costs are recognised in the statement of profit and loss at initial recognition.

Note 5.7: Recognition of deferred tax assets for carried forward losses

Refer Note 4.3 (viii)

Note 5.8: Estimation of useful life of property, plant and equipments and intangible assets

Refer note 4.5 and 4.6



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 6: Cash and cash equivalents

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|-----------------------|----------------------|----------------------|
| Balances with bank in | | |
| - Current Accounts | 59,571.14 | 1,51,098.56 |
| Total | 59,571.14 | 1,51,098.56 |

Note 7: Bank balance other than cash and cash equivalents

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|--|----------------------|----------------------|
| Fixed Deposits (with original maturity more than 3 months) | 9,681.37 | 1,913.09 |
| Total | 9,681.37 | 1,913.09 |



Note 8: Derivative financial instruments

Derivatives held for risk management purposes include hedges that meet the hedge accounting requirements. The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

| Particulars | As at 31 March, 2022 | | | As at 31 March, 2021 | | |
|--|----------------------|---------------------|--------------------------|----------------------|---------------------|--------------------------|
| | Notional amounts | Fair Value - Assets | Fair Value - Liabilities | Notional amounts | Fair Value - Assets | Fair Value - Liabilities |
| Part I | | | | | | |
| (i) Currency derivatives: | | | | | | |
| -Forward | 7.72 | - | 0.52 | 35.55 | - | 1.26 |
| (ii) Interest rate derivatives: | | | | | | |
| -Cross Currency Interest Rate swaps | 1,46,367.54 | - | 7,770.64 | 1,46,367.54 | - | 3,062.55 |
| -INR Interest Rate swaps | 25,000.00 | 19.02 | 28.08 | - | - | - |
| Total | 1,71,375.26 | 19.02 | 7,799.24 | 1,46,403.09 | - | 3,063.81 |
| Part II | | | | | | |
| Included in above (Part I) are derivatives held for hedging and risk management purposes as follows: | | | | | | |
| (i) Fair Value hedging | | | | | | |
| -Interest Rate derivatives | 25,000.00 | 19.02 | 28.08 | - | - | - |
| (ii) Cash flow hedging | | | | | | |
| -Cross Currency Interest Rate derivatives | 1,46,367.54 | - | 7,770.64 | 1,46,367.54 | - | 3,062.55 |
| -Currency derivatives | 7.72 | - | 0.52 | 35.55 | - | 1.26 |
| Total | 1,71,375.26 | 19.02 | 7,799.24 | 1,46,403.09 | - | 3,063.81 |

Note 8.1 : Hedging activities and derivatives

The Company is exposed to certain risks relating to its external commercial borrowings and Non Convertible Debentures. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. The Company's risk management strategy and how it is applied to manage risk are explained in Note 52.

Note 8.2 : Derivatives designated as hedging instruments

Cash flow hedges

The Company is exposed to foreign currency risk arising from its External Commercial borrowings amounting to ₹ 1,46,367.54 Lakhs. Interest on the borrowing is payable at a floating rate. The Company economically hedged the foreign currency risk arising from the debt with a 'receive floating pay fixed' cross-currency interest rate swap ('swap'). The notional amount of swap is disclosed in the table below. The swap contract converts the cash outflows of the foreign currency borrowing as per table below to cash outflows in INR with a notional amount of ₹ 1,46,367.54 lakhs at fixed interest rate.



| Name of Lender | Foreign Currency Denominated Borrowing Amount | | Interest rate type | | Notional Amount of swap (%) | | Interest rate swap type | |
|--|---|--------------------|------------------------|------------------------|-----------------------------|--------------------|-------------------------|---------------------|
| | 31 March, 2022 | 31 March, 2021 | 31 March, 2022 | 31 March, 2021 | 31 March, 2022 | 31 March, 2021 | 31 March, 2022 | 31 March, 2021 |
| JPY Denominated (in JPY lakhs) (Maturity range : Sept 2022 to Feb 2023) | 1,89,366.25 | 1,89,366.25 | Floating rate interest | Floating rate interest | 1,24,089.54 | 1,24,089.54 | Fixed rate interest | Fixed rate interest |
| SMBC Bank (Maturity in Mar 2023) (in USD lakhs) | 300.00 | 300.00 | Floating rate interest | Floating rate interest | 22,278.00 | 22,278.00 | Fixed rate interest | Fixed rate interest |
| Total | 1,89,666.25 | 1,89,666.25 | | | 1,46,367.54 | 1,46,367.54 | | |

There is an economic relationship between the hedged item and the hedging instrument as the terms of the cross currency swap contract match that of the foreign currency borrowing (notional amount, interest payment dates, principal repayment date etc.). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the cross currency swap are identical to the hedged risk components. To test the hedge effectiveness, the Company uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks. The hedge ineffectiveness can arise mainly if there is a change in the credit risk of the Company or the counterparty.

The impact of the hedging instruments and hedge items on the balance sheet are, as follows

| Particulars | Notional Amounts | | Carrying amount of hedging instruments Assets/(Liabilities) | | Line item in the Financial Statement | | Change in fair value used for measuring ineffectiveness for the period | |
|------------------------------------|--------------------|--------------------|---|-------------------|--------------------------------------|----------------|--|-------------------|
| | 31 March, 2022 | 31 March, 2021 | 31 March, 2022 | 31 March, 2021 | 31 March, 2022 | 31 March, 2021 | 31 March, 2022 | 31 March, 2021 |
| Cross currency interest rate swaps | 1,46,367.54 | 1,46,367.54 | (7,770.64) | (3,062.55) | Derivative financial instruments | | (3,518.78) | (1,265.08) |
| Currency forward | 7.72 | 35.55 | (0.52) | (1.26) | Derivative financial instruments | | 0.55 | (0.64) |
| Total | 1,46,375.26 | 1,46,403.09 | (7,771.16) | (3,063.81) | | | (3,518.23) | (1,265.72) |

Hedge Items

| Particulars | Change in fair value used for measuring ineffectiveness for the period | | Cash flow hedge reserve as at | |
|--|--|-------------------|-------------------------------|-------------------|
| | 31 March, 2022 | 31 March, 2021 | 31 March, 2022 | 31 March, 2021 |
| Foreign currency denominated floating rate borrowing | 5,447.99 | (1,265.72) | (570.18) | (2,499.94) |
| Total | 5,447.99 | (1,265.72) | (570.18) | (2,499.94) |



The effect of the cash flow hedge in the statement of profit or loss and other comprehensive income is, as follows:

| Particulars | Total hedging gain / (loss) recognised in OCI | | Hedge ineffectiveness recognised in statement of profit and loss | |
|--|---|---------------------------|--|---------------------------|
| | Year ended 31 March, 2022 | Year ended 31 March, 2021 | Year ended 31 March, 2022 | Year ended 31 March, 2021 |
| Foreign currency denominated floating rate borrowing | 1,929.76 | (1,265.72) | - | - |
| Total | 1,929.76 | (1,265.72) | - | - |

Movements in Cash Flow Hedging Reserve

| Particulars | As at 1 April, 2021 | Add/Less: Changes in fair value | Add/Less: Deferred Tax | As at 31 March, 2022 | As at 1 April, 2020 | Add/Less: Changes in fair value | Add/Less: Deferred Tax | As at 31 March, 2021 |
|---------------------------|---------------------|---------------------------------|------------------------|----------------------|---------------------|---------------------------------|------------------------|----------------------|
| Cash flow Hedging Reserve | (2,499.94) | 2,578.79 | (649.03) | (570.18) | (1,234.22) | (1,691.42) | 425.70 | (2,499.94) |
| Total | (2,499.94) | 2,578.79 | (649.03) | (570.18) | (1,234.22) | (1,691.42) | 425.70 | (2,499.94) |

Fair Value Hedge

Fair value hedges hedge the exposure to changes in the fair value of a recognised asset or liability, or an identified portion of such an asset, liability, that is attributable to a particular risk and could affect profit or loss. For designated and qualifying fair value hedges, the cumulative change in the fair value of a hedging derivative is recognised in the statement of profit and loss under Net gain on fair value changes. Meanwhile, the cumulative change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item in the balance sheet and is also recognised in the statement of profit and loss under Net gain on fair value changes. The Company classifies a fair value hedge relationship when the hedged item (or group of items) is a distinctively identifiable asset or liability hedged by one or a few hedging instruments.

The impact of the hedging instruments and hedged items on the balance sheet is as follows

Hedging Instruments

| Particulars | Notional Amounts | | Carrying amount of hedging instruments Assets/(Liabilities) | | Line item in the Balance Sheet | | Change in fair value used for measuring ineffectiveness for the period | |
|---------------------|------------------|----------------|---|----------------|----------------------------------|----------------|--|----------------|
| | 31 March, 2022 | 31 March, 2021 | 31 March, 2022 | 31 March, 2021 | 31 March, 2022 | 31 March, 2021 | 31 March, 2022 | 31 March, 2021 |
| Interest rate swaps | 25,000.00 | - | (9.06) | - | Derivative financial instruments | - | (9.06) | - |

Hedge Items

| Particulars | Notional Amounts | | Accumulated fair value adjustment - Liability | | Line item in the Balance Sheet | | Change in fair value used for measuring ineffectiveness for the period | |
|-----------------|------------------|----------------|---|----------------|----------------------------------|----------------|--|----------------|
| | 31 March, 2022 | 31 March, 2021 | 31 March, 2022 | 31 March, 2021 | 31 March, 2022 | 31 March, 2021 | 31 March, 2022 | 31 March, 2021 |
| Fixed Rated NCD | 25,000.00 | - | (3.44) | - | Derivative financial instruments | - | (3.44) | - |



The effect of the fair value hedge in the statement of profit or loss is, as follows:

| Particulars | Hedge ineffectiveness recognised in statement of profit and loss | | Line in the statement of profit and loss that includes hedge ineffectiveness |
|---------------------|--|----------------|--|
| | 31 March, 2022 | 31 March, 2021 | |
| Interest rate swaps | (12.50) | - | Net gain on fair value changes |

Note 8.3 : The following table shows the maturity profile of hedging derivatives based on their notional amounts.

| Particulars | As at 31 March, 2022 | | | | As at 31 March, 2021 | | | |
|--|----------------------|------------------|--------------|--------------------|----------------------|--------------------|--------------|--------------------|
| | 0 to 12 months | 1 to 5 years | Over 5 years | Total | 0 to 12 months | 1 to 5 years | Over 5 years | Total |
| (i) Cross Currency Interest Rate swaps | 1,46,367.54 | - | - | 1,46,367.54 | - | 1,46,367.54 | - | 1,46,367.54 |
| (ii) Currency forward | 7.72 | - | - | 7.72 | 35.55 | - | - | 35.55 |
| (iii) Interest Rate swaps | - | 25,000.00 | - | 25,000.00 | - | - | - | - |
| Total | 1,46,375.26 | 25,000.00 | - | 1,71,375.26 | 35.55 | 1,46,367.54 | - | 1,46,403.09 |



Aditya Birla Finance Limited

Notes to the Financial Statements (continued)

As at 31 March, 2022

(Currency: ₹ in Lakhs except otherwise stated)

Note 9: Trade and Other Receivables

As at 31 March, 2022

| Particulars | Outstanding for following periods from due date of payment | | | | | | Loss Allowance | Total |
|--|--|--------------------|------------------|-------------|--------------|-------------------|-----------------|-----------------|
| | Unbilled | Less than 6 months | 6 months -1 year | 1-2 Years | 2-3 years | More than 3 years | | |
| (i) Undisputed Trade receivables – considered good | 905.23 | 376.80 | - | - | - | - | (38.08) | 1,243.96 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | 24.32 | 26.83 | 1.60 | 28.39 | 12.46 | (93.59) | - |
| (iv) Disputed Trade Receivables-considered good | - | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - | - |
| Total | 905.23 | 401.12 | 26.83 | 1.60 | 28.39 | 12.46 | (131.67) | 1,243.96 |

As at 31 March, 2021

| Particulars | Outstanding for following periods from due date of payment | | | | | | Loss Allowance | Total |
|--|--|--------------------|------------------|--------------|--------------|-------------------|----------------|---------------|
| | Unbilled | Less than 6 months | 6 months -1 year | 1-2 Years | 2-3 years | More than 3 years | | |
| (i) Undisputed Trade receivables – considered good | 713.03 | 302.81 | - | - | - | - | (17.00) | 998.86 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | 2.64 | 1.67 | 14.64 | 12.41 | 13.16 | (44.52) | - |
| (iv) Disputed Trade Receivables-considered good | - | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - | - |
| Total | 713.03 | 305.45 | 1.67 | 14.64 | 12.41 | 13.16 | (61.52) | 998.86 |

Note: No Trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.



Aditya Birla Finance Limited

Notes to the Financial Statements (continued)

As at 31 March, 2022

(Currency: ₹ in Lakhs except otherwise stated)

Note 10: Loans

| Particulars | As at 31 March, 2022 | | | | | As at 31 March, 2021 | | | | | |
|---|----------------------|------------------------------------|---------------------------------|---|--------------|----------------------|------------------------------------|---------------------------------|---|-----------|--------------|
| | Amortised Cost | At fair value | | | Total | Amortised Cost | At fair value | | | Sub-total | Total |
| | | Through Other Comprehensive Income | Through profit and loss account | Designated at through profit and loss account | | | Through Other Comprehensive Income | Through profit and loss account | Designated at through profit and loss account | | |
| Loans | 54,68,207.51 | - | - | - | 54,68,207.51 | 48,61,820.53 | - | - | - | - | 48,61,820.53 |
| Other Advances | 21.04 | - | - | - | 21.04 | 41.48 | - | - | - | - | 41.48 |
| Total (A) - Gross | 54,68,228.55 | - | - | - | 54,68,228.55 | 48,61,862.01 | - | - | - | - | 48,61,862.01 |
| Less: Impairment loss allowance | 1,07,482.53 | - | - | - | 1,07,482.53 | 1,02,118.65 | - | - | - | - | 1,02,118.65 |
| Total (A) - Net | 53,60,746.02 | - | - | - | 53,60,746.02 | 47,59,743.36 | - | - | - | - | 47,59,743.36 |
| i) Secured by tangible assets | 36,91,252.56 | - | - | - | 36,91,252.56 | 35,69,505.55 | - | - | - | - | 35,69,505.55 |
| ii) Secured by intangible assets | - | - | - | - | - | - | - | - | - | - | - |
| iii) Covered by bank and government guarantee | 3,17,075.12 | - | - | - | 3,17,075.12 | 1,43,439.71 | - | - | - | - | 1,43,439.71 |
| iv) Secured by book debts, inventories, fixed deposit and other working capital items | 1,05,876.53 | - | - | - | 1,05,876.53 | 2,51,038.77 | - | - | - | - | 2,51,038.77 |
| v) Unsecured | 13,54,024.34 | - | - | - | 13,54,024.34 | 8,97,877.98 | - | - | - | - | 8,97,877.98 |
| Total (B) - Gross | 54,68,228.55 | - | - | - | 54,68,228.55 | 48,61,862.01 | - | - | - | - | 48,61,862.01 |
| Less: Impairment loss allowance | 1,07,482.53 | - | - | - | 1,07,482.53 | 1,02,118.65 | - | - | - | - | 1,02,118.65 |
| Total (B) - Net | 53,60,746.02 | - | - | - | 53,60,746.02 | 47,59,743.36 | - | - | - | - | 47,59,743.36 |
| Loans in India | 42,408.79 | - | - | - | 42,408.79 | 47,530.39 | - | - | - | - | 47,530.39 |
| i) Public Sector | 54,25,819.76 | - | - | - | 54,25,819.76 | 48,14,331.62 | - | - | - | - | 48,14,331.62 |
| ii) Others | 54,68,228.55 | - | - | - | 54,68,228.55 | 48,61,862.01 | - | - | - | - | 48,61,862.01 |
| Total - Gross | 54,68,228.55 | - | - | - | 54,68,228.55 | 48,61,862.01 | - | - | - | - | 48,61,862.01 |
| Less: Impairment loss allowance | 1,07,482.53 | - | - | - | 1,07,482.53 | 1,02,118.65 | - | - | - | - | 1,02,118.65 |
| Total - Net | 53,60,746.02 | - | - | - | 53,60,746.02 | 47,59,743.36 | - | - | - | - | 47,59,743.36 |
| Loans outside India | - | - | - | - | - | - | - | - | - | - | - |
| Less: Impairment loss allowance | - | - | - | - | - | - | - | - | - | - | - |
| Total - Net | - | - | - | - | - | - | - | - | - | - | - |
| Total (C) | 53,60,746.02 | - | - | - | 53,60,746.02 | 47,59,743.36 | - | - | - | - | 47,59,743.36 |



Note 10: Loans (continued)

Note 10.1: Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

(a) Reconciliation of Gross carrying amount - Loans:

| Loans | As at 31 March, 2022 | | | | As at 31 March, 2021 | | | |
|--|----------------------|--------------------|--------------------|---------------------|----------------------|--------------------|--------------------|---------------------|
| | Stage 1 | Stage 2 | Stage 3 | Total | Stage 1 | Stage 2 | Stage 3 | Total |
| Opening Balance of Gross carrying amount | 43,53,665.99 | 3,65,907.30 | 1,42,247.24 | 48,61,820.53 | 43,86,660.17 | 1,21,676.21 | 1,82,708.23 | 46,91,044.61 |
| New assets originated or purchased | 24,27,295.24 | 22,914.07 | 16,115.47 | 24,66,324.78 | 14,36,871.57 | 42,176.51 | 2,344.64 | 14,81,392.72 |
| Assets derecognised or repaid (excluding write offs) | (17,13,767.84) | (59,110.65) | (23,372.08) | (17,96,250.57) | (12,04,439.47) | (21,783.49) | (27,291.81) | (12,53,514.77) |
| Transfers to Stage 1 | 1,16,820.00 | (1,13,411.08) | (3,408.92) | - | 29,095.93 | (15,845.90) | (13,250.03) | - |
| Transfers to Stage 2 | (1,44,932.18) | 1,45,473.36 | (541.18) | - | (2,58,008.40) | 2,58,590.76 | (582.36) | - |
| Transfers to Stage 3 | (44,517.45) | (57,965.63) | 1,02,483.08 | - | (34,063.60) | (18,906.79) | 52,970.39 | - |
| Amounts written-off | (17,535.66) | (8,231.37) | (37,920.20) | (63,687.23) | (2,450.21) | - | (54,651.82) | (57,102.03) |
| Closing Balance of Gross carrying amount | 49,77,028.10 | 2,95,576.00 | 1,95,603.41 | 54,68,207.51 | 43,53,665.99 | 3,65,907.30 | 1,42,247.24 | 48,61,820.53 |

(b) Reconciliation of loss allowance provision - Loans:

| ECL | As at 31 March, 2022 | | | | As at 31 March, 2021 | | | |
|---|----------------------|------------------|------------------|--------------------|----------------------|------------------|------------------|--------------------|
| | Stage 1 | Stage 2 | Stage 3 | Total | Stage 1 | Stage 2 | Stage 3 | Total |
| Opening Balance of ECL allowance | 23,022.07 | 20,101.02 | 58,995.56 | 1,02,118.65 | 21,094.81 | 10,497.91 | 56,560.42 | 88,153.14 |
| Increase in new / existing assets originated or purchased | 17,698.11 | 11,602.97 | 54,867.40 | 84,168.48 | 9,488.24 | 11,569.24 | 57,084.73 | 78,142.21 |
| Assets derecognised or repaid (excluding write offs) | (8,300.97) | (4,213.60) | (2,602.80) | (15,117.37) | (4,547.69) | (969.69) | (1,557.29) | (7,074.67) |
| Transfers to Stage 1 | 1,797.50 | (975.67) | (821.82) | - | 964.07 | (305.48) | (658.59) | - |
| Transfers to Stage 2 | (417.36) | 468.97 | (51.61) | - | (1,025.94) | 1,162.76 | (136.82) | - |
| Transfers to Stage 3 | (263.85) | (4,558.27) | 4,822.11 | - | (501.21) | (1,853.72) | 2,354.93 | - |
| Amounts written-off | (17,535.66) | (8,231.37) | (37,920.20) | (63,687.23) | (2,450.21) | - | (54,651.82) | (57,102.03) |
| Closing Balance of ECL allowance | 15,999.84 | 14,194.05 | 77,288.64 | 1,07,482.53 | 23,022.07 | 20,101.02 | 58,995.56 | 1,02,118.65 |



Aditya Birla Finance Limited

Notes to the Financial Statements (continued)

As at 31 March, 2022

(Currency: ₹ in Lakhs except otherwise stated)

Note 10.1: Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures" (continued)

(c) Expected credit loss - Loans:

| Particulars | As at 31 March, 2022 | | | Total | As at 31 March, 2021 | | | |
|---------------------------------|----------------------|-------------|-------------|--------------|----------------------|-------------|-------------|--------------|
| | Stage 1 | Stage 2 | Stage 3 | | Stage 1 | Stage 2 | Stage 3 | Total |
| Gross carrying amount | 49,77,028.10 | 2,95,576.00 | 1,95,603.41 | 54,68,207.51 | 43,53,665.99 | 3,65,907.30 | 1,42,247.24 | 48,61,820.53 |
| Less: Impairment loss allowance | 15,999.84 | 14,194.05 | 77,288.64 | 1,07,482.53 | 23,022.07 | 20,101.02 | 58,995.56 | 1,02,118.65 |
| Net carrying amount | 49,61,028.26 | 2,81,381.95 | 1,18,314.77 | 53,60,724.98 | 43,30,643.92 | 3,45,806.28 | 83,251.68 | 47,59,701.88 |

(d) An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to non-fund based exposures is as follows:

| Non-funded exposures | Total Non-fund Exposures (not included in the tables above) | | | ECL on Non-fund exposures (included in the tables above) | | | | |
|--------------------------------------|---|---------|---------|--|---------|---------|---------|-------|
| | Stage 1 | Stage 2 | Stage 3 | Total | Stage 1 | Stage 2 | Stage 3 | Total |
| Opening Balance as on 31 March, 2021 | 3,479.36 | 200.00 | - | 3,679.36 | 10.84 | 8.48 | - | 19.32 |
| Net Movement | 8,269.48 | - | - | 8,269.48 | 25.63 | (1.61) | - | 24.02 |
| Closing Balance as on 31 March, 2022 | 11,748.84 | 200.00 | - | 11,948.84 | 36.47 | 6.87 | - | 43.34 |



Note 11: Investments

As at 31 March, 2022

| Particulars | Amortised Cost | At Fair value | | | Sub-total | Others | Total |
|--------------------------------------|----------------|------------------------------------|---------------------------------|---|--------------------|--------|--------------------|
| | | Through Other Comprehensive Income | Through profit and loss account | Designated at through profit and loss account | | | |
| i) Investment in Govt Securities | - | - | 47,137.87 | - | 47,137.87 | - | 47,137.87 |
| ii) Investment in Equity instruments | - | 235.26 | 45.17 | - | 280.43 | - | 280.43 |
| iii) Investment in Preference Shares | - | - | 3,500.00 | - | 3,500.00 | - | 3,500.00 |
| iv) Investment in Alternate Funds | - | - | 8,225.19 | - | 8,225.19 | - | 8,225.19 |
| v) Investment in Debentures | - | - | 1,10,260.07 | - | 1,10,260.07 | - | 1,10,260.07 |
| Total Gross (A) | - | 235.26 | 1,69,168.30 | - | 1,69,403.56 | - | 1,69,403.56 |
| (i) Investments in India | - | 235.26 | 1,69,168.30 | - | 1,69,403.56 | - | 1,69,403.56 |
| (ii) Investments outside India | - | - | - | - | - | - | - |
| Total (B) | - | 235.26 | 1,69,168.30 | - | 1,69,403.56 | - | 1,69,403.56 |
| Less : Impairment loss allowance (C) | - | - | - | - | - | - | - |
| Total - Net [D= (A)-(C)] | - | 235.26 | 1,69,168.30 | - | 1,69,403.56 | - | 1,69,403.56 |

As at 31 March, 2021

| Particulars | Amortised Cost | At Fair value | | | Sub-total | Others | Total |
|--------------------------------------|----------------|------------------------------------|---------------------------------|---|------------------|--------|------------------|
| | | Through Other Comprehensive Income | Through profit and loss account | Designated at through profit and loss account | | | |
| i) Investment in Govt Securities | - | - | 15,420.71 | - | 15,420.71 | - | 15,420.71 |
| ii) Equity instruments | - | 211.04 | 36.82 | - | 247.86 | - | 247.86 |
| iii) Investment in Alternate Funds | - | - | 6,729.83 | - | 6,729.83 | - | 6,729.83 |
| iv) Investment in Debentures | - | - | 56,892.50 | - | 56,892.50 | - | 56,892.50 |
| Total Gross (A) | - | 211.04 | 79,079.86 | - | 79,290.90 | - | 79,290.90 |
| (i) Investments in India | - | 211.04 | 79,079.86 | - | 79,290.90 | - | 79,290.90 |
| (ii) Investments outside India | - | - | - | - | - | - | - |
| Total (B) | - | 211.04 | 79,079.86 | - | 79,290.90 | - | 79,290.90 |
| Less : Impairment loss allowance (C) | - | - | - | - | - | - | - |
| Total - Net [D= (A)-(C)] | - | 211.04 | 79,079.86 | - | 79,290.90 | - | 79,290.90 |

Note:

1. More information regarding the valuation methodologies are provided in Note 49.
2. The Company received dividends of ₹ 285.31 (31 March, 2021: ₹ 284.75 Lakhs) from its FVTPL securities, recorded as dividend income.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 12: Other financial assets

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|--|----------------------|----------------------|
| Security Deposits (Carried at amortised cost, unless otherwise stated). | 2,772.59 | 2,486.83 |
| Other Receivables | 2,589.22 | 2,631.12 |
| Total | 5,361.81 | 5,117.95 |

Note 13: Current tax assets (net)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|---|----------------------|----------------------|
| Advance Payment of Taxes (Net of provision for taxation ₹ 1,46,294.86 lakhs; 31 March, 2021 ₹ 1,07,694.47 lakhs) | 34,239.10 | 23,971.65 |
| Total | 34,239.10 | 23,971.65 |



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Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 14: Property, plant and equipments

| Particulars | Building | Plant & Equipments | Furniture & Fixtures | Vehicles | Office Equipments | Leasehold Improvements | Total |
|-------------------------------------|--------------|--------------------|----------------------|-----------------|-------------------|------------------------|-----------------|
| Gross book value: | | | | | | | |
| At 1 April, 2020 | 20.92 | 1,183.55 | 154.11 | 1,535.52 | 431.36 | 508.02 | 3,833.48 |
| Additions | - | 47.99 | 8.87 | 144.91 | 58.81 | 234.36 | 494.94 |
| Disposals | - | 107.18 | 14.29 | 171.89 | 23.41 | 52.15 | 368.92 |
| At 31 March, 2021 | 20.92 | 1,124.36 | 148.69 | 1,508.54 | 466.76 | 690.23 | 3,959.50 |
| Additions | - | 139.72 | 64.20 | 485.31 | 172.56 | 414.66 | 1,276.45 |
| Disposals | - | 83.93 | 25.27 | 435.33 | 119.21 | 62.59 | 726.33 |
| As at 31 March, 2022 | 20.92 | 1,180.15 | 187.62 | 1,558.52 | 520.11 | 1,042.30 | 4,509.62 |
| Depreciation and impairment: | | | | | | | |
| At 1 April, 2020 | 1.38 | 749.44 | 95.44 | 484.24 | 225.53 | 324.25 | 1,880.28 |
| Depreciation charge for the year | 0.46 | 268.08 | 14.85 | 329.74 | 90.38 | 189.04 | 892.55 |
| Disposals | - | 103.54 | 8.89 | 93.83 | 20.75 | 52.12 | 279.13 |
| At 31 March, 2021 | 1.84 | 913.98 | 101.40 | 720.15 | 295.16 | 461.17 | 2,493.70 |
| Depreciation charge for the year | 0.46 | 136.03 | 46.49 | 297.05 | 92.57 | 127.12 | 699.72 |
| Disposals | - | 83.93 | 25.27 | 278.34 | 116.68 | 60.95 | 565.17 |
| As at 31 March, 2022 | 2.30 | 966.08 | 122.62 | 738.86 | 271.05 | 527.34 | 2,628.25 |
| Net book value: | | | | | | | |
| At 31 March, 2021 | 19.08 | 210.38 | 47.29 | 788.39 | 171.60 | 229.06 | 1,465.80 |
| As at 31 March, 2022 | 18.62 | 214.07 | 65.00 | 819.66 | 249.06 | 514.96 | 1,881.37 |

Note:

1. Redeemable Non Convertible Debentures are secured by charge on immovable property of the Company.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 15: Right of use Lease Assets

| Particulars | Amount |
|----------------------------------|------------------|
| Gross book value: | |
| As at 1 April, 2020 | 10,021.24 |
| Additions | 5,861.15 |
| Disposals | (1,969.94) |
| As at 31 March, 2021 | 13,912.45 |
| Additions | 7,065.31 |
| Disposals | (4,374.94) |
| As at 31 March, 2022 | 16,602.82 |
| Accumulated amortisation: | |
| As at 1 April, 2020 | 1,951.79 |
| Additions | 2,625.34 |
| Disposals | (69.99) |
| As at 31 March, 2021 | 4,507.14 |
| Additions | 2,583.08 |
| Disposals | (2,674.73) |
| As at 31 March, 2022 | 4,415.49 |
| Net book value: | |
| As at 1 April, 2020 | 8,069.45 |
| As at 31 March, 2021 | 9,405.31 |
| As at 31 March, 2022 | 12,187.33 |

Note 16: Intangible assets under development

| Particulars | Amount |
|-----------------------------|-----------------|
| Gross book value: | |
| As at 1 April, 2020 | 4,898.29 |
| Additions | 805.64 |
| Disposals | - |
| Transfers | 4,506.01 |
| As at 31 March, 2021 | 1,197.92 |
| Additions | 932.03 |
| Disposals | - |
| Transfers | 1,040.90 |
| As at 31 March, 2022 | 1,089.05 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 16: Intangible assets under development aging schedule:
As at 31 March, 2022

| Particulars | Amount in Intangible assets under development for a period of | | | | Total |
|----------------------|---|---------------|-----------|-------------------|-----------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 932.03 | 157.02 | - | - | 1,089.05 |
| Total | 932.03 | 157.02 | - | - | 1,089.05 |

As at 31 March, 2021

| Particulars | Amount in Intangible assets under development for a period of | | | | Total |
|----------------------|---|---------------|--------------|-------------------|-----------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 807.28 | 314.61 | 24.47 | 51.56 | 1,197.92 |
| Total | 807.28 | 314.61 | 24.47 | 51.56 | 1,197.92 |

The Company does not have any project temporary suspended whose completion is overdue or has exceeded its cost compared to its original plan.

Note 17: Other intangible assets

| Particulars | Software |
|----------------------------------|------------------|
| Gross book value: | |
| At 1 April, 2020 | 8,505.78 |
| Additions | 7,090.54 |
| Disposals | (89.78) |
| At 31 March, 2021 | 15,506.54 |
| Additions | 3,420.36 |
| Disposals | (8.99) |
| As at 31 March, 2022 | 18,917.91 |
| Accumulated amortisation: | |
| At 1 April, 2020 | 6,024.64 |
| Disposals | - |
| Additions | 2,332.16 |
| At 31 March, 2021 | 8,356.80 |
| Additions | 3,552.59 |
| Disposals | - |
| As at 31 March, 2022 | 11,909.39 |
| Net book value: | |
| At 1 April, 2020 | 2,481.14 |
| At 31 March, 2021 | 7,149.74 |
| As at 31 March, 2022 | 7,008.52 |

Note: 1. All intangible assets are other than Internally generated.

Note 18: Other non-financial assets

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|--|----------------------|----------------------|
| Deferred lease expenses | - | 28.59 |
| Prepaid expenses | 4,240.10 | 2,622.46 |
| Capital advances | 396.71 | 26.68 |
| Goods and Service Tax/Service Tax Receivable | 1,734.46 | 2,805.70 |
| Reimbursement Rights of Gratuity Fund | 2,161.99 | 1,931.77 |
| Others | - | 735.34 |
| Total | 8,533.26 | 8,150.54 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 19: Trade Payables

Trade Payables ageing schedule
As at 31 March, 2022

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|-----------------------------|--|------------------|--------------|--------------|-------------------|------------------|
| | Unbilled dues | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | - | 694.04 | 0.02 | 2.81 | - | 696.87 |
| (ii) Others | 18,827.81 | 4,586.24 | 22.47 | 57.73 | 30.51 | 23,524.76 |
| (iii) Disputed dues – MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |
| Total | 18,827.81 | 5,280.28 | 22.49 | 60.54 | 30.51 | 24,221.63 |

As at 31 March, 2021

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|-----------------------------|--|------------------|--------------|--------------|-------------------|------------------|
| | Unbilled dues | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | - | 213.00 | 1.63 | 0.03 | - | 214.66 |
| (ii) Others | 7,572.42 | 3,217.35 | 85.28 | 61.64 | 20.96 | 10,957.65 |
| (iii) Disputed dues – MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |
| Total | 7,572.42 | 3,430.35 | 86.91 | 61.67 | 20.96 | 11,172.31 |

Note:

1. Date of transaction considered as due date of payment.
2. The disclosure regarding micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 20: Debt securities

| Particulars | As at 31 March, 2022 | | | | As at 31 March, 2021 | | | |
|--|----------------------|---|--|---------------------|----------------------|---|--|---------------------|
| | At amortised cost | At fair Value through profit and loss Account | Designated at fair value through profit and loss account | Total | At amortised cost | At fair Value through profit and loss account | Designated at fair value through profit and loss account | Total |
| Redeemable non-convertible debentures (Secured) (Refer Note 20(a)) | 12,28,682.37 | - | 24,954.31 | 12,53,636.68 | 13,32,116.41 | - | - | 13,32,116.41 |
| Redeemable non-convertible debentures (Unsecured) (Refer Note 20(b)) | 10,960.04 | - | - | 10,960.04 | 5,821.46 | - | - | 5,821.46 |
| Commercial papers (Unsecured) (Refer Note 20(c)) | 3,13,528.98 | - | - | 3,13,528.98 | 3,19,937.17 | - | - | 3,19,937.17 |
| Total | 15,53,171.39 | - | 24,954.31 | 15,78,125.70 | 16,57,875.04 | - | - | 16,57,875.04 |
| Debt securities in India | 15,53,171.39 | - | 24,954.31 | 15,78,125.70 | 16,57,875.04 | - | - | 16,57,875.04 |
| Debt securities outside India | - | - | - | - | - | - | - | - |
| Total | 15,53,171.39 | - | 24,954.31 | 15,78,125.70 | 16,57,875.04 | - | - | 16,57,875.04 |

Note:

1. The above figures are including interest accrued but not due on borrowings.
2. Redeemable Non-Convertible Debentures are secured by way of mortgage on the immovable property and first pari-passu charge on certain Financial Assets of the company.



Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2022

| Series Details | Face Value Per Debenture | Date of Allotment | Amount | Interest Rate (%) | Date of Redemption | Redeemable Terms |
|--|--------------------------|-------------------|-------------|-------------------|--|---|
| 7.100% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES G1. DATE OF MATURITY 03/10/2031 | 10,00,000 | October 4, 2021 | 5,163.31 | 7.10% p.a. | October 3, 2031 | Redeemable at par at end of 3651 days from the date of allotment |
| 7.2600% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES B2. DATE OF MATURITY 30/05/2031 | 10,00,000 | May 31, 2021 | 79,501.44 | 7.26% p.a. | 25% at the end of 7th Year (May 31, 2028) 25% at the end of 8th Year (May 31, 2029) 25% at the end of 9th Year (May 31, 2030) 25% at the end of 10th Year (May 30, 2031) | Redeemable in instalment's at par - 25% at end of 2557 days, 25% at end of 2922 days 25% at end of 3287 days 25% at end of 3652 days from the date of allotment |
| 7.2400% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD K1 FY 2020-21. MATURITY DATE - 18/02/2031 | 10,00,000 | February 18, 2021 | 2,517.10 | 7.24% p.a. | February 18, 2031 | Redeemable at par at end of 3652 days from the date of allotment |
| 8.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD J1 FY 2019-20. MATURITY DATE - 18/01/2030 | 10,00,000 | January 20, 2020 | 1,01,521.87 | 8.15% p.a. | 1) 25% at the end of 7th Year (Wednesday, January 20, 2027), 2) 25% at the end of 8th Year (Thursday, January 20, 2028), 3) 25% at the end of 9th Year (Friday, January 19, 2029) & 4) 25% at the end of 10th Year (Friday, January 18, 2030) | Redeemable in instalment's at par - 25% at end of 2557 days, 25% at end of 2922 days 25% at end of 3287 days 25% at end of 3651 days from the date of allotment |
| 8.70% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD D1 FY 2019-2020. DATE OF MATURITY July 04, 2029 | 10,00,000 | July 4, 2019 | 3,104.01 | 8.70% p.a. | July 4, 2029 | Redeemable at par at end of 3653 days from the date of allotment |
| 9% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD B2 FY 2019-20. MATURITY DATE - 18/05/2029 | 10,00,000 | May 20, 2019 | 1,61,585.61 | 9.00% p.a. | 50% - May 19, 2028 50% - May 18, 2029 | Redeemable in instalment's at par - 50% at end of 3287 days and 50% at end of 3651 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028 | 10,00,000 | December 21, 2018 | 1,557.37 | 9.15% p.a. | December 21, 2028 | Redeemable at par at end of 3653 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028 | 10,00,000 | December 27, 2018 | 7,163.92 | 9.15% p.a. | December 21, 2028 | Redeemable at par at end of 3647 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028 | 10,00,000 | February 12, 2019 | 3,997.26 | 9.15% p.a. | December 21, 2028 | Redeemable at par at end of 3600 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028 | 10,00,000 | March 29, 2019 | 15,573.75 | 9.15% p.a. | December 21, 2028 | Redeemable at par at end of 3555 days from the date of allotment |
| 8% XIRR SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C1 FY 2017-18. DATE OF MATURITY 11/06/2027 | 10,00,000 | June 13, 2017 | 723.19 | 8.00% p.a. | June 11, 2027 | Redeemable at par at end of 3650 days from the date of allotment |
| 6.4500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES G2. DATE OF MATURITY 01/10/2026 | 10,00,000 | October 4, 2021 | 11,854.01 | 6.45% p.a. | October 1, 2026 | Redeemable at par at end of 1823 days from the date of allotment |
| 6.5500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES D1. DATE OF MATURITY 24/07/2026 | 10,00,000 | July 26, 2021 | 52,152.76 | 6.55% p.a. | July 24, 2026 | Redeemable at par at end of 1824 days from the date of allotment |



Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2022

| Series Details | Face Value Per Debenture | Date of Allotment | Amount | Interest Rate (%) | Date of Redemption | Redeemable Terms |
|---|--------------------------|-------------------|-----------|---|--|--|
| 8.90% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD Z3 FY 2015-16. DATE OF MATURITY 20/03/2026 | 10,00,000 | March 21, 2016 | 500.89 | 8.90% p.a. | March 20, 2026 | Redeemable at par at end of 3651 days from the date of allotment |
| 8.90% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD X1 FY 2015-16. DATE OF MATURITY 06/03/2026 | 10,00,000 | March 9, 2016 | 1,004.57 | 8.90% p.a. | March 6, 2026 | Redeemable at par at end of 3649 days from the date of allotment |
| 8.85% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD W3 FY 2015-16. DATE OF MATURITY 23/02/2026 | 10,00,000 | February 23, 2016 | 1,007.84 | 8.85% p.a. | February 23, 2026 | Redeemable at par at end of 3653 days from the date of allotment |
| 6.2500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1 FY 2020-21. MATURITY DATE - 23/12/2025 | 10,00,000 | December 23, 2020 | 7,619.44 | 6.25% p.a. | December 23, 2025 | Redeemable at par at end of 1826 days from the date of allotment |
| 8.71% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD S1 FY 2015-16. DATE OF MATURITY 31/10/2025 | 10,00,000 | November 3, 2015 | 50,645.32 | 8.71% p.a. | 50% on November 01, 2024 & 50% on October 31, 2025 | Redeemable in instalment's at par - 50% at end of 3285 days and 50% at end of 3650 days from the date of allotment |
| 8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD Q1 FY 2015-16. DATE OF MATURITY 17/10/2025 | 10,00,000 | October 19, 2015 | 1,556.76 | 8.77% p.a. | October 17, 2025 | Redeemable at par at end of 3651 days from the date of allotment |
| 6.4000% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES J2. DATE OF MATURITY 22/07/2025 | 10,00,000 | January 21, 2022 | 35,403.86 | 6.40% p.a. | July 22, 2025 | Redeemable at par at end of 1278 days from the date of allotment |
| 8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025 | 10,00,000 | June 26, 2018 | 5,442.04 | 8.90% p.a. | June 26, 2025 | Redeemable at par at end of 2557 days from the date of allotment |
| 7.69% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A3 FY 2020-21. MATURITY DATE - 25/04/2025 | 10,00,000 | April 26, 2020 | 2,675.13 | 7.69% p.a. | April 25, 2025 | Redeemable at par at end of 1823 days from the date of allotment |
| 3M TBILL LINKED SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES 'J1' FY2021-22. DATE OF MATURITY 21/01/2025 | 10,00,000 | January 21, 2022 | 50,464.85 | 5.22% p.a. (Floating Coupon with Quarterly Reset, Payable Annually) | January 21, 2025 | Redeemable at par at end of 1096 days from the date of allotment |
| 5.8500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES E1. DATE OF MATURITY 02/08/2024 | 10,00,000 | August 5, 2021 | 25,939.67 | 5.85% p.a. | August 2, 2024 | Redeemable at par at end of 1093 days from the date of allotment |
| Zero Coupon SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES C2. DATE OF MATURITY 14/06/2024 | 10,00,000 | June 17, 2021 | 7,834.59 | Zero Coupon | June 14, 2024 | Redeemable at par at end of 1093 days from the date of allotment |
| 8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024 | 10,00,000 | June 12, 2019 | 18,484.74 | 8.65% p.a. | June 12, 2024 | Redeemable at par at end of 1827 days from the date of allotment |
| 8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024 | 10,00,000 | June 24, 2019 | 21,155.95 | 8.65% p.a. | June 12, 2024 | Redeemable at par at end of 1815 days from the date of allotment |
| 8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024 | 10,00,000 | June 28, 2019 | 11,924.26 | 8.65% p.a. | June 12, 2024 | Redeemable at par at end of 1811 days from the date of allotment |
| 8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024 | 10,00,000 | July 24, 2019 | 10,545.92 | 8.65% p.a. | June 12, 2024 | Redeemable at par at end of 1785 days from the date of allotment |
| 6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD L3 FY 2020-21. MATURITY DATE - 28/03/2024 | 10,00,000 | March 31, 2021 | 41,990.04 | 6.15% p.a. | March 28, 2024 | Redeemable at par at end of 1093 days from the date of allotment |
| 5.9000% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD G1 FY 2020-21. MATURITY DATE - 29/12/2023 | 10,00,000 | October 22, 2020 | 33,835.95 | 5.90% p.a. | December 29, 2023 | Redeemable at par at end of 1163 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1 FY 2018-19. MATURITY DATE - 21/12/2023 | 10,00,000 | December 21, 2018 | 7,171.61 | 9.15% p.a. | December 21, 2023 | Redeemable at par at end of 1826 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1 FY 2018-19. MATURITY DATE - 21/12/2023 | 10,00,000 | December 27, 2018 | 8,298.58 | 9.15% p.a. | December 21, 2023 | Redeemable at par at end of 1820 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1 FY 2018-19. MATURITY DATE - 21/12/2023 | 10,00,000 | January 7, 2019 | 1,639.23 | 9.15% p.a. | December 21, 2023 | Redeemable at par at end of 1809 days from the date of allotment |



Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2022

| Series Details | Face Value Per Debenture | Date of Allotment | Amount | Interest Rate (%) | Date of Redemption | Redeemable Terms |
|--|--------------------------|--------------------|-----------|--|--------------------|--|
| 8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023 | 10,00,000 | July 27, 2018 | 1,580.49 | 8.90% p.a. | July 27, 2023 | Redeemable at par at end of 1826 days from the date of allotment |
| 8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023 | 10,00,000 | December 11, 2018 | 15,278.09 | 8.90% p.a. | July 27, 2023 | Redeemable at par at end of 1689 days from the date of allotment |
| 7.57% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A2 FY 2020-21. MATURITY DATE – 28/06/2023 | 10,00,000 | April 28, 2020 | 24,073.08 | 7.75% p.a. | June 28, 2023 | Redeemable at par at end of 1156 days from the date of allotment |
| 5.1500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES C1. DATE OF MATURITY 16/06/2023 | 10,00,000 | June 17, 2021 | 5,200.32 | 5.15% p.a. | June 16, 2023 | Redeemable at par at end of 729 days from the date of allotment |
| 6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE – 30/05/2023 | 10,00,000 | February 25, 2021 | 77,932.47 | 6.15% p.a. | May 30, 2023 | Redeemable at par at end of 824 days from the date of allotment |
| 7.75% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A1 FY 2020-21. MATURITY DATE – 17/05/2023 | 10,00,000 | April 17, 2020 | 22,009.78 | 7.75% p.a. | May 17, 2023 | Redeemable at par at end of 1125 days from the date of allotment |
| 3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'B1' FY 2021-22-MATURITY DATE – 05/05/2023 | 10,00,000 | May 7, 2021 | 26,170.69 | 5.11% p.a. (Floating Coupon with Quarterly Reset, Payable Annually) | May 5, 2023 | Redeemable at par at end of 728 days from the date of allotment |
| 3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L2' FY 2020-21-MATURITY DATE – 19/03/2023 | 10,00,000 | March 19, 2021 | 25,050.01 | 5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually) | March 17, 2023 | Redeemable at par at end of 728 days from the date of allotment |
| 3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L1' FY 2020-21-MATURITY DATE – 16/03/2023 | 10,00,000 | March 16, 2021 | 50,124.84 | 5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually) | March 16, 2023 | Redeemable at par at end of 730 days from the date of allotment |
| 7.75% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1. DATE OF MATURITY 09/12/2022 | 10,00,000 | December 4, 2019 | 15,361.33 | 7.75% p.a. | December 9, 2022 | Redeemable at par at end of 1101 days from the date of allotment |
| 8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD O1 FY 2015-16. DATE OF MATURITY 12/10/2022 | 10,00,000 | October 12, 2015 | 2,183.72 | 8.77% p.a. | October 12, 2022 | Redeemable at par at end of 2557 days from the date of allotment |
| 8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD N1 FY 2015-16. DATE OF MATURITY 07/10/2022 | 10,00,000 | October 7, 2015 | 6,246.41 | 8.77% p.a. | October 7, 2022 | Redeemable at par at end of 2557 days from the date of allotment |
| 8.85% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD L1 FY 2015-16. DATE OF MATURITY 09/09/2022 | 10,00,000 | September 10, 2015 | 2,096.02 | 8.85% p.a. | September 9, 2022 | Redeemable at par at end of 2556 days from the date of allotment |
| 7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD F1 FY 2017-18. DTE OF MATURITY 07/09/2022 | 10,00,000 | September 7, 2017 | 33,865.63 | 7.60% p.a. | September 7, 2022 | Redeemable at par at end of 1826 days from the date of allotment |
| 7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E3 FY 2017-18. DTE OF MATURITY 18/08/2022 | 10,00,000 | August 18, 2017 | 10,462.09 | 7.60% p.a. | August 18, 2022 | Redeemable at par at end of 1826 days from the date of allotment |
| 7.70% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E2 FY 2017-18. DTE OF MATURITY 12/08/2022 | 10,00,000 | August 14, 2017 | 5,237.92 | 7.70% p.a. | August 12, 2022 | Redeemable at par at end of 1824 days from the date of allotment |
| 7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E4 FY 2017-18. DTE OF MATURITY 19/07/2022 | 10,00,000 | August 23, 2017 | 15,680.69 | 7.60% p.a. | July 19, 2022 | Redeemable at par at end of 1791 days from the date of allotment |
| 7.8% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C4 FY 2017-18. DATE OF MATURITY 29/06/2022 | 10,00,000 | June 29, 2017 | 21,163.43 | 7.80% p.a. | June 29, 2022 | Redeemable at par at end of 1826 days from the date of allotment |
| 7.80% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C3 FY 2017-18. DATE OF MATURITY 17/06/2022 | 10,00,000 | June 19, 2017 | 5,301.86 | 7.80% p.a. | June 17, 2022 | Redeemable at par at end of 1824 days from the date of allotment |



Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2022

| Series Details | Face Value Per Debenture | Date of Allotment | Amount | Interest Rate (%) | Date of Redemption | Redeemable Terms |
|--|--------------------------|-------------------|---------------------|--|--------------------|--|
| 10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE, SERIES PPMLD B1 FY 2019-20. MATURITY DATE - 25/05/2022 | 10,00,000 | May 8, 2019 | 4,774.73 | 1 Greater than 50% of Digital Level 8.3026% p.a. (8.30% XIRR (Annualized yield)) 2 Less than or equal to 50% of Digital Level 0 % | May 25, 2022 | Redeemable at par at end of 1113 days from the date of allotment |
| 6.7834% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE, SERIES ABFL NCD C1 FY 2020-21. MATURITY DATE - 25/04/2022 | 10,00,000 | June 26, 2020 | 26,288.84 | 6.78% p.a. | April 26, 2022 | Redeemable at par at end of 669 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD G5 FY 2018-19, DATE OF MATURITY 08/04/2022 | 10,00,000 | October 26, 2018 | 21,707.87 | Zero Coupon | April 8, 2022 | Redeemable at par at end of 1260 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD G5 FY 2018-19, DATE OF MATURITY 08/04/2022 | 10,00,000 | November 6, 2018 | 2,443.84 | Zero Coupon | April 8, 2022 | Redeemable at par at end of 1249 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD G5 FY 2018-19, DATE OF MATURITY 08/04/2022 | 10,00,000 | December 11, 2018 | 16,246.77 | Zero Coupon | April 8, 2022 | Redeemable at par at end of 1214 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD G5 FY 2018-19, DATE OF MATURITY 08/04/2022 | 10,00,000 | December 27, 2018 | 6,826.37 | Zero Coupon | April 8, 2022 | Redeemable at par at end of 1198 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD G5 FY 2018-19, DATE OF MATURITY 08/04/2022 | 10,00,000 | January 7, 2019 | 4,368.88 | Zero Coupon | April 9, 2022 | Redeemable at par at end of 1187 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD G5 FY 2018-19, DATE OF MATURITY 08/04/2022 | 10,00,000 | January 25, 2019 | 4,164.09 | Zero Coupon | April 8, 2022 | Redeemable at par at end of 1169 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD G5 FY 2018-19, DATE OF MATURITY 08/04/2022 | 10,00,000 | April 25, 2019 | 10,239.58 | Zero Coupon | April 8, 2022 | Redeemable at par at end of 1079 days from the date of allotment |
| Total | | | 12,53,636.68 | | | |

Note 20(b): Redeemable non-convertible debentures (Unsecured) as on 31 March, 2022

| Series Details | Face Value Per Debenture | Date of Allotment | Amount | Interest Rate (%) | Date of Redemption | Redeemable Terms |
|---|--------------------------|-------------------|-----------|-------------------|--------------------|--|
| 7.57% UNSECURED RATED LISTED REDEEMABLE NON CONVERTIBLE PARTLY PAID DEBENTURES, SERIES ABFL NCD 'EP1' FY 2020-21. DATE OF MATURITY 03/08/2035 | 3,00,000 | August 6, 2020 | 10,960.04 | 7.57 % p.a. | August 3, 2035 | Redeemable at par at end of 5475 days from the date of allotment |



Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2021

| Series Details | Face Value Per Debenture | Date of Allotment | Amount | Interest Rate (%) | Date of Redemption | Redeemable Terms |
|--|--------------------------|-------------------|-------------|-------------------|--|---|
| 7.2400% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K1 FY 2020-21. MATURITY DATE - 18/02/2031 | 10,00,000 | February 18, 2021 | 2,518.17 | 7.24% p.a. | February 18, 2031 | Redeemable at par at end of 3652 days from the date of allotment |
| 8.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD J1 FY 2019-20. MATURITY DATE - 18/01/2030 | 10,00,000 | January 20, 2020 | 1,01,585.21 | 7.75% p.a. | 25% at the end of 7th Year (Wednesday, January 20, 2027), 25% at the end of 8th Year (Thursday, January 20, 2028), 25% at the end of 9th Year (Friday, January 19, 2029) & 25% at the end of 10th Year (Friday, January 18, 2030) | Redeemable in Instalment's at par - 25% at end of 2557 days, 25% at end of 2922 days 25% at end of 3287 days 25% at end of 3651 days from the date of allotment |
| 8.70% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD D1 FY 2019-20. DATE OF MATURITY July 04, 2029 | 10,00,000 | July 4, 2019 | 531.58 | 8.70% p.a. | July 4, 2029 | Redeemable at par at end of 3653 days from the date of allotment |
| 8.70% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD D1 FY 2019-20. DATE OF MATURITY July 04, 2029 | 10,00,000 | July 4, 2019 | 531.58 | 8.70% p.a. | July 4, 2029 | Redeemable at par at end of 3653 days from the date of allotment |
| 8.70% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD D1 FY 2019-20. DATE OF MATURITY July 04, 2029 | 10,00,000 | July 4, 2019 | 489.05 | 8.70% p.a. | July 4, 2029 | Redeemable at par at end of 3653 days from the date of allotment |
| 8.70% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD D1 FY 2019-20. DATE OF MATURITY July 04, 2029 | 10,00,000 | July 4, 2019 | 382.74 | 8.70% p.a. | July 4, 2029 | Redeemable at par at end of 3653 days from the date of allotment |
| 8.70% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD D1 FY 2019-20. DATE OF MATURITY July 04, 2029 | 10,00,000 | July 4, 2019 | 1,169.47 | 8.70% p.a. | July 4, 2029 | Redeemable at par at end of 3653 days from the date of allotment |
| 9% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD B2 FY 2019-20. MATURITY DATE - 18/05/2029 | 10,00,000 | May 20, 2019 | 1,61,687.61 | 9.00% p.a. | 50% - May 19, 2028 50% - May 18, 2029 | Redeemable in instalment's at par - 50% at end of 3287 days and 50% at end of 3651 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028 | 10,00,000 | December 21, 2018 | 519.20 | 9.15% p.a. | December 21, 2028 | Redeemable at par at end of 3653 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028 | 10,00,000 | December 21, 2018 | 1,038.40 | 9.15% p.a. | December 21, 2028 | Redeemable at par at end of 3653 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028 | 10,00,000 | December 27, 2018 | 519.20 | 9.10% p.a. | December 21, 2028 | Redeemable at par at end of 3647 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028 | 10,00,000 | December 27, 2018 | 3,634.40 | 9.10% p.a. | December 21, 2028 | Redeemable at par at end of 3647 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028 | 10,00,000 | December 27, 2018 | 415.36 | 9.10% p.a. | December 21, 2028 | Redeemable at par at end of 3647 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028 | 10,00,000 | December 27, 2018 | 2,596.00 | 9.10% p.a. | December 21, 2028 | Redeemable at par at end of 3647 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028 | 10,00,000 | February 12, 2019 | 882.64 | 9.05% p.a. | December 21, 2028 | Redeemable at par at end of 3600 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028 | 10,00,000 | February 12, 2019 | 3,115.20 | 9.05% p.a. | December 21, 2028 | Redeemable at par at end of 3600 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028 | 10,00,000 | March 29, 2019 | 519.20 | 8.65% p.a. | December 21, 2028 | Redeemable at par at end of 3555 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028 | 10,00,000 | March 29, 2019 | 311.52 | 8.65% p.a. | December 21, 2028 | Redeemable at par at end of 3555 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028 | 10,00,000 | March 29, 2019 | 1,557.60 | 8.65% p.a. | December 21, 2028 | Redeemable at par at end of 3555 days from the date of allotment |



Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2021

| Series Details | Face Value Per Debenture | Date of Allotment | Amount | Interest Rate (%) | Date of Redemption | Redeemable Terms |
|--|--------------------------|-------------------|-----------|-------------------|--|--|
| 9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028 | 10,00,000 | March 29, 2019 | 13,011.16 | 8.65% p.a. | December 21, 2028 | Redeemable at par at end of 3555 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028 | 10,00,000 | March 29, 2019 | 176.53 | 8.65% p.a. | December 21, 2028 | Redeemable at par at end of 3555 days from the date of allotment |
| 8% XIRR SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C1 FY 2017-18. DATE OF MATURITY 11/06/2027 | 10,00,000 | June 13, 2017 | 666.25 | 8.00% p.a. | June 11, 2027 | Redeemable at par at end of 3650 days from the date of allotment |
| 8.90% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD Z3 FY 2015-16. DATE OF MATURITY 20/03/2026 | 10,00,000 | March 21, 2016 | 501.02 | 8.90% p.a. | March 20, 2026 | Redeemable at par at end of 3651 days from the date of allotment |
| 8.90% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD X1 FY 2015-16. DATE OF MATURITY 06/03/2026 | 10,00,000 | March 9, 2016 | 1,004.86 | 8.90% p.a. | March 6, 2026 | Redeemable at par at end of 3649 days from the date of allotment |
| 8.85% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD W3 FY 2015-16. DATE OF MATURITY 23/02/2026 | 10,00,000 | February 23, 2016 | 1,008.13 | 8.85% p.a. | February 23, 2026 | Redeemable at par at end of 3653 days from the date of allotment |
| 6.2500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1 FY 2020-21. MATURITY DATE - 23/12/2025 | 10,00,000 | December 23, 2020 | 2,541.16 | 6.25% p.a. | December 23, 2025 | Redeemable at par at end of 1826 days from the date of allotment |
| 6.2500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1 FY 2020-21. MATURITY DATE - 23/12/2025 | 10,00,000 | December 23, 2020 | 5,082.33 | 6.25% p.a. | December 23, 2025 | Redeemable at par at end of 1826 days from the date of allotment |
| 8.71% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD S1 FY 2015-16. DATE OF MATURITY 31/10/2025 | 10,00,000 | November 3, 2015 | 35,443.34 | 8.99% p.a. | 50% on November 01, 2024 & 50% on October 31, 2025 | Redeemable in instalment's at par - 50% at end of 3285 days and 50% at end of 3650 days from the date of allotment |
| 8.71% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD S1 FY 2015-16. DATE OF MATURITY 31/10/2025 | 10,00,000 | November 3, 2015 | 10,126.67 | 8.99% p.a. | 50% on November 01, 2024 & 50% on October 31, 2025 | Redeemable in instalment's at par - 50% at end of 3285 days and 50% at end of 3650 days from the date of allotment |
| 8.71% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD S1 FY 2015-16. DATE OF MATURITY 31/10/2025 | 10,00,000 | November 3, 2015 | 5,063.33 | 8.99% p.a. | 50% on November 01, 2024 & 50% on October 31, 2025 | Redeemable in instalment's at par - 50% at end of 3285 days and 50% at end of 3650 days from the date of allotment |
| 8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C1 FY 2015-16. DATE OF MATURITY 17/10/2025 | 10,00,000 | October 19, 2015 | 1,557.04 | 8.77% p.a. | October 17, 2025 | Redeemable at par at end of 3651 days from the date of allotment |
| 8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025 | 10,00,000 | June 26, 2018 | 5,335.60 | 8.90% p.a. | June 26, 2025 | Redeemable at par at end of 2557 days from the date of allotment |
| 8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025 | 10,00,000 | June 26, 2018 | 106.73 | 8.90% p.a. | June 26, 2025 | Redeemable at par at end of 2557 days from the date of allotment |
| 7.69% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A3 FY 2020-21. MATURITY DATE - 25/04/2025 | 10,00,000 | April 28, 2020 | 2,675.47 | 7.69% p.a. | April 25, 2025 | Redeemable at par at end of 1823 days from the date of allotment |
| 8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024 | 10,00,000 | June 12, 2019 | 854.89 | 8.65% p.a. | June 12, 2024 | Redeemable at par at end of 1827 days from the date of allotment |
| 8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024 | 10,00,000 | June 12, 2019 | 2,671.53 | 8.65% p.a. | June 12, 2024 | Redeemable at par at end of 1827 days from the date of allotment |
| 8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024 | 10,00,000 | June 12, 2019 | 1,602.92 | 8.65% p.a. | June 12, 2024 | Redeemable at par at end of 1827 days from the date of allotment |
| 8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024 | 10,00,000 | June 12, 2019 | 1,602.92 | 8.65% p.a. | June 12, 2024 | Redeemable at par at end of 1827 days from the date of allotment |
| 8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024 | 10,00,000 | June 12, 2019 | 10,686.11 | 8.65% p.a. | June 12, 2024 | Redeemable at par at end of 1827 days from the date of allotment |
| 8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024 | 10,00,000 | June 12, 2019 | 1,068.61 | 8.65% p.a. | June 12, 2024 | Redeemable at par at end of 1827 days from the date of allotment |
| 8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024 | 10,00,000 | June 24, 2019 | 534.31 | 8.65% p.a. | June 12, 2024 | Redeemable at par at end of 1815 days from the date of allotment |



Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2021

| Series Details | Face Value Per Debenture | Date of Allotment | Amount | Interest Rate (%) | Date of Redemption | Redeemable Terms |
|---|--------------------------|-------------------|-----------|-------------------|--------------------|--|
| 8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024 | 10,00,000 | June 24, 2019 | 4,060.72 | 8.65% p.a. | June 12, 2024 | Redeemable at par at end of 1815 days from the date of allotment |
| 8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024 | 10,00,000 | June 24, 2019 | 320.58 | 8.65% p.a. | June 12, 2024 | Redeemable at par at end of 1815 days from the date of allotment |
| 8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024 | 10,00,000 | June 24, 2019 | 213.72 | 8.65% p.a. | June 12, 2024 | Redeemable at par at end of 1815 days from the date of allotment |
| 8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024 | 10,00,000 | June 24, 2019 | 14,960.55 | 8.65% p.a. | June 12, 2024 | Redeemable at par at end of 1815 days from the date of allotment |
| 8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024 | 10,00,000 | June 24, 2019 | 1,068.61 | 8.65% p.a. | June 12, 2024 | Redeemable at par at end of 1815 days from the date of allotment |
| 8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024 | 10,00,000 | June 28, 2019 | 10,643.97 | 8.65% p.a. | June 12, 2024 | Redeemable at par at end of 1811 days from the date of allotment |
| 8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024 | 10,00,000 | June 28, 2019 | 748.03 | 8.65% p.a. | June 12, 2024 | Redeemable at par at end of 1811 days from the date of allotment |
| 8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024 | 10,00,000 | June 28, 2019 | 534.31 | 8.65% p.a. | June 12, 2024 | Redeemable at par at end of 1811 days from the date of allotment |
| 8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024 | 10,00,000 | July 24, 2019 | 961.75 | 8.50% p.a. | June 12, 2024 | Redeemable at par at end of 1785 days from the date of allotment |
| 8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024 | 10,00,000 | July 24, 2019 | 8,228.31 | 8.50% p.a. | June 12, 2024 | Redeemable at par at end of 1785 days from the date of allotment |
| 8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024 | 10,00,000 | July 24, 2019 | 288.52 | 8.50% p.a. | June 12, 2024 | Redeemable at par at end of 1785 days from the date of allotment |
| 8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024 | 10,00,000 | July 24, 2019 | 1,068.61 | 8.50% p.a. | June 12, 2024 | Redeemable at par at end of 1785 days from the date of allotment |
| 6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD L3 FY 2020-21. MATURITY DATE - 28/03/2024 | 10,00,000 | March 31, 2021 | 41,994.44 | 6.15% p.a. | March 28, 2024 | Redeemable at par at end of 1093 days from the date of allotment |
| 5.9000% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD G1 FY 2020-21. MATURITY DATE - 29/12/2023 | 10,00,000 | October 22, 2020 | 33,848.68 | 5.90% p.a. | December 29, 2023 | Redeemable at par at end of 1163 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023 | 10,00,000 | December 21, 2018 | 2,561.63 | 9.15% p.a. | December 21, 2023 | Redeemable at par at end of 1826 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023 | 10,00,000 | December 21, 2018 | 2,049.30 | 9.15% p.a. | December 21, 2023 | Redeemable at par at end of 1826 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023 | 10,00,000 | December 21, 2018 | 1,536.98 | 9.15% p.a. | December 21, 2023 | Redeemable at par at end of 1826 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023 | 10,00,000 | December 21, 2018 | 1,024.65 | 9.15% p.a. | December 21, 2023 | Redeemable at par at end of 1826 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023 | 10,00,000 | December 27, 2018 | 409.86 | 9.10% p.a. | December 21, 2023 | Redeemable at par at end of 1820 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023 | 10,00,000 | December 27, 2018 | 512.33 | 9.10% p.a. | December 21, 2023 | Redeemable at par at end of 1820 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023 | 10,00,000 | December 27, 2018 | 717.26 | 9.10% p.a. | December 21, 2023 | Redeemable at par at end of 1820 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023 | 10,00,000 | December 27, 2018 | 2,561.63 | 9.10% p.a. | December 21, 2023 | Redeemable at par at end of 1820 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023 | 10,00,000 | December 27, 2018 | 2,561.63 | 9.10% p.a. | December 21, 2023 | Redeemable at par at end of 1820 days from the date of allotment |



Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2021

| Series Details | Face Value Per Debenture | Date of Allotment | Amount | Interest Rate (%) | Date of Redemption | Redeemable Terms |
|--|--------------------------|-------------------|-----------|-------------------|--------------------|--|
| 9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023 | 10,00,000 | December 27, 2018 | 1,024.65 | 9.10% p.a. | December 21, 2023 | Redeemable at par at end of 1820 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023 | 10,00,000 | December 27, 2018 | 512.33 | 9.10% p.a. | December 21, 2023 | Redeemable at par at end of 1820 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023 | 10,00,000 | January 7, 2019 | 512.33 | 9.00% p.a. | December 21, 2023 | Redeemable at par at end of 1809 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023 | 10,00,000 | January 7, 2019 | 102.47 | 9.00% p.a. | December 21, 2023 | Redeemable at par at end of 1809 days from the date of allotment |
| 9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023 | 10,00,000 | January 7, 2019 | 1,024.65 | 9.00% p.a. | December 21, 2023 | Redeemable at par at end of 1809 days from the date of allotment |
| 8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023 | 10,00,000 | July 27, 2018 | 1,575.56 | 8.90% p.a. | July 27, 2023 | Redeemable at par at end of 1826 days from the date of allotment |
| 8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023 | 10,00,000 | December 11, 2018 | 8,402.98 | 9.40% p.a. | July 27, 2023 | Redeemable at par at end of 1689 days from the date of allotment |
| 8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023 | 10,00,000 | December 11, 2018 | 525.19 | 9.40% p.a. | July 27, 2023 | Redeemable at par at end of 1689 days from the date of allotment |
| 8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023 | 10,00,000 | December 11, 2018 | 525.19 | 9.40% p.a. | July 27, 2023 | Redeemable at par at end of 1689 days from the date of allotment |
| 8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023 | 10,00,000 | December 11, 2018 | 525.19 | 9.40% p.a. | July 27, 2023 | Redeemable at par at end of 1689 days from the date of allotment |
| 8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023 | 10,00,000 | December 11, 2018 | 315.11 | 9.40% p.a. | July 27, 2023 | Redeemable at par at end of 1689 days from the date of allotment |
| 8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023 | 10,00,000 | December 11, 2018 | 2,625.93 | 9.40% p.a. | July 27, 2023 | Redeemable at par at end of 1689 days from the date of allotment |
| 8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023 | 10,00,000 | December 11, 2018 | 210.07 | 9.40% p.a. | July 27, 2023 | Redeemable at par at end of 1689 days from the date of allotment |
| 8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023 | 10,00,000 | December 11, 2018 | 1,050.37 | 9.40% p.a. | July 27, 2023 | Redeemable at par at end of 1689 days from the date of allotment |
| 8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023 | 10,00,000 | December 11, 2018 | 1,050.37 | 9.40% p.a. | July 27, 2023 | Redeemable at par at end of 1689 days from the date of allotment |
| 7.57% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A2 FY 2020-21. MATURITY DATE - 28/06/2023 | 10,00,000 | April 28, 2020 | 2,675.24 | 7.57% p.a. | June 28, 2023 | Redeemable at par at end of 1156 days from the date of allotment |
| 7.57% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A2 FY 2020-21. MATURITY DATE - 28/06/2023 | 10,00,000 | April 28, 2020 | 21,401.96 | 7.57% p.a. | June 28, 2023 | Redeemable at par at end of 1156 days from the date of allotment |
| 6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE - 30/05/2023 | 10,00,000 | February 25, 2021 | 5,028.15 | 6.15% p.a. | May 30, 2023 | Redeemable at par at end of 824 days from the date of allotment |
| 6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE - 30/05/2023 | 10,00,000 | February 25, 2021 | 5,028.15 | 6.15% p.a. | May 30, 2023 | Redeemable at par at end of 824 days from the date of allotment |
| 6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE - 30/05/2023 | 10,00,000 | February 25, 2021 | 10,056.30 | 6.15% p.a. | May 30, 2023 | Redeemable at par at end of 824 days from the date of allotment |
| 6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE - 30/05/2023 | 10,00,000 | February 25, 2021 | 10,056.30 | 6.15% p.a. | May 30, 2023 | Redeemable at par at end of 824 days from the date of allotment |
| 6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE - 30/05/2023 | 10,00,000 | February 25, 2021 | 30,168.91 | 6.15% p.a. | May 30, 2023 | Redeemable at par at end of 824 days from the date of allotment |
| 6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE - 30/05/2023 | 10,00,000 | February 25, 2021 | 2,514.08 | 6.15% p.a. | May 30, 2023 | Redeemable at par at end of 824 days from the date of allotment |



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Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2021

| Series Details | Face Value Per Debenture | Date of Allotment | Amount | Interest Rate (%) | Date of Redemption | Redeemable Terms |
|--|--------------------------|-------------------|-----------|--|--------------------|--|
| 6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE – 30/05/2023 | 10,00,000 | February 25, 2021 | 15,084.45 | 6.15% p.a. | May 30, 2023 | Redeemable at par at end of 824 days from the date of allotment |
| 7.75% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A1 FY 2020-21. MATURITY DATE – 17/05/2023 | 10,00,000 | April 17, 2020 | 9,663.05 | 7.75% p.a. | May 17, 2023 | Redeemable at par at end of 1125 days from the date of allotment |
| 7.75% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A1 FY 2020-21. MATURITY DATE – 17/05/2023 | 10,00,000 | April 17, 2020 | 6,978.87 | 7.75% p.a. | May 17, 2023 | Redeemable at par at end of 1125 days from the date of allotment |
| 7.75% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A1 FY 2020-21. MATURITY DATE – 17/05/2023 | 10,00,000 | April 17, 2020 | 2,684.18 | 7.75% p.a. | May 17, 2023 | Redeemable at par at end of 1125 days from the date of allotment |
| 7.75% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A1 FY 2020-21. MATURITY DATE – 17/05/2023 | 10,00,000 | April 17, 2020 | 2,684.18 | 7.75% p.a. | May 17, 2023 | Redeemable at par at end of 1125 days from the date of allotment |
| 3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L2' FY 2020-21-MATURITY DATE – 19/03/2023 | 10,00,000 | March 19, 2021 | 25,049.88 | 5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually) | March 17, 2023 | Redeemable at par at end of 728 days from the date of allotment |
| 3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L1' FY 2020-21-MATURITY DATE – 16/03/2023 | 10,00,000 | March 16, 2021 | 6,516.53 | 5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually) | March 16, 2023 | Redeemable at par at end of 730 days from the date of allotment |
| 3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L1' FY 2020-21-MATURITY DATE – 16/03/2023 | 10,00,000 | March 16, 2021 | 6,516.53 | 5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually) | March 16, 2023 | Redeemable at par at end of 730 days from the date of allotment |
| 3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L1' FY 2020-21-MATURITY DATE – 16/03/2023 | 10,00,000 | March 16, 2021 | 6,015.26 | 5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually) | March 16, 2023 | Redeemable at par at end of 730 days from the date of allotment |
| 3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L1' FY 2020-21-MATURITY DATE – 16/03/2023 | 10,00,000 | March 16, 2021 | 6,015.26 | 5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually) | March 16, 2023 | Redeemable at par at end of 730 days from the date of allotment |
| 3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L1' FY 2020-21-MATURITY DATE – 16/03/2023 | 10,00,000 | March 16, 2021 | 25,063.57 | 5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually) | March 16, 2023 | Redeemable at par at end of 730 days from the date of allotment |
| 7.75% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1. DATE OF MATURITY 09/12/2022 | 10,00,000 | December 4, 2019 | 7,680.61 | 7.75% p.a. | December 9, 2022 | Redeemable at par at end of 1101 days from the date of allotment |
| 7.75% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1. DATE OF MATURITY 09/12/2022 | 10,00,000 | December 4, 2019 | 5,120.41 | 7.75% p.a. | December 9, 2022 | Redeemable at par at end of 1101 days from the date of allotment |
| 7.75% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1. DATE OF MATURITY 09/12/2022 | 10,00,000 | December 4, 2019 | 2,560.20 | 7.75% p.a. | December 9, 2022 | Redeemable at par at end of 1101 days from the date of allotment |
| 8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD O1 FY 2015-16. DATE OF MATURITY 12/10/2022 | 10,00,000 | October 12, 2015 | 519.97 | 8.77% p.a. | October 12, 2022 | Redeemable at par at end of 2557 days from the date of allotment |
| 8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD O1 FY 2015-16. DATE OF MATURITY 12/10/2022 | 10,00,000 | October 12, 2015 | 519.97 | 8.77% p.a. | October 12, 2022 | Redeemable at par at end of 2557 days from the date of allotment |
| 8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD O1 FY 2015-16. DATE OF MATURITY 12/10/2022 | 10,00,000 | October 12, 2015 | 1,143.94 | 8.77% p.a. | October 12, 2022 | Redeemable at par at end of 2557 days from the date of allotment |
| 8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD N1 FY 2015-16. DATE OF MATURITY 07/10/2022 | 10,00,000 | October 7, 2015 | 4,164.60 | 8.77% p.a. | October 7, 2022 | Redeemable at par at end of 2557 days from the date of allotment |
| 8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD N1 FY 2015-16. DATE OF MATURITY 07/10/2022 | 10,00,000 | October 7, 2015 | 2,082.30 | 8.77% p.a. | October 7, 2022 | Redeemable at par at end of 2557 days from the date of allotment |



Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2021

| Series Details | Face Value Per Debenture | Date of Allotment | Amount | Interest Rate (%) | Date of Redemption | Redeemable Terms |
|--|--------------------------|--------------------|-----------|-------------------|--------------------|--|
| 8.85% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD L1 FY 2015-16. DATE OF MATURITY 09/09/2022 | 10,00,000 | September 10, 2015 | 2,096.17 | 8.85% p.a. | September 9, 2022 | Redeemable at par at end of 2556 days from the date of allotment |
| 7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD F1 FY 2017-18. DTE OF MATURITY 07/09/2022 | 10,00,000 | September 7, 2017 | 20,844.14 | 7.60% p.a. | September 7, 2022 | Redeemable at par at end of 1826 days from the date of allotment |
| 7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD F1 FY 2017-18. DTE OF MATURITY 07/09/2022 | 10,00,000 | September 7, 2017 | 13,027.59 | 7.60% p.a. | September 7, 2022 | Redeemable at par at end of 1826 days from the date of allotment |
| 7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E3 FY 2017-18. DTE OF MATURITY 18/08/2022 | 10,00,000 | August 18, 2017 | 10,463.98 | 7.60% p.a. | August 18, 2022 | Redeemable at par at end of 1826 days from the date of allotment |
| 7.70% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E2 FY 2017-18. DTE OF MATURITY 12/07/2022 | 10,00,000 | August 14, 2017 | 5,237.89 | 7.70% p.a. | August 12, 2022 | Redeemable at par at end of 1824 days from the date of allotment |
| 7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E4 FY 2017-18. DTE OF MATURITY 19/07/2022 | 10,00,000 | August 23, 2017 | 15,680.24 | 7.60% p.a. | July 19, 2022 | Redeemable at par at end of 1791 days from the date of allotment |
| 7.8% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C4 FY 2017-18. DATE OF MATURITY 29/06/2022 | 10,00,000 | June 29, 2017 | 21,163.75 | 7.80% p.a. | June 29, 2022 | Redeemable at par at end of 1826 days from the date of allotment |
| 7.80% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C3 FY 2017-18. DATE OF MATURITY 17/06/2022 | 10,00,000 | June 19, 2017 | 5,301.87 | 7.80% p.a. | June 17, 2022 | Redeemable at par at end of 1824 days from the date of allotment |
| 10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD 01 FY 2019-20. MATURITY DATE - 25/05/2022 | 10,00,000 | May 8, 2019 | 3,487.65 | 8.30% p.a. | May 25, 2022 | Redeemable at par at end of 1113 days from the date of allotment |
| 10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD B1 FY 2019-20. MATURITY DATE - 25/05/2022 | 10,00,000 | May 8, 2019 | 220.88 | 8.30% p.a. | May 25, 2022 | Redeemable at par at end of 1113 days from the date of allotment |
| 10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD B1 FY 2019-20. MATURITY DATE - 25/05/2022 | 10,00,000 | May 8, 2019 | 581.27 | 8.30% p.a. | May 25, 2022 | Redeemable at par at end of 1113 days from the date of allotment |
| 10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD B1 FY 2019-20. MATURITY DATE - 25/05/2022 | 10,00,000 | May 8, 2019 | 116.25 | 8.30% p.a. | May 25, 2022 | Redeemable at par at end of 1113 days from the date of allotment |
| 6.7834% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2020-21. MATURITY DATE - 26/04/2022 | 10,00,000 | June 26, 2020 | 26,294.50 | 6.78% p.a. | April 26, 2022 | Redeemable at par at end of 669 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | October 26, 2018 | 7,498.59 | 9.50% p.a. | April 8, 2022 | Redeemable at par at end of 1260 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | October 26, 2018 | 737.36 | 9.50% p.a. | April 8, 2022 | Redeemable at par at end of 1260 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | October 26, 2018 | 624.88 | 9.50% p.a. | April 8, 2022 | Redeemable at par at end of 1260 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | October 26, 2018 | 3,124.41 | 9.50% p.a. | April 8, 2022 | Redeemable at par at end of 1260 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | October 26, 2018 | 2,874.46 | 9.50% p.a. | April 8, 2022 | Redeemable at par at end of 1260 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | October 26, 2018 | 1,749.67 | 9.50% p.a. | April 8, 2022 | Redeemable at par at end of 1260 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | October 26, 2018 | 1,624.69 | 9.50% p.a. | April 8, 2022 | Redeemable at par at end of 1260 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | October 26, 2018 | 262.45 | 9.50% p.a. | April 8, 2022 | Redeemable at par at end of 1260 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | October 26, 2018 | 1,249.76 | 9.50% p.a. | April 8, 2022 | Redeemable at par at end of 1260 days from the date of allotment |



Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2021

| Series Details | Face Value Per Debenture | Date of Allotment | Amount | Interest Rate (%) | Date of Redemption | Redeemable Terms |
|--|--------------------------|-------------------|-----------|-------------------|--------------------|--|
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | October 26, 2018 | 124.98 | 9.50% p.a. | April 8, 2022 | Redeemable at par at end of 1260 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | November 6, 2018 | 1,112.29 | 9.50% p.a. | April 8, 2022 | Redeemable at par at end of 1249 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | November 6, 2018 | 799.85 | 9.50% p.a. | April 8, 2022 | Redeemable at par at end of 1249 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | November 6, 2018 | 324.94 | 9.50% p.a. | April 8, 2022 | Redeemable at par at end of 1249 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | December 11, 2018 | 624.88 | 9.40% p.a. | April 8, 2022 | Redeemable at par at end of 1214 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | December 11, 2018 | 5,498.97 | 9.40% p.a. | April 8, 2022 | Redeemable at par at end of 1214 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | December 11, 2018 | 474.91 | 9.40% p.a. | April 8, 2022 | Redeemable at par at end of 1214 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | December 11, 2018 | 2,499.53 | 9.40% p.a. | April 8, 2022 | Redeemable at par at end of 1214 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | December 11, 2018 | 2,187.09 | 9.40% p.a. | April 8, 2022 | Redeemable at par at end of 1214 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | December 11, 2018 | 2,187.09 | 9.40% p.a. | April 8, 2022 | Redeemable at par at end of 1214 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | December 11, 2018 | 1,249.76 | 9.40% p.a. | April 8, 2022 | Redeemable at par at end of 1214 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | December 11, 2018 | 149.97 | 9.40% p.a. | April 8, 2022 | Redeemable at par at end of 1214 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | December 27, 2018 | 6,248.82 | 9.15% p.a. | April 8, 2022 | Redeemable at par at end of 1198 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | January 7, 2019 | 2,124.60 | 8.90% p.a. | April 8, 2022 | Redeemable at par at end of 1187 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | January 7, 2019 | 1,249.76 | 8.90% p.a. | April 8, 2022 | Redeemable at par at end of 1187 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | January 7, 2019 | 624.88 | 8.90% p.a. | April 8, 2022 | Redeemable at par at end of 1187 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | January 25, 2019 | 687.37 | 8.90% p.a. | April 8, 2022 | Redeemable at par at end of 1169 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | January 25, 2019 | 499.91 | 8.90% p.a. | April 8, 2022 | Redeemable at par at end of 1169 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | January 25, 2019 | 2,499.53 | 8.90% p.a. | April 8, 2022 | Redeemable at par at end of 1169 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | January 25, 2019 | 124.98 | 8.90% p.a. | April 8, 2022 | Redeemable at par at end of 1169 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022 | 10,00,000 | April 25, 2019 | 9,373.24 | 8.47% p.a. | April 8, 2022 | Redeemable at par at end of 1079 days from the date of allotment |
| 8% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD L 5 FY 2016-17. DATE OF MATURITY 24/03/2022 | 10,00,000 | March 24, 2017 | 14,023.17 | 8.00% p.a. | March 24, 2022 | Redeemable at par at end of 1826 days from the date of allotment |
| 8% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD L 4 FY 2016-17. DATE OF MATURITY 18/03/2022 | 10,00,000 | March 20, 2017 | 20,052.27 | 8.00% p.a. | March 18, 2022 | Redeemable at par at end of 1824 days from the date of allotment |



Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2021

| Series Details | Face Value Per Debenture | Date of Allotment | Amount | Interest Rate (%) | Date of Redemption | Redeemable Terms |
|--|--------------------------|-------------------|-----------|-------------------|--------------------|--|
| 9.4750% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G8 FY 2018-19. DATE OF MATURITY 18/03/2022 | 10,00,000 | October 31, 2018 | 501.82 | 9.50% p.a. | March 18, 2022 | Redeemable at par at end of 1234 days from the date of allotment |
| 9.4750% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G8 FY 2018-19. DATE OF MATURITY 18/03/2022 | 10,00,000 | October 31, 2018 | 10,036.34 | 9.50% p.a. | March 18, 2022 | Redeemable at par at end of 1234 days from the date of allotment |
| 9.4750% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G8 FY 2018-19. DATE OF MATURITY 18/03/2022 | 10,00,000 | October 31, 2018 | 1,003.63 | 9.50% p.a. | March 18, 2022 | Redeemable at par at end of 1234 days from the date of allotment |
| 8% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD L 3 FY 2016-17. DATE OF MATURITY 10/03/2022 | 10,00,000 | March 10, 2017 | 25,116.23 | 8.00% p.a. | March 10, 2022 | Redeemable at par at end of 1826 days from the date of allotment |
| 7.7937% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD I FY 2017-18. DATE OF MATURITY 28/02/2022 | 10,00,000 | December 28, 2017 | 25,166.24 | 7.80% p.a. | February 28, 2022 | Redeemable at par at end of 1523 days from the date of allotment |
| 9.15% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD AK FY 2014-15. DATE OF MATURITY 13/01/2022 | 10,00,000 | January 13, 2015 | 1,016.95 | 9.15% p.a. | January 13, 2022 | Redeemable at par at end of 2557 days from the date of allotment |
| 9.15% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD AK FY 2014-15. DATE OF MATURITY 13/01/2022 | 10,00,000 | December 11, 2018 | 6,101.70 | 9.40% p.a. | January 13, 2022 | Redeemable at par at end of 1129 days from the date of allotment |
| 9.15% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD AK FY 2014-15. DATE OF MATURITY 13/01/2022 | 10,00,000 | December 11, 2018 | 5,084.75 | 9.40% p.a. | January 13, 2022 | Redeemable at par at end of 1129 days from the date of allotment |
| 9.15% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD AK FY 2014-15. DATE OF MATURITY 13/01/2022 | 10,00,000 | December 11, 2018 | 508.47 | 9.40% p.a. | January 13, 2022 | Redeemable at par at end of 1129 days from the date of allotment |
| 9.15% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD AK FY 2014-15. DATE OF MATURITY 13/01/2022 | 10,00,000 | December 11, 2018 | 15,254.24 | 9.40% p.a. | January 13, 2022 | Redeemable at par at end of 1129 days from the date of allotment |
| 9.15% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD AK FY 2014-15. DATE OF MATURITY 13/01/2022 | 10,00,000 | December 11, 2018 | 1,525.42 | 9.40% p.a. | January 13, 2022 | Redeemable at par at end of 1129 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021 | 10,00,000 | October 26, 2018 | 623.47 | 9.50% p.a. | October 12, 2021 | Redeemable at par at end of 1082 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021 | 10,00,000 | October 26, 2018 | 623.47 | 9.50% p.a. | October 12, 2021 | Redeemable at par at end of 1082 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021 | 10,00,000 | October 26, 2018 | 586.06 | 9.50% p.a. | October 12, 2021 | Redeemable at par at end of 1082 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021 | 10,00,000 | October 26, 2018 | 498.78 | 9.50% p.a. | October 12, 2021 | Redeemable at par at end of 1082 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021 | 10,00,000 | October 26, 2018 | 374.08 | 9.50% p.a. | October 12, 2021 | Redeemable at par at end of 1082 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021 | 10,00,000 | October 26, 2018 | 324.21 | 9.50% p.a. | October 12, 2021 | Redeemable at par at end of 1082 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021 | 10,00,000 | October 26, 2018 | 299.27 | 9.50% p.a. | October 12, 2021 | Redeemable at par at end of 1082 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021 | 10,00,000 | October 26, 2018 | 249.39 | 9.50% p.a. | October 12, 2021 | Redeemable at par at end of 1082 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021 | 10,00,000 | October 26, 2018 | 1,621.03 | 9.50% p.a. | October 12, 2021 | Redeemable at par at end of 1082 days from the date of allotment |



Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2021

| Series Details | Face Value Per Debenture | Date of Allotment | Amount | Interest Rate (%) | Date of Redemption | Redeemable Terms |
|--|--------------------------|-------------------|-----------|-------------------|--------------------|--|
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021 | 10,00,000 | October 26, 2018 | 1,496.34 | 9.50% p.a. | October 12, 2021 | Redeemable at par at end of 1082 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021 | 10,00,000 | October 26, 2018 | 1,246.95 | 9.50% p.a. | October 12, 2021 | Redeemable at par at end of 1082 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021 | 10,00,000 | October 26, 2018 | 187.04 | 9.50% p.a. | October 12, 2021 | Redeemable at par at end of 1082 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021 | 10,00,000 | October 26, 2018 | 124.69 | 9.50% p.a. | October 12, 2021 | Redeemable at par at end of 1082 days from the date of allotment |
| 8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD C3 FY 2018-19. DATE OF MATURITY 24/09/2021 | 10,00,000 | June 26, 2018 | 2,668.74 | 8.91% p.a. | September 24, 2021 | Redeemable at par at end of 1196 days from the date of allotment |
| 8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD C3 FY 2018-19. DATE OF MATURITY 24/09/2021 | 10,00,000 | July 6, 2018 | 3,202.48 | 8.91% p.a. | September 24, 2021 | Redeemable at par at end of 1176 days from the date of allotment |
| 8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD C3 FY 2018-19. DATE OF MATURITY 24/09/2021 | 10,00,000 | July 6, 2018 | 2,668.74 | 8.91% p.a. | September 24, 2021 | Redeemable at par at end of 1176 days from the date of allotment |
| 8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD C3 FY 2018-19. DATE OF MATURITY 24/09/2021 | 10,00,000 | August 9, 2018 | 3,202.48 | 8.81% p.a. | September 24, 2021 | Redeemable at par at end of 1142 days from the date of allotment |
| 8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD C3 FY 2018-19. DATE OF MATURITY 24/09/2021 | 10,00,000 | August 9, 2018 | 2,134.99 | 8.81% p.a. | September 24, 2021 | Redeemable at par at end of 1142 days from the date of allotment |
| 8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD C3 FY 2018-19. DATE OF MATURITY 24/09/2021 | 10,00,000 | September 4, 2018 | 16,012.42 | 8.81% p.a. | September 24, 2021 | Redeemable at par at end of 1116 days from the date of allotment |
| 8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD C3 FY 2018-19. DATE OF MATURITY 24/09/2021 | 10,00,000 | September 4, 2018 | 5,337.47 | 8.81% p.a. | September 24, 2021 | Redeemable at par at end of 1116 days from the date of allotment |
| 8.90% XIRR SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD X3 FY 2015-16. DATE OF MATURITY 23/08/2021 | 10,00,000 | March 9, 2016 | 308.02 | 8.90% p.a. | August 23, 2021 | Redeemable at par at end of 1993 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD G7 FY 2018-19. DATE OF MATURITY 16/08/2021 | 10,00,000 | October 31, 2018 | 5,604.48 | 9.50% p.a. | August 16, 2021 | Redeemable at par at end of 1020 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD G7 FY 2018-19. DATE OF MATURITY 16/08/2021 | 10,00,000 | October 31, 2018 | 12,454.41 | 9.50% p.a. | August 16, 2021 | Redeemable at par at end of 1020 days from the date of allotment |
| 8.81% XIRR SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD E1 FY 2018-19. DATE OF MATURITY 26/07/2021 | 10,00,000 | August 3, 2018 | 1,064.25 | 8.81% p.a. | July 26, 2021 | Redeemable at par at end of 1088 days from the date of allotment |
| 8.81% XIRR SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD E1 FY 2018-19. DATE OF MATURITY 26/07/2021 | 10,00,000 | August 3, 2018 | 813.84 | 8.81% p.a. | July 26, 2021 | Redeemable at par at end of 1088 days from the date of allotment |
| 8.81% XIRR SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD E1 FY 2018-19. DATE OF MATURITY 26/07/2021 | 10,00,000 | August 3, 2018 | 3,130.16 | 8.81% p.a. | July 26, 2021 | Redeemable at par at end of 1088 days from the date of allotment |
| 8.81% XIRR SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD E1 FY 2018-19. DATE OF MATURITY 26/07/2021 | 10,00,000 | August 3, 2018 | 2,754.54 | 8.81% p.a. | July 26, 2021 | Redeemable at par at end of 1088 days from the date of allotment |
| 8.81% XIRR SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD E1 FY 2018-19. DATE OF MATURITY 26/07/2021 | 10,00,000 | August 3, 2018 | 1,752.89 | 8.81% p.a. | July 26, 2021 | Redeemable at par at end of 1088 days from the date of allotment |
| 8.90% XIRR SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD X2 FY 2015-16. DATE OF MATURITY 23/07/2021 | 10,00,000 | March 9, 2016 | 539.04 | 8.90% p.a. | July 23, 2021 | Redeemable at par at end of 1962 days from the date of allotment |
| T-BILL LINKED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD D1 FY 2018-19. DATE OF MATURITY 20/07/2021 | 10,00,000 | July 20, 2018 | 10,594.34 | 8.58% p.a. | July 20, 2021 | Redeemable at par at end of 1096 days from the date of allotment |



Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2021

| Series Details | Face Value Per Debenture | Date of Allotment | Amount | Interest Rate (%) | Date of Redemption | Redeemable Terms |
|--|--------------------------|-------------------|-----------|-------------------|--------------------|--|
| T-BILL LINKED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D1 FY 2018-19. DATE OF MATURITY 20/07/2021 | 10,00,000 | July 20, 2018 | 16,950.95 | 6.58% p.a. | July 20, 2021 | Redeemable at par at end of 1095 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C2 FY 2018-19. DATE OF MATURITY 25/06/2021 | 10,00,000 | June 26, 2018 | 44,312.33 | 8.90% p.a. | June 25, 2021 | Redeemable at par at end of 1095 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C2 FY 2018-19. DATE OF MATURITY 25/06/2021 | 10,00,000 | June 26, 2018 | 12,660.67 | 8.90% p.a. | June 25, 2021 | Redeemable at par at end of 1095 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C2 FY 2018-19. DATE OF MATURITY 25/06/2021 | 10,00,000 | July 6, 2018 | 2,342.22 | 8.90% p.a. | June 25, 2021 | Redeemable at par at end of 1085 days from the date of allotment |
| 8.75% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C4 FY 2016-17. DATE OF MATURITY 24/06/2021 | 10,00,000 | June 24, 2016 | 5,333.54 | 8.75% p.a. | June 24, 2021 | Redeemable at par at end of 1826 days from the date of allotment |
| 8.70% XIRR SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD U2 FY 2015-16. DATE OF MATURITY 10/06/2021 | 10,00,000 | January 7, 2016 | 2,321.48 | 8.71% p.a. | June 10, 2021 | Redeemable at par at end of 1981 days from the date of allotment |
| 8.67% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C1 FY 2016-17. DATE OF MATURITY 02/06/2021 | 10,00,000 | June 2, 2016 | 535.99 | 8.67% p.a. | June 2, 2021 | Redeemable at par at end of 1826 days from the date of allotment |
| 8.67% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C1 FY 2016-17. DATE OF MATURITY 02/06/2021 | 10,00,000 | June 12, 2019 | 1,071.99 | 8.10% p.a. | June 2, 2021 | Redeemable at par at end of 721 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021 | 10,00,000 | May 18, 2018 | 50,635.05 | 6.55% p.a. | May 18, 2021 | Redeemable at par at end of 1096 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021 | 10,00,000 | September 7, 2018 | 860.80 | 8.75% p.a. | May 18, 2021 | Redeemable at par at end of 984 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021 | 10,00,000 | September 7, 2018 | 734.21 | 8.75% p.a. | May 18, 2021 | Redeemable at par at end of 984 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021 | 10,00,000 | September 7, 2018 | 430.40 | 8.75% p.a. | May 18, 2021 | Redeemable at par at end of 984 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021 | 10,00,000 | September 7, 2018 | 367.10 | 8.75% p.a. | May 18, 2021 | Redeemable at par at end of 984 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021 | 10,00,000 | September 7, 2018 | 303.81 | 8.75% p.a. | May 18, 2021 | Redeemable at par at end of 984 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021 | 10,00,000 | September 7, 2018 | 1,734.25 | 8.75% p.a. | May 18, 2021 | Redeemable at par at end of 984 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021 | 10,00,000 | September 7, 2018 | 240.52 | 8.75% p.a. | May 18, 2021 | Redeemable at par at end of 984 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021 | 10,00,000 | September 7, 2018 | 240.52 | 8.75% p.a. | May 18, 2021 | Redeemable at par at end of 984 days from the date of allotment |
| ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021 | 10,00,000 | September 7, 2018 | 177.22 | 8.75% p.a. | May 18, 2021 | Redeemable at par at end of 984 days from the date of allotment |
| 8.75% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B4 FY 2016-17. DATE OF MATURITY 06/05/2021 | 10,00,000 | May 6, 2016 | 1,078.96 | 8.75% p.a. | May 6, 2021 | Redeemable at par at end of 1826 days from the date of allotment |
| 8.75% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B4 FY 2016-17. DATE OF MATURITY 06/05/2021 | 10,00,000 | May 6, 2016 | 1,078.96 | 8.75% p.a. | May 6, 2021 | Redeemable at par at end of 1826 days from the date of allotment |
| 8.75% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B4 FY 2016-17. DATE OF MATURITY 06/05/2021 | 10,00,000 | May 6, 2016 | 431.58 | 8.75% p.a. | May 6, 2021 | Redeemable at par at end of 1826 days from the date of allotment |
| 8.75% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B4 FY 2016-17. DATE OF MATURITY 06/05/2021 | 10,00,000 | May 6, 2016 | 1,618.44 | 8.75% p.a. | May 6, 2021 | Redeemable at par at end of 1826 days from the date of allotment |
| 8.75% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B4 FY 2016-17. DATE OF MATURITY 06/05/2021 | 10,00,000 | May 31, 2019 | 10,789.59 | 8.45% p.a. | May 6, 2021 | Redeemable at par at end of 706 days from the date of allotment |



Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2021

| Series Details | Face Value Per Debenture | Date of Allotment | Amount | Interest Rate (%) | Date of Redemption | Redeemable Terms |
|--|--------------------------|-------------------|---------------------|-------------------|--------------------|--|
| 8.75% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD B4 FY 2016-17, DATE OF MATURITY 06/05/2021 | 10,00,000 | May 31, 2019 | 5,394.79 | 8.45% p.a. | May 6, 2021 | Redeemable at par at end of 706 days from the date of allotment |
| 10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE, SERIES PPMIL K1 FY 2018-19, MATURITY DATE - 04/05/2021 | 10,00,000 | February 14, 2019 | 5,972.76 | 8.70% p.a. | May 4, 2021 | Redeemable at par at end of 810 days from the date of allotment |
| 10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE, SERIES PPMIL K1 FY 2018-19, MATURITY DATE - 04/05/2021 | 10,00,000 | April 26, 2019 | 1,791.83 | 8.15% p.a. | May 4, 2021 | Redeemable at par at end of 739 days from the date of allotment |
| 10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE, SERIES PPMIL K1 FY 2018-19, MATURITY DATE - 04/05/2021 | 10,00,000 | April 26, 2019 | 597.28 | 8.15% p.a. | May 4, 2021 | Redeemable at par at end of 739 days from the date of allotment |
| 10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE, SERIES PPMIL K1 FY 2018-19, MATURITY DATE - 04/05/2021 | 10,00,000 | April 26, 2019 | 597.28 | 8.15% p.a. | May 4, 2021 | Redeemable at par at end of 739 days from the date of allotment |
| 10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE, SERIES PPMIL K1 FY 2018-19, MATURITY DATE - 04/05/2021 | 10,00,000 | April 26, 2019 | 1,314.01 | 8.15% p.a. | May 4, 2021 | Redeemable at par at end of 739 days from the date of allotment |
| 10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE, SERIES PPMIL K1 FY 2018-19, MATURITY DATE - 04/05/2021 | 10,00,000 | April 26, 2019 | 238.91 | 8.15% p.a. | May 4, 2021 | Redeemable at par at end of 739 days from the date of allotment |
| 10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE, SERIES PPMIL K1 FY 2018-19, MATURITY DATE - 04/05/2021 | 10,00,000 | May 16, 2019 | 1,564.86 | 8.15% p.a. | May 4, 2021 | Redeemable at par at end of 719 days from the date of allotment |
| 10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE, SERIES PPMIL K1 FY 2018-19, MATURITY DATE - 04/05/2021 | 10,00,000 | May 16, 2019 | 1,194.55 | 8.15% p.a. | May 4, 2021 | Redeemable at par at end of 719 days from the date of allotment |
| 10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE, SERIES PPMIL K1 FY 2018-19, MATURITY DATE - 04/05/2021 | 10,00,000 | May 16, 2019 | 119.46 | 8.15% p.a. | May 4, 2021 | Redeemable at par at end of 719 days from the date of allotment |
| 8.70% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD A3 FY 2016-17, DATE OF MATURITY 12/04/2021 | 10,00,000 | April 12, 2016 | 1,084.23 | 8.70% p.a. | April 9, 2021 | Redeemable at par at end of 1823 days from the date of allotment |
| Total | | | 13,32,116.41 | | | |

Note 20(b): Redeemable non-convertible debentures (Unsecured) as on 31 March, 2021

| Series Details | Face Value Per Debenture | Date of Allotment | Amount | Interest Rate (%) | Date of Redemption | Redeemable Terms |
|---|--------------------------|-------------------|----------|-------------------|--------------------|--|
| 7.57% UNSECURED RATED LISTED REDEEMABLE NON CONVERTIBLE PARTLY PAID DEBENTURES, SERIES ABFL NCD 'EPI' FY 2020-21, DATE OF MATURITY 03/08/2035 | 1,60,000 | August 6, 2020 | 5,821.46 | 7.57% p.a. | August 3, 2035 | Redeemable at par at end of 5475 days from the date of allotment |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 20(c): Commercial papers (Unsecured) as at 31 March, 2022

| Series Details | Face Value Per Debenture | Date of Allotment | Amount | Interest Rate (%) | Date of Redemption | Redeemable Terms |
|--------------------|--------------------------|-------------------|--------------------|-------------------|--------------------|---|
| ABFL/2021-22/CP201 | 5,00,000 | 14 February, 2022 | 19,153.81 | 5.10% | 10 February, 2023 | Redeemable at par at end of 361 days from the date of allotment |
| ABFL/2021-22/CP196 | 5,00,000 | 07 January, 2022 | 9,636.28 | 4.91% | 06 January, 2023 | Redeemable at par at end of 354 days from the date of allotment |
| ABFL/2021-22/CP195 | 5,00,000 | 04 January, 2022 | 19,280.35 | 4.91% | 03 January, 2023 | Redeemable at par at end of 364 days from the date of allotment |
| ABFL/2021-22/CP204 | 5,00,000 | 18 February, 2022 | 2,410.77 | 4.97% | 27 December, 2022 | Redeemable at par at end of 312 days from the date of allotment |
| ABFL/2021-22/CP169 | 5,00,000 | 16 December, 2021 | 14,507.95 | 4.85% | 12 December, 2022 | Redeemable at par at end of 361 days from the date of allotment |
| ABFL/2021-22/CP204 | 5,00,000 | 18 February, 2022 | 14,540.01 | 4.97% | 18 November, 2022 | Redeemable at par at end of 273 days from the date of allotment |
| ABFL/2021-22/CP092 | 5,00,000 | 26 October, 2021 | 19,511.90 | 4.50% | 21 October, 2022 | Redeemable at par at end of 360 days from the date of allotment |
| ABFL/2021-22/CP041 | 5,00,000 | 12 July, 2021 | 4,942.40 | 4.40% | 07 July, 2022 | Redeemable at par at end of 360 days from the date of allotment |
| ABFL/2021-22/CP208 | 5,00,000 | 15 March, 2022 | 32,206.78 | 4.40% | 14 June, 2022 | Redeemable at par at end of 91 days from the date of allotment |
| ABFL/2021-22/CP206 | 5,00,000 | 24 February, 2022 | 54,678.17 | 4.27% | 20 May, 2022 | Redeemable at par at end of 85 days from the date of allotment |
| ABFL/2021-22/CP201 | 5,00,000 | 14 February, 2022 | 59,719.04 | 4.28% | 10 May, 2022 | Redeemable at par at end of 85 days from the date of allotment |
| ABFL/2021-22/CP168 | 5,00,000 | 07 December, 2021 | 62,941.52 | 4.25% | 08 April, 2022 | Redeemable at par at end of 122 days from the date of allotment |
| Total | | | 3,13,528.98 | | | |



Aditya Birla Finance Limited

Notes to the Financial Statements (continued)

As at 31 March, 2022

(Currency: ₹ in Lakhs except otherwise stated)

Note 20(c): Commercial papers (Unsecured) as at 31 March, 2021

| Series Details | Face Value Per Debenture | Date of Allotment | Amount | Interest Rate (%) | Date of Redemption | Redeemable Terms |
|--------------------|--------------------------|--------------------|--------------------|-------------------|--------------------|---|
| ABFL/2020-21/CP141 | 5,00,000 | 24 March, 2021 | 4,782.96 | 4.70% | 18 March, 2022 | Redeemable at par at end of 359 days from the date of allotment |
| ABFL/2020-21/CP142 | 5,00,000 | 30 March, 2021 | 4,793.83 | 4.45% | 18 March, 2022 | Redeemable at par at end of 353 days from the date of allotment |
| ABFL/2020-21/CP143 | 5,00,000 | 31 March, 2021 | 4,793.80 | 4.45% | 18 March, 2022 | Redeemable at par at end of 352 days from the date of allotment |
| ABFL/2020-21/CP100 | 5,00,000 | 23 February, 2021 | 9,661.75 | 4.65% | 31 December, 2021 | Redeemable at par at end of 311 days from the date of allotment |
| ABFL/2020-21/CP101 | 5,00,000 | 23 February, 2021 | 4,830.87 | 4.65% | 31 December, 2021 | Redeemable at par at end of 311 days from the date of allotment |
| ABFL/2020-21/CP073 | 5,00,000 | 22 December, 2020 | 4,854.58 | 4.22% | 17 December, 2021 | Redeemable at par at end of 360 days from the date of allotment |
| ABFL/2020-21/CP074 | 5,00,000 | 22 December, 2020 | 4,854.58 | 4.22% | 17 December, 2021 | Redeemable at par at end of 360 days from the date of allotment |
| ABFL/2020-21/CP019 | 5,00,000 | 09 September, 2020 | 19,605.00 | 4.67% | 08 September, 2021 | Redeemable at par at end of 364 days from the date of allotment |
| ABFL/2020-21/CP010 | 5,00,000 | 10 July, 2020 | 49,574.33 | 4.99% | 04 June, 2021 | Redeemable at par at end of 329 days from the date of allotment |
| ABFL/2020-21/CP009 | 5,00,000 | 29 May, 2020 | 24,780.20 | 5.80% | 28 May, 2021 | Redeemable at par at end of 364 days from the date of allotment |
| ABFL/2020-21/CP097 | 5,00,000 | 16 February, 2021 | 49,772.33 | 3.78% | 14 May, 2021 | Redeemable at par at end of 87 days from the date of allotment |
| ABFL/2020-21/CP098 | 5,00,000 | 16 February, 2021 | 4,977.23 | 3.78% | 14 May, 2021 | Redeemable at par at end of 87 days from the date of allotment |
| ABFL/2020-21/CP099 | 5,00,000 | 17 February, 2021 | 24,888.47 | 3.70% | 14 May, 2021 | Redeemable at par at end of 86 days from the date of allotment |
| ABFL/2020-21/CP053 | 5,00,000 | 19 November, 2020 | 12,959.84 | 3.81% | 30 April, 2021 | Redeemable at par at end of 162 days from the date of allotment |
| ABFL/2020-21/CP054 | 5,00,000 | 19 November, 2020 | 4,984.55 | 3.81% | 30 April, 2021 | Redeemable at par at end of 162 days from the date of allotment |
| ABFL/2020-21/CP076 | 5,00,000 | 22 January, 2021 | 24,942.21 | 3.85% | 22 April, 2021 | Redeemable at par at end of 90 days from the date of allotment |
| ABFL/2020-21/CP077 | 5,00,000 | 22 January, 2021 | 24,942.21 | 3.85% | 22 April, 2021 | Redeemable at par at end of 90 days from the date of allotment |
| ABFL/2020-21/CP075 | 5,00,000 | 15 January, 2021 | 39,938.43 | 3.75% | 15 April, 2021 | Redeemable at par at end of 90 days from the date of allotment |
| Total | | | 3,19,937.17 | | | |



Note 21: Borrowings other than debt securities

| Particulars | As at 31 March, 2022 | | | | As at 31 March, 2021 | | | |
|---|----------------------|---|--|---------------------|----------------------|---|--|---------------------|
| | Amortised cost | At fair value through profit and loss account | Designated at fair value through profit and loss account | Total | Amortised cost | At fair value through profit and loss account | Designated at fair value through profit and loss account | Total |
| Term Loan from Banks (Secured) | 21,00,005.16 | - | - | 21,00,005.16 | 17,57,030.47 | - | - | 17,57,030.47 |
| Cash Credit from Banks (Secured) | 26,262.23 | - | - | 26,262.23 | - | - | - | - |
| External Commercial Borrowings from foreign banks (secured) | 2,41,699.63 | - | - | 2,41,699.63 | 2,48,525.21 | - | - | 2,48,525.21 |
| Bank Overdraft | 1,84,848.14 | - | - | 1,84,848.14 | 1,36,392.15 | - | - | 1,36,392.15 |
| Working Capital Demand Loan from Bank (Secured) | 2,18,899.88 | - | - | 2,18,899.88 | 1,03,512.25 | - | - | 1,03,512.25 |
| Total | 27,71,715.04 | - | - | 27,71,715.04 | 22,45,460.08 | - | - | 22,45,460.08 |
| Borrowings in India | 25,30,015.41 | - | - | 25,30,015.41 | 19,96,934.87 | - | - | 19,96,934.87 |
| Borrowings outside India | 2,41,699.63 | - | - | 2,41,699.63 | 2,48,525.21 | - | - | 2,48,525.21 |
| Total | 27,71,715.04 | - | - | 27,71,715.04 | 22,45,460.08 | - | - | 22,45,460.08 |

Note:

- The above figures are including interest accrued but not due on borrowings.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 21(a): Term Loan from Banks as at 31 March, 2022 : Secured

| Repayment Term | Tenure | Interest Range | Amount |
|----------------|---------------|----------------|---------------------|
| Bullet | Up to 5 years | Up to 7.00% | 1,48,840.16 |
| | | 7.01% - 8.00% | 1,67,378.68 |
| Annually | Up to 5 years | Up to 7.00% | 2,81,570.31 |
| | | 7.01% - 8.00% | 1,23,888.39 |
| Half Yearly | Up to 5 years | Up to 7.00% | 3,01,658.18 |
| | | 7.01% - 8.00% | 3,42,180.96 |
| | Above 5 Years | Up to 7.00% | 1,22,735.57 |
| Quarterly | Up to 5 years | Up to 7.00% | 4,26,022.84 |
| | | 7.01% - 8.00% | 94,294.29 |
| | Above 5 Years | 7.01% - 8.00% | 14,163.32 |
| Monthly | Up to 5 years | Up to 7.00% | 77,272.46 |
| Total | | | 21,00,005.16 |

Nature of Security: Term Loan from Bank is secured by hypothecation of receivables .

Note 21(b): External Commercial Borrowings as at 31 March, 2022 : Secured

| Repayment Term | Tenure | Interest Range | Amount |
|----------------|---------------|----------------|--------------------|
| Bullet | Up to 5 years | Up to 7.00% | 22,741.50 |
| | | 7.01% - 8.00% | 1,17,554.55 |
| | Above 5 Years | Up to 7.00% | 1,01,403.58 |
| Total | | | 2,41,699.63 |

Nature of Security: External Commercial Borrowings Loan is secured by hypothecation of receivables.

Note 21(c): Loan repayable on Demand from Banks as at 31 March, 2022: Secured

| Nature | Repayment Term | Tenure | Interest Range | Amount |
|-----------------------------|----------------|---------------|----------------|--------------------|
| Working Capital Demand Loan | Bullet | Up to 5 years | Upto 7.00% | 2,18,899.88 |
| Cash Credit | Bullet | Up to 5 years | 7.01% - 8.00% | 26,262.23 |
| Total | | | | 2,45,162.11 |

Nature of Security: Loan repayable on demand from Bank is secured by hypothecation of receivables.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 21(a): Term Loan from Banks as at 31 March, 2021 : Secured

| Repayment Term | Tenure | Interest Range | Amount |
|----------------|---------------|----------------|---------------------|
| Bullet | Up to 5 years | Up to 7.00% | 1,02,890.61 |
| | | 7.01% - 8.00% | 2,98,243.66 |
| Annually | Up to 5 years | Up to 7.00% | 10,071.36 |
| | | 7.01% - 8.00% | 3,61,583.08 |
| Half Yearly | Up to 5 years | Up to 7.00% | 25,114.25 |
| | Above 5 Years | Up to 7.00% | 50,000.00 |
| | | 7.01% - 8.00% | 3,67,201.33 |
| Quarterly | Up to 5 years | Up to 7.00% | 1,40,284.32 |
| | | 7.01% - 8.00% | 3,31,914.41 |
| Monthly | Up to 5 years | Up to 7.00% | 69,727.45 |
| Total | | | 17,57,030.47 |

Nature of Security: Term Loan from Bank is secured by hypothecation of receivables.

Note 21(b): External Commercial Borrowings as at 31 March, 2021 : Secured

| Repayment Term | Tenure | Interest Range | Amount |
|----------------|---------------|----------------|--------------------|
| Bullet | Up to 5 years | Up to 7.00% | 21,937.15 |
| | | 7.01% - 8.00% | 1,25,179.58 |
| | Above 5 Years | Up to 7.00% | 1,01,408.48 |
| Total | | | 2,48,525.21 |

Nature of Security: External Commercial Borrowings Loan is secured by hypothecation of receivables.

Note 21(c): Loan repayable on Demand from Banks as at 31 March, 2021: Secured

| Nature | Repayment Term | Tenure | Interest Range | Amount |
|-----------------------------|----------------|---------------|----------------|--------------------|
| Working Capital Demand Loan | Bullet | Up to 5 years | Up to 7.00% | 89,010.31 |
| | | | 7.01% - 8.00% | 14,501.94 |
| Total | | | | 1,03,512.25 |

Nature of Security: Loan repayable on demand from Bank is secured by hypothecation of receivables.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 22: Subordinated Liabilities

| Particulars | As at 31 March, 2022 | | | | As at 31 March, 2021 | | | |
|---|----------------------|---|--|--------------------|----------------------|---|--|--------------------|
| | Amortised cost | At fair value through profit and loss account | Designated at fair value through profit and loss account | Total | Amortised cost | At fair value through profit and loss account | Designated at fair value through profit and loss account | Total |
| Perpetual debt instruments to the extent they do not qualify as equity instruments (Unsecured) (Refer Note 22(a)) | | | | | | | | |
| (i) from banks | - | - | - | - | - | - | - | - |
| (ii) from other parties | 21,111.98 | - | - | 21,111.98 | 21,116.57 | - | - | 21,116.57 |
| Subordinate debt (Unsecured) (Refer Note 22(b)) | 2,27,622.01 | - | - | 2,27,622.01 | 1,97,066.69 | - | - | 1,97,066.69 |
| Total | 2,48,733.99 | - | - | 2,48,733.99 | 2,18,183.26 | - | - | 2,18,183.26 |
| Subordinate liabilities in India | 2,48,733.99 | - | - | 2,48,733.99 | 2,18,183.26 | - | - | 2,18,183.26 |
| Subordinate liabilities outside India | - | - | - | - | - | - | - | - |
| Total | 2,48,733.99 | - | - | 2,48,733.99 | 2,18,183.26 | - | - | 2,18,183.26 |

Note:

1. The above figures are including interest accrued but not due on borrowings.



Note 22(a): Perpetual debt instruments as at 31 March, 2022

| Series Details | Face Value Per Debenture | Date of Allotment | Amount | Interest Rate (%) | Date of Redemption | Redeemable Terms |
|--------------------------------|--------------------------|-------------------|-----------|-------------------|--------------------|--|
| ABFL Perpetual 'PD1' FY2017-18 | 10,00,000.00 | July 21, 2017 | 21,111.98 | 8.70% p.a. | July 21, 2027 | Redeemable at par at end of 3652 days from the date of allotment |

Note 22(b): Subordinate debt (Unsecured) as at 31 March, 2022

| Series Details | Face Value Per Debenture | Date of Allotment | Amount | Interest Rate (%) | Date of Redemption | Redeemable Terms |
|--|--------------------------|--------------------|--------------------|-------------------|--------------------|--|
| ABFL Sub debt NCD Series 'S11' FY2021-22 | 1,00,00,000.00 | December 6, 2021 | 3,516.51 | 7.43% p.a. | December 5, 2031 | Redeemable at par at end of 3651 days from the date of allotment |
| ABFL Sub debt NCD Series 'S11' FY2021-22 | 1,00,00,000.00 | February 28, 2022 | 21,099.06 | 7.43% p.a. | December 5, 2031 | Redeemable at par at end of 3567 days from the date of allotment |
| ABFL Sub Debt Series 'SC 1' FY 20-21 | 10,00,000.00 | June 11, 2021 | 7,899.19 | 7.3400% p.a. | June 11, 2031 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub debt Series 'S1' FY 20-21 | 10,00,000.00 | December 29, 2020 | 8,108.50 | 7.4300% p.a. | December 27, 2030 | Redeemable at par at end of 3650 days from the date of allotment |
| ABFL Sub Debt Series 'SC1' FY 2019-20 | 10,00,000.00 | June 6, 2019 | 21,526.55 | 8.95% p.a. | June 6, 2029 | Redeemable at par at end of 3653 days from the date of allotment |
| ABFL Sub Debt Series 'SC1' FY 2019-20 | 10,00,000.00 | December 30, 2019 | 10,763.27 | 8.95% p.a. | June 6, 2029 | Redeemable at par at end of 3446 days from the date of allotment |
| ABFL Sub Debt Series 'SC1' FY 2019-20 | 10,00,000.00 | February 13, 2020 | 5,381.64 | 8.95% p.a. | June 6, 2029 | Redeemable at par at end of 3401 days from the date of allotment |
| ABFL Sub Debt Series 'S11' FY 2018-19 | 10,00,000.00 | December 4, 2018 | 25,681.34 | 9.76% p.a. | December 4, 2028 | Redeemable at par at end of 3653 days from the date of allotment |
| ABFL Sub Debt Series 'SB1' FY 2017-18 | 10,00,000.00 | May 18, 2017 | 17,645.00 | 8.50% p.a. | May 18, 2027 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub Debt Series 'S11' FY 2016-17 | 10,00,000.00 | March 9, 2017 | 1,000.30 | 8.25% p.a. | March 9, 2027 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub Debt Series 'SH1' FY 2016-17 | 10,00,000.00 | November 21, 2016 | 20,545.15 | 8.90% p.a. | November 20, 2026 | Redeemable at par at end of 3651 days from the date of allotment |
| ABFL Sub Debt Series 'SF1' FY 2016-17 | 10,00,000.00 | September 29, 2016 | 20,803.39 | 8.90% p.a. | September 29, 2026 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub Debt Series 'SD1' FY 2016-17 | 10,00,000.00 | July 28, 2016 | 10,574.49 | 8.97% p.a. | July 28, 2026 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub Debt Series 'SD2' FY 2016-17 | 10,00,000.00 | July 28, 2016 | 7,919.72 | 8.95% p.a. | July 28, 2026 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub Debt Series 'SC1' FY 2016-17 | 10,00,000.00 | June 23, 2016 | 5,599.55 | 9.10% p.a. | June 23, 2026 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub Debt Series 'E1' FY 2015-16 | 10,00,000.00 | March 10, 2016 | 803.17 | 9.10% p.a. | March 10, 2026 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub Debt Series 'F1' FY 2015-16 | 10,00,000.00 | March 18, 2016 | 2,551.40 | 9.10% p.a. | March 10, 2026 | Redeemable at par at end of 3644 days from the date of allotment |
| ABFL Sub Debt Series 'D1' FY 2015-16 | 10,00,000.00 | March 8, 2016 | 2,507.29 | 9.10% p.a. | March 6, 2026 | Redeemable at par at end of 3650 days from the date of allotment |
| ABFL Sub Debt Series 'C1' FY 2015-16 | 10,00,000.00 | August 25, 2015 | 3,473.06 | 9.25% p.a. | August 22, 2025 | Redeemable at par at end of 3650 days from the date of allotment |
| ABFL Sub Debt Series 'B1' FY 2015-16 | 10,00,000.00 | July 14, 2015 | 3,188.75 | 9.25% p.a. | July 11, 2025 | Redeemable at par at end of 3650 days from the date of allotment |
| ABFL Sub Debt Series 'A1' FY 2015-16 | 10,00,000.00 | June 17, 2015 | 2,678.76 | 9.25% p.a. | June 6, 2025 | Redeemable at par at end of 3642 days from the date of allotment |
| ABFL Sub Debt Series 'B' FY 2014-15 | 10,00,000.00 | January 9, 2015 | 4,584.67 | 9.45% p.a. | January 9, 2025 | Redeemable at par at end of 3653 days from the date of allotment |
| ABFL Sub Debt Series 'A' FY 2014-15 | 10,00,000.00 | December 12, 2014 | 5,133.94 | 9.75% p.a. | December 12, 2024 | Redeemable at par at end of 3653 days from the date of allotment |
| ABFL Sub Debt Series '1' FY 2013-14 | 10,00,000.00 | June 4, 2013 | 10,795.08 | 9.85% p.a. | June 2, 2023 | Redeemable at par at end of 3650 days from the date of allotment |
| ABFL Sub Debt Series '1' FY 2011-12 | 10,00,000.00 | February 22, 2012 | 1,117.72 | 10.60% p.a. | May 20, 2022 | Redeemable at par at end of 3740 days from the date of allotment |
| ABFL Sub Debt Series '1' FY 2012-13 | 10,00,000.00 | May 25, 2012 | 2,724.51 | 10.50% p.a. | May 20, 2022 | Redeemable at par at end of 3647 days from the date of allotment |
| Total | | | 2,27,622.01 | | | |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 22(a): Perpetual debt instruments as at 31 March, 2021

| Series Details | Face Value Per Debenture | Date of Allotment | Amount | Interest Rate (%) | Date of Redemption | Redeemable Terms |
|--------------------------------|--------------------------|-------------------|-----------|-------------------|--------------------|--|
| ABFL Perpetual 'PD1' FY2017-18 | 10,00,000.00 | July 21, 2017 | 21,116.57 | 8.70% p.a. | July 21, 2027 | Redeemable at par at end of 3652 days from the date of allotment |

Note 22(b): Subordinate debt (Unsecured) as at 31 March, 2021

| Series Details | Face Value Per Debenture | Date of Allotment | Amount | Interest Rate (%) | Date of Redemption | Redeemable Terms |
|---------------------------------------|--------------------------|--------------------|-----------|-------------------|--------------------|--|
| ABFL Sub Debt Series 'SC1' FY 2019-20 | 10,00,000.00 | June 6, 2019 | 21,527.99 | 8.95% p.a. | June 6, 2029 | Redeemable at par at end of 3653 days from the date of allotment |
| ABFL Sub Debt Series 'SC1' FY 2019-20 | 10,00,000.00 | December 30, 2019 | 10,764.00 | 8.95% p.a. | June 6, 2029 | Redeemable at par at end of 3446 days from the date of allotment |
| ABFL Sub Debt Series 'SC1' FY 2019-20 | 10,00,000.00 | February 13, 2020 | 5,382.00 | 8.95% p.a. | June 6, 2029 | Redeemable at par at end of 3401 days from the date of allotment |
| ABFL Sub Debt Series 'SI1' FY 2018-19 | 10,00,000.00 | December 4, 2018 | 5,106.62 | 9.76% p.a. | December 4, 2028 | Redeemable at par at end of 3653 days from the date of allotment |
| ABFL Sub Debt Series 'SI1' FY 2018-19 | 10,00,000.00 | December 4, 2018 | 17,600.87 | 9.76% p.a. | December 4, 2028 | Redeemable at par at end of 3653 days from the date of allotment |
| ABFL Sub Debt Series 'SI1' FY 2018-19 | 10,00,000.00 | December 4, 2018 | 1,541.23 | 9.76% p.a. | December 4, 2028 | Redeemable at par at end of 3653 days from the date of allotment |
| ABFL Sub Debt Series 'SI1' FY 2018-19 | 10,00,000.00 | December 4, 2018 | 1,438.48 | 9.76% p.a. | December 4, 2028 | Redeemable at par at end of 3653 days from the date of allotment |
| ABFL Sub Debt Series 'SB1' FY 2017-18 | 10,00,000.00 | May 18, 2017 | 3,529.87 | 8.5% p.a. | May 18, 2027 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub Debt Series 'SB1' FY 2017-18 | 10,00,000.00 | May 18, 2017 | 534.83 | 8.5% p.a. | May 18, 2027 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub Debt Series 'SB1' FY 2017-18 | 10,00,000.00 | May 18, 2017 | 534.83 | 8.5% p.a. | May 18, 2027 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub Debt Series 'SB1' FY 2017-18 | 10,00,000.00 | May 18, 2017 | 5,348.29 | 8.5% p.a. | May 18, 2027 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub Debt Series 'SB1' FY 2017-18 | 10,00,000.00 | May 18, 2017 | 2,674.14 | 8.5% p.a. | May 18, 2027 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub Debt Series 'SB1' FY 2017-18 | 10,00,000.00 | May 18, 2017 | 4,492.56 | 8.5% p.a. | May 18, 2027 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub Debt Series 'SB1' FY 2017-18 | 10,00,000.00 | May 18, 2017 | 534.83 | 8.5% p.a. | May 18, 2027 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub Debt Series 'SL1' FY 2016-17 | 10,00,000.00 | March 9, 2017 | 1,000.53 | 8.25% p.a. | March 9, 2027 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub Debt Series 'SH1' FY 2016-17 | 10,00,000.00 | November 21, 2016 | 20,550.91 | 8.9% p.a. | November 20, 2026 | Redeemable at par at end of 3651 days from the date of allotment |
| ABFL Sub Debt Series 'SF1' FY 2016-17 | 10,00,000.00 | September 29, 2016 | 20,809.60 | 8.9% p.a. | September 29, 2026 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub Debt Series 'SD1' FY 2016-17 | 10,00,000.00 | July 28, 2016 | 5,288.78 | 8.97% p.a. | July 28, 2026 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub Debt Series 'SD1' FY 2016-17 | 10,00,000.00 | July 28, 2016 | 3,702.15 | 8.97% p.a. | July 28, 2026 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub Debt Series 'SD1' FY 2016-17 | 10,00,000.00 | July 28, 2016 | 1,586.63 | 8.97% p.a. | July 28, 2026 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub Debt Series 'SD2' FY 2016-17 | 10,00,000.00 | July 28, 2016 | 1,056.29 | 8.95% p.a. | July 28, 2026 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub Debt Series 'SD2' FY 2016-17 | 10,00,000.00 | July 28, 2016 | 1,584.44 | 8.95% p.a. | July 28, 2026 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub Debt Series 'SD2' FY 2016-17 | 10,00,000.00 | July 28, 2016 | 5,281.45 | 8.95% p.a. | July 28, 2026 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub Debt Series 'SC1' FY 2016-17 | 10,00,000.00 | June 23, 2016 | 2,667.29 | 9.1% p.a. | June 23, 2026 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub Debt Series 'SC1' FY 2016-17 | 10,00,000.00 | June 23, 2016 | 2,667.29 | 9.1% p.a. | June 23, 2026 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub Debt Series 'SC1' FY 2016-17 | 10,00,000.00 | June 23, 2016 | 160.04 | 9.1% p.a. | June 23, 2026 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub Debt Series 'SC1' FY 2016-17 | 10,00,000.00 | June 23, 2016 | 106.69 | 9.1% p.a. | June 23, 2026 | Redeemable at par at end of 3652 days from the date of allotment |
| ABFL Sub Debt Series 'E1' FY 2015-16 | 10,00,000.00 | March 10, 2016 | 803.40 | 9.1% p.a. | March 10, 2026 | Redeemable at par at end of 3652 days from the date of allotment |



Note 22(b): Subordinate debt (Unsecured) as at 31 March, 2021

| Series Details | Face Value Per Debenture | Date of Allotment | Amount | Interest Rate (%) | Date of Redemption | Redeemable Terms |
|--------------------------------------|--------------------------|-------------------|----------|-------------------|--------------------|--|
| ABFL Sub Debt Series 'F1' FY 2015-16 | 10,00,000.00 | March 18, 2016 | 1,701.43 | 9.1% p.a. | March 10, 2026 | Redeemable at par at end of 3644 days from the date of allotment |
| ABFL Sub Debt Series 'F1' FY 2015-16 | 10,00,000.00 | March 18, 2016 | 200.17 | 9.1% p.a. | March 10, 2026 | Redeemable at par at end of 3644 days from the date of allotment |
| ABFL Sub Debt Series 'F1' FY 2015-16 | 10,00,000.00 | March 18, 2016 | 100.08 | 9.1% p.a. | March 10, 2026 | Redeemable at par at end of 3644 days from the date of allotment |
| ABFL Sub Debt Series 'F1' FY 2015-16 | 10,00,000.00 | March 18, 2016 | 350.29 | 9.1% p.a. | March 10, 2026 | Redeemable at par at end of 3644 days from the date of allotment |
| ABFL Sub Debt Series 'F1' FY 2015-16 | 10,00,000.00 | March 18, 2016 | 200.17 | 9.1% p.a. | March 10, 2026 | Redeemable at par at end of 3644 days from the date of allotment |
| ABFL Sub Debt Series 'D1' FY 2015-16 | 10,00,000.00 | March 8, 2016 | 1,003.26 | 9.1% p.a. | March 6, 2026 | Redeemable at par at end of 3650 days from the date of allotment |
| ABFL Sub Debt Series 'D1' FY 2015-16 | 10,00,000.00 | March 8, 2016 | 1,003.26 | 9.1% p.a. | March 6, 2026 | Redeemable at par at end of 3650 days from the date of allotment |
| ABFL Sub Debt Series 'D1' FY 2015-16 | 10,00,000.00 | March 8, 2016 | 501.63 | 9.1% p.a. | March 6, 2026 | Redeemable at par at end of 3650 days from the date of allotment |
| ABFL Sub Debt Series 'C1' FY 2015-16 | 10,00,000.00 | August 25, 2015 | 842.14 | 9.25% p.a. | August 22, 2025 | Redeemable at par at end of 3650 days from the date of allotment |
| ABFL Sub Debt Series 'C1' FY 2015-16 | 10,00,000.00 | August 25, 2015 | 315.80 | 9.25% p.a. | August 22, 2025 | Redeemable at par at end of 3650 days from the date of allotment |
| ABFL Sub Debt Series 'C1' FY 2015-16 | 10,00,000.00 | August 25, 2015 | 2,315.89 | 9.25% p.a. | August 22, 2025 | Redeemable at par at end of 3650 days from the date of allotment |
| ABFL Sub Debt Series 'B1' FY 2015-16 | 10,00,000.00 | July 14, 2015 | 3,189.48 | 9.25% p.a. | July 11, 2025 | Redeemable at par at end of 3650 days from the date of allotment |
| ABFL Sub Debt Series 'A1' FY 2015-16 | 10,00,000.00 | June 17, 2015 | 1,071.34 | 9.25% p.a. | June 6, 2025 | Redeemable at par at end of 3642 days from the date of allotment |
| ABFL Sub Debt Series 'A1' FY 2015-16 | 10,00,000.00 | June 17, 2015 | 535.67 | 9.25% p.a. | June 6, 2025 | Redeemable at par at end of 3642 days from the date of allotment |
| ABFL Sub Debt Series 'A1' FY 2015-16 | 10,00,000.00 | June 17, 2015 | 1,071.34 | 9.25% p.a. | June 6, 2025 | Redeemable at par at end of 3642 days from the date of allotment |
| ABFL Sub Debt Series 'B' FY 2014-15 | 10,00,000.00 | January 9, 2015 | 3,565.98 | 9.45% p.a. | January 9, 2025 | Redeemable at par at end of 3653 days from the date of allotment |
| ABFL Sub Debt Series 'B' FY 2014-15 | 10,00,000.00 | January 9, 2015 | 1,018.85 | 9.45% p.a. | January 9, 2025 | Redeemable at par at end of 3653 days from the date of allotment |
| ABFL Sub Debt Series 'A' FY 2014-15 | 10,00,000.00 | December 12, 2014 | 4,620.79 | 9.75% p.a. | December 12, 2024 | Redeemable at par at end of 3653 days from the date of allotment |
| ABFL Sub Debt Series 'A' FY 2014-15 | 10,00,000.00 | December 12, 2014 | 513.42 | 9.75% p.a. | December 12, 2024 | Redeemable at par at end of 3653 days from the date of allotment |
| ABFL Sub Debt Series '1' FY 2013-14 | 10,00,000.00 | June 4, 2013 | 539.77 | 9.85% p.a. | June 2, 2023 | Redeemable at par at end of 3650 days from the date of allotment |
| ABFL Sub Debt Series '1' FY 2013-14 | 10,00,000.00 | June 4, 2013 | 539.77 | 9.85% p.a. | June 2, 2023 | Redeemable at par at end of 3650 days from the date of allotment |
| ABFL Sub Debt Series '1' FY 2013-14 | 10,00,000.00 | June 4, 2013 | 539.77 | 9.85% p.a. | June 2, 2023 | Redeemable at par at end of 3650 days from the date of allotment |
| ABFL Sub Debt Series '1' FY 2013-14 | 10,00,000.00 | June 4, 2013 | 647.72 | 9.85% p.a. | June 2, 2023 | Redeemable at par at end of 3650 days from the date of allotment |
| ABFL Sub Debt Series '1' FY 2013-14 | 10,00,000.00 | June 4, 2013 | 8,528.32 | 9.85% p.a. | June 2, 2023 | Redeemable at par at end of 3650 days from the date of allotment |
| ABFL Sub Debt Series '1' FY 2011-12 | 10,00,000.00 | February 22, 2012 | 40.51 | 10.6% p.a. | May 20, 2022 | Redeemable at par at end of 3740 days from the date of allotment |
| ABFL Sub Debt Series '1' FY 2011-12 | 10,00,000.00 | February 22, 2012 | 60.77 | 10.6% p.a. | May 20, 2022 | Redeemable at par at end of 3740 days from the date of allotment |
| ABFL Sub Debt Series '1' FY 2011-12 | 10,00,000.00 | February 22, 2012 | 810.22 | 10.6% p.a. | May 20, 2022 | Redeemable at par at end of 3740 days from the date of allotment |
| ABFL Sub Debt Series '1' FY 2011-12 | 10,00,000.00 | February 22, 2012 | 101.28 | 10.6% p.a. | May 20, 2022 | Redeemable at par at end of 3740 days from the date of allotment |
| ABFL Sub Debt Series '1' FY 2012-13 | 10,00,000.00 | May 25, 2012 | 1,090.00 | 10.5% p.a. | May 20, 2022 | Redeemable at par at end of 3647 days from the date of allotment |
| ABFL Sub Debt Series '1' FY 2012-13 | 10,00,000.00 | May 25, 2012 | 1,635.00 | 10.5% p.a. | May 20, 2022 | Redeemable at par at end of 3647 days from the date of allotment |
| ABFL Sub Debt Series '1' FY 2011-12 | 10,00,000.00 | February 22, 2012 | 506.14 | 10.6% p.a. | February 15, 2022 | Redeemable at par at end of 3646 days from the date of allotment |
| ABFL Sub Debt Series '1' FY 2011-12 | 10,00,000.00 | February 22, 2012 | 1,518.41 | 10.6% p.a. | February 15, 2022 | Redeemable at par at end of 3646 days from the date of allotment |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 22(b): Subordinate debt (Unsecured) as at 31 March, 2021

| Series Details | Face Value Per Debenture | Date of Allotment | Amount | Interest Rate (%) | Date of Redemption | Redeemable Terms |
|--|-----------------------------|-------------------|--------------------|-------------------|--------------------|--|
| ABFL SUBDEBT Series 'SI 1' FY 20-21 | 10,00,000.00 | December 29, 2020 | 4,563.00 | 7.43% p.a. | December 29, 2021 | Redeemable at par at end of 365 days from the date of allotment |
| ABFL SUBDEBT Series 'SI 1' FY 20-21 | 10,00,000.00 | December 29, 2020 | 3,548.99 | 7.43% p.a. | December 29, 2021 | Redeemable at par at end of 365 days from the date of allotment |
| Total | | | 1,97,066.69 | | | |



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Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 23: Lease liabilities

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|---|----------------------|----------------------|
| Lease liability for right to use assets | 12,910.38 | 10,224.64 |
| Total | 12,910.38 | 10,224.64 |

Note 24: Other financial liabilities

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|--|----------------------|----------------------|
| Advance from customers | 17,211.02 | 11,031.14 |
| Payables for salaries, bonus and other employee benefits | 8,708.88 | 6,105.28 |
| Other payable | 21,093.39 | 14,021.11 |
| Total | 47,013.29 | 31,157.53 |

Note 25: Current tax liabilities (Net)

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|--|----------------------|----------------------|
| Provision for income tax (Net of advance tax ₹ 39,672.70 lakhs; 31 March, 2021 ₹ 39,704.96 lakhs) | 1,513.10 | 1,466.63 |
| Total | 1,513.10 | 1,466.63 |

Note 26: Provisions

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|--------------------------------------|----------------------|----------------------|
| Employee benefit | | |
| - Gratuity | 3,217.03 | 3,085.29 |
| - Provision for compensated absences | 1,659.29 | 1,725.51 |
| - Long term Incentive Plans (LTIP) | 5,545.37 | 3,251.71 |
| Total | 10,421.69 | 8,062.51 |

Note 27: Other non-financial liabilities

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|--------------------------------|----------------------|----------------------|
| Revenue received in advance | 3,640.22 | 2,388.10 |
| Tax deducted at source payable | 2,213.67 | 880.06 |
| Goods and service tax payable | 2,270.42 | 1,531.30 |
| Other statutory dues payable | 300.08 | 263.78 |
| Total | 8,424.39 | 5,063.24 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 28: Equity share capital

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|--|----------------------|----------------------|
| Authorised | | |
| 1,270,000,000 (March 31, 2021: 1,270,000,000) equity shares of ₹ 10/- each | 1,27,000.00 | 1,27,000.00 |
| 100,00,00,000 (March 31, 2021: 100,00,00,000) Preference Shares of Rs. 10/- each | 1,00,000.00 | 1,00,000.00 |
| 1,00,00,000 (March 31, 2021: 1,00,00,000) 8 % Compulsory Convertible Cumulative Preference Shares of Rs. 10/- each | 1,000.00 | 1,000.00 |
| Total | 2,28,000.00 | 2,28,000.00 |
| Issued, Subscribed and fully paid up | | |
| 662,100,822 (March 31, 2021: 662,100,822) equity shares of ₹ 10/- each | 66,210.08 | 66,210.08 |
| Total | 66,210.08 | 66,210.08 |

Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

| Particulars | Number | Amount |
|-----------------------------|---------------------|------------------|
| As at 1 April, 2020 | 66,21,00,822 | 66,210.08 |
| Issued during the year | - | - |
| As at 31 March, 2021 | 66,21,00,822 | 66,210.08 |
| Issued during the year | - | - |
| As at 31 March, 2022 | 66,21,00,822 | 66,210.08 |

Terms/ rights attached to equity shares

The Company has only one class of equity shares having a 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. The dividend proposed if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the Company, the holders of equity shares will be receiving remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 28: Equity share capital (Continued)

Shares held by holding/ultimate holding company and/or their subsidiaries/associates:

| Name of Share holder | As at 31 March, 2022 | | As at 31 March, 2021 | |
|---|----------------------|------------------|----------------------|------------------|
| | Number | Amount | Number | Amount |
| Aditya Birla Capital Limited, holding company | 66,21,00,772 | 66,210.08 | 66,21,00,772 | 66,210.08 |
| | 66,21,00,772 | 66,210.08 | 66,21,00,772 | 66,210.08 |

Details of shareholders holding more than 5% shares in the Company:

| Particulars | As at 31 March, 2022 | | As at 31 March, 2021 | |
|---|----------------------|-----------------------------------|----------------------|-----------------------------------|
| | Number | % of total paid-up equity capital | Number | % of total paid-up equity capital |
| Aditya Birla Capital Limited, holding company | 66,21,00,772 | 100% | 66,21,00,772 | 100% |
| Total | 66,21,00,772 | 100% | 66,21,00,772 | 100% |

Details of Shareholding of Promoters:

| Shares held by promoters at the end of the year | | | | % Change during the year |
|---|--|---------------------|-------------------|--------------------------|
| S. No. | Promoter name | No. of Shares | % of total shares | |
| 1 | Aditya Birla Capital Limited, holding company* | 66,21,00,772 | 100% | - |
| Total | | 66,21,00,772 | 100% | |

*Balance shares are held by nominees on behalf of the holding Company.

NBFC's objectives, policies and processes for managing capital:
For above disclosures Refer Note 48.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 29: Other equity

| | |
|---|-------------|
| Securities Premium Account | |
| As at 1 April, 2020 | 3,63,738.29 |
| Add: Additions during the year | - |
| As at 31 March, 2021 | 3,63,738.29 |
| Add: Additions during the year | - |
| As at 31 March, 2022 | 3,63,738.29 |
| Special Reserve pursuant to Section 45-IC of the RBI Act, 1934 | |
| As at 1 April, 2020 | 82,608.00 |
| Add: Transferred during the year | 15,376.64 |
| As at 31 March, 2021 | 97,984.64 |
| Add: Transferred during the year | 24,366.61 |
| As at 31 March, 2022 | 1,22,351.25 |
| Capital Reserve | |
| As at 1 April, 2020 | (10,452.11) |
| Add: Other Additions/ Deductions during the year | - |
| As at 31 March, 2021 | (10,452.11) |
| Add: Other Additions/ Deductions during the year | - |
| As at 31 March, 2022 | (10,452.11) |
| Capital Redemption Reserve | |
| As at 1 April, 2020 | 1,000.00 |
| Add: Transferred during the year | - |
| As at 31 March, 2021 | 1,000.00 |
| Add: Transferred during the year | - |
| As at 31 March, 2022 | 1,000.00 |
| General Reserve | |
| As at 1 April, 2020 | 13,660.95 |
| Add: Transferred during the year | - |
| As at 31 March, 2021 | 13,660.95 |
| Add: Transferred during the year | - |
| As at 31 March, 2022 | 13,660.95 |
| Retained Earnings | |
| As at 1 April, 2020 | 2,92,156.11 |
| Add: Profit for the year | 76,883.21 |
| Less: Appropriations | |
| Re-measurement reserves on defined benefit plans | 328.95 |
| Transfer to Special Reserve | (15,376.64) |
| Total appropriations | (15,047.69) |
| As at 31 March, 2021 | 3,53,991.63 |
| Add: Profit for the year | 1,10,833.06 |
| Less: Appropriations | |
| Re-measurement reserves on defined benefit plans | 397.77 |
| Dividend paid (Interim) | (10,924.66) |
| Transfer to Special Reserve | (24,366.61) |
| Total appropriations | (34,893.50) |
| As at 31 March, 2022 | 4,29,931.19 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

| | |
|---|-------------------|
| Other Comprehensive Income | |
| As at 1 April, 2020 | (1,106.28) |
| Add: Additions / (Deletions) during the year | 26.46 |
| Add: Fair Value change on derivatives designated as cash flow hedge | (1,265.72) |
| As at 31 March, 2021 | (2,345.54) |
| Add: Additions / (Deletions) during the year | 18.12 |
| Add: Fair Value change on derivatives designated as cash flow hedge | 1,929.76 |
| As at 31 March, 2022 | (397.66) |

Total other equity

| | |
|-----------------------------|--------------------|
| As at 1 April, 2020 | 7,41,604.96 |
| As at 31 March, 2021 | 8,17,577.86 |
| As at 31 March, 2022 | 9,19,831.90 |



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Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022

Note 30: Nature and purpose of reserve

Securities Premium Reserve: Security premium reserve is used to record the premium on the issue of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

Special Reserve: Special reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act"). Appropriation from this Reserve Fund is permitted only for the purposes specified by RBI.

Capital Reserve: Capital reserve refers to difference on account of net assets taken over and purchase consideration paid for merger of wealth management undertaking of Aditya Birla Money Mart Limited with the Company and the difference on account of net assets taken over and purchase consideration paid for merger of transaction business of Aditya Birla Capital Technology Services Limited, ABCTSL (formerly known as Aditya Birla My Universe Limited, ABMUL) undertaking with the Company.

Capital Redemption reserve : Preference shares of Rs. 10 Crore were redeemed at the Board meeting held on January 30, 2020. As per the provisions of Companies Act, 2013, the preference shares were redeemed out of the profits of the company and therefore a sum equivalent to the nominal amount of shares redeemed were transferred to capital redemption reserve.

General Reserve: This reserve is created on account of merger. As per court order, this reserve can be utilised for distribution of dividends.

Retained Earnings: Retained earnings refer to the percentage of net earnings not paid out as dividends, but retained by the Company to be reinvested in its core business, or to pay debts.

Other Comprehensive Income : The Company has elected to recognise changes in the fair value of certain instruments in equity securities and debt instruments in other comprehensive income. These changes are accumulated with the FVTOCI reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are de-recognised. The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated on borrowings. For hedging foreign currency and interest rate risk, the Company uses foreign currency forward contracts and cross currency interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to the statement of profit or loss when the hedged item affects profit or loss (e.g. interest payments).



Aditya Birla Finance Limited

Notes to the Financial Statements (continued)

For the year ended 31 March, 2022

(Currency: ₹ in Lakhs except otherwise stated)

Note 31: Interest income

| Particulars | For the year ended 31 March, 2022 | | | | For the year ended 31 March, 2021 | | | |
|----------------------------------|--|---|--|--------------------|--|---|--|--------------------|
| | On Financial Assets measured at Amortised cost | On Financial Assets classified at FVTPL | On Financial Assets measured at FVTOCI | Total | On Financial Assets measured at Amortised cost | On Financial Assets classified at FVTPL | On Financial Assets measured at FVTOCI | Total |
| Interest on Loans | 5,45,792.82 | - | - | 5,45,792.82 | 5,22,908.44 | - | - | 5,22,908.44 |
| Interest income from Investments | - | 6,073.47 | - | 6,073.47 | - | 5,430.12 | - | 5,430.12 |
| Interest on deposits with Banks | 1,262.58 | - | - | 1,262.58 | 647.80 | - | - | 647.80 |
| Total | 5,47,055.40 | 6,073.47 | - | 5,53,128.87 | 5,23,556.24 | 5,430.12 | - | 5,28,986.36 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 32: Dividend income

| Particulars | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|------------------------------------|--------------------------------------|--------------------------------------|
| Dividend from Long Term Investment | 285.31 | 284.75 |
| Total | 285.31 | 284.75 |

Note 33: Fees and commission income

| Particulars | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|----------------------------------|--------------------------------------|--------------------------------------|
| Syndication and Other Fee Income | 16,763.20 | 10,233.53 |
| Brokerage and Commission Income | 8,117.60 | 5,018.11 |
| Total | 24,880.80 | 15,251.64 |

Note 34: Net gain on fair value changes

Net gain/ (loss) on financial instruments at fair value through

| Particulars | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|---|--------------------------------------|--------------------------------------|
| On Trading portfolio | | |
| - Investments | 203.12 | 2,106.25 |
| - Bonds/Mutual Funds | - | 5,170.78 |
| On financial instruments designated at fair value through profit or loss | | |
| | (12.50) | - |
| Total | 190.62 | 7,277.03 |
| Fair Value changes: | | |
| - Realised | 884.10 | 7,284.37 |
| - Unrealised | (693.48) | (7.34) |
| Total | 190.62 | 7,277.03 |

Note 35: Other Income

| Particulars | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|---|--------------------------------------|--------------------------------------|
| Miscellaneous Income (Income tax refund and other income) | 786.37 | 913.21 |
| Other Interest Income | 415.28 | 83.27 |
| Total | 1,201.65 | 996.48 |



Aditya Birla Finance Limited

Notes to the Financial Statements (continued)

For the year ended 31 March, 2022

(Currency: ₹ in Lakhs except otherwise stated)

Note 36: Finance Costs

| Particulars | For the year ended 31 March, 2022 | | | For the year ended 31 March, 2021 | | |
|---|--|---|--------------------|--|---|--------------------|
| | On Financial liabilities measured at fair value through profit or loss | On Financial liabilities measured at Amortised Cost | Total | On Financial liabilities measured at fair value through profit or loss | On Financial liabilities measured at Amortised Cost | Total |
| Interest on debt securities | 181.22 | 1,15,731.45 | 1,15,912.67 | - | 1,24,222.64 | 1,24,222.64 |
| Interest on borrowings other than debt securities | - | 1,34,119.67 | 1,34,119.67 | - | 1,57,423.46 | 1,57,423.46 |
| Interest on subordinated liabilities | - | 19,403.09 | 19,403.09 | - | 18,330.36 | 18,330.36 |
| Finance cost on lease liability | - | 892.61 | 892.61 | - | 897.27 | 897.27 |
| Others | - | 581.55 | 581.55 | - | 1,116.80 | 1,116.80 |
| Total | 181.22 | 2,70,728.37 | 2,70,909.59 | - | 3,01,990.53 | 3,01,990.53 |

Note 37: Impairment on financial instruments

The below table show impairment loss on financial instruments charge to statement of profit and loss based on category of financial instrument :

| Particulars | For the year ended 31 March, 2022 | | | For the year ended 31 March, 2021 | | |
|--|---|---|------------------|---|---|------------------|
| | On Financial instruments measured at Fair Value through OCI | On Financial instruments measured at Amortised cost | Total | On Financial instruments measured at Fair Value through OCI | On Financial instruments measured at Amortised cost | Total |
| Bad debts/Advances Written off (net of recoveries) | - | 59,897.44 | 59,897.44 | - | 54,249.13 | 54,249.13 |
| Loans | - | 5,363.88 | 5,363.88 | - | 13,965.51 | 13,965.51 |
| Trade Receivable | - | 84.68 | 84.68 | - | (37.13) | (37.13) |
| Total | - | 65,346.00 | 65,346.00 | - | 68,177.51 | 68,177.51 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 38: Employee benefit expenses

| Particulars | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|---|--------------------------------------|--------------------------------------|
| Salaries and Wages | 47,795.93 | 42,073.39 |
| Contribution to Provident and other Funds (Refer Note 43) | 1,670.74 | 1,483.37 |
| Contribution to Gratuity Funds (Refer Note 43) | 733.07 | 725.42 |
| Share based payments to Employees (Refer Note 43) | 200.76 | 183.71 |
| Staff welfare expenses | 1,672.30 | 426.40 |
| Total | 52,072.80 | 44,892.29 |

Note 39: Depreciation, amortization and impairment

| Particulars | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|---|--------------------------------------|--------------------------------------|
| Depreciation of tangible assets | 699.72 | 892.55 |
| Amortization of intangible assets | 3,552.59 | 2,332.16 |
| Depreciation and amortisation on lease assets | 2,583.08 | 2,625.34 |
| Total | 6,835.39 | 5,850.05 |

Note 40: Other expenses

| Particulars | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|--|--------------------------------------|--------------------------------------|
| Rent | 1,166.82 | 1,219.05 |
| Repairs and maintenance | | |
| - Plant and machinery | 62.91 | 16.58 |
| - Others | 1,703.33 | 3,124.62 |
| Communication costs | 512.15 | 698.89 |
| Printing and stationery | 320.51 | 206.78 |
| Advertisement and publicity | 474.81 | 740.16 |
| Directors' fees, allowances and expenses | 92.41 | 29.21 |
| Auditors' fees and expenses | 187.90 | 126.49 |
| Legal and professional charges | 10,288.59 | 7,534.14 |
| Insurance | 2,696.58 | 2,239.88 |
| Business Support Expenses | 8,119.76 | 3,103.01 |
| Travelling and conveyance | 831.67 | 1,057.42 |
| Water and Electricity expenses | 322.89 | 351.56 |
| Rates and taxes | 105.09 | 147.96 |
| Contract Service Charges | 655.58 | 863.51 |
| Information Technology Expenses | 3,389.62 | 1,650.74 |
| Postage Expenses | 224.97 | 125.93 |
| Bank charges | 88.29 | 164.94 |
| Brokerage and Commission | 123.42 | 141.73 |
| Corporate Social Responsibility (CSR) Expenses | 2,094.85 | 2,195.00 |
| Sub-Brokerage and Fees | 450.06 | 337.90 |
| Recruitment Expenses | 436.55 | 112.38 |
| Loss on property, plant and equipment's (net) | 6.00 | 95.94 |
| Miscellaneous expenses | 1,457.07 | 2,460.83 |
| Total | 35,811.83 | 28,744.65 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Auditors' Fees and Expenses

| Particulars | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|---|--------------------------------------|--------------------------------------|
| As auditor: | | |
| For Statutory Audit (including Limited Review, Internal Control Financial Reporting (ICFR)) | 169.05 | 107.36 |
| For Tax audit | 6.54 | 6.54 |
| In any other capacity | | |
| For Other Services (including certification and other services) | 12.31 | 12.59 |
| Total | 187.90 | 126.49 |

Details of CSR Expenditure

| Particulars | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|---|--------------------------------------|--------------------------------------|
| a) Gross amount required to be spent by the Company during the year | 2,085.00 | 2,195.00 |
| b) Amount spent during the year | 1,517.79 | 2,195.00 |
| c) Shortfall at the end of the year* | 577.06 | - |
| d) Total of previous years shortfall | - | - |
| e) Reason for shortfall | NA | NA |
| f) Nature of CSR activities | Refer Note 1 | Refer Note 1 |
| g) Details of related party transactions | NA | NA |
| h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately | NA | NA |

CSR Activities:

For FY 2021-22: Promoting education including for children of covid impacted families, health care, Employment enhancing vocation skills to youths, Training to promote nationally recognised and olympic sports, Measures for the benefit of armed forces veterans, war widows and their dependents, Conservation of natural resources and maintaining quality of soil and water.

For FY 2020-21: Promoting education including for children of covid impacted families, Health care, Employment enhancing vocation skills to youths, Training to promote nationally recognised and olympic sports, Measures for the benefit of armed forces veterans, war widows and their dependents, Conservation of natural resources and maintaining quality of soil and water and Empowering women.

*There is a change in the Regulation stating that if the CSR contribution of ABFL lying in the bank account of the respective NGO is unspent at the end of a FY, the same is required to be returned to ABFL and has to be maintained in a separate bank account by ABFL. The balance shown here is the same unspent amounts transferred back by NGOs.



Note 41: Income Tax

The components of income tax expense are as under:

| Particulars | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|--|--------------------------------------|--------------------------------------|
| Current tax | 38,264.50 | 28,600.00 |
| Adjustment in respect of tax relating to earlier year(s) | 344.60 | (693.82) |
| Deferred tax relating to origination and reversal of temporary differences | (730.52) | (1,648.16) |
| Total tax charge | 37,878.58 | 26,258.02 |
| Current tax | 38,609.10 | 27,906.18 |
| Deferred tax | (730.52) | (1,648.16) |

OCI section - Deferred tax related to items recognised in OCI are as under:

| Particulars | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|--|--------------------------------------|--------------------------------------|
| Net loss/(gain) on remeasurements | 788.91 | (306.16) |
| Income tax expense charged to OCI | 788.91 | (306.16) |

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at enacted corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by enacted domestic tax rate for the years ended 31 March, 2022 and 31 March, 2021 are as follows:

| Particulars | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|---|--------------------------------------|--------------------------------------|
| Accounting profit before tax | 1,48,711.64 | 1,03,141.23 |
| At enacted corporate tax rate of 25.168% (As at 31 March 2021 - 25.168%) | 37,427.75 | 25,958.58 |
| Adjustment in respect of current income tax & deferred tax of prior years | 344.60 | (134.81) |
| Tax on non deductible expenses | 106.23 | 434.25 |
| Income tax expense reported in the statement of profit and loss | 37,878.58 | 26,258.02 |
| Effective income tax rate for the year | 25.47% | 25.46% |

Deferred Tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

| Particulars | Deferred Tax Assets | Deferred Tax Liabilities | Income Statement | OCI |
|--|---------------------|--------------------------|------------------|----------------|
| | 31 March, 2022 | 31 March, 2022 | 31 March, 2022 | 31 March, 2022 |
| Expected Credit Loss Allowances | 22,516.59 | - | (1,159.30) | - |
| Employee benefit provisions and other provisions | 2,683.63 | - | 347.11 | 788.91 |
| Depreciation | 754.70 | - | 81.67 | - |
| Total | 25,954.92 | - | (730.52) | 788.91 |
| Net | 25,954.92 | | | |

| Particulars | Deferred Tax Assets | Deferred Tax Liabilities | Income Statement | OCI |
|--|---------------------|--------------------------|-------------------|-----------------|
| | 31 March 2021 | 31 March 2021 | 31 March 2021 | 31 March 2021 |
| Expected Credit Loss Allowances | 21,357.29 | - | (10,310.33) | - |
| Employee benefit provisions and other provisions | 3,819.65 | - | 9,004.81 | (306.16) |
| Depreciation | 836.37 | - | (342.64) | - |
| Total | 26,013.31 | - | (1,648.16) | (306.16) |
| Net | 26,013.31 | | | |



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Note 42: Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. However, for the below mentioned years company has not issued any potential ordinary shares which are dilutive in nature.

| Particulars | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|---|--------------------------------------|--------------------------------------|
| Net Profit after Tax | 1,10,833.06 | 76,883.21 |
| Less: Interest on Financial Liabilities (including taxes) | - | - |
| Net Profit after Tax available for equity shareholders | 1,10,833.06 | 76,883.21 |
| Weighted average number of ordinary shares for basic and diluted earnings per share | 66,21,00,822 | 66,21,00,822 |
| Earnings per share | | |
| Basic earnings per share (₹) | 16.74 | 11.61 |
| Diluted earnings per share (₹) | 16.74 | 11.61 |



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Note 43: Post-employment benefit plan

Defined Contribution Plan

The Company makes Provident Fund, Pension Fund, Superannuation Fund, Employee State Insurance Scheme, Maharashtra Labour Welfare Fund, and National Pension Scheme contributions which are defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

| Particulars | 31 March, 2022 | 31 March, 2021 |
|---|-----------------|-----------------|
| (i) Contribution to Employees Provident Fund | 1,208.10 | 1,074.92 |
| (ii) Contribution to Employees Pension Fund | 342.45 | 316.54 |
| (iii) Contribution to Employees State Insurance Corporation | 0.20 | 2.32 |
| (iv) Contribution to Maharashtra Labour Welfare Fund | 0.86 | 0.84 |
| (v) Contribution to National Pension Scheme | 119.13 | 88.75 |
| Total | 1,670.74 | 1,483.37 |

Defined Benefit Plan

The Company has a defined benefit gratuity plan (funded). The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and last drawn salary. The fund is managed by Aditya Birla Sun Life Insurance Company Limited which is a fellow subsidiary of the Company.

The following tables summarizes the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.

Changes in the defined benefit obligation and fair value of Reimbursement Rights as at 31 March, 2022 are as under:

| Particulars | Gratuity cost charged to profit or loss | | | | Remeasurement gains/(losses) in other comprehensive income | | | | | | | | | | |
|------------------------------------|---|--------------|----------------------|--------------------------|--|---------------|---|--------------------------|---|---|---------------------|---------------------------|---------------------------|-----------------|----------------|
| | 1 April, 2021 | Service cost | Net interest expense | Group Company Allocation | Sub-total included in profit or loss | Benefits paid | Return on Reimbursement Rights (excluding amounts included in net interest expense) | Group Company Allocation | Actuarial changes arising from changes in demographic assumptions | Actuarial changes arising from changes in financial assumptions | Experience variance | Sub-total included in OCI | Contributions by employer | Transfer in/out | 31 March, 2022 |
| Defined benefit obligation | (3,085.29) | (648.03) | (194.24) | (12.42) | (354.69) | 232.55 | - | 12.42 | 556.32 | (101.71) | 23.37 | 490.40 | - | - | (3,217.03) |
| Fair value of Reimbursement Rights | 1,931.76 | - | 121.62 | - | 121.62 | (232.55) | 41.15 | - | - | - | - | 41.15 | 300.00 | - | 2,161.98 |



Changes in the defined benefit obligation and fair value of Reimbursement Rights as at 31 March, 2021 are as under:

| Particulars | Gratuity cost charged to profit or loss | | | | | Remeasurement gains/(losses) in other comprehensive income | | | | | | | | | |
|------------------------------------|---|--------------|----------------------|--------------------------|--------------------------------------|--|---|--------------------------|---|---|---------------------|---------------------------|---------------------------|-----------------|----------------|
| | 1 April, 2020 | Service cost | Net interest expense | Group Company Allocation | Sub-total included in profit or loss | Benefits paid | Return on Reimbursement Rights (excluding amounts included in net interest expense) | Group Company Allocation | Actuarial changes arising from changes in demographic assumptions | Actuarial changes arising from changes in financial assumptions | Experience variance | Sub-total included in OCI | Contributions by employer | Transfer in/out | 31 March, 2021 |
| Defined benefit obligation | (2,657.24) | (586.04) | (171.27) | (83.45) | (840.76) | 170.18 | - | 83.45 | - | (16.91) | 175.99 | 242.53 | - | - | (3,085.29) |
| Fair value of Reimbursement Rights | 1,789.54 | - | 115.34 | - | 115.34 | (170.18) | 197.06 | - | - | - | - | 197.06 | - | - | 1,931.76 |

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

| Particulars | 31 March, 2022 | 31 March, 2021 |
|---|--|--|
| Expected return on Reimbursement Rights | 6.05% | 6.30% |
| Discount Rate | 6.05% | 6.30% |
| Salary Escalation Rate | 7.00% | 7.00% |
| Retirement age | 60 years | 60 years |
| Mortality rate | Indian Assured Lives mortality (2012-14) | Indian Assured Lives mortality (2012-14) |

Attrition / Withdrawal rates, based on age: (per annum)

| Particulars | 31 March, 2022 | 31 March, 2021 |
|----------------|----------------|----------------|
| Up to 30 years | 34.00% | 14.00% |
| 31 - 40 years | 25.00% | 12.60% |
| 41 - 50 years | 13.00% | 5.60% |
| Above 50 years | 2.00% | 2.80% |

Note: The above information is certified by actuary, and this has been relied upon by the auditors.

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields as at Balance Sheet date.

Disaggregation of Reimbursement Rights:

| Particulars | 31 March, 2022 | 31 March, 2021 |
|--|----------------|----------------|
| Unquoted investments: | | |
| Insurer managed funds (Investments with Aditya Birla Sun Life Insurance Company Limited) | 2,161.98 | 1,931.76 |
| Total | 2,161.98 | 1,931.76 |



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A quantitative sensitivity analysis for significant assumption is as shown below:

| Assumptions | Discount rate | | Salary | |
|---|---------------|---------------|---------------|---------------|
| | 0.5% increase | 0.5% decrease | 0.5% increase | 0.5% decrease |
| Sensitivity level | | | | |
| Impact on defined benefit obligation - (31 March, 2022) | 3,057.58 | 3,344.33 | 3,342.82 | 3,057.92 |
| Impact on defined benefit obligation - (31 March, 2021) | 2,922.18 | 3,261.10 | 3,260.22 | 2,922.33 |

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the year.

The following payments are expected contributions to the defined benefit plan in future years:

| Expected payment for future years | 31 March, 2022 | 31 March, 2021 |
|--|----------------|----------------|
| Within the next 12 months (next annual reporting period) | 425.07 | 168.22 |
| Between 2 and 5 years | 1,312.51 | 757.61 |
| Between 6 and 9 years | 959.85 | 937.20 |
| 10 years and above | 2,858.52 | 5,114.43 |
| Total expected payments | 5,555.95 | 6,977.46 |

The Company expects to contribute ₹ 1,588.97 lakhs (31 March, 2021 : ₹ 1,815.77 lakhs) to the fund in the next financial year.

The weighted average duration of the defined benefit obligation as at 31 March, 2022 is 8 years (31 March, 2021: 11 years)

Other Long Term Incentive Benefits

Liability for the scheme is determined based on actuarial valuations.

Employee Stock Option Plan (ESOP) by Aditya Birla Capital Limited

Pursuant to ESOP Plan being established by the holding company (i.e. Aditya Birla Capital Limited), stock options were granted to the employees of the Company. Total cost incurred by the holding company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of ₹ 198.86 lakhs (31st March, 2021 ₹ 183.71 lakhs) has been recovered from the Company during the year, which has been charged to the Statement of Profit and Loss. The balance sum of ₹ 17.83 lakhs will be recovered in future periods.



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Note 44: Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations.

| Particulars | 31 March, 2022 | | | 31 March, 2021 | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Within 12 months | After 12 months | Total | Within 12 months | After 12 months | Total |
| Assets | | | | | | |
| Financial assets | | | | | | |
| Cash and cash equivalents | 59,571.14 | - | 59,571.14 | 1,51,098.56 | - | 1,51,098.56 |
| Bank balance other than cash and cash equivalents | 9,681.37 | - | 9,681.37 | 1,913.09 | - | 1,913.09 |
| Derivative financial instruments | 19.02 | - | 19.02 | - | - | - |
| Trade and Other Receivables | 1,243.96 | - | 1,243.96 | 998.86 | - | 998.86 |
| Loans* | 13,18,611.61 | 40,42,134.41 | 53,60,746.02 | 13,84,447.06 | 33,75,296.30 | 47,59,743.36 |
| Investments | 1,57,397.94 | 12,005.62 | 1,69,403.56 | 72,313.21 | 6,977.69 | 79,290.90 |
| Other financial assets | 3,987.16 | 1,374.65 | 5,361.81 | 3,053.68 | 2,064.27 | 5,117.95 |
| Non-financial Assets | | | | | | |
| Current tax asset (net) | - | 34,239.10 | 34,239.10 | - | 23,971.65 | 23,971.65 |
| Deferred tax assets (net) | - | 25,954.92 | 25,954.92 | - | 26,013.31 | 26,013.31 |
| Property, plant and equipments | - | 1,881.37 | 1,881.37 | - | 1,465.80 | 1,465.80 |
| Intangible assets under development | - | 1,089.05 | 1,089.05 | - | 1,197.92 | 1,197.92 |
| Other Intangible assets | - | 7,008.52 | 7,008.52 | - | 7,149.74 | 7,149.74 |
| Right of use Lease Assets | - | 12,187.33 | 12,187.33 | - | 9,405.31 | 9,405.31 |
| Other non financial assets | 6,837.64 | 1,695.62 | 8,533.26 | 5,631.90 | 2,518.64 | 8,150.54 |
| Total assets | 15,57,349.84 | 41,39,570.58 | 56,96,920.43 | 16,19,456.36 | 34,56,060.63 | 50,75,516.99 |
| Liabilities | | | | | | |
| Financial Liabilities | | | | | | |
| Derivative financial instruments | 7,799.24 | - | 7,799.24 | 3,063.81 | - | 3,063.81 |
| Trade payables | 24,221.63 | - | 24,221.63 | 11,172.31 | - | 11,172.31 |
| Debt Securities | 6,36,206.50 | 9,41,919.20 | 15,78,125.70 | 7,35,990.46 | 9,21,884.58 | 16,57,875.04 |
| Borrowings (other than debt security) | 11,74,711.92 | 15,97,003.12 | 27,71,715.04 | 8,19,854.00 | 14,25,606.08 | 22,45,460.08 |
| Subordinated Liabilities | 14,333.99 | 2,34,400.00 | 2,48,733.99 | 12,549.97 | 2,05,633.29 | 2,18,183.26 |
| Lease liabilities | 2,911.98 | 9,998.40 | 12,910.38 | 2,485.83 | 7,738.81 | 10,224.64 |
| Other Financial liabilities | 47,013.29 | - | 47,013.29 | 31,157.53 | - | 31,157.53 |
| Non-financial Liabilities | | | | | | |
| Current tax liabilities (net) | 1,513.10 | - | 1,513.10 | 1,466.63 | - | 1,466.63 |
| Provisions | 10,421.69 | - | 10,421.69 | 8,062.51 | - | 8,062.51 |
| Other non-financial liabilities | 8,424.39 | - | 8,424.39 | 5,063.24 | - | 5,063.24 |
| Total Liabilities | 19,27,557.73 | 27,83,320.72 | 47,10,878.46 | 16,30,866.29 | 25,60,862.76 | 41,91,729.05 |

* Stage 3 loans have been considered in after 12 months bucket.

Note: Classification of Loans under the different maturity buckets is based on the due date, which has been relied upon by the auditors.



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Note 45: Change in liabilities arising from financing activities

| Particulars | As at 1 April, 2021 | Cash Flows | Other (Non-Cash) | As at 31 March, 2022 |
|--|---------------------|--------------------|--------------------|----------------------|
| Debt Securities | 16,57,875.04 | (53,850.00) | (25,899.34) | 15,78,125.70 |
| Borrowings other than debt securities | 22,45,460.08 | 5,36,465.32 | (10,210.36) | 27,71,715.04 |
| Subordinate Liabilities | 2,18,183.26 | 30,000.00 | 550.73 | 2,48,733.99 |
| Total liabilities from financing activities | 41,21,518.38 | 5,12,615.32 | (35,558.97) | 45,98,574.73 |

| Particulars | As at 1 April, 2020 | Cash Flows | Other (Non-Cash) | As at 31 March, 2021 |
|--|---------------------|----------------------|--------------------|----------------------|
| Debt Securities | 17,86,922.93 | (1,03,199.13) | (25,848.76) | 16,57,875.04 |
| Borrowings other than debt securities | 23,48,463.85 | (92,908.08) | (10,095.69) | 22,45,460.08 |
| Subordinate Liabilities | 2,10,142.09 | 8,000.00 | 41.17 | 2,18,183.26 |
| Total liabilities from financing activities | 43,45,528.87 | (1,88,107.21) | (35,903.28) | 41,21,518.38 |

Note :

1. The above amounts are including interest accrued but not due.



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Note 46: Contingent liabilities, commitments and leasing arrangements

(A) Contingent Liabilities

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|--|-------------------------|-------------------------|
| Disputed Income Tax Liability* | 7,072.17 | 4,860.34 |
| Disputed Service Tax Liability** | 131.49 | 131.49 |
| Claims against the Company not acknowledged as debts*** | 638.00 | 638.00 |
| Corporate guarantees, Guarantee on Overdraft, Letter of credit and Letter of comfort given by the Company on behalf of the clients**** | 11,533.84 | 3,148.60 |
| Total | 19,375.50 | 8,778.43 |

*** (i) Disputed Income Tax Liability**

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|--|-------------------------|-------------------------|
| Disallowances of Depreciation on Intangibles, Interest on Non Performing Assets (NPA), Disallowance of Donation forming part of CSR expenditure u/s 80G, Disallowance of certain Expenses, Disallowance under Section 14A, Disallowance of PF/ESIC, Disallowance of Cenvat Credit w/off. | 806.41 | 607.65 |
| Disallowances of exceptional losses of Wealth Business | 3,234.12 | 3,234.12 |
| Interest on Non Performing Assets (NPA) | 3,031.64 | 1,018.57 |
| Total | 7,072.17 | 4,860.34 |

** (ii) Show Cause cum demand Notice No. ST/Audit-III/P-3/Gr-7/Aditya Birla/SCN/2016 dated 09 May, 2017 was issued to the Company demanding Service Tax of ₹ 69.84 lakhs on penal/ default interest.

** (iii) Show Cause cum demand Notice No. 20/GST/ME/Aditya Birla/ADC/2018-19 dated 26.07.2018 was issued to the Company demanding Service Tax of ₹ 61.65 lakhs on penal interest.

*** The claims against the Company comprise of the following :

- Two of the Company customers have filed the Claim Petition as per High Court Order dated 27.10.2009 for an amount of ₹ 512 lakhs (31 March 2021: ₹ 512 lakhs) along with damages with interest. The matter is pending before Arbitrator.
- In one of the cases, the Company has challenged before the Bombay High Court, the order of NCLT Mumbai which directed the Company to pay liquidation cost of ₹ 91 lakhs. Accordingly, the Company has deposited ₹ 91 lakhs as per the Bombay High Court's direction till the outcome of the final hearing is decided. The matter is still pending.
- In view of the pending case mentioned in point (ii) above, the Company has decided to not pay liquidation cost of ₹ 35 lakhs in another case where the Company has successfully sold the secured assets of the customer which is undergoing liquidation.

**** Represents the limit utilized by client of the Guarantee/ Overdraft/Letter of Credit and Letter of Comfort given by the Company.

(B) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) on account of property, plant and equipment Rs. 814.53 Lakh (31 March, 2021: Rs. 46.82 Lakh) and on account of intangible assets Rs. 1,575.92 Lakh (31 March, 2021: Rs. 662.89 Lakh).

Undisbursed commitments where the Company does not have an unconditional rights to cancel the undrawn/un-availed/unused portion of the loan at any time during the subsistence of the loan ₹ Nil.



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(C) Lease Disclosures

(i) Following are the changes in the carrying value of right of use assets for the year ended March 31, 2022:

| Particulars | Amount |
|--|------------------|
| Gross Carrying Value | |
| Balance as at 1st April, 2020 | 10,021.24 |
| Additions | 5,861.15 |
| Deletion | (1,969.94) |
| Balance as at 31st March, 2021 | 13,912.45 |
| Additions | 7,065.31 |
| Deletion | (4,374.94) |
| Balance as at 31st March, 2022 | 16,602.82 |
| Accumulated Amortisation | |
| As at 1st April, 2020 | 1,951.79 |
| Additions | 2,625.34 |
| Deletion | (69.99) |
| Balance as at 31st March, 2021 | 4,507.14 |
| Additions | 2,583.08 |
| Deletion | (2,674.73) |
| Balance as at 31st March, 2022 | 4,415.49 |
| Net Carrying Value as at 31st March, 2021 | 9,405.31 |
| Net Carrying Value as at 31st March, 2022 | 12,187.33 |

(ii) Amounts recognised in profit and loss for the year ended 31 March, 2022

| Particulars | Year Ended 31st March, 2022 | Year Ended 31st March, 2021 |
|--|--------------------------------|--------------------------------|
| Depreciation expense on right-of-use assets | 2,583.08 | 2,625.34 |
| Interest expense on lease liabilities | 892.61 | 897.27 |
| Expense relating to leases of low value assets | 1,165.56 | 1,219.05 |
| Income from subleasing right-of-use assets | (373.63) | (297.61) |
| Gains or losses arising from Rent concessions due to Covid-19 Pandemic | - | (252.02) |

(iii) The Maturity analysis of lease liabilities as at 31 March, 2022 :

| Particulars | As at 31st March 2022 | As at 31st March 2021 |
|------------------|--------------------------|--------------------------|
| Within 12 months | 2,911.98 | 2,485.83 |
| After 12 months | 9,998.40 | 7,738.81 |
| Total | 12,910.38 | 10,224.64 |



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(iv) The following is the movement in lease liabilities during the year ended March 31, 2022:

| Particulars | Year Ended 31st March, 2022 | Year Ended 31st March, 2021 |
|--------------------------------------|--------------------------------|--------------------------------|
| Balance as at 1st April, 2021 | 10,224.64 | 8,909.91 |
| Additions | 6,700.12 | 5,696.92 |
| Surrender of premises | (2,051.28) | (2,493.58) |
| Finance Cost accrued during the year | 892.61 | 897.27 |
| Payment of Lease Liabilities | (2,855.71) | (2,785.88) |
| Balance as at 31st March, 2022 | 12,910.38 | 10,224.64 |

(v) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis:

| Particulars | As at 31st March 2022 | As at 31st March 2021 |
|----------------------|--------------------------|--------------------------|
| Less than one year | 3,009.34 | 2,577.35 |
| One to Five years | 9,770.89 | 8,107.10 |
| More than Five years | 2,942.75 | 1,818.00 |
| Total | 15,722.98 | 12,502.45 |

When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate at 01 April, 2021. The weighted average rate applied ranges between 4.95% p.a. - 6.95% p.a.

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.



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Note 47: Related party disclosures

I) List of Related Parties as per IND AS -24 with whom transactions have taken place during the year:

(A) Ultimate Holding Company:

Grasim Industries Limited

(B) Holding Company:

Aditya Birla Capital Limited

(C) Subsidiaries / Fellow Subsidiaries:

Fellow Subsidiaries

Aditya Birla Money Limited
Aditya Birla Money Insurance Advisory Services Limited
Aditya Birla Capital Technology Services Limited
Aditya Birla Wellness Private Limited
Aditya Birla Sun Life Insurance Company Limited
Aditya Birla Financial Shared Services Limited
Aditya Birla Housing Finance Limited
Aditya Birla Health Insurance Company Limited
Aditya Birla Sunlife Asset Management Company Limited
Aditya Birla ARC Limited
Aditya Birla Money Mart Limited
Aditya Birla Sun Life Pension Management Limited
Aditya Birla Stressed Asset AMC Private Limited
Aditya Birla PE Advisors Private Limited
Aditya Birla Insurance Brokers Limited
Waacox Energy Private Limited
Ultratech Cement Limited

(D) Other related parties in which Directors of Ultimate Holding Company are interested

Aditya Birla Management Corporation Private Limited

(E) Key managerial personnel

Mr. Rakesh Singh (Managing Director & Chief Executive Officer)
Mr. Tushar Shah (Appointed as Chief Executive Officer-PFSG with effect from 08 October, 2021)
Mr. Sanjay Kumar Miranka (Ceased as Chief Financial Officer with effect from 22 June, 2021)
Mr. Pradeep Kumar Agrawal (Appointed as Chief Financial Officer with effect from 08 October, 2021)
Mr. Ankur Deepak Shah (Company Secretary)
Mr. D J Kakalia (Director)
Mr. Jitender Balakrishnan (Director)
Mr. Ashwani Puri (Director)
Ms. Alka Bharucha (Director)
Mr. Baldev Raj Gupta (Ceased to be a Director with effect from 27 July, 2021)
Mr. S C Bhargava (Director)



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 47: Related party disclosures (Continued)

II) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:

| Particulars | Year Ended | |
|--|----------------|----------------|
| | 31 March, 2022 | 31 March, 2021 |
| Reimbursement of Legal and Professional expenses | | |
| Aditya Birla Capital Limited | 66.50 | - |
| Dividend | | |
| Aditya Birla Capital Limited | 10,924.66 | - |
| Reimbursement of Employee cost | | |
| Aditya Birla Capital Limited- ESOP | 198.86 | 183.71 |
| Business Support Expenses | | |
| Aditya Birla Capital Limited | 2,911.16 | 2,984.35 |
| Interest on Debentures & ICD | | |
| Aditya Birla Capital Limited | - | 303.80 |
| Paid up Equity Share Capital Outstanding | | |
| Aditya Birla Capital Limited | 66,210.08 | 66,210.08 |
| Equity Share Premium Outstanding | | |
| Aditya Birla Capital Limited | 3,21,096.08 | 3,21,096.08 |
| Payable | | |
| Aditya Birla Capital Limited (Trade Payables) | 362.45 | 266.63 |
| Statutory Dues (GST) | | |
| Aditya Birla Capital Limited | 35.06 | 53.11 |
| Receivable | | |
| Aditya Birla Capital Limited | - | 3.52 |
| Ultimate Holding Company | | |
| Reimbursement of Employee cost | | |
| Grasim Industries Limited | 3.08 | - |
| Subsidiary of Ultimate Holding Company | | |
| Sale of Asset | | |
| Ultratech Cement Limited | 7.65 | - |
| Reimbursement of Employee cost | | |
| Ultratech Cement Limited | 0.85 | - |
| Remuneration to KMPs | | |
| Mr. Rakesh Singh (MD & CEO) | 870.79 | 1,162.69 |
| Mr. Tushar Shah (Appointed as CEO-PFSG w.e.f. 08 October, 2021) | 158.10 | - |
| Mr. Sanjay Kumar Miranka (Ceased as CFO w.e.f. 22 June, 2021) | 133.25 | 372.94 |
| Mr. Pradeep Kumar Agrawal (Appointed as CFO w.e.f. 08 October, 2021) | 34.51 | - |
| Mr. Ankur Deepak Shah (CS) | 55.80 | 50.95 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

| Transactions With Related Party (Continued) | | |
|---|-----------------------|-----------------------|
| Particulars | Year Ended | |
| | 31 March, 2022 | 31 March, 2021 |
| Fellow Subsidiaries | | |
| Brokerage Expenses | | |
| Aditya Birla Money Limited | 27.66 | 29.89 |
| Aditya Birla Money Insurance Advisory Services Limited | 782.76 | 8.50 |
| Reimbursement of Administrative expenses | | |
| Aditya Birla Wellness Private Limited | 0.34 | 1.70 |
| Aditya Birla Money Limited | 0.35 | 8.03 |
| Aditya Birla Capital Technology Services Limited | 5.70 | 3.82 |
| Aditya Birla Insurance Brokers Limited | - | 0.15 |
| Aditya Birla Sun Life Insurance Company Limited | 0.36 | - |
| Aditya Birla Financial Shared Services Limited | 428.28 | 283.67 |
| Aditya Birla Management Corporation Private Limited. | 1.14 | - |
| Aditya Birla Health Insurance Company Limited | - | 2.49 |
| Payment of Other Services | | |
| Aditya Birla Management Corporation Private Limited | 3,162.17 | 2,851.08 |
| Business Support Expenses | | |
| Aditya Birla Financial Shared Services Limited | 1,654.20 | 1,467.05 |
| Aditya Birla Housing Finance Co. Limited | 199.72 | 283.25 |
| IT Support Expenses | | |
| Aditya Birla Capital Technology Services Limited | 303.25 | 171.78 |
| Custodian Charges Expenses | | |
| Aditya Birla Money Limited | 5.90 | 5.81 |
| Director Sitting fees | | |
| Mr. D J Kakalia | 18.25 | 6.40 |
| Mr. Jitender Balakrishnan | 14.00 | 4.60 |
| Mr. Ashwani Puri | 14.75 | 5.60 |
| Ms. Alka Bharucha | 11.50 | 3.00 |
| Mr. S C Bhargava | 10.00 | 3.70 |
| Mr. Baldev Raj Gupta (Ceased to be a Director with effect from 27 July, 2021) | 2.50 | 3.50 |
| Interest expenses | | |
| Aditya Birla Sun Life Insurance Company Limited | 2,313.06 | 2,671.49 |
| Reimbursement of Rent expenses | | |
| Aditya Birla Money Limited | - | 0.61 |
| Aditya Birla Insurance Brokers Limited | 3.84 | 6.38 |
| Aditya Birla Sunlife Asset Management Co Limited | 41.16 | 3.45 |
| Aditya Birla ARC Limited | - | 1.00 |
| Aditya Birla Sun Life Insurance Company Limited | 43.07 | 25.50 |
| Reimbursement of Legal and Professional expenses | | |
| Aditya Birla Housing Finance Limited | - | 26.40 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

| Transactions With Related Party (Continued) | | |
|--|-----------------------|-----------------------|
| Particulars | Year Ended | |
| | 31 March, 2022 | 31 March, 2021 |
| Reimbursement of Employee cost | | |
| Aditya Birla Money Limited | 221.16 | 213.53 |
| Aditya Birla Money Mart Limited | - | 28.70 |
| Aditya Birla Health Insurance Co Limited | 3.03 | 0.39 |
| Aditya Birla Money Insurance Advisory Services Limited | 4.35 | 0.04 |
| Aditya Birla Capital Technology Services Limited | - | 10.06 |
| Aditya Birla ARC Limited | - | 19.67 |
| Aditya Birla Financial Shared Services Limited | 10.22 | - |
| Aditya Birla Housing Finance Limited | 72.12 | 72.52 |
| Aditya Birla Sunlife Insurance Company Limited | 0.39 | 6.43 |
| Aditya Birla Insurance Brokers Limited | 0.92 | - |
| Aditya Birla Sunlife Asset Management Company Limited | 1.07 | 2.03 |
| Insurance Premium Paid | | |
| Aditya Birla Health Insurance Company Limited | - | 30.05 |
| Interest Income | | |
| Waacox Energy Private Limited | 388.78 | - |
| Employee cost recovered | | |
| Aditya Birla Money Limited | 3.77 | 28.63 |
| Aditya Birla Sun Life Insurance Company Limited | 31.09 | 10.70 |
| Aditya Birla Capital Technology Services Limited | 2.30 | - |
| Aditya Birla Sunlife Asset Management Company Limited | 4.76 | 4.89 |
| Aditya Birla Money Mart Limited | 28.35 | - |
| Aditya Birla Management Corporation Private Limited | 1.46 | 5.50 |
| Aditya Birla Housing Finance Limited | 123.82 | 25.28 |
| Aditya Birla Money Insurance Advisory Services Limited | 1.38 | - |
| Aditya Birla Insurance Brokers Limited | 23.99 | - |
| Aditya Birla Health Insurance Company Limited | - | 1.26 |
| Aditya Birla Sun Life Pension Management Limited | 0.19 | - |
| Aditya Birla Wellness Private Limited | 5.59 | - |
| Aditya Birla Financial Shared Services Limited | 5.85 | - |
| Referral Fees Income | | |
| Aditya Birla Money Limited | 20.99 | 17.50 |
| Brokerage / Commission Income | | |
| Aditya Birla Money Limited | 427.88 | 383.66 |
| Ashwani Kumar Puri (Director) | 10.17 | - |
| Aditya Birla Sunlife Asset Management Company Limited | 115.05 | 75.10 |
| Rent recovered | | |
| Aditya Birla Capital Technology Services Limited | - | 1.94 |
| Aditya Birla Money Insurance Advisory Services Limited | 18.00 | 6.07 |
| Aditya Birla Insurance Brokers Limited | 2.29 | 42.27 |
| Aditya Birla Sunlife Asset Management Company Limited. | 7.17 | 3.59 |
| Aditya Birla Housing Finance Limited | 328.88 | 245.65 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

| Transactions With Related Party (Continued) | | |
|--|-----------------------|-----------------------|
| Particulars | Year Ended | |
| | 31 March, 2022 | 31 March, 2021 |
| Administrative Expenses Recovered | | |
| Aditya Birla Money Insurance Advisory Services Limited | 2.20 | 6.98 |
| Aditya Birla ARC Limited | 0.21 | - |
| Aditya Birla Capital Technology Services Ltd | - | 0.59 |
| Aditya Birla Insurance Brokers Limited | 0.43 | - |
| Aditya Birla Financial Shared Services Limited | 126.51 | 228.71 |
| Business Support Expenses Recovered | | |
| Aditya Birla Housing Finance Limited | 871.91 | 991.86 |
| Sale of assets | | |
| Aditya Birla ARC Limited | - | 3.33 |
| Aditya Birla Housing Finance Limited | 22.37 | - |
| Aditya Birla Money Mart Limited | - | 5.42 |
| Aditya Birla Stressed Asset AMC Private Limited | - | 0.56 |
| Purchase of assets | | |
| Aditya Birla Capital Technology Services Limited | 4.11 | 26.57 |
| Aditya Birla Management Corporation Private Limited | 0.56 | 0.62 |
| Aditya Birla Housing Finance Limited | 0.45 | 1.91 |
| Aditya Birla Money Mart Limited | 4.44 | - |
| Aditya Birla Insurance Brokers Limited | 0.71 | - |
| Aditya Birla Wellness Private Limited | 17.41 | - |
| Aditya Birla Sun Life Insurance Company Limited | - | 0.64 |
| Redemption of NCDs | | |
| Aditya Birla Sun Life Insurance Company Limited | 15,000.00 | - |
| Investment in fund made | | |
| Aditya Birla Special Situations Fund - I | 15.26 | 11.64 |
| Redemption from Investment | | |
| Aditya Birla Special Situations Fund - I | 2.17 | 2.05 |
| Prepaid Expenses | | |
| Aditya Birla Capital Technology Services Limited | 3.77 | 2.46 |
| Aditya Birla Financial Shared Services Limited | 85.39 | 34.24 |
| Redeemable NCDs | | |
| Aditya Birla Sun Life Insurance Company Limited | 14,500.00 | 29,482.85 |
| Interest accrued | | |
| Aditya Birla Sun Life Insurance Company Limited | 966.86 | 1,327.20 |
| Investment in fund outstanding | | |
| Aditya Birla Special Situations Fund - I | 28.94 | 15.84 |
| Loans and Advances | | |
| Wacox Energy Private Limited | 4,356.58 | - |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

| Transactions With Related Party (Continued) | | |
|--|-----------------------|-----------------------|
| Particulars | Year Ended | |
| | 31 March, 2022 | 31 March, 2021 |
| Payable | | |
| Aditya Birla Wellness Private Limited | - | 1.88 |
| Aditya Birla ARC Limited | - | 19.92 |
| Aditya Birla Capital Technology Services Limited | 100.96 | 46.68 |
| Aditya Birla Insurance Brokers Limited | 11.17 | - |
| Aditya Birla Sun Life Insurance Company Limited | 2.97 | 18.35 |
| Aditya Birla Financial Shared Services Limited | 241.07 | 176.84 |
| Aditya Birla Management Corporation Private Limited | 751.16 | 564.98 |
| Aditya Birla Sunlife Asset Management Company Limited | 160.60 | - |
| Aditya Birla Money Insurance Advisory Services Limited | 681.31 | - |
| Aditya Birla Health Insurance Company Limited | 3.03 | 1.35 |
| Receivable | | |
| Aditya Birla Money Limited | 182.09 | 265.12 |
| Aditya Birla Insurance Brokers Limited | - | 19.69 |
| Aditya Birla Money Insurance Advisory Services Limited | - | 75.98 |
| Aditya Birla Housing Finance Limited | 362.92 | 299.60 |
| Aditya Birla Sun Life Assets Management Company Limited | - | 0.16 |
| Aditya Birla Wellness Private Limited | 0.04 | - |
| Deposit Receivable | | |
| Aditya Birla Management Corporation Private Limited | 615.12 | 615.12 |
| Aditya Birla Sun Life Insurance Company Limited | 94.60 | 88.30 |
| Deposit Placed (Transaction during the period) | | |
| Aditya Birla Sun Life Insurance Company Limited | 94.60 | - |
| Aditya Birla Sunlife Asset Management Company Limited | 120.00 | - |
| Aditya Birla Management Corporation Private Limited | - | 204.00 |
| Deposit Received back (Transaction during the period) | | |
| Aditya Birla Sun Life Insurance Company Limited | 88.30 | - |
| Aditya Birla Management Corporation Private Limited | - | 604.64 |

Notes:-

- a) The related party relationships have been as identified by the management on the basis of the requirements of the Indian Accounting Standard IND AS-24 'Related Party Disclosures' and the same have been relied upon by the Auditors.
- b) The relationships disclosed above are for the entities where control exists and with whom transactions have taken place during the year.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 48: Capital

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a capital adequacy ratio, which is weighted assets divided by total capital derived as per the RBI requirements. As per the RBI guidelines, Company being a Non Banking Finance Company has to maintain 15% of capital adequacy ratio.

The actual Capital Adequacy Ratio is as under:

| Particulars | 31 March, 2022 | 31 March, 2021 |
|------------------------|----------------|----------------|
| Capital Adequacy Ratio | 21.77% | 22.70% |

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2022 and 31 March, 2021.



Note 49: Financial Instruments

Note 49.1: Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures":

(a) Category-wise classification for applicable financial assets:

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|---|----------------------|----------------------|
| (I) Measured at amortised cost: | | |
| i) Cash and cash equivalents | 59,571.14 | 1,51,098.56 |
| ii) Bank balance other than Cash and cash equivalents | 9,681.37 | 1,913.09 |
| iii) Trade receivables | 1,243.96 | 998.86 |
| iv) Loans & advances | 53,60,746.02 | 47,59,743.36 |
| v) Other financial assets | 5,361.81 | 5,117.95 |
| Sub Total | 54,36,604.30 | 49,18,871.82 |
| (II) Measured at fair value through profit or loss (FVTPL) | | |
| i) Investment in Govt Securities | 47,137.87 | 15,420.71 |
| ii) Investment in Equity instruments | 45.17 | 36.82 |
| iii) Investment in Preference Shares | 3,500.00 | - |
| iv) Investment in Alternate Funds | 8,225.19 | 6,729.83 |
| v) Investment in Debentures | 1,10,260.07 | 56,892.50 |
| Sub Total | 1,69,168.30 | 79,079.86 |
| (III) Designated at fair value through profit or loss (FVTPL) | | |
| i) Derivative financial instruments | 19.02 | - |
| Sub Total | 19.02 | - |
| (IV) Measured at fair value through other comprehensive income (FVTOCI): | | |
| i) Investment in Equity instruments | 235.26 | 211.04 |
| Sub Total | 235.26 | 211.04 |
| Total (I+II+III+IV) | 56,06,026.88 | 49,98,162.72 |

(b) Category-wise classification for applicable financial liabilities:

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|---|----------------------|----------------------|
| (I) Measured at amortised cost: | | |
| i) Trade Payables | 24,221.63 | 11,172.31 |
| ii) Debt securities | 15,53,171.39 | 16,57,875.04 |
| iii) Borrowings (other than debt securities) | 27,71,715.04 | 22,45,460.08 |
| iv) Subordinated liabilities | 2,48,733.99 | 2,18,183.26 |
| v) Lease Liabilities | 12,910.38 | 10,224.64 |
| vi) Other financial liabilities | 47,013.29 | 31,157.53 |
| Sub Total | 46,57,765.72 | 41,74,072.86 |
| (II) Measured at fair value through profit or loss (FVTPL) | | |
| Sub Total | - | - |
| (III) Designated at fair value through profit or loss (FVTPL) | | |
| i) Derivative financial Instruments not designated as cash flow hedges | 28.08 | - |
| ii) Debt securities | 24,954.31 | - |
| Sub Total | 24,982.39 | - |
| (IV) Measured at fair value through other comprehensive income (FVTOCI): | | |
| i) Derivative financial Instruments designated as cash flow hedges | 7,771.16 | 3,063.81 |
| Sub Total | 7,771.16 | 3,063.81 |
| Total (I+II+III+IV) | 46,90,519.27 | 41,77,136.67 |



Note 49: Financial Instruments (continued)

(c) Fair value of financial assets and financial liabilities measured at amortised cost:

| Particulars | As at 31 March, 2022 | | As at 31 March, 2021 | |
|---|----------------------|---------------------|----------------------|---------------------|
| | Carrying amount | Fair value | Carrying amount | Fair value |
| Financial assets | | | | |
| Loans | 53,60,746.02 | 53,60,746.02 | 47,59,743.36 | 47,59,743.36 |
| Total | 53,60,746.02 | 53,60,746.02 | 47,59,743.36 | 47,59,743.36 |
| Financial liabilities | | | | |
| Debt securities | 15,53,171.39 | 16,00,965.62 | 16,57,875.04 | 17,42,161.36 |
| Borrowings (other than debt securities) | 27,71,715.04 | 27,71,715.04 | 22,45,460.08 | 22,45,460.08 |
| Subordinated liabilities | 2,48,733.99 | 2,55,952.13 | 2,18,183.26 | 2,29,747.15 |
| Lease Liabilities | 12,910.38 | 12,910.38 | 10,224.64 | 10,224.64 |
| Total | 45,86,530.80 | 46,41,543.17 | 41,31,743.02 | 42,27,593.23 |

Valuation methodologies of financial instruments not measured at fair value: Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only.

Short-term financial assets and liabilities: The carrying amounts of cash & cash equivalents, bank balance, trade receivables, other financial assets, trade payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

Borrowings

Floating Rate Borrowings: Floating rate borrowings are valued on the basis of Applicable Benchmark (viz: Tenor Linked T-Bill, Repo Rate, Tenor Linked MCLR, or any external benchmark as the case may be) + Spread, if applicable.

Fixed Rate Borrowings: Fixed rate borrowing are valued on the basis of valuation report shared by ICRA.

Note 49.2: Disclosure pursuant to Ind AS 113 "Fair Value Measurement"

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method, market comparable method, recent transactions happened in the company and other valuation models.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below :

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, units of mutual funds (open ended) and traded bonds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(A) Fair value hierarchy of financial assets and financial liabilities

(a) Measured at amortised cost:

As at 31 March, 2022

| Particulars | Level 1 | Level 2 | Level 3 | Total | Valuation technique for level 3 items |
|---|---------|---------------------|---------------------|---------------------|---------------------------------------|
| Financial assets: | | | | | |
| Loans | - | - | 53,60,746.02 | 53,60,746.02 | Discounted cashflow approach |
| Total financial assets | - | - | 53,60,746.02 | 53,60,746.02 | |
| Financial liabilities: | | | | | |
| Debt securities | - | 12,87,436.64 | 3,13,528.98 | 16,00,965.62 | Discounted cashflow approach |
| Borrowings (other than debt securities) | - | - | 27,71,715.04 | 27,71,715.04 | Discounted cashflow approach |
| Subordinated liabilities | - | 2,55,952.13 | - | 2,55,952.13 | |
| Lease Liabilities | - | - | 12,910.38 | 12,910.38 | Discounted cashflow approach |
| Total financial liabilities | - | 15,43,388.77 | 30,98,154.40 | 46,41,543.18 | |

As at 31 March, 2021

| Particulars | Level 1 | Level 2 | Level 3 | Total | Valuation technique for level 3 items |
|---|---------|---------------------|---------------------|---------------------|---------------------------------------|
| Financial assets: | | | | | |
| Loans | - | - | 47,59,743.36 | 47,59,743.36 | Discounted cashflow approach |
| Total financial assets | - | - | 47,59,743.36 | 47,59,743.36 | |
| Financial liabilities: | | | | | |
| Debt securities | - | 14,22,224.19 | 3,19,937.17 | 17,42,161.36 | Discounted cashflow approach |
| Borrowings (other than debt securities) | - | - | 22,45,460.08 | 22,45,460.08 | Discounted cashflow approach |
| Subordinated liabilities | - | 2,29,747.15 | - | 2,29,747.15 | |
| Lease Liabilities | - | - | 10,224.64 | 10,224.64 | Discounted cashflow approach |
| Total financial liabilities | - | 16,51,971.34 | 25,75,621.89 | 42,27,593.23 | |



Note 49: Financial Instruments (continued)

(b) Measured at fair value through profit or loss (FVTPL)

As at 31 March, 2022

| Particulars | Level 1 | Level 2 | Level 3 | Total | Valuation technique for level 3 items |
|---|--------------|--------------------|----------|--------------------|---------------------------------------|
| Financial assets: | | | | | |
| Investment in Govt Securities | - | 47,137.87 | - | 47,137.87 | refer (e) |
| Investment in Equity Instruments-MOIL Limited | 45.17 | - | - | 45.17 | refer (e) |
| Investment in Preference Shares | - | 3,500.00 | - | 3,500.00 | refer (e) |
| Investment in Alternate Funds | - | 8,225.19 | - | 8,225.19 | refer (e) |
| Investment in Debentures | - | 1,10,260.07 | - | 1,10,260.07 | refer (e) |
| Total financial assets | 45.17 | 1,69,123.13 | - | 1,69,168.30 | |

As at 31 March, 2021

| Particulars | Level 1 | Level 2 | Level 3 | Total | Valuation technique for level 3 items |
|----------------------------------|--------------|------------------|----------|------------------|---------------------------------------|
| Financial assets: | | | | | |
| Investment in Govt Securities | - | 15,420.71 | - | 15,420.71 | refer (e) |
| Investment in Equity instruments | 36.82 | - | - | 36.82 | refer (e) |
| Investment in Alternate Funds | - | 6,729.83 | - | 6,729.83 | refer (e) |
| Investment in Debentures | - | 56,892.50 | - | 56,892.50 | refer (e) |
| Total financial assets | 36.82 | 79,043.04 | - | 79,079.86 | |

(c) Designated at fair value through profit or loss (FVTPL)

As at 31 March, 2022

| Particulars | Level 1 | Level 2 | Level 3 | Total | Valuation technique for level 3 items |
|---|----------|------------------|----------|------------------|---------------------------------------|
| Financial assets: | | | | | |
| Derivative financial Instruments | - | 19.02 | - | 19.02 | refer (e) |
| Total financial assets | - | 19.02 | - | 19.02 | |
| Financial liabilities: | | | | | |
| Derivative financial Instruments not designated as cash flow hedges | - | 28.08 | - | 28.08 | refer (e) |
| Debt securities | - | 24,954.31 | - | 24,954.31 | refer (e) |
| Total financial liabilities | - | 24,982.39 | - | 24,982.39 | |

(d) Measured at fair value through other comprehensive income (FVTOCI):

As at 31 March, 2022

| Particulars | Level 1 | Level 2 | Level 3 | Total | Valuation technique for level 3 items |
|---|----------|-----------------|---------------|-----------------|---------------------------------------|
| Financial assets: | | | | | |
| Investment in Equity instruments | - | - | 235.26 | 235.26 | refer (e) |
| Total financial assets | - | - | 235.26 | 235.26 | |
| Financial liabilities: | | | | | |
| Derivative financial Instruments designated as cash flow hedges | - | 7,771.16 | - | 7,771.16 | refer (e) |
| Total financial liabilities | - | 7,771.16 | - | 7,771.16 | |

As at 31 March, 2021

| Particulars | Level 1 | Level 2 | Level 3 | Total | Valuation technique for level 3 items |
|---|----------|-----------------|---------------|-----------------|---------------------------------------|
| Financial assets: | | | | | |
| Investment in Equity Instruments | - | - | 211.04 | 211.04 | refer (e) |
| Total financial assets | - | - | 211.04 | 211.04 | |
| Financial liabilities: | | | | | |
| Derivative financial Instruments designated as cash flow hedges | - | 3,063.81 | - | 3,063.81 | refer (e) |
| Total financial liabilities | - | 3,063.81 | - | 3,063.81 | |



(e) Valuation techniques

Equity instruments: The majority of equity instrument are actively traded on stock exchanges with readily available active prices on a regular basis. Such instruments are classified as Level 1. Unlisted equity securities are classified at Level 3.

Investment in Preference Shares: Investment made in preference share is not actively traded on stock exchange and such instrument are classified as level 2.

Investment in Govt Securities : The fair values of Investments made in Government Securities is based on valuation report from ICRA as at the reporting period and the same are classified under Level 2.

Investment in Alternate funds : Units held in funds of AIF are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions. Such instruments are generally Level 2. NAV represents the price at which the Issuer will issue further units of AIF and the price at which issuers will redeem such units from the investors.

Investment in Debt Securities: Fair value of these Instrument is derived based on the indicative quote of price and yields prevailing in the market as at reporting date. Company has used quoted price of national stock exchange wherever bonds are traded actively. In cases where debt securities are not actively traded company has used CRISIL corporate bond valuer model for measuring fair value i.e. fair value has been computed using the Fixed Income Money Market and Derivatives Association of India ('FIMMDA') data on corporate bond spreads and such Instruments are classified as Level 2.

Derivative Financial Instruments : A generally accepted framework for the valuation of the swap explains the position in each leg of the swap as a 'bond'. Therefore, a receive floating - pay fixed swap can be viewed as a portfolio consisting a short position in fixed bond and long position a floating rate bond. The value of the swap is the net proceeds from such bond positions i.e. Receipt – Payment. The swaps were valued on and with inputs from the swap providers using the terms of the swap contract.

Equity shares measured at Fair Value through Other Comprehensive Income: Unquoted equity shares are measured at fair value through other comprehensive income on the basis of the net worth of the investee company and are classified as Level 3.

(B) Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value:

For the year ended 31 March, 2022

| Particulars | As at 1 April, 2021 | Purchase / (Sales) | Transfers into / (from) Level 3 | Net interest income, net trading income and other income | Other comprehensive income | As at 31 March, 2022 |
|---|---------------------|--------------------|---------------------------------|--|----------------------------|----------------------|
| Investment in Equity Instrument | | | | | | |
| Birla Management Centre Services Limited | 211.04 | - | - | - | 24.22 | 235.26 |
| Total financial investments classified in Level 3 | 211.04 | - | - | - | 24.22 | 235.26 |
| Total financial assets measured at fair value on a recurring basis | 211.04 | - | - | - | - | 235.26 |

For the year ended 31 March, 2021

| Particulars | As at 1 April, 2020 | Purchase / (Sales) | Transfers into / (from) Level 3 | Net Interest income, net trading income and other income | Other comprehensive income | As at 31 March, 2021 |
|---|---------------------|--------------------|---------------------------------|--|----------------------------|----------------------|
| Investment in Equity Instrument | | | | | | |
| Birla Management Centre Services Limited | 175.68 | - | - | - | 35.36 | 211.04 |
| Investment in Preference Shares | | | | | | |
| TATA Motors Finance Limited | 22,551.00 | (22,551.00) | - | - | - | - |
| Total financial investments classified in Level 3 | 22,726.68 | (22,551.00) | - | - | 35.36 | 211.04 |
| Total financial assets measured at fair value on a recurring basis | 22,726.68 | - | - | - | - | 211.04 |

(C) Sensitivity of fair value measurements to changes in unobservable market data

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

| Particulars | Fair value as at | | Rates for Sensitivity | Impact of Increase in Rates on Total Comprehensive Income statement | | | |
|--|------------------|----------------|-----------------------|---|----------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 | | March 31, 2022 | March 31, 2022 | March 31, 2021 | March 31, 2021 |
| | | | | Favourable | Unfavourable | Favourable | Unfavourable |
| Investment in Equity Instrument | | | | | | | |
| Birla Management Centre Services Limited | 235.26 | 211.04 | 5.00% | 11.76 | (11.76) | 10.55 | (10.55) |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
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Note 50: Registration of charges or satisfaction with Registrar of Companies (ROC)

Company has complied with the charge creation or satisfaction registration with ROC within the statutory period.

Note 51: Relationship with Struck off Companies

| Name of struck off Company | Nature of transactions with struck-off Company | Balance outstanding | Relationship with the Struck off company |
|---|--|---------------------|--|
| Maxin Hydro Dynamic India Private Limited | Outstanding balance (Loan given) | 3.89 | - |
| Emirate Fashions Private Limited | Outstanding balance (Loan given) | 10.28 | - |
| Thanco Natural Foods Private Limited | Outstanding balance (Loan given) | 19.88 | - |
| Bee Luxe Private Limited | Outstanding balance (Loan given) | 9.34 | - |
| Alaric Healthcare Private Limited | Outstanding balance (Loan given) | 8.28 | - |

The above disclosure has been prepared basis the relevant information compiled by the Company on best effort basis which has been relied upon by the auditors.



Note 52: Risk management

(a) Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings (Including Debt Securities & Subordinate Liabilities) and trade and other payables. The main purpose of these financial liabilities is to finance and support the company's operations. The Company's principal financial assets include loans, investments, cash and cash equivalents and other receivables that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Risk Management Committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Risk Committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors review and agree policies for managing each of these risks, which are summarised below.

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 reviewed, improved and adapted in 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. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Operational & Business Risk

Loss of Risk that is related to activities carried out within an entity, arising from incomplete structure, failure of systems, untrained people, inefficient products or processes. To make the structure more robust a Board approved Operational Risk Management Framework has been put in place which is implemented by a dedicated team within the Risk Management function. A bottom up risk control self-assessment process identifies high risk areas, potential gaps and serves as an early warning system so that remedial measures can be initiated in a timely manner.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. In the case of the Company, market risk primarily comprises of interest rate risk. Financial instruments affected by market risk include loans and The analyses exclude the impact of movements in market variables on the carrying values of gratuity, other post-retirement obligations and provisions.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March, 2022 and 31 March, 2021.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest rate sensitivity

Since the Company manages its interest rate risk on domestic borrowings by ensuring, at maximum, its long term borrowings from domestic banks at floating rate of interest and in case of reduction in interest rate, it initiates negotiations with bankers for realigning the interest rate and/or repaying the high interest rate exposures, the interest rate change in market as such doesn't affect Company's profitability materially.

| Market indices | Change In Interest rate | 31 March, 2022 | | 31 March, 2021 | |
|----------------|-------------------------|-----------------------------|------------------|-----------------------------|------------------|
| | | Impact on profit before tax | Impact on equity | Impact on profit before tax | Impact on equity |
| Interest rate | 25 Basis Point down | 6,929.29 | 5,164.32 | 5,613.65 | 4,184.51 |
| | 50 Basis Point down | 13,858.58 | 10,328.64 | 11,227.30 | 8,369.02 |
| | 25 Basis Point Up | (6,929.29) | (5,164.32) | (5,613.65) | (4,184.51) |
| | 50 Basis Point Up | (13,858.58) | (10,328.64) | (11,227.30) | (8,369.02) |



Note 52: Risk management (continued)

Foreign Exchange Risk

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates primarily relates to its External Commercial Borrowings. The Company uses derivative instruments like forwards to hedge exposure to foreign currency risk.

The Company has taken foreign currency floating rate borrowings, which are linked to LIBOR. For managing the foreign currency risk and interest rate risk, arising from changes in LIBOR on such borrowings, the Company has entered into Cross Currency Interest Rate Swap (CCIRS) and forward contracts for the entire loan liability and tenure of the facility. Under the terms of the CCIRS, the Company pays interest at the fixed rate to the swap counterparty in INR and receives the floating interest payments based on LIBOR in foreign currency.

Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective action.

Impairment assessment

The ECL model Credit loss provisioning approach has now moved from incurred model. This forces entity to understand the significance of credit risk and its movement since its initial recognition. This model ensures (a) timely recognition of ECLs (b) assessment of significant increase in credit risk which will provide better disclosure (c) ascertainment of better business ratios.

The references below show where the Company's Impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies in Note 5.

- An explanation of the Company's internal grading system (Note 'Definition of default' below)
- How the Company defines, calculates and monitors the probability of default, exposure at default and loss given default (Note 'The Company's internal rating and PD estimation process', 'Probability of Default', 'Exposure at Default' below)
- When the Company considers there has been a significant increase in credit risk of an exposure (Note 'Significant increase in credit risk' below)
- The Company's policy of segmenting financial assets where ECL is assessed on a collective basis (Note 'Grouping financial assets measured on a collective basis' below)
- The details of the ECL calculations for Stage 1, Stage 2 and Stage 3 assets (Notes 'Probability of default', 'Exposure at default' and 'loss given default' below)

Definition of default

The Company considers a financial instrument defaulted and therefore Stage 3 (credit impaired) for ECL calculations generally in most cases when the borrower becomes 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikeliness to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

- a) Significant financial difficulty of the borrower or issuer;
- b) A breach of contract such as a default or past due event;
- c) The restructuring of a loan or advance by the company on terms that the company would not consider otherwise;
- d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- e) The disappearance of an active market for a security because of financial difficulties and the customer has delay in his repayments over a month.



Note 52: Risk management (continued)

The Company's internal rating and PD estimation process

- a. Internal Rating: A robust internal credit rating framework is vital for effective credit risk management. It is specified by RBI on credit risk management that lenders should have an internal rating framework and the lenders must have independent Credit Risk Control Units (CRCU) or equivalents that are responsible for the design or selection, implementation and performance of their internal rating systems. Accordingly the Company also have an internal rating framework developed along with CRISIL, with ratings being assigned to all the customer/ portfolio pool – (eligible customers for Ratings) and used extensively in internal decision-making.
- b. It is further specified in the policy that internal rating/grading/scoring of the borrower/client is at least Investment grade rating as per the Company's internal credit rating model or valid/live external rating.

Probability of Default (PD)

PD is calculated basis likelihood that the borrower will default within one year horizon (Basis for Stage 1). For Stage 2 – it is defined as significant increase in credit risk and probability is defined as borrower's probability to default in lifetime.

Exposure at Default

Gross exposure/potential gross exposure under a facility (i.e. the amount that is legally owed to the lender) at the time of default by a borrower. Exposure at Default gives an estimate of the amount outstanding.

Loss Given Default (LGD)

LGD is usually shown as the percentage of Exposure at Default that the lender might lose in case the borrower defaults. It depends, among others, on the type of collateral, its value and the expected proceeds from the sale (e.g. sales proceeds from sales of collaterals/securities) of the assets, NPV net of recovery costs.

Significant increase in credit risk

- a. There is significant increase in credit risk, when there is deterioration in account performance and expected resolution is not available.
- b. Further, for large borrowers after assessing the following Risks in totality and deterioration in each factor, it is then assessed whether there is a significant increase in credit risk
- Industry Risk
 - Business Risk
 - Management Risk
 - Financial Risk
 - Banking Conduct & Facility level Conduct.
- c. Significant increase in credit risk is also gauged through Credit rating. Credit rating is an opinion of capacity of borrower to meet its financial obligations to the depositor or bondholder (i.e. lender of money) on a particular issue or type of instrument (i.e. a domestic or foreign currency: short-term or medium or long-term, etc.) in a timely manner. The rating measures the relative risk of an issuers ability and willingness to repay both interest and principal over the period of the rated instrument. i.e. rating signifies the risk of default of the borrower that is rated.

Collateral Security:

The Company's net exposure to credit risk, after taking into account credit risk mitigation, have been tabulated below:

| Particulars | As at March 31, 2022 | | | As at March 31, 2021 | | |
|---|----------------------|-----------------|-------------------------------|----------------------|-----------------|-------------------------------|
| | Outstanding | Cash collateral | Nature of Non-cash collateral | Outstanding | Cash collateral | Nature of Non-cash collateral |
| Financial assets | | | | | | |
| Cash and cash equivalents | 59,571.14 | - | | 1,51,098.56 | - | |
| Bank balance other than cash and cash equivalents | 9,681.37 | - | | 1,913.09 | - | |
| Derivative financial instruments | 19.02 | - | | - | - | |
| Trade Receivables | 1,243.96 | - | | 998.86 | - | |
| Loans | 53,60,746.02 | - | Refer footnote below | 47,59,743.36 | - | Refer footnote below |
| Investments | 1,69,403.56 | - | | 79,290.90 | - | |
| Other financial assets | 5,361.81 | - | | 5,117.95 | - | |
| Total | 56,06,026.88 | - | | 49,98,162.72 | - | |



Note 52: Risk management (continued)

The Company by way of loan sanction letter and other loan securing documents agrees with its customers on collateral security to be provided by the customers in secured loan exposures that are subject to credit risk. Collateral security enables us to recover all or part of the outstanding exposure by liquidating the collateral asset provided, in cases where the borrower is unable or unwilling to fulfil its primary obligations.

Collateral security accepted by the Company could be in the form of:

- a) Financial collateral in the form of pledge of equity shares, units of mutual funds, assignment of life insurance policies;
- b) Current assets in the form of inventories meant for sale or receivables arising out of the sale of finished goods
- c) Fixed asset (in the form of immovable properties – real estate, Plant and Machinery, Equipment's)
- d) Third-party obligation (in the form of Irrevocable Unconditional Guarantee issued by Bank, Third party);
- e) Risk participation from Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)
- f) Assignment of borrower's rights and interests under agreements with third parties.

In addition, the Company also stipulates escrow of cash flows and a Debt Service Reserve Account (DSRA) for project loans

Collateral serves to mitigate the inherent risk of credit loss in an exposure, by either improving recoveries in the event of a default or substituting the borrower.

As part of the assessment of a credit transaction the availability, adequacy and suitability of collateral for the transaction is evaluated and decided upon. The Company's processes includes verification of the title to the collateral offered and valuation by technical experts where warranted. The Company accept as collateral only securities of good quality and have in place legally effective and enforceable documentation.

For guarantee's taken, the guarantor's creditworthiness is assessed during the credit assessment process of the transaction. The Company has collateral type specific haircuts in place which are reviewed at intervals as appropriate to the type of collateral.

The Company recognises that collateral can be a credit mitigant (alternative source of repayment), but does not replace or dilute the underwriting standards the company adopts to underwrite credit exposures.

(b) Forward looking Information :

The Company is required to provide for impairment allowance basis expected credit loss (ECL), which is calculated using empirical portfolio performance and adjusted for forward looking macroeconomic factors, as prescribed by Ind AS. The overall provisioning made through this approach, continues to be in excess of the floor provisions as prescribed by RBI for NBFCs.

The assessment of credit risk and estimation of ECL is statistically validated. It considers all relevant information about past events, current conditions and some elements of predicted performance of the portfolio.

ECL has been calculated using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD).

In the process of determining the PD, the macro economic impact is intrinsically built in in our current approach. The overall performance through the life cycle of the loan, considers the impact of macro-economic parameters like GDP or once in events like de-monetisation etc. Most of the portfolios have seen one to two complete economic cycles and hence the default probabilities experienced by the Company takes into account the upturn, downturn and central (balanced) economic scenario.

In the internally rated portfolio, the Industry rating module (sourced from CRISIL under agreement) recognizes factors like demand prediction, supply side glut / constraints, impact of imports and exports and the government policies which are more forward looking and making the through-the-cycle default probabilities to point-in-time default probability.

Grouping financial assets measured on a collective basis

The Company calculates ECLs either on a collective or an individual basis.

Asset classes where the Company calculates ECL on an individual basis include:

1. Corporate Portfolio

Asset classes where the Company calculates ECL on a collective basis include:

1. Retail Portfolio

The ECL methodology allows for individual assessment for corporates and therefore these loans are generally measured individually as each of these exposures have unique characteristics and structuring. For retail exposures and exposures which can be clubbed in homogenous pools, ECL is measured on a collective basis. This has been arrived at based on common characteristics like nature of product, customer profile etc .



Note 52: Risk management (continued)

(c) Analysis of risk concentration

Concentration analysis are presented for Portfolio pool, Location, Top borrower exposures, Group exposures etc. These are regularly analysed and presented for further review/action. Based on the exposures of the company towards various sectors, analysis is as follows :

| Top 20 Industry Sectors | As at 31 March, 2022 (%) |
|--|--------------------------|
| Real Estate Activities - Builders and Contractors | 15.48% |
| Lease Rental Discounting | 4.53% |
| NBFCs | 4.05% |
| Construction/Maintenance of Roads | 3.82% |
| Energy Renewable | 3.36% |
| Textiles, Readymade Garments, Apparels - Spinning, Mfg and Trading | 3.36% |
| Other Trade (Wholesale/ Retail) | 3.23% |
| Education | 3.13% |
| Hotels, Motels and Resorts | 2.54% |
| Automobiles & Ancillaries | 2.10% |
| Food & Beverages | 1.87% |
| Brokers / Traders - Shares, securities | 1.81% |
| Other financial intermediation | 1.46% |
| Hospital & medical business | 2.50% |
| Manufacturing Industry | 1.32% |
| Warehousing | 1.14% |
| Energy Trans & Distr | 1.14% |
| Pharmaceuticals & intermediates | 1.12% |
| Business & Self-Employed | 1.03% |
| Metals (Mfg of Basic & Structural, casting) | 1.03% |
| Top 20 Industry Exposures | 60.01% |

| Top 20 Industry Sectors | As at 31 March, 2021 (%) |
|--|--------------------------|
| Real Estate Activities - Builders and Contractors | 14.67% |
| Lease Rental Discounting | 6.76% |
| Energy Renewable | 5.85% |
| Construction/Maintenance of Roads | 5.76% |
| Hotels, Motels and Resorts | 3.73% |
| Education | 3.28% |
| Textiles, Readymade Garments, Apparels - Spinning, Mfg and Trading | 3.28% |
| NBFCs | 3.10% |
| Transportation, logistics & allied services | 3.09% |
| Other Trade (Wholesale/ Retail) | 2.92% |
| Domestic Commercial Banks | 2.39% |
| Automobiles & Ancillaries | 2.30% |
| Hospital & medical business | 1.87% |
| Food & Beverages | 1.68% |
| Brokers / Traders - Shares, securities | 1.66% |
| Energy Trans & Distr | 1.58% |
| Pharmaceuticals & intermediates | 1.55% |
| Chemical & related products | 1.36% |
| Electricals & Electronics equipments | 1.22% |
| Mining and Quarrying | 1.05% |
| Top 20 Industry Exposures | 69.10% |

Note:

1. Industry Sectors tagging on loans is done by the Company's management as per internal MIS which have been relied upon by the auditors.



Note 52: Risk management (continued)

(d) Liquidity risk and funding management

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances.

The Company manages its liquidity requirement by analysing the maturity pattern of Company's cash flows of financial assets and financial liabilities. The Asset Liability Management of the Company is periodically reviewed by its Asset Liability Management Committee.

The Company maintains a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flow. The Company also has lines of credit that it can access to meet liquidity needs. In accordance with the Company's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company. Net liquid assets consist of cash. The ratios during the year were, as follows:

Advances to borrowings ratios

| Particulars | 2022 | 2021 |
|-------------|---------|---------|
| Year-end | 116.57% | 115.49% |
| Maximum | 118.99% | 119.34% |
| Minimum | 116.57% | 110.41% |
| Average | 118.16% | 114.83% |

Borrowings from banks and financial institutions and issue of debentures are considered as important sources of funds to finance lending to customers. They are monitored using the advances to borrowings ratio, which compares loans and advances to customers as a percentage of secured and unsecured borrowings.

Analysis of financial liabilities by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial liabilities:

As at 31 March, 2022

| Particulars | Within 12 months | After 12 months | Total |
|--|------------------|-----------------|--------------|
| Financial liabilities | | | |
| Derivative Financial Liability | 7,799.24 | - | 7,799.24 |
| Trade Payables (refer note 1 below) | | | |
| - Micro and small enterprises | 696.87 | - | 696.87 |
| - Other than micro and small enterprises | 23,524.76 | - | 23,524.76 |
| Debt securities (refer note 2 below) | 6,53,366.24 | 10,31,194.25 | 16,84,560.49 |
| Borrowings (other than debt securities) | 13,13,012.19 | 17,61,219.85 | 30,74,232.04 |
| Subordinated liabilities | 24,513.02 | 3,42,344.23 | 3,66,857.25 |
| Lease liabilities | 3,009.34 | 12,713.64 | 15,722.98 |
| Other financial liabilities | 47,013.29 | - | 47,013.29 |

As at 31 March, 2021

| Particulars | Within 12 months | After 12 months | Total |
|--|------------------|-----------------|--------------|
| Financial liabilities | | | |
| Derivative Financial Liability | 3,063.81 | - | 3,063.81 |
| Trade Payables (refer note 1 below) | | | |
| - Micro and small enterprises | 214.66 | - | 214.66 |
| - Other than micro and small enterprises | 10,957.65 | - | 10,957.65 |
| Debt securities (refer note 2 below) | 7,88,481.19 | 11,87,415.93 | 19,75,897.12 |
| Borrowings (other than debt securities) | 9,48,998.38 | 15,69,514.84 | 25,18,513.22 |
| Subordinated liabilities | 20,712.85 | 3,11,152.87 | 3,31,865.72 |
| Lease liabilities | 2,577.35 | 9,925.10 | 12,502.45 |
| Other financial liabilities | 31,157.53 | - | 31,157.53 |

Notes :

- Trade payables is based on the estimate of actual payment.
- Commercial papers shown net of unamortised discounting charges ₹ 4,471.02 lakhs (31 March, 2021 ₹ 3,013.51 lakhs).



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Note 52: Risk management (continued)

The table below shows the contractual expiry by maturity of the Corporate guarantees and Letter of comfort given by the Company on behalf of clients.

As at 31 March, 2022

| Particulars | Within 12 months | After 12 months | Total |
|--|------------------|-----------------|------------------|
| Corporate guarantees and Letter of comfort given by the Company on behalf of clients | 11,501.18 | 32.66 | 11,533.84 |
| Total | 11,501.18 | 32.66 | 11,533.84 |

As at 31 March, 2021

| Particulars | Within 12 months | After 12 months | Total |
|--|------------------|-----------------|-----------------|
| Corporate guarantees and Letter of comfort given by the Company on behalf of clients | 3,126.00 | 22.60 | 3,148.60 |
| Total | 3,126.00 | 22.60 | 3,148.60 |



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Note 53: Disclosure in terms of Direction 19 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016.

| Sr No | Particulars | 31 March, 2022 | | 31 March, 2021 | |
|-------|--|---------------------|----------------|---------------------|----------------|
| | | Amount outstanding | Amount overdue | Amount outstanding | Amount overdue |
| | Liabilities side : | | | | |
| 1) | Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid: | | | | |
| | (a) Debentures : Secured (including interest accrued but not due of ₹ 61,303.24 lakhs; 31 March 2021 : ₹ 85,859.83 lakhs) | 12,53,636.68 | - | 13,32,116.41 | - |
| | : Unsecured (including interest accrued but not due of ₹ 460.04 lakhs; 31 March 2021 : ₹ 271.12 lakhs) | 10,960.04 | - | 5,821.46 | - |
| | (other than falling within the meaning of public deposits*) | | | | |
| | (b) Deferred Credits | - | - | - | - |
| | (c) Term Loans, External commercial borrowings and Working Capital Demand loans (including interest accrued but not due of ₹ 1,080.15 lakhs; 31 March 2021 : ₹ 5,450.17 lakhs) | 25,60,604.67 | - | 21,09,067.93 | - |
| | (d) Commercial Paper (net of unamortised discount of ₹ 4,471.02 lakhs; 31 March, 2021 : ₹ 3,013.51 lakhs) | 3,13,528.98 | - | 3,19,937.17 | - |
| | (e) Subordinate Debt (including interest accrued but not due of ₹ 9,722.01 lakhs; 31 March 2021 : ₹ 9,486.40 lakhs)** | 2,27,622.01 | - | 1,97,066.69 | - |
| | (f) Perpetual Debts (including interest accrued but not due of ₹ 1,111.98 lakhs; 31 March 2021 : ₹ 1,195.41 lakhs)** | 21,111.98 | - | 21,116.57 | - |
| | (g) Other Loans (Cash Credit & Book overdraft) | 2,11,110.37 | - | 1,36,392.15 | - |
| | Total | 45,98,574.73 | - | 41,21,518.38 | - |

* Please see Note 1 below

** Please see Note 5 below

| | Assets side : | 31 March, 2022 | 31 March, 2021 |
|----|--|---------------------|---------------------|
| | | Amount outstanding | Amount outstanding |
| 2) | Break-up of Loans and Advances including bills receivables (other than those included in (4) below) : | | |
| | (a) Secured : | 41,14,204.21 | 39,63,984.03 |
| | (b) Unsecured : | 13,54,024.34 | 8,97,877.98 |
| | (Includes those in nature of loans and excludes Advances Recoverable in cash or kind or for value to be received, Advance Payment of Taxes and Other Deposits) | | |
| | | 54,68,228.55 | 48,61,862.01 |
| 3) | Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities : | | |
| | (i) Lease assets including lease rentals under sundry debtors : | | |
| | (a) Financial lease | - | - |
| | (b) Operating lease | - | - |
| | (ii) Stock on hire including hire charges under sundry debtors: | | |
| | (a) Assets on hire | - | - |
| | (b) Repossessed Assets | - | - |
| | (iii) Other loans counting towards AFC activities | | |
| | (a) Loans where assets have been repossessed | - | - |
| | (b) Loans other than (a) above | - | - |
| | | - | - |
| | | - | - |
| | Total | 54,68,228.55 | 48,61,862.01 |



Note 53: Disclosure in terms of Direction 19 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016. (continued)

| Assets side : | 31 March, 2022 | 31 March, 2021 |
|-------------------------------------|--------------------|--------------------|
| | Amount outstanding | Amount outstanding |
| 4) Break-up of Investments : | | |
| Short Term investments : | | |
| 1. Quoted : | | |
| (i) Shares : (a) Equity | - | - |
| (b) Preference | - | - |
| (ii) Debentures and Bonds | - | - |
| (iii) Units of mutual funds | - | - |
| (iv) Government Securities | - | - |
| (v) Others (Please specify) | - | - |
| 2. Unquoted : | | |
| (i) Shares : (a) Equity | - | - |
| (b) Preference | - | - |
| (ii) Debentures and Bonds | 1,10,260.07 | 56,892.50 |
| (iii) Units of mutual funds | - | - |
| (iv) Government Securities | 47,137.87 | 15,420.71 |
| (v) Others (Please specify) | - | - |
| Long Term Investments : | | |
| 1. Quoted : | | |
| (i) Shares : (a) Equity | 45.17 | 36.82 |
| (b) Preference | 3,500.00 | - |
| (ii) Debentures and Bonds | - | - |
| (iii) Units of mutual funds | - | - |
| (iv) Government Securities | - | - |
| (v) Others (Please specify) | - | - |
| 2. Unquoted : | | |
| (i) Shares : (a) Equity | 235.26 | 211.04 |
| (b) Preference | - | - |
| (ii) Debentures and Bonds | - | - |
| (iii) Units of mutual funds | - | - |
| (iv) Government Securities | - | - |
| (v) Others (PMS and Alternate Fund) | 8,225.19 | 6,729.83 |
| Total | 1,69,403.56 | 79,290.90 |

| 5) Borrower group-wise classification of assets financed as in (2) and (3) above : | 31 March, 2022 | | | 31 March, 2021 | | |
|--|----------------|--------------|--------------|----------------|-------------|--------------|
| Category | Secured | Unsecured | Total | Secured | Unsecured | Total |
| 1) Related Parties | | | | | | |
| (a) Subsidiaries | - | - | - | - | - | - |
| (b) Companies in the same group | 4,356.58 | - | 4,356.58 | - | - | - |
| (c) Other related parties | - | - | - | - | - | - |
| 2) Other than related parties | | | | | | |
| (a) Companies in the same group | - | - | - | - | 30,500.00 | 30,500.00 |
| (b) Other | 41,09,847.63 | 13,54,024.34 | 54,63,871.97 | 39,63,984.03 | 8,67,377.98 | 48,31,362.01 |
| Total | 41,14,204.21 | 13,54,024.34 | 54,68,228.55 | 39,63,984.03 | 8,97,877.98 | 48,61,862.01 |



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Note 53: Disclosure in terms of Direction 19 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016. (continued)

| 6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): | | | | |
|---|--|--------------------------------|--|--------------------------------|
| Category | 31 March, 2022 | | 31 March, 2021 | |
| | Market Value / Break up or fair value or NAV | Book Value (Net of Provisions) | Market Value / Break up or fair value or NAV | Book Value (Net of Provisions) |
| 1) Related Parties | | | | |
| (a) Subsidiaries | - | - | - | - |
| (b) Companies in the same group | - | - | - | - |
| (c) Other related parties | - | - | - | - |
| 2) Other than related parties | | | | |
| (a) Companies in the same group | 337.30 | 336.32 | 391.36 | 323.22 |
| (b) Other | 1,69,066.26 | 1,67,473.92 | 78,899.54 | 77,603.52 |
| Total | 1,69,403.56 | 1,67,810.24 | 79,290.90 | 77,926.74 |

Note:

1. Break up value derived from the latest available Balance Sheet of the Company.

| 7) Other information : | | 31 March, 2022 | 31 March, 2021 |
|---|--|----------------|----------------|
| (i) Gross Non-Performing Assets (Stage 3) : | | | |
| (a) Related parties | | - | - |
| (b) Other than related parties | | 1,95,603.41 | 1,42,247.24 |
| (ii) Net Non-Performing Assets (Stage 3) : | | | |
| (a) Related parties | | - | - |
| (b) Other than related parties | | 1,18,314.77 | 58,995.56 |
| (iii) Assets acquired in satisfaction of debt : | | - | - |

The above amounts are including Interest Accrued.

Notes:

- As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank of India) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016.
- There are no prior period and material change in accounting policies which require disclosure in the notes to accounts.
- All Indian Accounting Standards issued by MCA and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets. However, market value in respect of quoted investments and break up/NAV in respect of unquoted investments has been disclosed irrespective of whether they are classified as long term or current in (4) above.
- During the year ended 31 March, 2022 the Company has raised ₹ Nil (31 March, 2021 ₹ Nil) through perpetual debt instrument. Closing balance as on 31 March, 2022 is ₹ 21,111.98 lakhs (31 March, 2021 ₹ 21,116.57 lakhs), the same is 2.18% (31 March, 2021 2.43%) of tier I Capital as on 31 March, 2022.



Note 54: Disclosure in terms of Direction 73 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016.

a) Capital Risk Adequacy Ratio (CRAR)

| Sr. No. | Particulars | 31 March, 2022 | 31 March, 2021 |
|---------|---|----------------|----------------|
| (i) | CRAR (%) | 21.77 | 22.70 |
| (ii) | CRAR - Tier I capital (%) | 18.07 | 18.43 |
| (iii) | CRAR - Tier II Capital (%) | 3.70 | 4.27 |
| (iv) | Amount of subordinated debt raised as Tier-II capital | 2,27,622.01 | 1,97,066.69 |
| (v) | Amount raised by issue of Perpetual Debt Instruments | 21,111.98 | 21,116.57 |

Notes :

1) Amount of Subordinated debt and Perpetual Debt shown above are outstanding balances (including interest accrued thereon) as on 31 March, 2022 and 31 March, 2021.

b) Derivatives

Forward Rate Agreement / Interest Rate Swap (also includes currency interest rate swaps)

| Sr. No. | Particulars | 31 March, 2022 | 31 March, 2021 |
|---------|--|----------------|----------------|
| (i) | The notional principal of swap agreements | 1,71,375.26 | 1,46,403.09 |
| (ii) | Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements | 19.02 | - |
| (iii) | Collateral required by the applicable NBFC upon entering into swaps | - | - |
| (iv) | Concentration of credit risk arising from the swaps \$ | - | - |
| (v) | The fair value of the swap book | (7,780.22) | (3,063.81) |

Exchange Traded Interest Rate (IR) Derivatives: The Company has not traded in Exchange Traded Interest Rate Derivative during the financial year ended March 31, 2022 (Previous year: NIL).

Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure - The company enters into derivative agreements to mitigate the foreign exchange risk and interest rate risk pertaining to its external commercial borrowings & Non convertible debenture.

Detailed description of the policies and risk mitigation strategies are disclosed as per Note 5.1(viii), Note 9 and Note 53 of the financial statements.

Quantitative Disclosures -

| Sr. No. | Particulars | 31 March, 2022 | | 31 March, 2021 | |
|---------|---|----------------------|---------------------------|----------------------|---------------------------|
| | | Currency Derivatives | Interest Rate Derivatives | Currency Derivatives | Interest Rate Derivatives |
| (i) | Derivatives (Notional Principal Amount) for Hedging | 7.72 | 1,71,367.54 | 35.55 | 1,46,367.54 |
| (ii) | Marked to Market Positions | | | | |
| | (a) Asset (+) | - | 19.02 | - | - |
| | (b) Liability (-) | (0.52) | (7,798.72) | (1.26) | (3,062.55) |
| (iii) | Credit Exposure | - | - | - | - |
| (iv) | Unhedged Exposures | - | - | - | - |

c) Unsecured Advances

| Sr. No. | Particulars | 31 March, 2022 | 31 March, 2021 |
|---------|---|----------------|----------------|
| (i) | Unsecured Advances (Inclusive of doubtful advances) | 13,54,024.34 | 8,97,877.98 |

Out of the above amount, advances for which intangible securities such as charge over the rights, licences, authority, etc. are taken as collateral : NIL



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
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(Currency: ₹ in Lakhs except otherwise stated)

Note 54: Disclosure in terms of Direction 73 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016.
(continued)

d) Exposures

d.i) Exposure to Real Estate Sector

| Category | 31 March, 2022 | 31 March, 2021 |
|--|---------------------|---------------------|
| Direct exposure | | |
| i) <u>Residential Mortgages</u> Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented | 10,86,801.03 | 10,12,337.72 |
| ii) <u>Commercial Real Estate</u> Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.) Exposure would also include non-fund based limits | 15,48,981.87 | 13,76,744.74 |
| iii) <u>Investments in Mortgage Backed Securities (MBS) and other securitised exposures</u> | | |
| a. Residential | Nil | Nil |
| b. Commercial Real Estate | Nil | Nil |
| Total Exposure to Real Estate Sector | 26,35,782.90 | 23,89,082.46 |

d.ii) Exposure to Capital Market

| Particulars | 31 March, 2022 | 31 March, 2021 |
|--|--------------------|--------------------|
| i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt; | 45.17 | 36.82 |
| ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds; | 37,392.88 | 63,952.99 |
| iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security; | 2,50,602.33 | 2,05,959.63 |
| iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances; | - | - |
| v) Secured and unsecured advances to stockbrokers and guaranties issued on behalf of stockbrokers and market makers; | 1,157.57 | 817.76 |
| vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources. | 58,108.53 | - |
| vii) Bridge loans to companies against expected equity flows / issues; | - | - |
| viii) All exposures to Venture Capital Funds (both registered and unregistered) | - | - |
| Total Exposure to Capital Market | 3,47,306.48 | 2,70,767.20 |



d.iii) Asset Liability Management
Maturity pattern of certain items of Assets and Liabilities
As at 31 March, 2022

| Particulars | 1 to 7 days | 8 to 14 days | 15 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 1 year and up to 3 years | Over 3 years and up to 5 years | Over 5 years | Total |
|--|-------------|--------------|-------------------|---------------------------------|----------------------------------|----------------------------------|-------------------------------|--------------------------------|--------------|--------------|
| Deposits# | - | 1,266.58 | 17.90 | 37.75 | - | 36.49 | 190.63 | 861.98 | 322.03 | 2,772.59 |
| Advances** | 1,36,006.59 | 17,338.91 | 78,363.63 | 1,89,721.39 | 1,02,377.40 | 6,22,369.59 | 14,72,617.02 | 8,60,946.05 | 16,46,763.30 | 53,60,746.02 |
| Investments | - | 47,137.87 | - | - | 1,12,865.41 | 2,862.70 | 2,084.13 | 4,070.98 | 382.47 | 1,69,403.56 |
| Borrowings* | 1,03,399.97 | 1,96,105.49 | 3,02,290.61 | 1,59,004.72 | 1,41,558.02 | 5,68,510.59 | 15,55,508.37 | 6,24,188.68 | 5,90,393.19 | 45,98,574.73 |
| Foreign Currency Assets | - | - | - | - | - | - | - | - | - | - |
| Foreign Currency Liabilities (also included in borrowings above) | - | - | - | 738.91 | - | 68,258.61 | - | - | - | 1,40,296.05 |

As at 31 March, 2021

| 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 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 | 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 | 7,85,802.36 | 11,32,784.79 | 7,38,434.62 | 15,04,076.99 | 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 | 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 | - | - | - | 84.34 | - | - | 1,46,974.50 | - | - | 1,47,116.73 |

Note: Classification of assets and liabilities under the different maturity buckets is based on the same estimates and assumptions as used by the company for Compiling the return submitted to RBI, which has been relied upon by the auditors.

* Commercial papers shown net of unamortised discounting charges ₹ 4,471.02 (31 March, 2021 ₹ 3,013.51 lakhs).

** a) Overdue Receivable on account of Corporate Finance Activities have been slotted in respective time bucket category as per instructions contained in Appendix 1 of

Guidelines for Assets Liabilities Management (ALM) system in NBFC.

b) Advances includes Loan and Advances in the nature of Loans (net of ECL provisions) and excludes deposits.

Deposits includes only security deposits.

d.iv) The Company has no specific program for financing its parent company products. However, in its general lending business, the Company may have funded some entities which may have been customer(s) of its ultimate parent company: Grasim Industries Limited. Single Borrower Limit (SGL) or Group Borrower Limit (GBL) did not exceed the limits prescribed under the prudential norms.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
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Note 55: Disclosure on liquidity risk under RBI circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies as on March 31, 2021.

i) Funding Concentration based on significant counterparty (both deposits and borrowings)

As at 31 March 2022

| Sr. No | No of Significant Counterparties | Amount*** | % of total Deposits | % of Total Liabilities* |
|--------|----------------------------------|--------------|---------------------|-------------------------|
| 1 | 22 | 33,68,770.36 | NA | 71.51% |

As at 31 March 2021

| Sr. No | No of Significant Counterparties | Amount*** | % of total Deposits | % of Total Liabilities* |
|--------|----------------------------------|--------------|---------------------|-------------------------|
| 1 | 20 | 28,24,533.05 | NA | 67.38% |

Note:

1. A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFCNDIs, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs

ii) Top 20 large deposits – Not Applicable for 31 March 2022 & 31 March 2021

iii) Top 10 Borrowings

As at 31 March 2022

| Amount*** | % of Total Liabilities* |
|--------------|-------------------------|
| 24,31,255.26 | 51.61% |

As at 31 March 2021

| Amount*** | % of Total Liabilities* |
|--------------|-------------------------|
| 21,76,921.05 | 51.93% |

iv) Funding Concentration based on significant instrument/product

| Sr. | Name of the instrument | As at 31 March 2022 | | As at 31 March 2021 | |
|-----|---|---------------------|-------------------------|---------------------|-------------------------|
| | | Amount | % of Total Liabilities* | Amount | % of Total Liabilities* |
| 1 | Term Loan | 21,00,005.16 | 44.58% | 17,57,030.47 | 41.92% |
| 2 | Non Convertible Debentures | 12,53,636.68 | 26.61% | 13,32,116.41 | 31.78% |
| 3 | Commercial Paper | 3,13,528.98 | 6.66% | 3,19,937.17 | 7.63% |
| 4 | Working capital / short term facilities | 2,45,162.11 | 5.20% | 1,03,512.25 | 2.47% |
| 5 | External Commercial Borrowings | 2,41,699.63 | 5.13% | 2,48,525.21 | 5.93% |
| 6 | Subordinate Debt | 2,27,622.01 | 4.83% | 1,97,066.69 | 4.70% |
| | Total | 43,81,654.57 | 93.01% | 39,58,188.20 | 94.43% |

Note:

1. A "Significant instrument/product" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFCNDIs, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

2. Above table does not Includes Book overdraft.



Aditya Birla Finance Limited

Notes to the Financial Statements (continued)

For the year ended 31 March, 2022

(Currency: ₹ In Lakhs except otherwise stated)

Note 55: Disclosure on liquidity risk under RBI circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies as on March 31, 2021. (continued)

v) Stock Ratios

| Sr No | Particulars | As at 31 March 2022 | As at 31 March 2021 |
|-------|---|---------------------|---------------------|
| 1 | Commercial Papers to Total Liabilities* | 6.66% | 7.63% |
| 2 | Commercial Papers to Total Assets | 5.50% | 6.30% |
| 3 | NCDs (Original Maturity < 1 year) to Total Liabilities* | Nil | Nil |
| 4 | NCDs (original Maturity < 1 year) to Total Assets | Nil | Nil |
| 5 | Other Short Term Liabilities** to Total Liabilities* | 34.03% | 31.20% |
| 6 | Other Short Term Liabilities** to Total Assets | 28.14% | 25.77% |

* Total Liabilities does not include Net Worth.

** Other Short Term Liabilities excludes Commercial Paper as considered in 1 & 2.

*** It represents outstanding principal amount of borrowings.

vi) Institutional set-up for liquidity risk management:

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk management. The ALCO meetings are held at periodic intervals. At the apex level, the Risk Committee (RC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RC subsequently updates the Board of Directors on the same.



Note 56: Liquidity Coverage Ratio : The daily average LCR of the Company for the quarter ended 31 March, 2022 was 71% vis-à-vis 72% for the quarter ended 31 March, 2021. The calculation of the last four quarter as below.

| Sr. No. | Particulars | Quarter ended 31 Mar, 2022 | Quarter ended 31 Dec, 2021 | Quarter ended 30 Sep, 2021 | Quarter ended 30 Jun, 2021 | Quarter ended 31 Mar, 2021 |
|---------|--|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | | Total Unweighted (Average) | Total Unweighted (Average) | Total Unweighted (Average) | Total Unweighted (Average) | Total Unweighted (Average) |
| 1 | Total High Quality Liquid Assets (HQLA) | 1,74,510.91 | 2,19,542.96 | 1,61,177.91 | 1,07,974.74 | 1,41,756.48 |
| 2 | Cash Outflows | - | - | - | - | - |
| 3 | Deposits (for deposit taking companies) | 1,03,177.84 | 1,21,401.11 | 2,53,170.57 | 1,13,901.40 | 2,40,721.78 |
| 4 | Unsecured wholesale funding | 1,05,875.79 | 53,645.45 | 87,622.24 | 1,28,755.98 | 61,913.85 |
| 5 | Secured wholesale funding | - | - | - | - | - |
| | Additional requirements, of which | - | - | - | - | - |
| | (i) Outflows related to derivative exposures and other collateral requirements | - | - | - | - | - |
| | (ii) Outflows related to loss of funding on debt products | - | - | - | - | - |
| | (iii) Credit and liquidity facilities | - | - | - | - | - |
| 6 | Other contractual funding obligations | 1,40,420.70 | 3,78,562.31 | 1,85,389.56 | 1,33,486.52 | 1,59,974.24 |
| 7 | Other contingent funding obligations | 1,44,683.95 | 15,809.49 | 20,072.97 | 390.65 | 291.41 |
| 8 | Total Cash Outflows | 4,94,158.27 | 5,69,819.36 | 6,15,050.50 | 4,13,761.33 | 4,62,901.28 |
| 9 | Cash Inflow | - | - | - | - | - |
| 10 | Secured lending | 1,87,393.40 | 3,16,047.14 | 3,62,216.53 | 2,18,853.67 | 3,10,319.71 |
| 11 | Inflows from fully performing exposures | 2,42,426.23 | 1,42,612.90 | 1,67,079.37 | 3,04,666.67 | 2,16,119.32 |
| 12 | Other cash inflows | 4,29,819.63 | 3,22,364.72 | 3,96,971.92 | 3,80,259.57 | 4,47,066.58 |
| | Total Cash Inflows | 6,37,219.03 | 6,58,412.04 | 7,69,188.45 | 6,03,113.24 | 7,67,386.29 |
| | Total HQLA | 1,74,510.91 | 2,19,542.96 | 1,61,177.91 | 1,07,974.74 | 1,41,756.48 |
| | Total Net Cash Outflows | 64,338.64 | 1,11,159.32 | 5,530.45 | 1,09,425.33 | 15,834.90 |
| | Liquidity Coverage Ratio (%) | 71% | 71% | 74% | 104% | 77% |

Notes:

1. In computing the above information, certain estimates/ assumptions have been made by the Company's management which have been relied upon by the auditors.
2. Unweighted values must be calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).
3. Weighted values must be calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.
4. The calculation has been arrived based on average daily computation.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
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Note 56: Liquidity Coverage Ratio (continued)

C) Qualitative Disclosure

- a) The main drivers of their LCR results and the evolution of the contribution of inputs to the LCR's calculation over time: RBI had introduced the liquidity coverage ratio (LCR) to ensure that NBFC has an adequate stock of unencumbered high-quality liquid assets (HQLA) to survive a significant liquidity stress lasting for a period of 30 days. LCR is defined as a ratio of HQLA to the total net cash outflows estimated for the next 30 calendar days. At March 31, 2022, the applicable minimum LCR required to be maintained by NBFC is 60%.
The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk. The ALCO meets at periodic intervals. At the apex level, the Risk Committee (RC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RC subsequently updates the Board of Directors on the same.
- b) Intra-period changes as well as changes over time: Company has started maintaining LCR w.e.f. 1st December, 2020. The details for the four quarters ended 30th June, 2021, 30th September, 2021, 31st December, 2021 and year ended 31st March, 2022 are disclosed in 56 Liquidity Coverage Ratio.
- c) The composition of HQLAs: The Company, for the year ended 31 March 2022, had average HQLA of Rs. 1,745.11 crore vis-à-vis 1,417.56 crore for the quarter ended March 31, 2021.

| High-Quality Liquid Assets (HQLA) | Quarter ended 31 Mar, 2022 | Quarter ended 31 Dec, 2021 | Quarter ended 30 Sep, 2021 | Quarter ended 30 Jun, 2021 | Quarter ended 31 March, 2021 |
|-----------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|---------------------------------|
| Total | 1,745,10.91 | 2,49,542.96 | 1,61,177.91 | 1,07,974.74 | 1,41,756.48 |
| Cash & callable FDs | 1,00,538.80 | 1,75,271.60 | 1,26,357.83 | 88,122.98 | 1,22,305.93 |
| Treasury Bills | 24,280.57 | 11,190.24 | 6,536.61 | 340.67 | 9,300.06 |
| Government Securities | 49,691.54 | 33,081.12 | 28,283.47 | 19,511.09 | 10,150.49 |

d) Concentration of funding sources

As at 31 March 2022

| Name of the Source | % of Total Liabilities |
|--------------------|---------------------------|
| Bank | 68.23% |
| Mutual Fund | 10.20% |
| Insurance | 10.09% |
| PF & Others | 7.89% |
| FI | 2.30% |
| Corporates | 1.79% |
| Total | 100.00% |

As at 31 March 2021

| Name of the Source | % of Total Liabilities |
|--------------------|---------------------------|
| Bank | 62.10% |
| Mutual Fund | 13.60% |
| Insurance | 10.41% |
| PF & Others | 8.79% |
| FI | 2.57% |
| Corporates | 2.53% |
| Total | 100.00% |

- e) Currency mismatch in the LCR : The company has taken foreign currency borrowings. The Company has entered into Cross currency swap and forward contracts to hedge the foreign currency risk on such borrowing.
- f) Other inflows and outflows in the LCR calculation that are not captured in the LCR common template but which the institution considers to be relevant for its liquidity profile: All inflows/ outflows considered relevant has been considered for LCR calculation.



Note 57: Disclosure in terms of RBI Circular - RBI/2018-19/100 DOR.No.BP.BC.18/21.04.048/2018-19 dated 01 January, 2019; RBI/2019-20/160 DOR.No.BP.BC.34/21.04.048/2019-20 dated 11 February, 2020 ; RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21 dated 06 August, 2020; RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 dated 05 May, 2021 (for restructuring of accounts of Micro, Small and Medium Enterprises (MSME) sector—Restructuring of Advances' having exposure less than or equal to ₹ 25 crores).

| Type of Borrower | As at 31 March 2022 | | As at 31 March 2021 | |
|------------------|------------------------------|-----------|------------------------------|-----------|
| | No. of accounts restructured | Amount | No. of accounts restructured | Amount |
| MSMEs | 2,422 | 82,593.16 | 1,945 | 51,329.73 |

Note 58: Disclosure in terms of RBI Circular - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06 August, 2020; RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 05 May, 2021.

For the half year ended 31st March 2022

| Type of borrower | (A) | (B) | (C) | (D) | (E) |
|--------------------|--|---|--|--|--|
| | Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year i.e. 30 September, 2021 | Of (A), aggregate debt that slipped into NPA during the half-year | Of (A) amount written off during the half-year | Of (A) amount paid by the borrowers during the half-year** | Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year i.e. 31 March, 2022 |
| Personal Loans | 27,053.40 | 2,276.04 | 8,828.61 | 3,033.14 | 12,915.61 |
| Corporate persons* | 55,217.30 | 9,540.18 | 982.64 | 22,382.77 | 22,311.72 |
| Of which MSMEs | 37,425.46 | 9,144.53 | 982.64 | 5,098.07 | 22,200.22 |
| Others | 2,694.97 | 927.63 | - | 11.96 | 1,755.37 |
| Total | 84,965.67 | 12,743.85 | 9,811.26 | 25,427.87 | 36,982.70 |

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

**Amount paid by the borrower during the half year is net of interest capitalised.

Note 59: Disclosures pursuant to Master Direction — Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 in terms of RBI circular RBI/DOR/2021-22/86 DOR.STR. REC. 51/21.04.048/2021-22 dated September 24, 2021.

(a)(i) Details of Loans not in default that are acquired during the quarter ended 31st March 2022

| | |
|--|-----------|
| Count of Loan Account acquired | 3,890 |
| Amount of Loan Account acquired (Rs. in lakhs) | 20,696.61 |
| Weighted Average Maturity (Residual maturity) (In Month) | 104.28 |
| Weighted Average Holding period (Up to date of acquisition) | 17.61 |
| Retention of beneficial economic interest (MRR of assignor)* | 6.69% |
| Coverage of tangible security coverage* | 100.00% |
| Rating wise distribution of loans acquired by value | |
| A- | 23.41% |
| Unrated | 76.59% |

* Ratio is computed basis weighted average of loans acquired.

(a)(ii) Details of Loans not in default that are transferred during the quarter ended 31st March 2022 : Nil



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 60: Disclosure in terms of Direction 73 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016.

i) Registration/ license/ authorization obtained from financial sector regulators:

The Company has received certificate of registration as a non-deposit taking systematically important Non-Banking Financial Company from Reserve Bank of India dated August 9, 2011 having COR number N-01.00500 in lieu of earlier COR number B-13.01163 dated February 12, 1999.

The Company is registered with AMFI for distribution of Mutual fund products having certificate number ARN-118681 valid from 04 February, 2020 to 03 February, 2023.

ii) Penalties levied if any during the year: Nil

iii) Investments

| Particulars | 31 March, 2022 | 31 March, 2021 |
|--|----------------|----------------|
| Value of Investments | | |
| (i) Gross Value of Investments | | |
| (a) In India | 1,69,403.56 | 79,290.90 |
| (b) Outside India, | - | - |
| (ii) Provision for Depreciation | | |
| (a) In India | - | - |
| (b) Outside India, | - | - |
| (iii) Net value of Investment | | |
| (a) In India | 1,69,403.56 | 79,290.90 |
| (b) Outside India | - | - |
| Movement of provisions held towards depreciation on investments. | | |
| (i) Opening balance | - | - |
| (ii) Add : Provisions made during the year | - | - |
| (iii) Less : Write-off / write-back of excess provisions during the year | - | - |
| (iv) Closing balance | - | - |

iv) Provisions and Contingencies

| Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of P&L | 31 March, 2022 | 31 March, 2021 |
|---|----------------|----------------|
| Provisions for depreciation on Investment | - | - |
| Provision towards NPA* | 18,293.08 | 2,435.14 |
| Provision made towards Income tax | 37,878.58 | 26,258.02 |
| Other Provision and Contingencies | - | - |
| Provision for Standard Assets** | (12,929.21) | 11,530.37 |

*This does not include provision created and written off during the year.

**Represents impairment loss allowance on stage 1 and stage 2 assets.

v) Concentration of Advances

| Particulars | 31 March, 2022 | 31 March, 2021 |
|--|----------------|----------------|
| Total Advances to twenty largest borrowers (including interest accrued) | 4,79,174.37 | 4,87,979.48 |
| Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC | 8.76% | 10.04% |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 60: Disclosure in terms of Direction 73 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016. (continued)

vi) Concentration of Exposures

| Particulars | 31 March, 2022 | 31 March, 2021 |
|--|----------------|----------------|
| Total Exposure to twenty largest borrowers / customers* (including interest accrued) | 4,82,844.79 | 4,89,077.55 |
| Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers | 8.56% | 9.90% |

*The above calculation is as per loans outstanding as at year end.

vii) Concentration of NPAs

| Particulars | 31 March, 2022 | 31 March, 2021 |
|--|----------------|----------------|
| Total Exposure to top four NPA (Stage 3) accounts (including interest accrued) | 45,614.05 | 34,403.82 |

viii) Sector-wise NPAs (Stage 3)

| Sr No. | Sector | 31 March, 2022 | 31 March, 2021 |
|--------|---------------------------------|---|---|
| | | Percentage of NPAs (Stage 3 loans) to Total Advances in that sector | Percentage of NPAs (Stage 3 loans) to Total Advances in that sector |
| 1 | Agriculture & allied activities | 5.76% | 3.31% |
| 2 | MSME | 4.50% | 1.81% |
| 3 | Corporate borrowers | 3.88% | 4.11% |
| 4 | Services | 3.16% | 2.40% |
| 5 | Unsecured working capital loans | 7.54% | 3.37% |
| 6 | Auto loans | 0.00% | 0.00% |
| 7 | Other personal loans | 1.81% | 5.50% |

Note : The above information has been compiled from Management Information System of the Company which has been relied upon by the auditors.

ix) Movement of NPAs (Stage 3)

| Particulars | 31 March, 2022 | 31 March, 2021 |
|--|----------------|----------------|
| (i) Net NPAs to Net Advances (%) | 2.19% | 1.73% |
| (ii) Movement of NPAs (Gross Stage 3 assets) | | |
| (a) Opening balance | 1,42,247.24 | 1,82,708.23 |
| (b) Additions during the year | 1,18,598.55 | 55,315.03 |
| (c) Reductions during the year | (65,242.38) | (95,776.02) |
| (d) Closing balance | 1,95,603.41 | 1,42,247.24 |
| (iii) Movement of Net NPAs (Net Stage 3 assets) | | |
| (a) Opening balance | 83,251.68 | 1,25,147.81 |
| (b) Additions during the year | 58,909.04 | (4,124.63) |
| (c) Reductions during the year | (23,845.95) | (38,771.50) |
| (d) Closing balance | 1,18,314.77 | 83,251.68 |
| (iv) Movement of provisions for NPAs (Stage 3 Provision) | | |
| (a) Opening balance | 58,995.56 | 56,560.42 |
| (b) Provisions made during the year | 59,689.51 | 59,439.66 |
| (c) Write-off / write-back of excess provisions | (41,396.43) | (57,004.52) |
| (d) Closing balance | 77,288.64 | 58,995.56 |

Note :

1. The above amounts are including Interest Accrued.



Note 60: Disclosure in terms of Direction 73 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016. (continued)

x) Credit Rating

| Instrument | Credit Rating Agency | 31 March, 2022 | 31 March, 2021 |
|---|--|--|--|
| Commercial Paper | ICRA Limited India Ratings & Research Private Limited | [ICRA] A1+ IND A1+ | [ICRA] A1+ IND A1+ |
| Non Convertible Debentures (NCD) | ICRA Limited India Ratings & Research Private Limited | [ICRA] AAA Stable IND AAA Stable | [ICRA] AAA Stable IND AAA Stable |
| Sub Debt | CARE Limited ICRA Limited India Ratings & Research Private Limited | CARE AAA Stable [ICRA] AAA Stable IND AAA Stable | CARE AAA Stable [ICRA] AAA Stable IND AAA Stable |
| Unsecured NCD | ICRA Limited | [ICRA] AAA Stable | [ICRA] AAA Stable |
| Perpetual Debt | ICRA Limited India Ratings & Research Private Limited | [ICRA] AA+ Stable IND AA+ Stable | [ICRA] AA+ (hyb) Stable IND AA+ Stable |
| Principal Protected Market Linked Debenture | India Ratings & Research Private Limited | IND PP-MLD AAA emr Stable | IND PP-MLD AAA emr Stable |
| Public Issue of NCDs | ICRA Limited India Ratings & Research Private Limited | [ICRA] AAA Stable IND AAA Stable | [ICRA] AAA Stable IND AAA Stable |
| Long Term Bank Loans | ICRA Limited India Ratings & Research Private Limited | [ICRA] A1+ / [ICRA] AAA IND AAA Stable | [ICRA] AAA Stable IND AAA Stable |
| Short Term Bank Loans | ICRA Limited India Ratings & Research Private Limited | [ICRA] A1+ / [ICRA] AAA IND AAA Stable | [ICRA] AAA Stable IND AAA Stable |

xi) Customer Complaints

| Sr. No. | Particulars | 31 March, 2022 | 31 March, 2021 |
|---------|--|----------------|----------------|
| (a) | No. of complaints pending at the beginning of the year | 73 | 16 |
| (b) | No. of complaints received during the year | 2,666 | 2,262 |
| (c) | No. of complaints redressed during the year | 2,634 | 2,205 |
| (d) | No. of complaints pending at the end of the year | 105 | 73 |

xii) During FY 2022, there were no draw down from Reserves (Previous year: Nil)

xiii) Overseas assets (for those with joint ventures and subsidiaries abroad): Nil (Previous year: Nil)

xiv) Off Balance Sheet SPVs sponsored: Nil (Previous year: Nil)

xv) Frauds committed against the Company:

| Particulars | 31 March, 2022 | 31 March, 2021 |
|--|----------------|----------------|
| No. of cases of fraud which occurred during the year | 13 | 9 |
| Amount involved | 66.09 | 36.72 |
| Amount recovered | 12.45 | 19.53 |
| Amount provided/loss | 55.53 | 17.19 |

xvi) The disclosures given in the above notes pursuant to RBI Notification are only to the extent they are applicable to the Company.



Note 61: Disclosure pursuant to RBI Notification No. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020.

As on 31 March, 2022

| Asset Classification as per RBI Norms | Asset classification as per Ind AS 109 | Gross Carrying Amount as per Ind AS | Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying Amount | Provisions required as per IRACP norms | Difference between Ind AS 109 provisions and IRACP norms |
|---|--|-------------------------------------|---|---------------------|--|--|
| (1) | (2) | (3) | (4) | (5)=(3)-(4) | (6) | (7) = (4)-(6) |
| Performing Assets | | | | | | |
| Standard | Stage 1 | 49,76,890.04 | 15,959.53 | 49,60,930.51 | 22,925.46 | (6,965.93) |
| | Stage 2 | 2,64,739.13 | 12,650.36 | 2,52,088.77 | 8,527.12 | 4,123.24 |
| Subtotal | | 52,41,629.17 | 28,609.89 | 52,13,019.28 | 31,452.58 | (2,842.69) |
| Non-Performing Assets (NPA) | | | | | | |
| Substandard | Stage 1 | 159.10 | 0.91 | 158.19 | 16.55 | (15.64) |
| | Stage 2 | 30,836.87 | 1,532.29 | 29,304.58 | 3,207.03 | (1,674.74) |
| | Stage 3 | 1,15,316.99 | 44,474.08 | 70,842.91 | 9,637.86 | 34,836.22 |
| Doubtful - up to 1 year | Stage 3 | 28,171.93 | 11,614.73 | 16,557.20 | 12,216.03 | (601.30) |
| 1 to 3 years | Stage 3 | 41,594.89 | 17,339.64 | 24,261.24 | 14,301.00 | 3,092.64 |
| More than 3 years | Stage 3 | 10,519.61 | 3,866.19 | 6,653.42 | 5,313.94 | (1,447.75) |
| Subtotal for doubtful | | 80,286.42 | 32,814.56 | 47,471.86 | 31,830.97 | 983.59 |
| Loss | Stage 3 | - | - | - | - | - |
| Subtotal for NPA | | 2,26,599.38 | 78,821.84 | 1,47,777.54 | 44,692.41 | 34,129.43 |
| 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 and Provisioning (IRACP) norms | Stage 1 | 11,748.84 | 39.40 | 11,709.44 | 4.00 | 35.40 |
| | Stage 2 | 200.00 | 11.40 | 188.60 | 0.80 | 10.60 |
| | Stage 3 | - | - | - | - | - |
| Subtotal | | 11,948.84 | 50.80 | 11,898.04 | 4.80 | 46.00 |
| Total | Stage 1 | 49,88,797.98 | 15,999.84 | 49,72,798.14 | 22,946.01 | (5,946.17) |
| | Stage 2 | 2,95,776.00 | 14,194.05 | 2,81,581.95 | 11,734.95 | 2,459.10 |
| | Stage 3 | 1,95,603.41 | 77,288.64 | 1,19,314.77 | 41,468.83 | 35,819.81 |
| Total | Total | 54,80,177.39 | 1,07,482.53 | 53,72,694.86 | 76,149.79 | 31,332.74 |

In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD. No.109/22.10.106/2019-20 dated March 13, 2020 on Implementation of Indian Accounting Standards, Non Banking Finance Companies (NBFCs) are required to create an Impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the corporation exceeds the total provision required under IRACP (including standard asset provisioning), as at March 31, 2022 and accordingly, no amount is required to be transferred to Impairment reserve.

As on 31 March, 2021

| Asset Classification as per RBI Norms | Asset classification as per Ind AS 109 | Gross Carrying Amount as per Ind AS | Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying Amount | Provisions required as per IRACP norms | Difference between Ind AS 109 provisions and IRACP norms |
|---|--|-------------------------------------|---|---------------------|--|--|
| (1) | (2) | (3) | (4) | (5)=(3)-(4) | (6) | (7) = (4)-(6) |
| Performing Assets | | | | | | |
| Standard | Stage 1 | 43,51,542.97 | 23,000.22 | 43,28,542.75 | 21,185.36 | 1,814.86 |
| | Stage 2 | 3,59,956.60 | 19,524.78 | 3,40,431.82 | 5,681.52 | 13,843.26 |
| Subtotal | | 47,11,499.57 | 42,525.00 | 46,68,974.57 | 26,866.88 | 15,658.12 |
| Non-Performing Assets (NPA) | | | | | | |
| Substandard | Stage 1 | 2,164.49 | 11.01 | 2,153.48 | 215.00 | (203.99) |
| | Stage 2 | 5,950.70 | 567.76 | 5,382.94 | 589.79 | (22.03) |
| | Stage 3 | 56,807.15 | 27,458.47 | 29,348.68 | 11,782.12 | 15,676.35 |
| Doubtful - up to 1 year | Stage 3 | 49,476.83 | 20,778.04 | 28,698.79 | 10,966.74 | 9,811.30 |
| 1 to 3 years | Stage 3 | 31,845.99 | 9,968.48 | 21,877.51 | 8,678.12 | 1,290.36 |
| More than 3 years | Stage 3 | 4,117.27 | 790.57 | 3,326.70 | 1,292.36 | (501.79) |
| Subtotal for doubtful | | 85,440.09 | 31,537.09 | 53,903.00 | 20,937.22 | 10,599.87 |
| Loss | Stage 3 | - | - | - | - | - |
| Subtotal for NPA | | 1,50,362.43 | 59,574.33 | 90,788.10 | 33,524.13 | 26,050.20 |
| 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 and Provisioning (IRACP) norms | Stage 1 | 3,479.00 | 10.84 | 3,468.16 | - | 10.84 |
| | Stage 2 | 200.00 | 8.48 | 191.52 | - | 8.48 |
| | Stage 3 | - | - | - | - | - |
| Subtotal | | 3,679.00 | 19.32 | 3,659.68 | - | 19.32 |
| Total | Stage 1 | 43,57,186.46 | 23,022.07 | 43,34,164.39 | 21,400.36 | 1,621.71 |
| | Stage 2 | 3,66,107.30 | 20,101.02 | 3,46,006.28 | 6,271.31 | 13,829.71 |
| | Stage 3 | 1,42,247.24 | 58,995.56 | 83,251.68 | 32,719.34 | 26,276.22 |
| Total | Total | 48,65,541.00 | 1,02,118.65 | 47,63,422.35 | 60,391.01 | 41,727.64 |



Note 62: Information in respect of restructured assets in accordance with review of guidelines on restructuring of advances by NBFC (RBI/2013-14/459) DNBS. CO. PD. No. 367/03.10.01/2013-14. The following tables set forth, for the year indicated, details of loan assets subjected to restructuring:-

| Sr. no. | Type of Restructuring | Under CDR Mechanism | | | | | Under SME Debt Restructuring Mechanism | | | | | |
|---------|--|------------------------------|----------|--------------|----------|------|--|----------|--------------|----------|------|-------|
| | | Asset Classification Details | Standard | Sub-Standard | Doubtful | Loss | Total | Standard | Sub-Standard | Doubtful | Loss | Total |
| 1 | Restructured Accounts at 1 April, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| 2 | Movement in balance for account appearing in opening balance | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| 3 | Fresh restructuring during the year ended 31 March, 2022 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| 4 | Upgradations to restructured standard category during the year ended 31 March, 2022 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| 5 | Restructured standard advances at 1 April, 2021, which cease to attract higher provisioning and/or additional risk weight at 31 March, 2022 and hence need not be shown as restructured standard advances at 1 April, 2022 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| 6 | Degradations of restructured accounts during the year ended 31 March, 2022 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| 7 | Write-offs of restructured accounts during the year ended 31 March, 2022 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| 8 | Restructured Accounts at 31 March, 2022 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |



Note 62: Information in respect of restructured assets in accordance with review of guidelines on restructuring of advances by NBFC (RBI/2013-14/459) DNBS, CO. PD. No. 367/03.10.01/2013-14. (continued)
The following tables set forth, for the year indicated, details of loan assets subjected to restructuring:

| Sr. no. | Type of Restructuring | Others | | | | Total | | | |
|---------|--|-------------|--------------|----------|------|-------------|--------------|----------|------|
| | | Standard | Sub-Standard | Doubtful | Loss | Standard | Sub-Standard | Doubtful | Loss |
| 1 | Restructured Accounts at 1 April, 2021 | | | | | | | | |
| | No. of borrowers | 19,451 | 1,627 | 1 | - | 21,079 | 1,627 | 1 | - |
| | Amount outstanding | 1,07,375.58 | 12,081.64 | 11.16 | - | 1,19,468.38 | 12,081.64 | 11.16 | - |
| | Provision thereon | 4,536.96 | 2,092.20 | 5.58 | - | 6,634.74 | 2,092.20 | 5.58 | - |
| 2 | Movement in balance for account appearing in opening balance | | | | | | | | |
| | No. of borrowers | (1,084) | (129) | - | - | (1,213) | (129) | - | - |
| | Amount outstanding | (33,277.00) | (1,775.04) | - | - | (35,052.04) | (1,775.04) | - | - |
| | Provision thereon | (1,357.85) | (452.61) | - | - | (1,810.46) | (452.61) | - | - |
| 3 | Fresh restructuring during the year ended 31 March, 2022 | | | | | | | | |
| | No. of borrowers | 4,232 | 974 | 4 | - | 5,210 | 974 | 4 | - |
| | Amount outstanding | 76,866.84 | 32,929.83 | 312.69 | - | 1,10,109.36 | 32,929.83 | 312.69 | - |
| | Provision thereon | 3,228.12 | 8,418.45 | 291.97 | - | 11,938.54 | 8,418.45 | 291.97 | - |
| 4 | Upgradations to restructured standard category during the year ended 31 March, 2022 | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - |
| 5 | Restructured standard advances at 1 April, 2021, which cease to attract higher provisioning and/or additional risk weight at 31 March, 2022 and hence need not be shown as restructured standard advances at 1 April, 2022 | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - |
| 6 | Downgradations of restructured accounts during the year ended 31 March, 2022 | | | | | | | | |
| | No. of borrowers | (2,487) | 2,300 | 187 | - | - | 2,300 | 187 | - |
| | Amount outstanding | (21,562.73) | 19,913.41 | 1,649.32 | - | (21,562.73) | 19,913.41 | 1,649.32 | - |
| | Provision thereon | (743.89) | 283.41 | 460.48 | - | (743.89) | 283.41 | 460.48 | - |
| 7 | Write-offs of restructured accounts during the year ended 31 March, 2022 | | | | | | | | |
| | No. of borrowers | (10,213) | (1,057) | (1) | - | (11,271) | (1,057) | (1) | - |
| | Amount outstanding | (13,633.16) | (1,644.13) | (11.16) | - | (15,288.45) | (1,644.13) | (11.16) | - |
| | Provision thereon | (1,242.68) | (761.28) | (5.58) | - | (2,009.54) | (761.28) | (5.58) | - |
| 8 | Restructured Accounts at 31 March, 2022 | | | | | | | | |
| | No. of borrowers | 9,899 | 3,715 | 191 | - | 13,805 | 3,715 | 191 | - |
| | Amount outstanding | 1,15,769.53 | 61,505.71 | 1,962.01 | - | 1,79,237.25 | 61,505.71 | 1,962.01 | - |
| | Provision thereon | 4,420.66 | 9,580.17 | 752.45 | - | 14,753.28 | 9,580.17 | 752.45 | - |



Aditya Birla Finance Limited

Notes to the Financial Statements (continued)

For the year ended 31 March, 2022

(Currency: ₹ in Lakhs except otherwise stated)

Note 62: Information in respect of restructured assets in accordance with review of guidelines on restructuring of advances by NBFC (RBI/2013-14/459) DNBS, CO. PD. No. 367/03.10.01/2013-14. (continued)

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring:-

| Sr. no. | Type of Restructuring | Under CDR Mechanism | | | | | Under SME Debt Restructuring Mechanism | | | | | |
|---------|---|------------------------------|----------|--------------|----------|------|--|----------|--------------|----------|------|-------|
| | | Asset Classification Details | Standard | Sub-Standard | Doubtful | Loss | Total | Standard | Sub-Standard | Doubtful | Loss | Total |
| 1 | Restructured Accounts at 1 April, 2020 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| 2 | Provision thereon | | | | | | | | | | | |
| | Movement in balance for account appearing in opening balance | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| 3 | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| | Fresh restructuring during the year ended 31 March, 2021 | | | | | | | | | | | |
| 4 | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| 5 | Upgradations to restructured standard category during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| 6 | Provision thereon | | | | | | | | | | | |
| | Downgradations of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| 7 | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| 8 | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| 9 | Restructured Accounts at 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| 10 | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| 11 | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| 12 | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| 13 | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| 14 | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| 15 | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| 16 | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| 17 | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| 18 | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| 19 | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| 20 | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| 21 | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| 22 | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| 23 | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| 24 | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| 25 | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| 26 | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| 27 | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| 28 | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| 29 | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| 30 | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| 31 | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| 32 | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| 33 | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| 34 | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| 35 | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| 36 | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| 37 | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| 38 | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| 39 | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| 40 | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| 41 | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| 42 | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| 43 | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| 44 | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| 45 | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| 46 | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| 47 | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| 48 | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| 49 | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| 50 | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| 51 | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| 52 | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| 53 | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| 54 | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| 55 | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| 56 | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| 57 | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| 58 | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| 59 | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| 60 | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| 61 | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| 62 | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| | No. of borrowers | | | | | | | | | | | |
| 63 | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | |
| 64 | No. of borrowers | | | | | | | | | | | |
| | Amount outstanding | | | | | | | | | | | |
| | Provision thereon | | | | | | | | | | | |
| 65 | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | </ | | |



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Aditya Birla Finance Limited

Notes to the Financial Statements (continued)

For the year ended 31 March, 2022

(Currency: ₹ in Lakhs except otherwise stated)

Note 62: Information in respect of restructured assets in accordance with review of guidelines on restructuring of advances by NBFC (RBI/2013-14/459) DNBS. CO. PD. No. 367/03.10.01/2013-14. (continued)

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring:

| Sr. no. | Type of Restructuring | Others | | | | | Total | | | | |
|---------|---|-------------|--------------|----------|------|-------------|-------------|--------------|----------|------|-------------|
| | | Standard | Sub-Standard | Doubtful | Loss | Total | Standard | Sub-Standard | Doubtful | Loss | Total |
| 1 | Asset Classification Details | | | | | | | | | | |
| | Restructured Accounts at 1 April, 2020 | | | | | | | | | | |
| | No. of borrowers | 69 | 38 | 2 | - | 109 | 69 | 38 | 2 | - | 109 |
| | Amount outstanding | 7,454.38 | 737.10 | 40.19 | - | 8,231.67 | 7,454.38 | 737.10 | 40.19 | - | 8,231.67 |
| | Provision thereon | 381.08 | 213.58 | 14.83 | - | 609.49 | 381.08 | 213.58 | 14.83 | - | 609.49 |
| 2 | Movement in balance for account appearing in opening balance | | | | | | | | | | |
| | No. of borrowers | (39) | (34) | (2) | - | (75) | (39) | (34) | (2) | - | (75) |
| | Amount outstanding | (5,920.92) | (589.00) | (40.19) | - | (6,550.11) | (5,920.92) | (589.00) | (40.19) | - | (6,550.11) |
| | Provision thereon | (319.66) | (176.43) | (14.83) | - | (510.92) | (319.66) | (176.43) | (14.83) | - | (510.92) |
| 3 | Fresh restructuring during the year ended 31 March, 2021 | | | | | | | | | | |
| | No. of borrowers | 19,440 | 1,605 | - | - | 21,045 | 19,440 | 1,605 | - | - | 21,045 |
| | Amount outstanding | 1,06,964.30 | 10,822.52 | - | - | 1,17,786.82 | 1,06,964.30 | 10,822.52 | - | - | 1,17,786.82 |
| | Provision thereon | 4,531.19 | 2,004.98 | - | - | 6,536.17 | 4,531.19 | 2,004.98 | - | - | 6,536.17 |
| 4 | Upgradations to restructured standard category during the year ended 31 March, 2021 | | | | | | | | | | |
| | No. of borrowers | 1 | (1) | - | - | - | 1 | (1) | - | - | - |
| | Amount outstanding | 11.74 | (11.74) | - | - | - | 11.74 | (11.74) | - | - | - |
| | Provision thereon | 2.93 | (2.93) | - | - | - | 2.93 | (2.93) | - | - | - |
| 5 | Restructured standard advances at 1 April, 2021, which cease to attract higher provisioning and/or additional risk weight at 31 March, 2021 and hence need not be shown as restructured standard advances at 1 April, 2021 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 6 | Downgradations of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | |
| | No. of borrowers | (20) | 19 | 1 | - | - | (20) | 19 | 1 | - | - |
| | Amount outstanding | (1,133.92) | 1,122.76 | 11.16 | - | - | (1,133.92) | 1,122.76 | 11.16 | - | - |
| | Provision thereon | (58.58) | 53.00 | 5.58 | - | - | (58.58) | 53.00 | 5.58 | - | - |
| 7 | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 8 | Restructured Accounts at 31 March, 2021 | | | | | | | | | | |
| | No. of borrowers | 19,451 | 1,627 | 1 | - | 21,079 | 19,451 | 1,627 | 1 | - | 21,079 |
| | Amount outstanding | 1,07,375.58 | 12,081.64 | 11.16 | - | 1,19,468.38 | 1,07,375.58 | 12,081.64 | 11.16 | - | 1,19,468.38 |
| | Provision thereon | 4,536.96 | 2,092.20 | 5.58 | - | 6,634.74 | 4,536.96 | 2,092.20 | 5.58 | - | 6,634.74 |

Note: Amount outstanding includes interest receivable.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 63: Dues to micro enterprises and small enterprises:

| Particulars | 31 March, 2022 | 31 March, 2021 |
|---|----------------|----------------|
| 1. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year; | 696.87 | 214.66 |
| 2. The amount of interest paid by the Company in terms of section 16 of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year; | - | - |
| 3. Amounts of the payment made to the suppliers beyond the appointed day during the year; the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006; | - | - |
| 4. The amount of interest accrued and remaining unpaid at the end of each accounting year; | - | - |
| 5. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006. | - | - |

The disclosure regarding micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

Note 64: Expenditure in Foreign Currency

| Particulars | 31 March, 2022 | 31 March, 2021 |
|-------------------------------------|------------------|------------------|
| Finance Cost | 11,554.27 | 11,450.81 |
| Employee Benefit Expenses | 20.59 | (60.85) |
| Intangible Assets under Development | 36.37 | 108.56 |
| Repairs and Maintenance | - | 8.53 |
| Legal and Professional Charges | 198.99 | 24.99 |
| Travelling and Conveyance | - | 2.18 |
| Miscellaneous Expenses | 7.98 | 1.01 |
| Total | 11,818.20 | 11,535.23 |

Unhedged foreign currency payable & receivable as at 31 March, 2022 & 31 March, 2021 are Nil.

Note 65: Disclosure pertaining to stock statement filed with banks or financial institutions

The Company has availed of the facility (Secured borrowing) from the lenders inter alia on the condition that, the company shall provide or create or arrange to provide or have created, security interest by way of a first pari passu charge of the loans.

Details of loans & investment reported in the quarterly stock statement and as per book of accounts

| Quarter ended | As per Statement filed with Bank | As per Book of accounts | Difference |
|---------------|----------------------------------|-------------------------|-------------|
| Jun 2021 | 43,42,495.00 | 43,48,960.87 | (6,465.87) |
| Sep 2021 | 46,10,894.00 | 46,26,444.78 | (15,550.78) |
| Dec 2021 | 48,44,432.00 | 48,16,907.06 | 27,524.94 |
| Mar 2022 | 53,34,821.00 | 53,35,301.88 | (480.88) |

Note 66: Events after reporting date

There have been no events after the reporting date that require adjustments or disclosure in these financial statements.



Note 67: The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules thereunder. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020, and invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.

Note 68: Money raised by way of borrowing from bank and financial institution have been applied by the Company for the purposes for which they were raised, other than temporary deployment pending application of proceeds.

Note 69: Ultimate beneficiary

No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

No funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

Note 70: The COVID -19 pandemic continues to spread across the globe and India, which has contributed to a significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The financial results, includes the potential impact of the COVID-19 pandemic on the Company's financial results which are dependent on future developments, which are highly uncertain, 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 the Company and its subsequent impact on the recoverability's on the Company's assets. The Company has, based on current available information and based on the policy approved by the Board, determined the provision for impairment of financial assets including the additional overlay for uncertainty over the potential macro-economic impact of the pandemic.

Based on the current indicators of future economic conditions, the Company considers this provision to be adequate and expects to recover the carrying amount of these financial assets. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

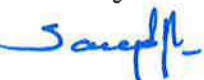
Note 71: The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

Note 72: No proceedings have been initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

Note 73: The figures for previous year have been regrouped/rearranged/recasted wherever necessary to conform to current period presentation.

As per our report of even date attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm Reg. No: 117366W/W-100018



per Sanjiv V. Pilgaonkar
Partner

Membership No: 039826

As per our report of even date attached.

For Singhi & Co.
Chartered Accountants
ICAI Firm Reg. No: 302049E



per Amit Hundia
Partner

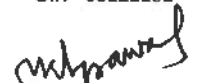
Membership No: 120761

For and on behalf of the Board of Directors of
Aditya Birla Finance Limited



Ajay Srinivasan
Director

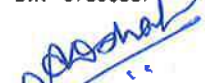
DIN - 00121181


Pradeep Agrawal
Chief Financial Officer

Place: Mumbai
Date: 11 May, 2022



Rakesh Singh
Managing Director and
Chief Executive Officer
DIN - 07006067


Ankur Shah
Company Secretary

Place: Mumbai
Date: 11 May, 2022

Place: Mumbai
Date: 11 May, 2022



INDEPENDENT AUDITOR'S REPORT

To the Members of Aditya Birla Finance Limited
Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Aditya Birla Finance Limited ("the Company"), which comprise the Balance sheet as at March 31, 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements on the transaction business of Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla MyUniverse Limited) ("the division") referred to in the other matters section below, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Emphasis of Matter - Assessment of Covid-19 impact

We draw attention to note 52(f) of the Ind AS financial statement, which describes the uncertainty caused by Novel Coronavirus (Covid-19) pandemic with respect to the Company's estimate of impairment of loans to customers and that such estimates may be affected by the severity and duration of the pandemic.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the year ended March 31, 2020. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

| Key audit matters | How our audit addressed the key audit matter |
|--|---|
| <u>Impairment of financial assets (including provision for expected credit loss)</u> <i>(as described in note 5.1(v) of the Ind AS financial statements)</i> | |
| <p>The Company's impairment provision for finance assets (designated at amortised cost and fair value through other comprehensive income) is based on the expected credit loss approach ('ECL') laid down under 'Ind AS 109 Financial instruments'. ECL involves an estimation of probability-weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances and investments. In the process, a significant degree of judgement has been applied by the management for:</p> <p>:</p> <ul style="list-style-type: none"> • Grouping of borrowers on the basis of homogeneity given the variety of products; • Staging of loans and estimation of behavioral life; • calculation of past default rates; • assigning rating grades to loans for which external rating is not available; • calibrating external ratings/scores - linked probability of default to align with past default rates; | <ul style="list-style-type: none"> • Read and assessed the Company's accounting policy for impairment of financial assets and its compliance with Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines issued on March 13, 2020. • Read and assessed the Company's policy with respect to moratorium pursuant to the RBI circular and tested the implementation of such policy on a sample basis. • Tested the operating effectiveness of the controls for staging of loans based on their past-due status. Tested a sample of performing (stage 1) loans to assess whether any SICR or loss indicators were present requiring them to be classified under stage 2 or 3. • Assessed the additional considerations applied by the management for staging of loans as SICR or default categories in view of Company's policy on moratorium. • We performed tests of details, on a sample basis and inspected the repayment schedule from the underlying borrower agreements and collections made on the due dates which formed the basis of the staging of loans. |

| Key audit matters | How our audit addressed the key audit matter |
|---|---|
| <ul style="list-style-type: none">• calibrating the loss given default where the impairment provision is calculated on a pool level;• applying macro-economic factors to arrive at forward looking probability of default;• significant assumptions regarding the probability of various scenarios and discounting rates for different loan products. <p>Additional considerations on account of COVID-19</p> <p>Pursuant to the Reserve Bank of India circular dated March 27, 2020 and May 23, 2020 ("RBI circulars") allowing lending institutions to offer moratorium to borrowers on payment of instalments falling due between March 1, 2020 and August 31, 2020, the Company has extended moratorium to its borrowers in accordance with its Board approved policy as described in Note 52(f) and Note 53E.</p> <p>In management's view and considering the guidance provided by the Institute of Chartered Accountants of India, providing moratorium to borrowers at a mass scale, based on RBI directives, by itself is not considered to result in a significant increase in credit risk ('SICR') for such borrowers. The Company has recorded a management overlay of as part of its ECL, to reflect among other things an increased risk of deterioration in macro-economic factors caused by COVID-19 pandemic. Given the unique nature and scale of the economic impact of this pandemic, and its timing being close to the year-end, the management overlay is based on various uncertain variables, which could result in actual credit loss being different than that being estimated. In view of the high degree of estimation involved in the process of calculating impairment provision, accentuated by the COVID-19 pandemic and considering its significance to the overall Ind AS financial statements, whereby any error or omission in estimation may give rise to a</p> | <ul style="list-style-type: none">• We tested the ECL model and computation for its:<ul style="list-style-type: none">• Model/methodology used for various loan products including;• Management's grouping of borrowers on basis of different product lines and customer segments with different risk characteristics;• Staging of loans based on their past-due status and other loss indicators;• Various assumptions for calculation of expected loss viz. probability of default, loss given defaults, exposure at default, discounting factors applied by the management along with Management's governance process and documentation of its assumptions;• Basis of floor/ minimum rates of provisioning applied by the Company for loan products with inadequate historical defaults;• We performed test of details of the inputs information used in the ECL computation, on a sample basis.• We tested the arithmetical accuracy of computation of ECL provision performed by the Company in spreadsheets.• Performed analytical procedures by determining various ratios or percentage based measures to review overall reasonableness of the estimate determined by the management.• Tested assumptions used by the management in determining the overlay for macro-economic factors (including COVID-19 pandemic)• Assessed disclosures included in the Ind AS financial statements in respect of expected credit losses including the specific disclosures made with regards to the management's evaluation of the uncertainties arising from COVID-19 and its impact on ECL estimation. |

| Key audit matters | How our audit addressed the key audit matter |
|--|--|
| material misstatement of the Ind AS financial statements, it is considered as a key audit matter. | |
| IT systems and controls | |
| <p>The reliability and security of IT systems play a key role in the business operations and financial accounting and reporting process of the Company. Since large volume of transactions are processed daily, the IT controls are required to ensure that applications process data as expected and that changes are made in an appropriate manner. Any gaps in the IT control environment could result in a material misstatement of the financial accounting and reporting records.</p> <p>Therefore, due to the pervasive nature and complexity of the IT environment, the assessment of the general IT controls and the application controls specific to the accounting and preparation of the financial information is considered to be a key audit matter.</p> | <p>We performed the following procedures for testing IT general controls and for assessing the reliability of electronic data processing, assisted by specialized IT auditors:</p> <ul style="list-style-type: none"> • The aspects covered in the IT General Control audit were (i) User Access Management (ii) Program Change Management (iii) Other related ITGCs - to understand the design and test the operating effectiveness of such controls; • Assessed the changes that were made to the key systems during the audit period and assessing changes that have impact on financial reporting; • Tested the periodic review of access rights. We inspected requests of changes to systems for appropriate approval and authorization. • Performed tests of controls (including other compensatory controls wherever applicable) on the IT application controls and IT dependent manual controls in the system. • Tested the design and operating effectiveness of compensating controls, where deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures. |

Information Other than the Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information received by us comprises the information which we obtained prior to the date to this auditor's report, but does not include the Ind AS financial statements and our auditor's report thereon, and other elements of the Annual Report, which are expected to be made available to us after that date.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other

information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other elements of 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 the Board of Directors for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with [the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.



The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information of the division that merged with the Company on January 01, 2020 and is included in the accompanying Ind AS financial statements of the Company whose financial statements and other financial information reflect total assets of Rs. 2,561.62 lacs as at March 31, 2020 and the total revenues of Rs. 100.68 lacs for the year ended on that date, total profit after tax of Rs. (1842.94) lacs for the year ended March 31, 2020, total comprehensive income of Rs. (1,852.07) lacs for the year ended March 31, 2020 and net cash inflows of Rs. 7.65 lacs for the year ended March 31, 2020 as considered in the financial statements/information of this division audited by the other auditors whose reports have been



furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this division, is based solely on the report of such other auditors.

Our opinion on the Ind AS financial statements above and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and on the reports obtained from such other auditors and the comparative financial information thereon.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the division, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The report on the accounts of the division of the Company audited under Section 143(8) of the Act by the other auditor have been sent to us and have been properly dealt with by us in preparing this report;
 - (d) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (e) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended¹;
 - (f) The matter described in Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
 - (g) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (h) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;



- (i) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note 48 to the Ind AS 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.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005



per Viren H. Mehta
Partner
Membership Number: 048749
UDIN: 20048749AAAAIM4072

Place of Signature: Mumbai
Date: June 04, 2020

Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Report of even date

Re: Aditya Birla Finance Limited ("the Company")

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management and based on the audit procedures performed, the title deeds of immovable properties included in property, plant and equipment are held in the name of the company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a) and (b) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors / to a company in which the director is interested to which provisions of section 185 of the Companies Act 2013 apply and the provisions of section 186 of the Companies Act 2013 are not applicable to the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax and other statutory dues applicable to it. As explained to us the Company did not have any dues on account of sales-tax, duty of custom, duty of excise and value added tax.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, good and service tax and other applicable statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. As explained to us the Company did not have any dues on account of sales-tax, duty of custom, duty of excise and value added tax.



Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Report of even date

Re: Aditya Birla Finance Limited ("the Company")

- (c) According to the records of the Company, the dues outstanding of income-tax and service tax dues disputed by the Company, are as follows:

| Name of the statute | Nature of Dues | Amount | Period to which the amount relates | Forum where dispute is pending |
|---------------------------------|--------------------|----------------|------------------------------------|--|
| | | (Rs. in Lacs)* | | |
| Income Tax Act, 1961 | Income Tax Demands | 10.9 | AY 2007-08 | DCIT - AO |
| | | 3,234.12 | AY 2011-12 | Income Tax Appellate Tribunal (ITAT) |
| | | 189.43 | AY 2012-13 | |
| | | 0.76 | AY 2013-14 | |
| | | 0.49 | AY 2014-15 | |
| | | 0.36 | AY 2015-16 | |
| | | 1,424.28 | AY 2017-18 | Commissioner of Income Tax (Appeals) |
| | | 50.41 | AY 2011-12 | Assessing Officer (AO) |
| | | 47.05 | AY 2013-14 | |
| | | 54.30 | AY 2014-15 | |
| | | | | |
| Finance Act, 1994 (Service Tax) | Service Tax Demand | 131.49 | FY 2014-15 to 2017-18 | Customs Excise and Service Tax Appellate Tribunal (CESTAT) |

*Net of payments made

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

- (ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the Ind AS financial statements and according to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer, hence not commented upon.

Further, monies raised by the Company by way of term loans were applied for the purpose for which those were raised, though idle/surplus funds which were not required for immediate utilization were gainfully invested in liquid assets payable on demand.

- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Ind AS financial statements and according to the information and explanations given by the management, we report that no material fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year.

- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Report of even date

Re: Aditya Birla Finance Limited ("the Company")

- .
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
 - (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the Ind AS 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 balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
 - (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
 - (xvi) According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Viren H. Mehta

Partner

Membership Number: 048749

UDIN: 20048749AAAAM4072

Place of Signature: Mumbai

Date: June 04, 2020

Annexure 2 to the Independent Auditor's report of even date on the Ind AS financial statements of Aditya Birla Finance Limited

Re: Aditya Birla Finance Limited ("the Company")

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 Aditya Birla Finance Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and obtained by the other auditors of the separate division in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls 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 Ind AS 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 Ind AS financial statements in accordance with generally accepted

Annexure 2 to the Independent Auditor's report of even date on the Ind AS financial statements of Aditya Birla Finance Limited

Re: Aditya Birla Finance Limited ("the Company")

accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us and taking into consideration the report of the other auditors referred to in the Other Matters paragraph below, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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.

Other Matter

Our report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial control over financial reporting with reference to these Ind AS financial statements, insofar as it relates to the one division, is based solely on the corresponding reports of the other auditors that division.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Viren H. Mehta

Partner

Membership Number: 048749

UDIN: 20048749AAAAIM4072

Place: Mumbai

Date: June 04, 2020

Aditya Birla Finance Limited
Balance Sheet as at 31 March, 2020
(Currency: ₹ In Lakhs)

| Particulars | Notes | As at 31 March, 2020 | As at 31 March, 2019 |
|--|---------|-------------------------|-------------------------|
| I ASSETS | | | |
| 1 Financial assets | | | |
| Cash and cash equivalents | 7 | 1,83,056.25 | 5,908.89 |
| Trade and Other Receivables | 8 | 1,601.75 | 1,074.11 |
| Derivative financial instruments | 9 | 5,408.39 | - |
| Loans | 10 | 45,98,779.59 | 50,18,832.97 |
| Investments | 11 | 3,34,240.17 | 1,57,650.71 |
| Other financial assets | 12 | 466.48 | 2,823.88 |
| 2 Non-financial assets | | | |
| Current tax assets (net) | 13 | 23,364.88 | 1,216.88 |
| Deferred tax assets (net) | 41 | 24,058.99 | 19,639.32 |
| Property, plant and equipments | 14 | 1,953.20 | 2,177.14 |
| Intangible assets under development | 15 | 4,898.29 | 1,530.42 |
| Other intangible assets | 16 | 2,481.14 | 3,019.74 |
| Right of use Lease Assets | 17 | 8,069.45 | - |
| Other non-financial assets | 18 | 9,078.55 | 6,242.66 |
| Total assets | | 51,97,457.13 | 52,20,116.72 |
| II LIABILITIES AND EQUITY | | | |
| Liabilities | | | |
| 1 Financial liabilities | | | |
| Derivative financial instruments | 9 | 0.40 | - |
| Payables | | | |
| Trade & Other Payables | | | |
| - Micro and small enterprises | 19 | 282.07 | 277.71 |
| - Other than micro and small enterprises | 19 | 6,253.35 | 4,666.65 |
| Debt securities | 20 | 17,86,922.93 | 22,64,856.32 |
| Borrowings (other than debt securities) | 21 | 23,43,844.89 | 19,66,728.62 |
| Subordinated liabilities | 22 | 2,10,142.09 | 2,04,455.47 |
| Lease Liability | 23 | 8,909.91 | - |
| Other financial liabilities | 24 | 17,591.86 | 36,312.48 |
| 2 Non-financial liabilities | | | |
| Current tax liabilities (net) | 25 | 2,825.65 | 1,572.15 |
| Provisions | 26 | 9,703.56 | 8,859.30 |
| Other non-financial liabilities | 27 | 3,165.38 | 3,667.65 |
| Total liabilities | | 43,89,642.09 | 44,91,396.35 |
| Equity | | | |
| Equity share capital | 28 | 66,210.08 | 66,210.08 |
| Other equity | 29 & 30 | 7,41,604.96 | 6,62,510.29 |
| Total equity | | 8,07,815.04 | 7,28,720.37 |
| Total liabilities and equity | | 51,97,457.13 | 52,20,116.72 |

The accompanying notes are forming part of the financial statements.

As per our report of even date attached.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No: 301003E/E300005



per Viren H. Mehta
Partner
Membership No: 048749

For and on behalf of the Board of Directors of
Aditya Birla Finance Limited


Ajay Srinivasan
(Director)

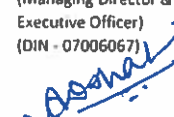
(DIN - 00121121)



Rakesh Singh
(Managing Director & Chief
Executive Officer)
(DIN - 07006067)



Sanjay Miranka
(Chief Financial Officer)



Ankur Shah
(Company Secretary)

Place: Mumbai
Date: 4 June, 2020

Place: Mumbai
Date: 4 June, 2020



Aditya Birla Finance Limited
Statement of Profit and Loss for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

| Particulars | Notes | Year ended 31 March, 2020 | Year ended 31 March, 2019 |
|---|-------|------------------------------|------------------------------|
| Revenue from operations | | | |
| (i) Interest income | 31 | 5,64,939.02 | 5,19,297.44 |
| (ii) Dividend income | 32 | 1,924.97 | 1,100.02 |
| (iii) Fee and commission income | 33 | 37,462.16 | 35,696.40 |
| (iv) Net gain on fair value changes | 34 | 15,847.81 | 5,532.05 |
| (I) Total revenue from operations | | 6,20,173.96 | 5,61,625.91 |
| (II) Other income | 35 | 1,296.07 | 600.13 |
| (III) Total income (I + II) | | 6,21,470.03 | 5,62,226.04 |
| Expenses | | | |
| (i) Finance costs | 36 | 3,60,463.51 | 3,28,754.87 |
| (ii) Impairment on financial instruments | 37 | 70,707.00 | 20,701.24 |
| (iii) Employee benefit expenses | 38 | 42,274.69 | 45,510.84 |
| (iv) Depreciation, amortization and impairment | 39 | 4,976.64 | 2,912.72 |
| (v) Other expenses | 40 | 37,757.46 | 35,003.85 |
| (IV) Total expenses | | 5,16,179.30 | 4,32,883.52 |
| (V) Profit before exceptional items and tax (III - IV) | | 1,05,290.73 | 1,29,342.52 |
| (VI) Exceptional items | | - | - |
| (VII) Profit before tax (V - VI) | | 1,05,290.73 | 1,29,342.52 |
| (VIII) Tax expense: | | | |
| (1) Current tax | 41 | 29,136.44 | 51,816.44 |
| (2) Deferred tax expenses(credit) | 41 | (3,793.01) | (5,673.69) |
| (3) Prior year adjustments | 41 | (547.30) | (213.60) |
| (IX) Profit for the year | | 80,494.60 | 83,413.37 |
| (X) Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss | | | |
| Remeasurement gain/(loss) on defined benefit plan | | (425.93) | (38.04) |
| Income tax impact of above | | 106.84 | 16.70 |
| | | (319.09) | (21.34) |
| Gain/(Loss) on FVTOCI Equity Instrument | | (13.89) | 62.50 |
| Income tax impact of above | | 3.50 | (21.84) |
| | | (10.39) | 40.66 |
| Items that will be reclassified to profit or loss | | | |
| Fair Value change on derivatives designated as cash flow hedge | | (1,649.32) | - |
| Income tax impact on above | | 415.10 | - |
| | | (1,234.22) | - |
| Other comprehensive Income/(loss) for the year, net of tax | | (1,563.70) | 19.32 |
| Total comprehensive Income for the year, net of tax | | 78,930.90 | 83,432.69 |
| (XI) Earnings per equity share | | | |
| Basic (₹) | 42 | 12.16 | 12.73 |
| Diluted (₹) | 42 | 12.16 | 12.73 |

The accompanying notes are forming part of the financial statements.

As per our report of even date attached.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005


per Viren H. Mehta
Partner
Membership No. 048749

For and on behalf of the Board of Directors of
Aditya Birla Finance Limited


Ajay Srinivasan
(Director)

(DIN - 00121121)


Rakesh Singh
(Managing Director & Chief Executive Officer)

(DIN - 07006067)


Sarthak Miranka
(Chief Financial Officer)


Ankur Shah
(Company Secretary)

Place: Mumbai
Date: 4 June, 2020

Place: Mumbai
Date: 4 June, 2020



Aditya Birla Finance Limited
Statement of changes in Equity for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

4. Equity Share Capital

| | No. in lakhs | ₹ in lakhs |
|--|--------------|------------|
| Equity shares of Rs. 10 each issued, subscribed and fully paid | | |
| As at 1 April, 2018 | 6,515.22 | 65,152.21 |
| Issued during the year | 105.69 | 1,056.87 |
| As at 31 March, 2019 | 6,621.01 | 66,210.08 |
| Issued during the year | 58.56 | 585.56 |
| Shares pending issuance | (58.56) | (585.56) |
| As at 31 March, 2020 | 6,621.01 | 66,210.08 |

5. Other Equity

| | Reserves and Surplus | | | | Other Comprehensive Income | | Total Other Equity |
|---|----------------------|----------------------------|-----------------|-----------------|---|----------------------------|--------------------|
| | Special reserve | Securities premium account | Capital Reserve | General Reserve | Equity Component for ESOP (Holding Company) | Capital Redemption Reserve | |
| Balance as at 1 April, 2018 | 48,810.00 | 3,32,292.06 | (10,452.11) | 13,660.95 | 628.56 | - | 5,49,014.67 |
| Profit for the Year | - | - | - | - | (628.56) | - | 82,784.81 |
| Other Comprehensive Income | - | - | - | - | (21.14) | - | 19.22 |
| Total Comprehensive Income | - | - | - | - | 83,392.03 | - | 82,804.13 |
| Adjustment on account of Merger of Transaction business of demerger of Aditya Birla Capital Technologies Services Limited, ABCTSL (formerly known as Aditya Birla Mx Universe Limited, ABMUL) | - | 31,446.23 | - | - | (754.74) | - | 31,446.23 |
| Transfer to/from retained earnings | 17,377.79 | - | - | - | (17,377.79) | - | (754.74) |
| Balance as at 31 March, 2019 | 66,187.79 | 3,63,738.29 | (10,452.11) | 13,660.95 | 2,29,237.04 | - | 6,63,510.29 |
| Profit for the Year | - | - | - | - | 138.33 | - | 6,62,510.29 |
| Other Comprehensive Income | - | - | - | - | 80,494.60 | - | 80,494.60 |
| Transfer to/from retained earnings | - | - | - | - | - | (1,234.22) | (1,234.22) |
| For Value change on derivatives designated as cash flow hedge | - | - | - | - | - | - | - |
| On redemption of Preference Share Capital | - | - | - | - | - | - | - |
| Adjustment on account of Merger of Transaction business of demerger of Aditya Birla Capital Technologies Services Limited, ABCTSL (formerly known as Aditya Birla Mx Universe Limited, ABMUL) | - | - | - | - | (1,000.00) | - | 792.81 |
| Other Comprehensive Income | - | - | - | - | (319.09) | - | (319.48) |
| Total Comprehensive Income | - | - | - | - | 79,968.32 | - | 79,723.71 |
| Transfer to/from retained earnings | 16,420.21 | - | - | - | (629.04) | - | (629.04) |
| Balance as at 31 March, 2020 | 82,608.00 | 3,63,738.29 | (10,452.11) | 13,660.95 | 2,92,156.11 | (1,234.22) | 7,41,604.96 |

The accompanying notes are forming part of the financial statements.

As per our report of even date attached
For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No: 301003K/1100005

per Viran H. Mehta
Partner
Membership No: 048719

Viran H. Mehta

Place: Mumbai
Date: 4 June, 2020



For and on behalf of the Board of Directors of
Aditya Birla Finance Limited

Aditya Srivastava
Aditya Srivastava
(Chairman)
(DIN - 00121121)

Rakesh Singh
Rakesh Singh
(Managing Director & Chief Executive Officer)
(DIN - 07006067)

Ankur Thakur
Ankur Thakur
(Company Secretary)



Aditya Birla Finance Limited
Cash Flow statement for the year ended March 31, 2020
(Currency: ₹ in Lakhs)

| Particulars | Year ended 31 March, 2020 | Year ended 31 March, 2019 |
|--|------------------------------|------------------------------|
| Operating activities | | |
| Profit before tax | 1,05,290.73 | 1,29,342.52 |
| Adjustments to reconcile profit before tax to net cash flows: | | |
| Depreciation, amortization and impairment | 4,976.64 | 2,912.72 |
| Impairment on financial instruments | 70,707.00 | 20,701.24 |
| Assets written off | - | 67.94 |
| Net (Gain) / Loss on fair value changes | (15,847.81) | (5,532.05) |
| (Gain)/Loss on sale of property, plant and equipment | (1.77) | (7.72) |
| Finance cost on lease liability | 724.94 | - |
| Operating Profit before Working Capital Changes | 1,65,849.73 | 1,47,484.65 |
| Working capital changes | | |
| Decrease / (Increase) in Loans | 3,49,427.46 | (8,32,579.05) |
| (Increase) / Decrease in Trade Receivables | (651.02) | 1,555.57 |
| Decrease / (Increase) in Other financial assets | 2,357.10 | (2,002.97) |
| (Increase) / Decrease in Other non-financial assets | (3,082.16) | (621.15) |
| Increase/ (Decrease) in Trade Payables | 1,569.77 | (1,873.51) |
| Increase/ (Decrease) in Other financial liabilities | 15,128.66 | 25,670.04 |
| Increase/ (Decrease) in Provisions | 469.79 | 2,254.40 |
| (Decrease) / Increase in Other non-financial liabilities | (510.64) | 894.42 |
| | 5,30,558.69 | (6,59,217.60) |
| Income tax paid (net of refunds) | (49,508.77) | (53,023.84) |
| Net cash flows from/(used in) operating activities | 4,81,049.92 | (7,12,241.44) |
| Investing activities | | |
| Purchase of property, plant and equipments | (847.53) | (1,175.10) |
| Purchase of Intangible assets including assets under development | (4,894.28) | (2,116.44) |
| Purchase of Long Term Investments | - | (7,242.00) |
| Sale of Long Term Investments | 6,939.60 | - |
| Net (Purchase) / Sale of Short Term Investments | (1,67,695.14) | (10,974.29) |
| Addition / (Deletion) on Demerger | 16.05 | (97.38) |
| Sale of property, plant and equipments | 70.82 | 162.02 |
| Net cash flows from/(used in) investing activities | (1,66,410.48) | (21,443.19) |
| Financing activities | | |
| Proceeds from long term borrowings | 11,67,850.06 | 16,25,703.64 |
| Repayment of long term borrowings | (7,54,457.00) | (6,45,938.00) |
| (Repayment) / Proceeds from short term borrowings | (5,49,352.88) | (2,79,010.52) |
| Adjustment in Reserves on account of Demerger | 792.81 | (754.69) |
| Lease Payments made | (2,325.07) | - |
| Proceeds from issue of Equity Share Capital | - | 1,056.87 |
| Share Premium on proceeds from issue of Equity Share Capital | - | 31,446.23 |
| Net cash flows from/(used in) financing activities | (1,37,492.08) | 7,32,503.53 |
| Net increase/(Decrease) in Cash and Cash Equivalents | 1,77,147.36 | (1,181.10) |
| Cash and cash equivalents at 1 April | 5,908.89 | 7,089.99 |
| Cash and cash equivalents at 31 March | 1,83,056.25 | 5,908.89 |
| Components of cash and cash equivalents | | |
| Balances with banks | | |
| In Fixed Deposits | 22,294.66 | - |
| In current accounts | 1,60,761.59 | 5,908.89 |
| Total cash and cash equivalents | 1,83,056.25 | 5,908.89 |
| Cash Flow from Operations includes: | | |
| Interest Received | 5,68,543.04 | 5,18,968.62 |
| Interest paid | 3,27,775.18 | 3,12,932.57 |
| Dividend Received | 1,924.97 | 1,100.02 |




Aditya Birla Finance Limited
Cash Flow statement for the year ended March 31, 2020
(Currency: ₹ in Lakhs)

| Additional disclosure pursuant to Ind AS 7 | | |
|--|------------------------------|------------------------------|
| Particulars | Year ended 31 March, 2020 | Year ended 31 March, 2019 |
| Opening balance of Debt securities, borrowings (other than debt securities) and subordinated liabilities | 44,36,040.41 | 37,19,462.99 |
| Cash Flows | (1,35,959.82) | 7,00,755.12 |
| Fair Value Changes | 8,141.82 | - |
| Interest Accrued on borrowings | 32,688.33 | 15,822.30 |
| Acquisition | (0.83) | - |
| Closing balance of Debt securities, borrowings (other than debt securities) and subordinated liabilities | 43,40,909.91 | 44,36,040.41 |


The accompanying notes are forming part of the financial statements.

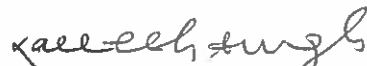
As per our report of even date attached.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No: 301003E/E300005


per Viren H. Mehta
Partner
Membership No: 048749

For and on behalf of the Board of Directors of
Aditya Birla Finance Limited


Ajay Srinivasan
(Director)
(DIN - 00121121)


Rakesh Singh
(Managing Director & Chief Executive Officer)
(DIN - 07006067)


Sanjay Miranka
(Chief Financial Officer)


Ankur Shah
(Company Secretary)

Place: Mumbai
Date: 4 June, 2020

Place: Mumbai
Date: 4 June, 2020



1 Corporate information - Brief description about the Company

Aditya Birla Finance Limited ('ABFL' or 'the Company') is a public company domiciled in India incorporated on 28 August, 1991 under the provisions of the Companies Act, 1956.

The Company is registered with Reserve Bank of India (RBI) as non-deposit taking systematically important Non Banking Financial Company (NBFC) with Registration no.N-01.00500 and is certified as ISO 9001: 2015 for all its Business processes by British Standards Institution (BSI).

The Company is also certified with ISO 27001: 2013 - Information security Management System (ISMS) for Human resource and administration, Information Technology and Internal audit & compliance functions.

The Company is among the leading well-diversified financial services company in India offering end-to-end lending, financing and wealth management solutions to a diversified range of customers across the country.

The Company is one of the wholly owned subsidiary of Aditya Birla Capital Limited and the ultimate parent company is Grasim Industries Limited.

The registered office of the Company is Indian Rayon Compound, Veraval, Gujarat - 362266.

The financial statements were authorised for issue by the Board of Directors on 4 June, 2020.

2 Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the Companies (Indian Accounting Standards) Amendment Rules, 2017. The financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant accounting standards. Accounting policies have been consistently applied to all periods presented, unless otherwise stated.

The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company are discussed in Note 6 - Significant accounting judgements, estimates and assumptions.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakh, except when otherwise indicated.

3 Presentation of financial statements:

The financial statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

- i. The normal course of business
- ii. The event of default
- iii. The event of insolvency or bankruptcy of the Company and/or its counterparties

4 Statement of compliance:

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act.

5 Significant accounting policies:

5.1 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.

(i) Classification of financial instruments

The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets.

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.



Aditya Birla Finance Limited
Notes to the Financial Statements
for the year ended 31 March, 2020

The Company classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial assets to be measured at fair value through profit or loss account

The business model is assessed on the basis of aggregated portfolios based on observable factors. These factors include:

- ▶ Reports reviewed by the entity's key management personnel on the performance of the financial assets.
- ▶ The risks impacting the performance of the business model (and the financial assets held within that business model) and its management thereof.
- ▶ The compensation of the managing teams (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- ▶ The expected frequency, value and timing of trades.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account.

The Company also assesses the contractual terms of financial assets on the basis of its contractual cash flow characteristics that are solely for the payments of principal and interest on the principal amount outstanding.

'Principal' is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

Sales that are infrequent and insignificant in value both individually and in aggregate are considered to be consistent with the business model whose objective is to hold and collect the contractual cash flows.

The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss.

(ii) Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, except in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement - Financial assets measured at amortised cost

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate method (EIR). Amortised cost is calculated by taking into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in fee and commission income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

These financial assets comprise bank balances, trade receivables, loans and other financial assets.

Subsequent measurement - Financial assets measured at fair value through other comprehensive income

Debt instruments

A 'debt instrument' is classified as at the Fair Value through Other Comprehensive Income (FVTOCI) if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent Solely Payment of Principal and Interest (SPPI).

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



Aditya Birla Finance Limited
Notes to the Financial Statements
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Equity Instruments

All equity investments in scope of Ind AS 109 are measured at fair value. For all such equity investments, the Company may make an irrevocable election to present in OCI the subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the Fair Value through Profit or Loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss. As at reporting date, investment in Birla Management Centre Services Limited is measured at FVTOCI.

Subsequent measurement - Items at fair value through profit or loss

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. At the reporting date, investments other than investment in Birla Management Centre Services Limited are recognised at FVTPL.

(iii) Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include borrowings including Company overdrafts and trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

(iv) Recognition and Derecognition of financial assets and liabilities

Recognition:

A financial asset or financial liability is recognised in the balance sheet when the Company becomes a party to the contractual provisions of the instrument, which is generally on trade date. Loans and receivables are recognised when cash is advanced (or settled) to the borrowers. Financial assets at fair value through profit or loss are recognised initially at fair value. All other financial assets are recognised initially at fair value plus directly attributable transaction costs.

Derecognition:

Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- (a) The right to receive cash flows from the asset have expired, or
- (b) The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (i) the Company has transferred substantially all the risks and rewards of the asset, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.



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Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(v) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments are measured at amortised cost e.g., loans, debt securities, deposits, and other balances
- b) Financial assets that are measured as at FVTOCI
- c) Loan commitments which are not measured as at FVTPL
- d) Financial guarantee contracts which are not measured as at FVTPL.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

The Company has established a policy to perform an assessment at the end of each reporting period of whether credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument.

To calculate ECL, the Company estimate the risk of a default occurring on the financial instrument during its expected life. ECLs are estimated based on the present value of all cash shortfalls over the remaining expected life of the financial asset i.e., the difference between the contractual cash flows that are due to the Company under the contract, and the cash flows that the Company expects to receive are discounted at the effective interest rate of the loan.

The Company groups its loans into Stage 1 and Stage 2, based on the applied impairment methodology, as described below:

Stage 1: 12-months ECL

For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised.

Stage 2: Lifetime ECL – not credit impaired

For exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset) is recognised.

Stage 3: Lifetime ECL – credit impaired

Exposures are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount.

ECL impairment loss allowance (or reversal) during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'Impairment on financial instruments' in the Statement of Profit and Loss. On the other side, for financial assets measured as at amortised cost, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March, 2020 on Implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the company exceeds the total provision required under IRACP (including standard asset provisioning), as at 31 March, 2020 and accordingly, no amount is required to be transferred to impairment reserve.



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(vi) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(vii) Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset 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 subjected to write-offs. The Company reserves the right to recover such written off amount. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

(viii) Derivative Financial Instruments and Hedge Accounting:

The Company enters into forward contracts to hedge the foreign currency risk of firm commitments and highly probable forecast transactions. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item.

The Company enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate and foreign exchange rate risks. The Company does not hold derivative financial instruments for speculative purposes.

Hedge Accounting : The Company designates certain hedging instruments in respect of foreign currency risk and interest rate risk as cash flow hedges. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows, and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognised in Other Comprehensive Income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss.

Amounts previously recognised in Other Comprehensive Income and accumulated in other equity relating to (effective portion as described above) are re-classified to the Statement of Profit and Loss in the periods when the hedged item affects profit or loss. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires, terminated, or exercised, without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in Other Comprehensive Income and accumulated in other equity at that time remains in other equity and is recognised when the forecast transaction is ultimately recognised in Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in other equity is recognised immediately in the Statement of Profit and Loss.

(ix) Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments (as explained in note 5.1 (ii) and (iii)) at fair value on each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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



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

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

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

5.2 Revenue from operations

(i) Interest Income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the EIR. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of provision) of the financial asset.

(ii) Dividend Income

Dividend income is recognised

- a. When the right to receive the payment is established which is generally when shareholders approve the dividend,
- b. It is probable that the economic benefits associated with the dividend will flow to the entity and
- c. The amount of the dividend can be measured reliably

(iii) Rental Income

Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases where the increase is in line with expected general inflation. Rental income is recognised as per the contractual terms.

Operating leases are leases where the Company does not transfer substantially all of the risk and benefits of ownership of the asset.

(iv) Fees & Commission Income

Fees and commissions are recognised when the Company satisfies the performance obligation, at fair value of the consideration received or receivable based on a five-step model as set out below, unless included in the effective interest calculation:

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

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

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

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

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



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(v) Net gain on Fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss (refer Note 34), held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain/loss in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations in the statement of Profit and Loss. Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL is recognised in net gain / loss on fair value changes.

Similarly, any differences between the fair values of financial assets classified as fair value through other comprehensive income are disclosed in the OCI.

However, net gain / loss on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the Statement of Profit and Loss.

5.3 Expenses

(i) Finance Costs

Finance costs represents Interest expense recognised by applying the EIR to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

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

(ii) Retirement and other employee benefits

Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ex-gratia are recognised in the period in which the employee renders the related service.

Post employment employee benefit

a) Defined contribution schemes

The Company makes defined contribution to Government managed Employee Provident Fund, Government managed Employee Pension Fund, Employee Deposit Linked Insurance, Employee State Insurance and Superannuation Schemes which are recognised in Statement of Profit and Loss on accrual basis. Payments to defined contribution retirement benefit plans are recognised as an expense when employee have rendered the service entitling them to the contribution.

If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

b) Defined benefit expenses

The Company's liabilities under Payment of Gratuity Act and long term compensated absences are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Actuarial gain and losses are recognised immediately in Statement of Profit and Loss as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

The Company presents the entire leave as a provision in the Balance Sheet, since it does not have any unconditional right to defer its settlement for twelve months after the reporting date.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss at the earliest of:

- ▶ The date of the plan amendment or curtailment, and
- ▶ The date that the Company recognises related restructuring costs



Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation under employee benefit expenses in the Statement of Profit and Loss.

► Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements,

► Net interest expense or income.

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, attrition rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Other long-term employee benefits

Company's liabilities towards compensated absences to employees are accrued on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary using Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss.

The Company presents the Provision for compensated absences under provisions in the Balance Sheet.

(iii) Rent expense

In case of short term leases and leases for which the underlying asset is of low value, the company has elected not to apply the requirements of Ind AS 116 and the lease payments associated with those leases are recognised as rent expense on a straight line basis.

(iv) Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes right – of – use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset generates cash flows that are largely dependent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment on exercise of an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.



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The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Transition

Effective April 1, 2019, the Company adopted IND AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included in financial statements for the year ended March 31, 2019.

The adoption of this standard has resulted in recognising a right-of-use asset of ₹ 8,562.96 lakhs, a corresponding lease liability of ₹ 9,423.53 lakhs and deferred tax assets created on the same for ₹ 211.56 lakhs by adjusting retained earnings of ₹ 649.01 lakhs as at 1 April, 2019. In the Profit and Loss account for the current year, the nature of expenses in respect of Operating Lease has changed from lease rent in previous periods to depreciation cost for the right-to-use asset and finance cost for interest accrued on lease liability.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly for all contracts as on April 1, 2019, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is between the range of 8.00% p.a. to 8.50% p.a. for a period varying from 1 to 10 years.

Critical accounting judgements and key sources of estimation uncertainty

Critical judgements required in the application of Ind AS 116 may include, among others, the following:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Classification of lease agreements (when the entity is a lessor);
- Determination of whether variable payments are in substance fixed;
- Establishing whether there are multiple leases in an arrangement;
- Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

(v) Other income and expenses

All Other income and expense are recognized in the period they occur.



(vi) **Impairment of non-financial assets**

The carrying amounts of non-financial assets are reviewed at each reporting date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

(vii) **Borrowing Cost**

Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalised as a part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

All other borrowing costs are expensed in the period in which they occur at amortised cost using Effective Interest Rate (EIR).

Borrowing costs consist of interest and other costs that an entity incurs in connection with borrowing funds.

(viii) **Taxes**

Current tax

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

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

Deferred tax relating to items recognised outside profit or loss account is recognised either in OCI or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income (OCI) or directly in equity.

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

(ix) **Functional and presentational currency**

The financial statements are presented in Indian rupees (rounded to the nearest lakhs) which is determined to be the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

5.4 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet and for the purpose of statement of cash flows comprise cash at bank and cheques in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

5.5 Property, Plant and Equipments

All items of property, plant and equipments are stated at historical cost, net of accumulated depreciation and impairment loss if any. The cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.



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Depreciation methods, estimated useful lives and residual value

Depreciation on the property, plant and equipments is provided on straight line method using the rates arrived as per estimates made by the management supported by technical assessment which coincides with the useful lives of assets as specified in Schedule II to the Companies Act, 2013, except for the assets specified below. The Company has used the following useful lives of the property, plant and equipments to provide depreciation.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

| Asset | Useful Life as Prescribed by Schedule II of the Companies Act, 2013 | Estimated Useful Life by Company |
|--|---|----------------------------------|
| Office Computers and Electronic Equipments (Including Plant & Machinery) | 3 Years | 4 Years |
| Vehicles | 8 Years | 5 Years |
| Furniture, Fixtures and Other Office Equipments | 10 Years | 7 Years |
| Leasehold Improvements | Over the primary period of the lease | 3 Years |

Useful life of assets different from prescribed in Schedule II has been estimated by management supported by technical assessment.

Depreciation on assets acquired / sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from/ till the date of acquisition or sale.

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

5.6 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses if any. Intangible assets are amortised on straight line basis over a period of 3 years.

The useful lives of intangible assets are assessed as finite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

5.7 Provisions and Contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the 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 recognised as a finance cost.

5.8 Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.



5.9 Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share.

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to ordinary equity holders of Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to ordinary equity holders of Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, inclusive of tax) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

5.10 Segment Reporting

The Company's operating business are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

Unallocated items include general corporate income and expense item which are not allocated to any business segment.

5.11 Dividend

The Company recognises a liability to make dividend distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity or Statement of profit or loss account.

5.12 Business Combination under Common Control

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

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

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made only to harmonize significant accounting policies.
- The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.
- The identity of the reserves are preserved and appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

6 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:



6.1 Business Model Assessment

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

6.2 Estimation of defined benefit plans (gratuity benefits)

Refer Note 5.3 (iii)

6.3 Fair value measurement:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

6.4 Impairment of loans portfolio

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

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

The impairment loss on loans and advances is disclosed in more detail in Note 10.

6.5 Provisions other than impairment on loan portfolio and contingent liabilities

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

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

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

6.6 Effective Interest Rate (EIR) method

The Company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

6.7 Recognition of deferred tax assets for carried forward losses

Refer Note 5.3 (viii)

6.8 Estimation of useful life of property, plant and equipments and intangible assets

Refer note 5.5 and 5.6



Aditya Birla Finance Limited
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Note 7: Cash and cash equivalents

| | As at 31 March, 2020 | As at 31 March, 2019 |
|-----------------------|-------------------------|-------------------------|
| Balances with bank in | | |
| - Fixed Deposits | 22,294.66 | - |
| - Current Accounts | 1,60,761.59 | 5,908.89 |
| Total | 1,83,056.25 | 5,908.89 |

Note 8: Trade and Other Receivables

| As at 31 March, 2020 | Exposure | Loss Allowance | Net Amount |
|--|-----------------|-----------------|-----------------|
| Trade receivables | | | |
| Considered Good – Secured | - | - | - |
| Considered Good – Unsecured | 1,658.21 | (56.46) | 1,601.75 |
| Trade Receivables which have significant increase in credit risk | - | - | - |
| Trade Receivables – credit impaired | 203.52 | (203.52) | - |
| Total | 1,861.73 | (259.98) | 1,601.75 |

| As at 31 March, 2019 | Exposure | Loss Allowance | Net Amount |
|--|-----------------|-----------------|-----------------|
| Trade receivables | | | |
| Considered Good – Secured | - | - | - |
| Considered Good – Unsecured | 1,086.92 | (12.81) | 1,074.11 |
| Trade Receivables which have significant increase in credit risk | - | - | - |
| Trade Receivables – credit impaired | 227.11 | (227.11) | - |
| Total | 1,314.03 | (239.92) | 1,074.11 |

Note:

No Trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.



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Note 8: Trade and Other Receivables (continued)

| Trade receivables days past due | | 0-60 days past due | 60-90 days past due | More than 90 days past due | Total |
|---------------------------------|-----------------------------|-----------------------|------------------------|----------------------------------|----------|
| 31 March, 2020 | Total gross carrying amount | 1,594.82 | 34.30 | 232.61 | 1,861.73 |
| | ECL-Simplified approach | (10.22) | (17.15) | (232.61) | (259.98) |
| | Net carrying amount | 1,584.60 | 17.15 | - | 1,601.75 |
| 31 March, 2019 | Total gross carrying amount | 1,061.03 | 0.10 | 252.89 | 1,314.03 |
| | ECL-Simplified approach | (12.55) | - | (227.37) | (239.92) |
| | Net carrying amount | 1,048.48 | 0.10 | 25.52 | 1,074.11 |

Reconciliation of impairment allowance on trade and other receivables:

| | |
|---|-----------------|
| Impairment allowance measured as per simplified approach | |
| Impairment allowance as at 31 March, 2019 | (239.92) |
| (Add) : New assets originated or purchased | (85.84) |
| Less : Assets derecognised or repaid (excluding write offs) | 65.78 |
| Less : Amounts written off | - |
| Impairment allowance as at 31 March, 2020 | <u>(259.98)</u> |



Note 9: Derivative financial instruments

The Company enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that meet the hedge accounting requirements.

The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

| Particulars | As at 31 March, 2020 | | | As at 31 March, 2019 | | |
|--|----------------------|---------------------|--------------------------|----------------------|---------------------|--------------------------|
| | Notional amounts | Fair Value - Assets | Fair Value - Liabilities | Notional amounts | Fair Value - Assets | Fair Value - Liabilities |
| Part I | | | | | | |
| (i) Interest Rate swaps and currency forward | | | | | | |
| - Cross Currency Interest Rate swaps | 1,46,367.54 | 5,408.39 | - | - | - | - |
| - Currency forward | 36.11 | - | 0.40 | - | - | - |
| Total | 1,46,403.65 | 5,408.39 | 0.40 | - | - | - |
| Part II | | | | | | |
| (ii) Cash flow hedging | | | | | | |
| - Cross Currency Interest Rate swaps | 1,46,367.54 | 5,408.39 | - | - | - | - |
| - Currency forward | 36.11 | - | 0.40 | - | - | - |
| Total | 1,46,403.65 | 5,408.39 | 0.40 | - | - | - |

Note 9.1 : Hedging activities and derivatives

The Company is exposed to certain risks relating to its external commercial borrowings. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. The Company's risk management strategy and how it is applied to manage risk are explained in Note 52.

Note 9.2 : Derivatives designated as hedging instruments

Cash flow hedges

The Company is exposed to foreign currency risk arising from its External Commercial borrowings amounting to ₹ 1,46,367.54 Lakhs. Interest on the borrowing is payable at a floating rate. The Company economically hedged the foreign currency risk arising from the debt with a 'receive floating pay fixed' cross-currency interest rate swap ('swap'). The notional amount of swap is disclosed in the table below. The swap contract converts the cash outflows of the foreign currency borrowing as per table below to cash outflows in INR with a notional amount of ₹ 1,46,367.54 lakhs at fixed interest rate.

| Name of Lender | Foreign Currency Denominated Borrowing Amount | Interest rate type | Notional Amount of swap (₹) | Interest rate swap type |
|--|---|------------------------|-----------------------------|-------------------------|
| As at 31 March, 2020 | | | | |
| JPY Denominated (in JPY lakhs) (Maturity range : September, 2022 to February, 2023) | 1,89,366.25 | Floating rate interest | 1,24,089.54 | Fixed rate interest |
| USD Denominated (in USD lakhs) (Maturity March, 2023) | 300.00 | Floating rate interest | 22,278.00 | Fixed rate interest |
| Total | | | 1,46,367.54 | |

There is an economic relationship between the hedged item and the hedging instrument as the terms of the cross currency swap contract match that of the foreign currency borrowing (notional amount, interest payment dates, principal repayment date etc.). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the cross currency swap are identical to the hedged risk components. To test the hedge effectiveness, the Company uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

The hedge ineffectiveness can arise mainly if there is a change in the credit risk of the Company or the counterparty.

The impact of the hedging instruments on the balance sheet is, as follows:

| Particulars | Notional Amounts | Carrying Amount | Line item in the statement of financial position | Change in fair value used for measuring ineffectiveness for the year |
|------------------------------------|--------------------|-----------------|--|--|
| As at 31 March, 2020 | | | | |
| Cross currency interest rate swaps | 1,46,367.54 | 5,408.39 | Derivative Asset | (1,234.22) |
| Total | 1,46,367.54 | 5,408.39 | | (1,234.22) |

The impact of hedged items on the balance sheet is, as follows:

| Particulars | Change in fair value used for measuring ineffectiveness for the year | Cash flow Hedge Reserve as at 31 March, 2020 |
|------------------------------------|--|--|
| As at 31 March, 2020 | | |
| Cross currency interest rate swaps | (1,234.22) | (1,234.22) |
| Total | (1,234.22) | (1,234.22) |



Note 9.2 : Derivatives designated as hedging instruments (contd.)

The effect of the cash flow hedge in the statement of profit or loss and other comprehensive income is, as follows:

| Particulars | Total hedging gain / (loss) recognised in OCI | Ineffective-ness recognised in profit or loss | Line item in the statement of profit or loss | Cost of hedging recognised in OCI | Amount reclassified from OCI to profit or loss | Cost of hedge reclassified from OCI to profit or loss | Line item in the statement of profit or loss |
|--|---|---|--|-----------------------------------|--|---|--|
| As at 31 March, 2020 | | | | | | | |
| Foreign currency denominated floating rate borrowing | (1,234.22) | - | - | - | - | - | - |
| Total | (1,234.22) | - | - | - | - | - | - |

Note 9.3 : Movements in Cash Flow Hedging Reserve

| Particulars | As at 1 April, 2019 | Add/Less: Changes in fair value | Add/Less: Foreign exchange Gain / (loss) | Add/Less: Deferred Tax | Add/Less: Accrued Interest | As at 31 March, 2020 |
|---------------------------|---------------------|---------------------------------|--|------------------------|----------------------------|----------------------|
| Cash flow Hedging Reserve | - | 5,407.99 | (8,141.82) | 415.10 | 1,084.51 | (1,234.22) |
| Total | - | 5,407.99 | (8,141.82) | 415.10 | 1,084.51 | (1,234.22) |

Note 9.4 : The following table shows the maturity profile of hedging derivatives based on their notional amounts.

| Particulars | As at 31 March, 2020 | | | | As at 31 March, 2019 | | | |
|--|----------------------|--------------------|--------------|--------------------|----------------------|--------------|--------------|----------|
| | 0 to 12 months | 1 to 3 years | Over 3 years | Total | 0 to 12 months | 1 to 3 years | Over 3 years | Total |
| (i) Cross Currency Interest Rate swaps | - | 1,46,367.54 | - | 1,46,367.54 | - | - | - | - |
| (ii) Currency forward | - | 36.11 | - | 36.11 | - | - | - | - |
| Total | - | 1,46,403.65 | - | 1,46,403.65 | - | - | - | - |



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Note 10: Loans

| Particulars | As at 31 March, 2020 | | | | | | As at 31 March, 2019 | | | | | |
|---|----------------------|------------------------------------|---------------------------------|---|-----------|---------------------|----------------------|------------------------------------|---------------------------------|---|-----------|---------------------|
| | At fair value | | | | | | At fair value | | | | | |
| | Amortised Cost | Through Other Comprehensive Income | Through profit and loss account | Designated at through profit and loss account | Sub-total | Total | Amortised Cost | Through Other Comprehensive Income | Through profit and loss account | Designated at through profit and loss account | Sub-total | Total |
| Loans & Advances | 46,83,396.67 | - | - | - | - | 46,83,396.67 | 50,67,322.21 | - | - | - | - | 50,67,322.21 |
| Advances to Related Parties (net) | 394.98 | - | - | - | - | 394.98 | 45.34 | - | - | - | - | 45.34 |
| Security Deposits | 2,954.09 | - | - | - | - | 2,954.09 | 1,837.02 | - | - | - | - | 1,837.02 |
| Other Advances | 186.99 | - | - | - | - | 186.99 | 730.40 | - | - | - | - | 730.40 |
| Total (A) - Gross | 46,86,932.73 | - | - | - | - | 46,86,932.73 | 50,69,934.97 | - | - | - | - | 50,69,934.97 |
| Less: Impairment loss allowance | 88,153.14 | - | - | - | - | 88,153.14 | 51,102.00 | - | - | - | - | 51,102.00 |
| Total (A) - Net | 45,98,779.59 | - | - | - | - | 45,98,779.59 | 50,18,832.97 | - | - | - | - | 50,18,832.97 |
| ii) Secured by tangible assets | 23,75,241.13 | - | - | - | - | 23,75,241.13 | 37,11,921.27 | - | - | - | - | 37,11,921.27 |
| iii) Secured by intangible assets | - | - | - | - | - | - | - | - | - | - | - | - |
| iii) Covered by bank and government guarantee | 1,81,784.92 | - | - | - | - | 1,81,784.92 | 24,408.24 | - | - | - | - | 24,408.24 |
| iv) Secured by book debts, inventories, fixed deposit and other working capital items | 13,26,894.17 | - | - | - | - | 13,26,894.17 | 4,15,788.97 | - | - | - | - | 4,15,788.97 |
| v) Unsecured | 8,03,012.51 | - | - | - | - | 8,03,012.51 | 9,17,816.49 | - | - | - | - | 9,17,816.49 |
| Total (B) - Gross | 46,86,932.73 | - | - | - | - | 46,86,932.73 | 50,69,934.97 | - | - | - | - | 50,69,934.97 |
| Less: Impairment loss allowance | 88,153.14 | - | - | - | - | 88,153.14 | 51,102.00 | - | - | - | - | 51,102.00 |
| Total (B) - Net | 45,98,779.59 | - | - | - | - | 45,98,779.59 | 50,18,832.97 | - | - | - | - | 50,18,832.97 |
| Loans in India | - | - | - | - | - | - | - | - | - | - | - | - |
| i) Public Sector | 54,429.24 | - | - | - | - | 54,429.24 | 43,219.14 | - | - | - | - | 43,219.14 |
| ii) Others | 46,32,503.49 | - | - | - | - | 46,32,503.49 | 50,26,715.83 | - | - | - | - | 50,26,715.83 |
| Total - Gross | 46,86,932.73 | - | - | - | - | 46,86,932.73 | 50,69,934.97 | - | - | - | - | 50,69,934.97 |
| Less: Impairment loss allowance | 88,153.14 | - | - | - | - | 88,153.14 | 51,102.00 | - | - | - | - | 51,102.00 |
| Total - Net | 45,98,779.59 | - | - | - | - | 45,98,779.59 | 50,18,832.97 | - | - | - | - | 50,18,832.97 |
| Loans outside India | - | - | - | - | - | - | - | - | - | - | - | - |
| Less: Impairment loss allowance | - | - | - | - | - | - | - | - | - | - | - | - |
| Total - Net | 45,98,779.59 | - | - | - | - | 45,98,779.59 | 50,18,832.97 | - | - | - | - | 50,18,832.97 |
| Total (C) | 45,98,779.59 | - | - | - | - | 45,98,779.59 | 50,18,832.97 | - | - | - | - | 50,18,832.97 |

Notes:

- Sales that are infrequent and insignificant in value both individually and in aggregate are considered to be consistent with the business model whose objective is to hold and collect the contractual cash flows and are disclosed under amortised cost category. The rationale for sale of any loan in amortised category is a business decision pertaining at any particular time.
- The loan accounts which are written off does not form part of the above loans. However, the entity pursues to recover the written off loans and retains any legal remedies which are available.



Note 10: Loans

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans is as follows:

| Loans | As at 31 March, 2020 | | | | As at 31 March, 2019 | | | |
|--|----------------------|-------------|-------------|----------------|----------------------|-------------|-------------|----------------|
| | Stage 1 | Stage 2 | Stage 3 | Total | Stage 1 | Stage 2 | Stage 3 | Total |
| Opening Balance of Gross carrying amount | 48,73,415.01 | 1,00,643.74 | 81,340.04 | 50,55,398.79 | 41,55,828.30 | 44,318.53 | 38,572.95 | 42,38,719.78 |
| New assets originated or purchased | 13,79,158.14 | 6,150.89 | 2,875.65 | 13,88,184.68 | 18,89,040.67 | 12,021.08 | 5,314.00 | 19,06,375.75 |
| Assets derecognised or repaid (excluding write offs) | (16,69,786.43) | (46,851.03) | (14,111.14) | (17,30,748.60) | (10,64,272.05) | (12,374.87) | (1,480.42) | (10,78,127.34) |
| Transfers to Stage 1 | 28,009.53 | (26,187.51) | (1,822.02) | - | 3,524.00 | (1,654.00) | (1,870.00) | - |
| Transfers to Stage 2 | (1,14,942.67) | 1,17,879.49 | (2,936.82) | - | (59,853.00) | 59,853.00 | - | - |
| Transfers to Stage 3 | (1,20,961.84) | (29,512.60) | 1,50,474.44 | - | (50,852.91) | (1,520.00) | 52,372.91 | - |
| Amounts written off | - | (446.77) | (33,111.92) | (33,558.69) | - | - | (11,569.40) | (11,569.40) |
| Closing Balance of Gross carrying amount | 43,74,891.74 | 1,21,676.21 | 1,82,708.23 | 46,79,276.18 | 48,73,415.01 | 1,00,643.74 | 81,340.04 | 50,55,398.79 |

Stage 1, 2 and 3 Loans includes Interest Accrued but Excludes EIR amounting to ₹ 7,656.55 lakhs (31 March, 2019 : ₹ 14,536.18 lakhs; 1 April, 2018 : ₹ 10,643.58 lakhs).

Reconciliation of ECL balance is given below:

| ECL | As at 31 March, 2020 | | | | As at 31 March, 2019 | | | |
|---|----------------------|------------|-------------|-------------|----------------------|------------|-------------|-------------|
| | Stage 1 | Stage 2 | Stage 3 | Total | Stage 1 | Stage 2 | Stage 3 | Total |
| Opening Balance of ECL allowance | 15,381.54 | 4,424.65 | 31,295.81 | 51,102.00 | 14,427.82 | 6,192.09 | 20,732.52 | 41,352.43 |
| Increase in new / existing assets originated or purchased | 10,960.66 | 9,096.18 | 59,689.97 | 79,746.81 | 6,067.09 | (1,946.44) | 25,204.84 | 29,325.49 |
| Assets derecognised or repaid (excluding write offs) | (5,357.80) | (586.87) | (3,192.31) | (9,136.98) | (4,563.52) | (10.00) | (3,433.00) | (8,006.52) |
| Transfers to Stage 1 | 1,753.04 | (1,114.18) | (638.86) | - | 31.00 | (18.00) | (13.00) | - |
| Transfers to Stage 2 | (633.81) | 1,193.85 | (560.04) | - | (227.00) | 227.00 | - | - |
| Transfers to Stage 3 | (1,008.82) | (2,068.95) | 3,077.77 | - | (353.85) | (20.00) | 373.85 | - |
| Amounts written off | - | (446.77) | (33,111.92) | (33,558.69) | - | - | (11,569.40) | (11,569.40) |
| Closing Balance of ECL allowance | 21,094.81 | 10,497.91 | 56,560.42 | 88,153.14 | 15,381.54 | 4,424.65 | 31,295.81 | 51,102.00 |

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to non-fund based exposures is as follows:

| Non-funded exposures | Total Non-fund Exposures (not included in the tables above) | | | | ECL on Non-fund exposures (included in the tables above) | | | |
|--------------------------------------|---|---------|---------|------------|--|---------|---------|-------|
| | Stage 1 | Stage 2 | Stage 3 | Total | Stage 1 | Stage 2 | Stage 3 | Total |
| Opening Balance as on 31 March, 2019 | 13,738.00 | - | - | 13,738.00 | 22.00 | - | - | 22.00 |
| Net Movement | (8,737.00) | 204.00 | - | (8,533.00) | (8.00) | 8.00 | - | - |
| Closing Balance as on 31 March, 2020 | 5,001.00 | 204.00 | - | 5,205.00 | 14.00 | 8.00 | - | 22.00 |

Stage 1 represents 'High Grade' internal rating.
Stage 2 represents 'Medium Grade' internal rating.
Stage 3 represents 'Credit-impaired'.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

Note 11: Investments

| Particulars | At Amortised Cost | At Fair value | | | Sub-total | Others | Total |
|--------------------------------------|-------------------|------------------------------------|---------------------------------|---|-------------|--------|-------------|
| | | Through Other Comprehensive Income | Through profit and loss account | Designated at through profit and loss account | | | |
| As at 31 March, 2020 | | | | | | | |
| i) Equity Instruments | - | 175.68 | 24.89 | - | 200.57 | - | 200.57 |
| ii) Preference Shares | - | - | 22,551.00 | - | 22,551.00 | - | 22,551.00 |
| iii) PMS Investment | - | - | - | - | - | - | - |
| iv) Investment in Alternate Funds | - | - | 9,221.18 | - | 9,221.18 | - | 9,221.18 |
| v) Investment in Debentures | - | - | 42,029.37 | - | 42,029.37 | - | 42,029.37 |
| vi) Investment in Bonds | - | - | 9,365.31 | - | 9,365.31 | - | 9,365.31 |
| vii) Investment in Mutual Funds | - | - | 2,50,872.74 | - | 2,50,872.74 | - | 2,50,872.74 |
| Total Gross (A) | - | 175.68 | 3,34,064.49 | - | 3,34,240.17 | - | 3,34,240.17 |
| (i) Investments in India | - | 175.68 | 3,34,064.49 | - | 3,34,240.17 | - | 3,34,240.17 |
| (ii) Investments outside India | - | - | - | - | - | - | - |
| Total (B) | - | 175.68 | 3,34,064.49 | - | 3,34,240.17 | - | 3,34,240.17 |
| Less : Impairment loss allowance (C) | - | - | - | - | - | - | - |
| Total - Net [D= (A)-(C)] | - | 175.68 | 3,34,064.49 | - | 3,34,240.17 | - | 3,34,240.17 |
| As at 31 March, 2019 | | | | | | | |
| i) Equity Instruments | - | 189.57 | 38.94 | - | 228.51 | - | 228.51 |
| ii) Preference Shares | - | - | 21,407.12 | - | 21,407.12 | - | 21,407.12 |
| iii) PMS Investment | - | - | 1,685.39 | - | 1,685.39 | - | 1,685.39 |
| iv) Investment in Alternate Funds | - | - | 15,339.26 | - | 15,339.26 | - | 15,339.26 |
| v) Investment in Debentures | - | - | 93,892.85 | - | 93,892.85 | - | 93,892.85 |
| vi) Investment in Bonds | - | - | 25,097.58 | - | 25,097.58 | - | 25,097.58 |
| Total Gross (A) | - | 189.57 | 1,57,461.14 | - | 1,57,650.71 | - | 1,57,650.71 |
| (i) Investments in India | - | 189.57 | 1,57,461.14 | - | 1,57,650.71 | - | 1,57,650.71 |
| (ii) Investments outside India | - | - | - | - | - | - | - |
| Total (B) | - | 189.57 | 1,57,461.14 | - | 1,57,650.71 | - | 1,57,650.71 |
| Less : Impairment loss allowance (C) | - | - | - | - | - | - | - |
| Total - Net [D= (A)-(C)] | - | 189.57 | 1,57,461.14 | - | 1,57,650.71 | - | 1,57,650.71 |

Note:

The Company received dividends of ₹ 1,924.97 lakhs (31 March, 2019: ₹ 1,100.02 lakhs) from its FVTPL securities, recorded as dividend income.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

Note 12: Other financial assets

| | As at 31 March, 2020 | As at 31 March, 2019 |
|---|-------------------------|-------------------------|
| Other Receivables (In the nature of service charges and gratuity receivables) | 466.48 | 2,823.88 |
| Total | 466.48 | 2,823.88 |

Note 13: Current tax assets (net)

| | As at 31 March, 2020 | As at 31 March, 2019 |
|--|-------------------------|-------------------------|
| Advance Payment of Taxes (Net of provision for taxation ₹ 79,788.29 lakhs; 31 March, 2019 ₹ 65,584.00 lakhs) | 23,364.88 | 1,216.88 |
| Total | 23,364.88 | 1,216.88 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

Note 14: Property, plant and equipments

| Particulars | Building | Plant & Equipments | Furniture & Fixtures | Vehicles | Office Equipments | Leasehold Improvements | Total |
|---|----------|--------------------|----------------------|----------|-------------------|------------------------|----------|
| Costs : | | | | | | | |
| At 1 April, 2018 | 20.92 | 1,557.87 | 74.99 | 733.50 | 213.16 | 328.46 | 2,928.90 |
| Additions | - | 156.93 | 70.88 | 653.01 | 128.98 | 181.57 | 1,191.37 |
| Addition / (Deletion) on account of demerger transaction business of ABCTSL (formerly known as ABMUL) | - | 57.17 | 1.85 | - | 2.66 | - | 61.68 |
| Disposals | - | 110.62 | 16.76 | 132.81 | 17.66 | 1.43 | 279.28 |
| At 31 March, 2019 | 20.92 | 1,661.35 | 130.96 | 1,253.70 | 327.14 | 508.60 | 3,902.67 |
| Additions | - | 120.39 | 30.83 | 485.57 | 131.51 | 52.70 | 821.00 |
| Addition / (Deletion) on account of demerger transaction business of ABCTSL (formerly known as ABMUL) | - | (12.92) | (3.12) | - | (10.52) | - | (26.56) |
| Disposals | - | 585.27 | 4.56 | 203.75 | 16.77 | 53.28 | 863.63 |
| At 31 March, 2020 | 20.92 | 1,183.55 | 154.11 | 1,535.52 | 431.36 | 508.02 | 3,833.48 |
| Accumulated Depreciation : | | | | | | | |
| At 1 April, 2018 | 0.46 | 559.61 | 37.45 | 131.43 | 76.73 | 85.77 | 891.45 |
| Depreciation charge for the year | 0.46 | 438.11 | 23.80 | 229.96 | 86.38 | 131.60 | 910.31 |
| Addition / (Deletion) on account of demerger transaction business of ABCTSL (formerly known as ABMUL) | - | 37.15 | 0.49 | - | 1.59 | - | 39.23 |
| Disposals | - | 55.56 | 5.15 | 41.46 | 11.86 | 1.43 | 115.46 |
| At 31 March, 2019 | 0.92 | 979.31 | 56.59 | 319.93 | 152.84 | 215.94 | 1,725.53 |
| Depreciation charge for the year | 0.46 | 362.21 | 43.04 | 303.01 | 89.53 | 161.59 | 959.84 |
| Addition / (Deletion) on account of demerger transaction business of ABCTSL (formerly known as ABMUL) | - | (8.02) | (0.35) | - | (4.08) | - | (12.45) |
| Disposals | - | 584.06 | 3.84 | 138.70 | 12.76 | 53.28 | 792.64 |
| At 31 March, 2020 | 1.38 | 749.44 | 95.44 | 484.24 | 225.53 | 324.25 | 1,880.28 |
| Net book value: | | | | | | | |
| At 1 April, 2018 | 20.46 | 998.26 | 37.54 | 602.07 | 136.43 | 242.69 | 2,037.45 |
| At 31 March, 2019 | 20.00 | 682.04 | 74.37 | 933.77 | 174.30 | 292.66 | 2,177.14 |
| At 31 March, 2020 | 19.54 | 434.11 | 58.67 | 1,051.28 | 205.83 | 183.77 | 1,953.20 |

Notes:

- 1 Redeemable Non Convertible Debentures are secured by charge on immovable property of the Company.
- 2 Office Equipments include Gross Assets amounting to ₹ 2.19 lakhs (31 March, 2019 : ₹ 2.19 lakhs) held jointly with Aditya Birla Sun Life Insurance Company Limited.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

Note 15: Intangible assets under development

| Particulars | Amount |
|----------------------|-----------------|
| Costs: | |
| As at 1 April, 2018 | 862.25 |
| Additions | 1,414.95 |
| Disposals | 29.47 |
| Transfers | 717.31 |
| As at 31 March, 2019 | 1,530.42 |
| Additions | 3,867.87 |
| Disposals | - |
| Transfers | 500.00 |
| As at 31 March, 2020 | 4,898.29 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

Note 16: Other intangible assets

| Particulars | Amount |
|--|-----------------|
| Costs: | |
| At 1 April, 2018 | 5,444.20 |
| Addition on account of demerger transaction business of ABCTSL (formerly known as ABMUL) | 268.60 |
| Additions | 1,415.55 |
| Disposals | (148.98) |
| At 31 March, 2019 | 6,979.37 |
| Additions | 1,526.41 |
| Disposals | - |
| At 31 March, 2020 | 8,505.78 |
| Accumulated amortisation: | |
| At 1 April, 2018 | 1,886.82 |
| Addition on account of demerger transaction business of ABCTSL (formerly known as ABMUL) | 191.78 |
| Disposals | (121.38) |
| Amortisation charge for the year | 2,002.41 |
| At 31 March, 2019 | 3,959.63 |
| Disposals | - |
| Amortisation charge for the year | 2,065.01 |
| At 31 March, 2020 | 6,024.64 |
| Net book value: | |
| At 1 April, 2018 | 3,557.38 |
| At 31 March, 2019 | 3,019.74 |
| At 31 March, 2020 | 2,481.14 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

Note 17: Right of use Lease Assets

| Particulars | Amount |
|--|------------------|
| Costs: | |
| At 1 April, 2018 | - |
| Additions | - |
| Disposals | - |
| At 31 March, 2019 | - |
| Opening Balance as on 1 April, 2019 | 8,562.96 |
| Additions | 1,432.23 |
| Addition on account of demerger transaction business of ABCTSL (formerly known as ABMUL) | 26.05 |
| Disposals | - |
| At 31 March, 2020 | 10,021.24 |
| Accumulated amortisation: | |
| At 1 April, 2018 | - |
| Disposals | - |
| Amortisation charge for the year | - |
| At 31 March, 2019 | - |
| Disposals | - |
| Amortisation charge for the year | 1,951.79 |
| At 31 March, 2020 | 1,951.79 |
| Net book value: | |
| At 1 April, 2018 | - |
| At 31 March, 2019 | - |
| At 31 March, 2020 | 8,069.45 |

Note 18: Other non-financial assets

| | As at 31 March, 2020 | As at 31 March, 2019 |
|--|-------------------------|-------------------------|
| Deferred lease expenses | 81.90 | 469.29 |
| Prepaid expenses | 3,578.77 | 1,728.72 |
| Capital advances | 192.92 | 166.39 |
| Goods and Service Tax / Service Tax Receivable | 3,435.42 | 2,503.85 |
| Plan Assets of Gratuity Fund | 1,789.54 | 1,316.58 |
| Other non-financial assets | - | 57.83 |
| | 9,078.55 | 6,242.66 |

Note 19: Trade & Other Payables

| | As at 31 March, 2020 | As at 31 March, 2019 |
|--|-------------------------|-------------------------|
| - Micro and small enterprises | 282.07 | 277.71 |
| - Other than Micro and small enterprises | 6,253.35 | 4,666.65 |
| | 6,535.42 | 4,944.36 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

Note 20: Debt securities

| | As at 31 March, 2020 | | | | As at 31 March, 2019 | | | |
|---|----------------------|---|--|---------------------|----------------------|---|--|---------------------|
| | At amortised cost | At fair Value through profit and loss account | Designated at fair value through profit and loss account | Total | At amortised cost | At fair Value through profit and loss account | Designated at fair value through profit and loss account | Total |
| Redeemable non-convertible debentures (Secured) | 15,62,929.66 | - | - | 15,62,929.66 | 16,28,536.99 | - | - | 16,28,536.99 |
| Compulsory Convertible Debentures (Unsecured) | 3,393.19 | - | - | 3,393.19 | 3,113.09 | - | - | 3,113.09 |
| Commercial papers (Unsecured) | 2,20,600.08 | - | - | 2,20,600.08 | 6,33,206.24 | - | - | 6,33,206.24 |
| Total | 17,86,922.93 | - | - | 17,86,922.93 | 22,64,856.32 | - | - | 22,64,856.32 |
| Debt securities in India | 17,86,922.93 | - | - | 17,86,922.93 | 22,64,856.32 | - | - | 22,64,856.32 |
| Debt securities outside India | - | - | - | - | - | - | - | - |
| Total | 17,86,922.93 | - | - | 17,86,922.93 | 22,64,856.32 | - | - | 22,64,856.32 |

Notes :

- The above amounts are including interest accrued but not due on Debt securities.
- Redeemable Non-Convertible Debentures are secured by way of mortgage on the immovable property and first pari-passu charge on certain Financial Assets of the Company.

| Particulars | As at 31 March, 2020 | As at 31 March, 2019 |
|--|----------------------|----------------------|
| Redeemable Non-Convertible Debentures | | |
| Repayment Terms : Maturing within 1 year, Rate of Interest 7.60% p.a. to 9.50% p.a. | 5,97,391.62 | 5,22,787.16 |
| Repayment Terms : Maturing between 1 to 3 years, Rate of Interest 7.60% p.a. to 9.50% p.a. | 5,35,438.04 | 8,47,165.26 |
| Repayment Terms : Maturing after 3 years, Rate of Interest 8.15% p.a. to 9.40% p.a. | 4,30,100.00 | 2,58,584.57 |
| Total | 15,62,929.66 | 16,28,536.99 |
| 0.10% Compulsory Convertible Debentures(CCD), (Convertible in March, 2023)* | 3,393.19 | 3,113.09 |
| Commercial Papers - Rate of Interest 5.90% p.a. to 7.90% p.a.** | 2,20,600.08 | 6,33,206.24 |
| Total | 17,86,922.93 | 22,64,856.32 |

* 1. Each CCD will be convertible into 1 (one) 0.10% Redeemable Non-Convertible Non-Cumulative Preference Shares (RNCNCPs) of Rs 100/- each at premium of Rs. 54 per RNCNCPs at the end of 5 (five) years from the date of its original issue by the Demerged Company i.e. 21/03/2021 or any such time as may be informed in writing at the option of the holder thereof.

* 2. The said RNCNCPs shall be redeemed at premium of Rs. 83 per RNCNCPs at the end of 2 (two) years from the date of conversion i.e. 21/03/2023 or any such time as may be informed in writing at the option of the holder thereof.

**3. Commercial papers shown net of unamortised discounting charges ₹ 4,634.93 lakhs (31 March, 2019 ₹ 7,419.98 lakhs).



Note 21: Borrowings other than debt securities

| Particulars | As at 31 March, 2020 | | | | As at 31 March, 2019 | | | |
|--|----------------------|---|--|---------------------|----------------------|---|--|---------------------|
| | At amortised cost | At fair value through profit and loss account | Designated at fair value through profit and loss account | Total | At amortised cost | At fair value through profit and loss account | Designated at fair value through profit and loss account | Total |
| Term Loan from Banks (Secured) | 18,62,078.02 | - | - | 18,62,078.02 | 15,00,952.42 | - | - | 15,00,952.42 |
| Cash Credit from Banks (Secured) | 35,571.61 | - | - | 35,571.61 | 1,86,521.51 | - | - | 1,86,521.51 |
| External Commercial Borrowings from foreign banks / institutions (Secured) | 2,55,986.58 | - | - | 2,55,986.58 | 1,03,089.97 | - | - | 1,03,089.97 |
| Inter Corporate borrowing (Unsecured) | - | - | - | - | 7,648.79 | - | - | 7,648.79 |
| Working capital demand loan from Banks | | | | | | | | |
| Unsecured | - | - | - | - | 7,040.07 | - | - | 7,040.07 |
| Secured | 1,90,208.68 | - | - | 1,90,208.68 | 1,61,475.86 | - | - | 1,61,475.86 |
| Total | 23,43,844.89 | - | - | 23,43,844.89 | 19,66,728.62 | - | - | 19,66,728.62 |
| Borrowings in India | 20,87,858.31 | - | - | 20,87,858.31 | 18,63,638.65 | - | - | 18,63,638.65 |
| Borrowings outside India | 2,55,986.58 | - | - | 2,55,986.58 | 1,03,089.97 | - | - | 1,03,089.97 |
| Total | 23,43,844.89 | - | - | 23,43,844.89 | 19,66,728.62 | - | - | 19,66,728.62 |

Note : The above amounts are including interest accrued but not due on borrowings other than debt securities.

| Particulars | As at 31 March, 2020 | As at 31 March, 2019 |
|---|----------------------|----------------------|
| Term Loan (Secured by way of first pari-passu charge on the receivables of the Company) | | |
| Repayment Terms : Maturing within 1 year, Rate of Interest 7.60% p.a. to 8.70% p.a. | 4,32,832.76 | 2,22,140.66 |
| Repayment Terms : Maturing between 1 to 3 years, Rate of Interest 7.35% p.a. to 8.95% p.a. | 10,56,249.21 | 7,96,197.82 |
| Repayment Terms : Maturing after 3 years, Rate of Interest 7.75% p.a. to 8.75% p.a. | 3,72,996.05 | 4,82,613.94 |
| Total | 18,62,078.02 | 15,00,952.42 |
| External commercial borrowings (Secured by way of first pari-passu charge on the receivables of the Company) | | |
| Maturing after 3 years, Rate of Interest 6.74 % p.a. to 7.94% p.a. (The effective cost has been calculated basis hedged cost in terms of Foreign Currency Loans, which have been fully hedged for foreign exchange and interest rate fluctuation.) | 2,55,986.58 | 1,03,089.97 |
| Inter Corporate borrowing (Unsecured) | - | 7,648.79 |
| Loans repayable on demand | | |
| Cash Credit secured by way of first pari-passu charge on the receivables of the Company | 35,571.61 | 1,86,521.51 |
| Working Capital Demand Loan secured by way of first pari-passu charge on receivables of the Company - Rate of Interest 6.95% p.a. to 8.15% p.a. | 1,90,208.68 | 1,68,515.93 |
| Total | 23,43,844.89 | 19,66,728.62 |



Note 22: Subordinated liabilities

| Particulars | As at 31 March, 2020 | | | | As at 31 March, 2019 | | | |
|--|----------------------|---|--|--------------------|----------------------|---|--|--------------------|
| | At amortised cost | At fair value through profit and loss account | Designated at fair value through profit and loss account | Total | At amortised cost | At fair value through profit and loss account | Designated at fair value through profit and loss account | Total |
| Perpetual debt instruments to the extent they do not qualify as equity instruments | | | | | | | | |
| (i) from banks | - | - | - | - | - | - | - | - |
| (ii) from other parties | 21,108.90 | - | - | 21,108.90 | 21,091.52 | - | - | 21,091.52 |
| Preference shares other than those qualify as equity | 66.45 | - | - | 66.45 | 1,080.00 | - | - | 1,080.00 |
| Subordinate debts (Unsecured) | 1,88,966.74 | - | - | 1,88,966.74 | 1,82,283.95 | - | - | 1,82,283.95 |
| Total | 2,10,142.09 | - | - | 2,10,142.09 | 2,04,455.47 | - | - | 2,04,455.47 |
| Subordinate liabilities in India | 2,10,142.09 | - | - | 2,10,142.09 | 2,04,455.47 | - | - | 2,04,455.47 |
| Subordinate liabilities outside India | - | - | - | - | - | - | - | - |
| Total | 2,10,142.09 | - | - | 2,10,142.09 | 2,04,455.47 | - | - | 2,04,455.47 |

Note: The above amounts are including interest accrued but not due on subordinated liabilities.

| Particulars | As at 31 March, 2020 | As at 31 March, 2019 |
|---|----------------------|----------------------|
| | | |
| Perpetual Debts @ 7.00% p.a. (Maturing in July, 2027) | 21,108.90 | 21,091.52 |
| 8% Cumulative Redeemable Preference Shares (Principle redeemed on 29 January, 2020, Dividend of ₹ 66.45 lakhs payable as on 31 March, 2020) | 66.45 | 1,080.00 |
| Subordinate Debts - Debentures @ 8.25% p.a. to 10.60% p.a. (Redeemable from February, 2022 to June, 2029) | 1,88,966.74 | 1,82,283.95 |
| Total | 2,10,142.09 | 2,04,455.47 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

Note 23: Lease Liability

| | As at 31 March, 2020 | As at 31 March, 2019 |
|---|-------------------------|-------------------------|
| Lease liability for right of use assets | 8,909.91 | - |
| Total | 8,909.91 | - |

Note 24: Other financial liabilities

| | As at 31 March, 2020 | As at 31 March, 2019 |
|--|-------------------------|-------------------------|
| Book Overdraft | 5,218.66 | 17,246.15 |
| Margin Money from Customers | 1,924.11 | 6,900.22 |
| Payables for salaries, bonus and other employee benefits | 3,693.24 | 6,642.11 |
| Other Payable | 6,755.85 | 5,524.00 |
| Total | 17,591.86 | 36,312.48 |

Note 25: Current tax liabilities (net)

| | As at 31 March, 2020 | As at 31 March, 2019 |
|--|-------------------------|-------------------------|
| Provision for Income Tax (Net of advance tax ₹ 38,345.94 lakhs ; 31 March, 2019 ₹. 50,227.85 lakhs) | 2,825.65 | 1,572.15 |
| Total | 2,825.65 | 1,572.15 |

Note 26: Provisions

| | As at 31 March, 2020 | As at 31 March, 2019 |
|--------------------------------------|-------------------------|-------------------------|
| Employee benefit | | |
| - Gratuity | 2,657.24 | 1,847.12 |
| - Provision for compensated absences | 1,701.30 | 1,293.34 |
| - Long term Incentive Plans (LTIP) | 5,345.02 | 5,718.84 |
| Total | 9,703.56 | 8,859.30 |

Note 27: Other non-financial liabilities

| | As at 31 March, 2020 | As at 31 March, 2019 |
|--------------------------------|-------------------------|-------------------------|
| Revenue received in advance | 1,748.39 | 2,360.83 |
| Tax Deducted at Source Payable | 403.02 | 229.15 |
| Goods and Service Tax Payable | 755.32 | 859.10 |
| Other Statutory Dues Payable | 258.65 | 218.57 |
| Total | 3,165.38 | 3,667.65 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

Note 28: Equity share capital

| | As at 31 March, 2020 | As at 31 March, 2019 |
|--|-------------------------|-------------------------|
| Authorised | | |
| 1,270,000,000 (March 31, 2019: 1,270,000,000) equity shares of ₹ 10/- each | 1,27,000.00 | 1,27,000.00 |
| Total | 1,27,000.00 | 1,27,000.00 |
| Issued, Subscribed and fully paid up | | |
| 662,100,822 (March 31, 2019: 656,245,197) equity shares of ₹ 10/- each | 66,210.08 | 65,624.52 |
| NIL (March 31, 2019 : 58,55,625 equity shares of ₹ 10/- each pending issuance) | - | 585.56 |
| Total | 66,210.08 | 66,210.08 |

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year is as under:

| | No. in lakhs | ₹ in lakhs |
|-------------------------|--------------|------------|
| As at 1 April, 2018 | 6,515.32 | 65,153.21 |
| Issued during the year | 105.69 | 1,056.87 |
| As at 31 March, 2019 | 6,621.01 | 66,210.08 |
| Issued during the year | 58.56 | 585.56 |
| Shares pending issuance | (58.56) | (585.56) |
| As at 31 March, 2020 | 6,621.01 | 66,210.08 |

Terms/ rights attached to equity shares

The Company has only one class of equity shares having a 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. The dividend proposed if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the Company, the holders of equity shares will be receiving remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

In compliance with appendix C of Ind AS 103 'Business Combination', the Balance Sheet as at 1 April, 2018 and 31 March, 2019 have been prepared as if the business combination w.r.t transaction business of Aditya Birla Capital Technology Services Limited, ABCTSL (formerly known as Aditya Birla My Universe Limited, ABMUL) had occurred from the beginning of the preceding period i.e. 1 April, 2018. Accordingly, share capital issued as consideration on 1 January, 2020, has been considered as Shares pending issuance under Share capital as at 1 April, 2018 and 31 March, 2019.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

Note 28: Equity share capital

Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

| Particulars | As at 31 March, 2020 | As at 31 March, 2019 | As at 31 March, 2018 | As at 31 March, 2017 | As at 31 March, 2016 |
|---|----------------------------|-------------------------|----------------------------|-------------------------|----------------------------|
| (i) Equity shares of ₹ 10 each, fully paid up, allotted pursuant to the merger scheme for demerger of wealth undertaking of Aditya Birla Money Mart Limited | - | - | - | 1,02,77,778 | - |
| (ii) Equity shares of ₹ 10 each, fully paid up, allotted on conversion of 175,000,000 0.01% compulsory convertible cumulative preference shares of ₹ 10 each, fully paid up | - | - | - | 1,15,13,158 | - |
| (iii) Equity shares of ₹ 10 each, fully paid up, allotted pursuant to the amalgamation scheme with Madura Garments Lifestyle Retail Company Limited (MGLRCL). | - | - | - | - | 5,34,55,883 |
| (iv) Equity shares of ₹ 10 each, fully paid up, allotted pursuant to the Demerger of transaction business of Aditya Birla Capital Technology Services Limited, ABCTSL (formerly known as Aditya Birla My Universe Limited, ABMUL) | 58,55,625 | - | - | - | - |

Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates:

| Name of Share holder | As at 31 March, 2020 | | As at 31 March, 2019 | |
|--|----------------------|------------------|----------------------|------------------|
| | Number | ₹ In lakhs | Number | ₹ In lakhs |
| Aditya Birla Capital Limited (formerly known as Aditya Birla Financial Services Limited), holding company | 66,21,00,762 | 66,210.08 | 65,62,45,137 | 65,624.52 |
| | 66,21,00,762 | 66,210.08 | 65,62,45,137 | 65,624.52 |

Details of shareholders holding more than 5% shares in the Company:

| Particulars | As at 31 March, 2020 | | As at 31 March, 2019 | |
|--|----------------------|-----------------------------------|----------------------|-----------------------------------|
| | Number | % of total paid-up equity capital | Number | % of total paid-up equity capital |
| Aditya Birla Capital Limited (formerly known as Aditya Birla Financial Services Limited), holding company | 66,21,00,762 | 100% | 65,62,45,137 | 100% |

NBFC's objectives, policies and processes for managing capital:
For above disclosures Refer Note 50.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

Note 29: Other equity

Special Reserve pursuant to Section 45-IC of the RBI Act, 1934

| | |
|--|-----------|
| At 1 April, 2018 | 48,810.00 |
| Add: Transfer from surplus balance in the Statement of Profit and Loss | 17,377.79 |
| At 31 March, 2019 | 66,187.79 |
| Add: Transfer from surplus balance in the Statement of Profit and Loss | 16,420.21 |
| At 31 March, 2020 | 82,608.00 |

Securities Premium Account

| | |
|--------------------------------|-------------|
| At 1 April, 2018 | 3,32,292.06 |
| Add: Additions during the year | 31,446.23 |
| At 31 March, 2019 | 3,63,738.29 |
| Add: Additions during the year | - |
| At 31 March, 2020 | 3,63,738.29 |

Capital Reserve

| | |
|--|-------------|
| At 1 April, 2018* | (10,452.11) |
| Add: Other Additions/ Deductions during the year | - |
| At 31 March, 2019 | (10,452.11) |
| Add: Other Additions/ Deductions during the year | - |
| At 31 March, 2020 | (10,452.11) |

* consists Capital Reserve of ₹ 8,730.06 lakhs on account of demerger of transaction business of ABCTSL (formerly ABMUL)

General Reserve

| | |
|--|-----------|
| At 1 April, 2018 | 13,660.95 |
| Add: Amount transferred from surplus in the statement of profit and loss | - |
| At 31 March, 2019 | 13,660.95 |
| Add: Amount transferred from surplus in the statement of profit and loss | - |
| At 31 March, 2020 | 13,660.95 |

Equity Component for Employee Stock Option Plan issued by Aditya Birla Capital Limited (Holding Company)

| | |
|--|----------|
| At 1 April, 2018 | 628.56 |
| Less : Amount transferred to Profit and loss statement | (628.56) |
| At 31 March, 2019 | - |
| Less : Amount transferred to Profit and loss statement | - |
| At 31 March, 2020 | - |

Capital Redemption Reserve

| | |
|--|----------|
| At 31 March, 2019 | - |
| Add: Transfer from surplus balance in the Statement of Profit and Loss | 1,000.00 |
| At 31 March, 2020 | 1,000.00 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

Note 29: Other equity

Surplus in Statement of Profit and Loss

| | |
|---|--------------------|
| At 1 April, 2018 | 1,63,977.54 |
| Add: Profit for the year | 83,413.37 |
| Less: Appropriations | |
| Re-measurement reserves on defined benefit plans | (21.34) |
| Adjustment on account of De-merger of transaction business of ABCTSL (formerly ABMUL) | (754.74) |
| Transfer to Special Reserve | (17,377.79) |
| Total appropriations | (18,153.87) |
| At 31 March, 2019 | 2,29,237.04 |
| Add: Profit for the year | 80,494.60 |
| Less: Appropriations | |
| IND AS 116 Impact - Transition reserve | (629.04) |
| Re-measurement reserves on defined benefit plans | (319.09) |
| Transfer to Capital Redemption Reserve | (1,000.00) |
| Adjustment on account of De-merger of transaction business of ABCTSL (formerly ABMUL) | 792.81 |
| Transfer to Special Reserve | (16,420.21) |
| Total appropriations | (17,575.53) |
| At 31 March, 2020 | 2,92,156.11 |

Other Comprehensive Income

| | |
|---|-------------------|
| At 1 April, 2018 | 97.67 |
| Add: Additions during the year | 40.66 |
| At 31 March, 2019 | 138.33 |
| Add: Additions / (Deletions) during the year | (10.39) |
| Add: Fair Value change on derivatives designated as cash flow hedge | (1,234.22) |
| At 31 March, 2020 | (1,106.28) |
| Total other equity | |
| At 1 April, 2018 | 5,49,014.67 |
| At 31 March, 2019 | 6,62,510.29 |
| At 31 March, 2020 | 7,41,604.96 |



Note 30: Nature and purpose of reserve

Special Reserve:

Special reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act"). Appropriation from this Reserve Fund is permitted only for the purposes specified by RBI.

Securities Premium Reserve: Security premium reserve is used to record the premium on the issue of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

Capital Reserve: Capital reserve refers to difference on account of net assets taken over and purchase consideration paid for merger of wealth management undertaking of Aditya Birla Money Mart Limited with the Company and the difference on account of net assets taken over and purchase consideration paid for merger of transaction business of Aditya Birla Capital Technology Services Limited, ABCTSL (formerly known as Aditya Birla My Universe Limited, ABMUL) undertaking with the Company.

General Reserve: This reserve is created on account of merger of Madura Garments Lifestyle Retail Company Limited (MGLRCL). As per court order, this reserve can be utilised for distribution of dividends.

Capital Redemption reserve : Preference shares of ₹ 1,000 lakhs were redeemed at the ensuing Board meeting held on January 30, 2020. As per the provisions of Companies Act, 2013, the preference shares were redeemed out of the profits of the company and therefore a sum equivalent to the nominal amount of shares redeemed were transferred to capital redemption reserve.

Retained Earnings: Retained earnings refer to the percentage of net earnings not paid out as dividends, but retained by the Company to be reinvested in its core business, or to pay debts.

FVTOCI Equity Investments : The Company has elected to recognise changes in the fair value of certain instruments in equity securities in other comprehensive income. These changes are accumulated with the FVTOCI reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are de-recognised.

Cash flow hedge reserve : The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated on borrowings. For hedging foreign currency and interest rate risk, the Company uses foreign currency forward contracts and cross currency interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to the statement of profit or loss when the hedged item affects profit or loss (e.g. interest payments).



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

Note 31: Interest income

| Particulars | For the year ended 31 March, 2020 | | | | For the year ended 31 March, 2019 | | | |
|----------------------------------|--|--|---|--------------------|--|--|---|--------------------|
| | On Financial Assets measured at FVTOCI | On Financial Assets measured at Amortised cost | On Financial Assets classified at FVTPL | Total | On Financial Assets measured at FVTOCI | On Financial Assets measured at Amortised cost | On Financial Assets classified at FVTPL | Total |
| Interest on Loans | - | 5,57,426.53 | - | 5,57,426.53 | - | 5,09,701.92 | - | 5,09,701.92 |
| Interest income from investments | - | - | 6,871.68 | 6,871.68 | - | - | 8,261.99 | 8,261.99 |
| Interest income from bonds | - | - | 640.81 | 640.81 | - | - | 1,333.53 | 1,333.53 |
| Total | - | 5,57,426.53 | 7,512.49 | 5,64,939.02 | - | 5,09,701.92 | 9,595.52 | 5,19,297.44 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

Note 32: Dividend income

| | For the year ended 31 March, 2020 | For the year ended 31 March, 2019 |
|-----------------------------------|--------------------------------------|--------------------------------------|
| Dividend from Investments (FVTPL) | 1,924.97 | 1,100.02 |
| Total | 1,924.97 | 1,100.02 |

Note 33: Fees and commission income

| | | |
|----------------------------------|------------------|------------------|
| Syndication and Other Fee Income | 32,747.44 | 28,413.95 |
| Brokerage and Commission Income | 4,714.72 | 7,282.45 |
| Total | 37,462.16 | 35,696.40 |

Note 34: Net gain on fair value changes

Net gain/ (loss) on financial instruments at fair value through profit or loss

| | | |
|----------------------|------------------|-----------------|
| On Trading portfolio | | |
| - Investments | 2,775.90 | 2,759.04 |
| - Bonds/Mutual Funds | 13,071.91 | 2,773.01 |
| Total | 15,847.81 | 5,532.05 |

Fair Value changes:

| | | |
|--------------|------------------|-----------------|
| - Realised | 17,357.14 | 4,918.24 |
| - Unrealised | (1,509.33) | 613.81 |
| Total | 15,847.81 | 5,532.05 |

Note 35: Other Income

| | | |
|---|-----------------|---------------|
| Sundry Balances written back | 376.50 | - |
| Miscellaneous Income (Income tax refund and other income) | 721.22 | 374.59 |
| Other Interest Income-Security Deposit on Amortised Cost | 196.58 | 217.82 |
| Profit on sale of fixed assets (net) | 1.77 | 7.72 |
| Total | 1,296.07 | 600.13 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

Note 36: Finance Costs

| Particulars | For the year ended 31 March, 2020 | | For the year ended 31 March, 2019 | |
|---------------------------------------|--|---|--|---|
| | On Financial liabilities measured at fair value through profit or loss | On Financial liabilities measured at Amortised Cost | On Financial liabilities measured at fair value through profit or loss | On Financial liabilities measured at Amortised Cost |
| Debt Securities | - | 1,76,486.36 | - | 1,78,308.78 |
| Borrowings Other than Debt Securities | - | 1,65,830.99 | - | 1,33,880.34 |
| Subordinated Liabilities | - | 17,143.30 | - | 16,311.41 |
| Finance cost on lease liability | - | 724.94 | - | - |
| Others | - | 277.92 | - | 254.34 |
| Total | - | 3,60,463.51 | - | 3,28,754.87 |

Note 37: Impairment on financial instruments

The below table show impairment loss on financial instruments charge to statement of profit and loss based on category of financial instrument :

| Particulars | For the year ended 31 March, 2020 | | For the year ended 31 March, 2019 | |
|--|---|---|---|---|
| | On Financial instruments measured at Fair Value through OCI | On Financial instruments measured at Amortised cost | On Financial instruments measured at Fair Value through OCI | On Financial instruments measured at Amortised cost |
| Bad debts/Advances Written off (net of recoveries) | - | 33,577.95 | - | 12,037.83 |
| Loans | - | 37,043.21 | - | 8,663.41 |
| Trade Receivable | - | 85.84 | - | - |
| Total | - | 70,707.00 | - | 20,701.24 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

Note 38: Employee benefit expenses

| Particulars | For the year ended 31 March, 2020 | For the year ended 31 March, 2019 |
|-----------------------------------|--------------------------------------|--------------------------------------|
| Salaries and Wages | 38,749.07 | 41,497.30 |
| Contribution to Provident Funds | 1,348.04 | 1,061.72 |
| Contribution to Gratuity Funds | 449.83 | 456.27 |
| Share based payments to Employees | 715.86 | 1,333.53 |
| Staff welfare expenses | 1,011.89 | 1,162.02 |
| Total | 42,274.69 | 45,510.84 |

Note 39: Depreciation, amortization and impairment

| | | |
|---|-----------------|-----------------|
| Depreciation of tangible assets | 959.84 | 910.31 |
| Amortization of intangible assets | 2,065.01 | 2,002.41 |
| Depreciation and amortisation on lease assets | 1,951.79 | - |
| Total | 4,976.64 | 2,912.72 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

Note 40: Other expenses

| Particulars | For the year ended 31 March, 2020 | For the year ended 31 March, 2019 |
|---|--------------------------------------|--------------------------------------|
| Rent | 2,137.39 | 4,408.85 |
| Repairs and maintenance | | |
| - Plant and machinery | 14.78 | 11.32 |
| - Others | 2,547.09 | 2,945.05 |
| Communication costs | 710.27 | 522.36 |
| Printing and stationery | 443.23 | 422.73 |
| Advertisement and publicity | 274.10 | 583.04 |
| Directors' fees, allowances and expenses | 28.13 | 26.06 |
| Auditor's fees and expenses* | 239.16 | 119.52 |
| Legal and professional charges | 9,571.72 | 5,238.02 |
| Insurance | 617.13 | 552.53 |
| Travelling and conveyance | 2,046.34 | 2,052.65 |
| Water and Electricity expenses | 379.59 | 429.91 |
| Rates and taxes | 796.74 | 714.49 |
| Contract Service Charges | 646.02 | 688.72 |
| Information Technology Expenses | 1,369.82 | 1,175.12 |
| Business/ Sales Promotion Expenses | 213.35 | 532.45 |
| Postage Expenses | 138.99 | 184.09 |
| Bank charges | 706.59 | 301.35 |
| Brokerage and Commission | 10,263.52 | 9,411.49 |
| Corporate Social Responsibility (CSR) Expenses ** | 2,153.80 | 1,108.37 |
| Sub-Brokerage and Fees | 365.96 | 488.71 |
| Recruitment Expenses | 298.40 | 245.60 |
| Miscellaneous expenses | 1,795.34 | 2,841.42 |
| Total | 37,757.46 | 35,003.85 |

***Auditor's Fees and Expenses**

As auditor:

For Statutory Audit (including Limited Review, Internal Control Financial Reporting (ICFR))

78.47 79.06

Tax audit

6.66 6.93

In any other capacity

For Other Services (including Certification and other services)

142.73 27.25

For Reimbursement of Expenses

11.30 6.28

Total

239.16 119.52

****Details of CSR Expenses**

a) Gross amount required to be spent by the Company during the year

2,149.80 1,704.75

b) Amount spent during the year-

i) Construction/acquisition of any asset

2,153.80 1,108.37

ii) On purpose other than (i) above

2,153.80 1,108.37

Total



Note 41: Income Tax

The components of Income tax expense are as under:

| Particulars | Year ended 31 March, 2020 | Year ended 31 March, 2019 |
|--|------------------------------|------------------------------|
| Current tax | 29,136.44 | 51,816.44 |
| Adjustment in respect of current income tax of prior years | (547.30) | (213.60) |
| Deferred tax relating to origination and reversal of temporary differences | (3,793.01) | (5,673.69) |
| Total tax charge | 24,796.13 | 45,929.15 |
| Current tax | 28,589.14 | 51,602.84 |
| Deferred tax | (3,793.01) | (5,673.69) |

OCI section - Deferred tax related to items recognised in OCI are as under:

| Particulars | Year ended 31 March, 2020 | Year ended 31 March, 2019 |
|--|------------------------------|------------------------------|
| Net loss/(gain) on remeasurements | (525.44) | 5.14 |
| Income tax expense charged to OCI | (525.44) | 5.14 |

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended 31 March, 2020 and 31 March, 2019 are as follows:

| Particulars | Year ended 31 March, 2020 | Year ended 31 March, 2019 |
|--|------------------------------|------------------------------|
| Accounting profit before tax | 1,05,290.73 | 1,29,342.52 |
| At India's statutory income tax rate of 25.168% (As at 31 March, 2019 - 34.944%) | 26,499.57 | 45,197.45 |
| Adjustment in respect of current income tax of prior years | (547.30) | (213.60) |
| Differences other than temporary in nature on account of tax benefits and others | (866.09) | 401.03 |
| Income not subject to tax i.e. exempt income | (290.06) | 544.26 |
| Income tax expense reported in the statement of profit and loss | 24,796.13 | 45,929.15 |
| Effective income tax rate for the year | 23.55% | 35.51% |

Deferred Tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

| Particulars | Deferred Tax Assets | Deferred Tax Liabilities | Income Statement | OCI | Transition Reserve |
|--|------------------------|-----------------------------|-------------------|-----------------|-----------------------|
| | 31 March, 2020 | 31 March, 2020 | 31 March, 2020 | 31 March, 2020 | 31 March, 2020 |
| Expected Credit Loss Allowances | 11,046.96 | - | (472.99) | - | - |
| Employee benefit provisions and other provisions | 12,518.30 | - | (1,947.28) | (415.10) | (211.56) |
| Depreciation | 493.73 | - | (372.75) | - | - |
| Total | 24,058.99 | - | (3,793.01) | (415.10) | (211.56) |
| Net | 24,058.99 | - | | | |

| Particulars | Deferred Tax Assets | Deferred Tax Liabilities | Income Statement | OCI |
|--|------------------------|-----------------------------|-------------------|----------------|
| | 31 March, 2019 | 31 March, 2019 | 31 March, 2019 | 31 March, 2019 |
| Expected Credit Loss Allowances | 10,573.97 | - | (3,342.97) | - |
| Employee benefit provisions and other provisions | 8,944.37 | - | (2,148.09) | 5.14 |
| Depreciation | 120.98 | - | (182.63) | - |
| Total | 19,639.32 | - | (5,673.69) | 5.14 |
| Net | 19,639.32 | - | | |



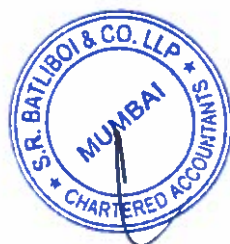
Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

Note 42: Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

| Particulars | For the year ended 31 March, 2020 | For the year ended 31 March, 2019 |
|---|--------------------------------------|--------------------------------------|
| Net Profit after Tax | 80,494.60 | 83,413.37 |
| Net Profit after Tax available for equity shareholders | 80,494.60 | 83,413.37 |
| Weighted average number of ordinary shares for basic and diluted earnings per share | 66,21,00,822 | 65,54,88,039 |
| Earnings per share | | |
| Basic earnings per share (₹) | 12.16 | 12.73 |
| Diluted earnings per share (₹) | 12.16 | 12.73 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

Note 43: Segment information

The Company is primarily engaged in financing activities. It operates in 3 segments namely financing activities, trading & other activities and wealth and online platform & marketing business and single geographical segment. The Company earned some treasury income, these income have been classified as "Trading Activities" as per requirements of IND AS- 108 on Segment Reporting.

| Particulars | 31 March, 2020 | | | | 31 March, 2019 | | | |
|---|------------------------------|--------------------|---|---------------------|------------------------------|--------------------|---|---------------------|
| | Financing Related Activities | Trading activities | Wealth and Online platform & marketing business | Total | Financing Related Activities | Trading activities | Wealth and Online platform & marketing business | Total |
| Segment Revenue | 6,02,749.00 | 13,712.72 | 5,008.31 | 6,21,470.03 | 5,50,791.47 | 4,122.39 | 7,312.18 | 5,62,226.04 |
| Segment Results (Profit before tax and after interest on financing segment) | 1,09,824.28 | 13,679.64 | (2,150.48) | 1,21,353.44 | 1,30,708.92 | 1,929.90 | (4,377.24) | 1,28,261.58 |
| Less: Interest on trading activities | - | 16,062.71 | - | 16,062.71 | - | 1,080.94 | - | 1,080.94 |
| Net profit before tax | 1,09,824.28 | (2,383.07) | (2,150.48) | 1,05,290.73 | 1,30,708.92 | 3,010.84 | (4,377.24) | 1,29,342.52 |
| Less: Income taxes | - | - | - | 24,796.13 | - | - | - | 45,929.15 |
| Net profit after tax | | | | 80,494.60 | | | | 83,413.37 |
| Other Information | | | | | | | | |
| Segment Assets | 48,88,152.12 | 2,60,238.05 | 1,643.09 | 51,50,033.26 | 51,68,187.89 | 25,097.58 | 5,975.05 | 51,99,260.52 |
| Unallocated Corporate Assets | - | - | - | 47,423.87 | - | - | - | 20,856.20 |
| Total Assets | 48,88,152.12 | 2,60,238.05 | 1,643.09 | 51,97,457.13 | 51,68,187.89 | 25,097.58 | 5,975.05 | 52,20,116.72 |
| Segment Liabilities | 41,54,852.36 | 2,19,536.78 | 15,252.95 | 43,89,642.09 | 44,51,625.38 | 21,413.98 | 18,356.99 | 44,91,396.35 |
| Total Liabilities | 41,54,852.36 | 2,19,536.78 | 15,252.95 | 43,89,642.09 | 44,51,625.38 | 21,413.98 | 18,356.99 | 44,91,396.35 |
| Capital expenditure | 5,733.49 | - | - | 5,733.49 | 3,136.67 | - | 2,399.13 | 5,535.80 |
| Depreciation, Amortization and Impairment | 4,562.82 | - | 413.82 | 4,976.64 | 2,364.65 | - | 548.07 | 2,912.72 |
| Other non-cash expenses | 71,688.87 | - | - | 71,688.87 | 24,324.17 | - | - | 24,324.17 |

Note :

No Revenue from transactions with a single external customer or counter party amounted to 10% or more of the total revenue of the company in the respective years.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

Note 44: Business Combination under Common Control
Accounting for business combination

Pursuant to the Scheme of Amalgamation sanctioned by the National Company Law Tribunal, on 13th December 2019, the online platform and marketing business ("transaction business") and all assets and liabilities pertaining to the transaction business of Aditya Birla Capital Technology Services Limited, ABCTSL (formerly known as Aditya Birla My Universe Limited, ABMUL), a wholly owned subsidiary company of Aditya Birla Capital Limited has been transferred to and vested in the Aditya Birla Finance Limited against issue of 58,55,625 equity shares.

At the meeting of the Board of Directors held on September 10, 2019, the Board had approved the Scheme of Arrangement under Section 230 – 232 and other applicable provisions of the Companies Act, 2013, for merger of Transaction business of Aditya Birla Capital Technology Services Limited (formerly known as Aditya Birla MyUniverse Limited) with the Aditya Birla Finance Limited. The National Company Law Tribunal, bench at Ahmedabad (NCLT) passed an order on 13 December, 2019 approving the Scheme of Arrangement and the Transactions Business Merger Committee at its meeting held on 01 January, 2020 made Scheme effective from 01 January, 2020. Both the companies are wholly owned subsidiaries of Aditya Birla Capital Limited.

The merger qualifies as a 'common control transaction'. Consequently, the merger has been accounted for using the pooling of interest method as per Appendix C to Ind AS 103 'Business Combinations'.

Accordingly, the financial statements for the year ended 31 March, 2019 have been restated as if the business combination had occurred with effect from 01 April, 2018 irrespective of the actual date of acquisition and hence there will be a difference between the audited numbers of the year ended 31 March, 2019 and the reported numbers.

Accounting treatment:

The Company has recorded all the assets, liabilities, and reserves of transaction business of Aditya Birla Capital Technology Services Limited, ABCTSL (formerly known as Aditya Birla My Universe Limited, ABMUL) at their respective book values as appearing in its books as at 01 April, 2018, as shown hereunder :

Accordingly, if the financial statements were not restated, the Net Profit before Tax would have been higher by ₹ 1,574.17 lakhs and ₹ 3,458.94 lakhs for 31 March, 2020 and 31 March, 2019 respectively.

Statement of asset, liabilities and reserves as at 01 April, 2018 transferred pursuant to the business combination:

| Particulars | (₹ in lakhs) Amount |
|---|------------------------|
| Assets | |
| Financial Assets | |
| (a) Cash and Cash Equivalents | 0.70 |
| (b) Trade and Other Receivables | 399.60 |
| (c) Loans | 48.63 |
| Non-Financial Assets | |
| (a) Current Tax Assets (Net) | 86.81 |
| (b) Property, Plant and Equipments | 126.17 |
| (c) Intangible Assets under Development | 45.21 |
| (d) Other Intangible Assets | 432.01 |
| (e) Other Non-Financial Assets | 1,631.75 |
| Total Assets | 2,770.88 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

| Particulars | (₹ in lakhs) Amount |
|---|------------------------|
| Liabilities | |
| Financial Liabilities | |
| (a) Payables | |
| (i) Trade & 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 | 375.89 |
| (b) Borrowings (Other than Debt Securities) | 10,451.71 |
| (c) Other Financial Liabilities | 303.09 |
| Non-Financial Liabilities | |
| (a) Provisions | 97.83 |
| (b) Other Non-Financial Liabilities | 272.42 |
| Total Liabilities | 11,500.94 |
| Other Equity (other than surplus in statement of profit and loss) | |
| Capital Reserve | 8,730.06 |
| Total Other Equity (other than surplus in statement of profit and loss) | 8,730.06 |
| Surplus in statement of profit and loss as on 01 April, 2018 | - |
| Less: Cancellation of investment (net of paid up share capital) | - |
| Total Surplus transferred | - |

As per the Scheme of Amalgamation, 58,55,625 equity shares of ₹ 10 each were issued as a consideration to the shareholders of the transferor company for the transfer of transaction business.



Aditya Birla Finance Limited

Notes to the Financial Statements (continued)

for the year ended 31 March, 2020

(Currency: ₹ in Lakhs)

Note 45: Retirement benefit plan

Defined Contribution Plan

The Company makes Provident Fund, Pension Fund, Superannuation Fund, Employee State Insurance Scheme, Maharashtra Labour Welfare Fund, and National Pension Scheme contributions which are defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

| Particulars | 31 March, 2020 | 31 March, 2019 |
|--|----------------|----------------|
| (i) Contribution to Government Employees Provident Fund | 1,196.28 | 824.64 |
| (ii) Contribution to Government Employees Pension Fund | 58.00 | 233.04 |
| (iii) Contribution to Superannuation Fund | - | 0.83 |
| (iv) Contribution to Employees State Insurance Corporation | 5.24 | 3.13 |
| (v) Contribution to Maharashtra Labour Welfare Fund | 0.53 | 0.08 |
| (vi) Contribution to National Pension Scheme | 87.99 | - |

Defined Benefit Plan

The Company has a defined benefit gratuity plan (funded). The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and last drawn salary. The fund is managed by Aditya Birla Sun Life Insurance Company Limited.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.

Changes in the defined benefit obligation and fair value of plan assets as at 31 March, 2020 are as under:

| 1 April, 2019 | Gratuity cost charged to profit or loss | | | | Remeasurement gains/(losses) in other comprehensive income | | | | Transfer | |
|----------------------------|---|----------------------|--------------------------------------|---------------|--|---|---|---------------------|---------------------------|---------------------------|
| | Service cost | Net interest expense | Sub-total included in profit or loss | Benefits paid | Return on plan assets (excluding amounts included in net interest expense) | Actuarial changes arising from changes in demographic assumptions | Actuarial changes arising from changes in financial assumptions | Experience variance | Sub-total included in OCI | Contributions by employer |
| | (1,847.12) | (480.67) | (1,388.87) | (619.54) | 72.08 | 1.15 | (297.53) | (3.25) | (299.63) | 36.97 |
| Defined benefit obligation | | | | | | | | | | (2,657.24) |
| Fair value of plan assets | 1,316.58 | - | 99.61 | 99.61 | (65.12) | (56.22) | - | - | (56.22) | 494.69 |
| Benefit / (Liability) | (530.54) | (480.67) | (39.26) | (519.93) | 6.96 | (56.22) | (297.53) | (3.25) | (355.95) | 531.66 |
| | | | | | | | | | | 1,789.54 |
| | | | | | | | | | | (867.70) |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

Changes in the defined benefit obligation and fair value of plan assets as at 31 March, 2019 are as under:

| 1 April, 2018 | Gratuity cost charged to profit or loss | | Remeasurement gains/(losses) in other comprehensive income | | | | | | Transfer in/out | 31 March, 2019 |
|------------------------------|---|----------------------|--|-----------------|--|---|---|---------------------|---------------------------|-----------------|
| | Service cost | Net interest expense | Sub-total Included in profit or loss | Benefits paid | Return on plan assets (including amounts included in net interest expense) | Actuarial changes arising from changes in demographic assumptions | Actuarial changes arising from changes in financial assumptions | Experience variance | Sub-total Included in OCI | |
| Defined benefit obligation | (1,435.08) | (419.59) | (109.67) | (529.26) | 147.51 | - | (19.75) | (10.54) | (30.29) | (1,847.12) |
| Fair value of plan assets | 1,315.67 | 100.58 | 100.58 | (182.62) | 12.47 | - | - | - | 12.47 | 1,316.58 |
| Benefit / (Liability) | (119.41) | (419.59) | (9.09) | (428.68) | (35.11) | 12.47 | (19.75) | (10.54) | (17.82) | (530.54) |

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

| | 31 March, 2020 | 31 March, 2019 |
|---|--|--|
| Expected return on Plan assets | 6.45% | 7.55% |
| Discount Rate | 6.45% | 7.55% |
| Salary Escalation Rate | 7.00% | 7.00% |
| Retirement age | 60 years | 60 years |
| Mortality rate | Indian Assured Lives mortality (2012-14) | Indian Assured Lives mortality (2006-08) |
| Attrition / Withdrawal rates, based on age: (per annum) | | |
| Up to 30 years | 14.00% | 14.00% |
| 31 - 40 years | 12.60% | 12.60% |
| 41 - 50 years | 5.60% | 5.60% |
| Above 50 years | 2.80% | 2.80% |

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields as at Balance Sheet date.

Disaggregation of plan assets:

| | 31 March, 2020 | 31 March, 2019 |
|--|-----------------|-----------------|
| Unquoted investments: | | |
| Insurer managed funds (Investments with Aditya Birla Sun Life Insurance Company Limited) | 1,789.54 | 1,316.58 |
| Total | 1,789.54 | 1,316.58 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
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(Currency: ₹ in Lakhs)

A quantitative sensitivity analysis for significant assumption is as shown below:

| Assumptions | Discount rate | | Salary | |
|---|---------------|---------------|---------------|---------------|
| | 0.5% increase | 0.5% decrease | 0.5% increase | 0.5% decrease |
| Sensitivity level | | | | |
| Impact on defined benefit obligation - (31 March, 2020) | 2,515.71 | 2,810.77 | 2,809.43 | 2,515.57 |
| Impact on defined benefit obligation - (31 March, 2019) | 1,754.51 | 1,947.26 | 1,947.45 | 1,753.50 |

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the year.

The following payments are expected contributions to the defined benefit plan in future years:

| Expected payment for future years | 31 March, 2020 | | 31 March, 2019 | |
|--|----------------|----------|----------------|----------|
| | | | | |
| Within the next 12 months (next annual reporting period) | | 170.19 | | 132.08 |
| Between 2 and 5 years | | 551.19 | | 450.98 |
| Between 6 and 9 years | | 861.64 | | 663.88 |
| 10 years and above | | 4,514.01 | | 3,572.67 |
| Total expected payments | | 6,197.03 | | 4,819.61 |

The Company expects to contribute ₹ 1,474.80 lakhs (31 March, 2019: ₹ 927.11 lakhs) to the fund in the next financial year.

The weighted average duration of the defined benefit obligation as at 31 March, 2020 is 11 years (31 March, 2019: 11 years)

Other Long Term Incentive Benefits

Liability for the scheme is determined based on actuarial valuations.

Employee Stock Option Plan (ESOP) by Aditya Birla Capital Limited

Pursuant to ESOP Plan being established by the holding company (i.e. Aditya Birla Capital Limited), stock options were granted to the employees of the Company. Total cost incurred by the holding company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of ₹ 715.86 lakhs (31st March, 2019 ₹ 1,333.53 lakhs) has been recovered from the Company during the year, which has been charged to the Statement of Profit and Loss. The balance sum of ₹ 495.61 lakhs will be recovered in future periods.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
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Note 46: Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations.

| Particulars | 31 March, 2020 | | | 31 March, 2019 | | |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Within 12 months | After 12 months | Total | Within 12 months | After 12 months | Total |
| Assets | | | | | | |
| Financial assets | | | | | | |
| Cash and cash equivalents | 1,83,056.25 | - | 1,83,056.25 | 5,908.89 | - | 5,908.89 |
| Trade and Other Receivables | 1,601.75 | - | 1,601.75 | 1,074.11 | - | 1,074.11 |
| Derivative financial instruments | - | 5,408.39 | 5,408.39 | - | - | - |
| Loans* | 13,18,218.67 | 32,80,560.92 | 45,98,779.59 | 16,15,460.70 | 34,03,372.27 | 50,18,832.97 |
| Investments | 3,24,818.41 | 9,421.76 | 3,34,240.17 | 1,18,990.44 | 38,660.27 | 1,57,650.71 |
| Other financial assets | 466.48 | - | 466.48 | 2,823.88 | - | 2,823.88 |
| Non-financial Assets | | | | | | |
| Current tax asset (net) | - | 23,364.88 | 23,364.88 | - | 1,216.88 | 1,216.88 |
| Deferred tax assets (net) | - | 24,058.99 | 24,058.99 | - | 19,639.32 | 19,639.32 |
| Property, plant and equipments | - | 1,953.20 | 1,953.20 | - | 2,177.14 | 2,177.14 |
| Intangible assets under development | - | 4,898.29 | 4,898.29 | - | 1,530.42 | 1,530.42 |
| Other intangible assets | - | 2,481.14 | 2,481.14 | - | 3,019.74 | 3,019.74 |
| Right of use Lease Assets | - | 8,069.45 | 8,069.45 | - | - | - |
| Other non financial assets | 8,297.67 | 780.88 | 9,078.55 | 3,546.91 | 2,695.75 | 6,242.66 |
| Total assets | 18,36,459.23 | 33,60,997.90 | 51,97,457.13 | 17,47,804.93 | 34,72,311.79 | 52,20,116.72 |
| Liabilities | | | | | | |
| Financial Liabilities | | | | | | |
| Derivative financial instruments | - | 0.40 | 0.40 | - | - | - |
| Trade payables | 6,535.42 | - | 6,535.42 | 4,944.36 | - | 4,944.36 |
| Debt Securities | 8,18,326.73 | 9,68,596.20 | 17,86,922.93 | 11,55,843.96 | 11,09,012.36 | 22,64,856.32 |
| Borrowings (other than debt security) | 6,61,511.32 | 16,82,333.57 | 23,43,844.89 | 5,92,868.80 | 13,73,859.82 | 19,66,728.62 |
| Subordinated Liabilities | 10,738.50 | 1,99,403.59 | 2,10,142.09 | 39,170.68 | 1,65,284.79 | 2,04,455.47 |
| Lease liabilities | 2,389.40 | 6,520.51 | 8,909.91 | - | - | - |
| Other Financial liabilities | 17,591.86 | - | 17,591.86 | 35,415.88 | 896.60 | 36,312.48 |
| Non-financial Liabilities | | | | | | |
| Current tax liabilities (net) | 2,825.65 | - | 2,825.65 | 1,572.15 | - | 1,572.15 |
| Provisions ** | 9,294.83 | 408.73 | 9,703.56 | 6,154.82 | 2,704.48 | 8,859.30 |
| Other non-financial liabilities | 3,165.38 | - | 3,165.38 | 3,662.29 | 5.36 | 3,667.65 |
| Total Liabilities | 15,32,379.09 | 28,57,263.00 | 43,89,642.09 | 18,39,632.94 | 26,51,763.41 | 44,91,396.35 |

* Stage 3 loans have been considered in after 12 months bucket.

** The amount of provision in the after 12 months bucket is based on the estimate of actual payment.



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Note 47: Change in liabilities arising from financing activities

| Particulars | As at 1 April, 2019 | Cash Flows | Other(Non-Cash) | As at 31 March, 2020 |
|--|---------------------|----------------------|------------------|----------------------|
| Debt Securities | 22,64,856.32 | (5,08,013.70) | 30,080.31 | 17,86,922.93 |
| Borrowings other than debt securities | 19,66,728.62 | 3,66,575.49 | 10,540.78 | 23,43,844.89 |
| Subordinate Liabilities | 2,04,455.47 | 4,288.65 | 1,397.97 | 2,10,142.09 |
| Total liabilities from financing activities | 44,36,040.41 | (1,37,149.56) | 42,019.06 | 43,40,909.91 |

| Particulars | As at 1 April, 2018 | Cash Flows | Other(Non-Cash) | As at 31 March, 2019 |
|--|---------------------|--------------------|------------------|----------------------|
| Debt Securities | 20,65,283.70 | 2,12,711.52 | (13,138.90) | 22,64,856.32 |
| Borrowings other than debt securities | 14,65,024.29 | 4,83,783.28 | 17,921.05 | 19,66,728.62 |
| Subordinate Liabilities | 1,78,703.29 | - | 25,752.18 | 2,04,455.47 |
| Total liabilities from financing activities | 37,09,011.28 | 6,96,494.80 | 30,534.33 | 44,36,040.41 |

Note : The above amounts are including interest accrued but not due.



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Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

Note 48: Contingent liabilities, commitments and leasing arrangements

(A) Contingent Liabilities

| Particulars | As at 31 March, 2020 | As at 31 March, 2019 |
|--|-------------------------|-------------------------|
| Disputed Income Tax Liability* | 5,012.08 | 4,010.42 |
| Disputed Service Tax Liability** | 131.49 | 502.00 |
| Claims against the Company not acknowledged as debts*** | 512.00 | 512.00 |
| Corporate guarantees given by the Company on behalf of the clients**** | 1,189.06 | 1,267.93 |
| Letter of comfort given by the Company on behalf of clients**** | 2,901.96 | 7,297.32 |
| Total | 9,746.60 | 13,589.67 |

*** Disputed Income Tax Liability**

| Particulars | As at 31 March, 2020 | As at 31 March, 2019 |
|---|-------------------------|-------------------------|
| Disallowances of Depreciation on Intangibles, Disallowance of Expenses, Disallowance under Section 14A, Disallowance of Dividend under Section 10(33) | 232.48 | 580.05 |
| Disallowances of exceptional losses of Wealth Business | 3,234.12 | 3,234.12 |
| Interest on Non Performing Assets (NPA) | 1,545.48 | 151.76 |
| Disallowance of Leave Encashment under Section 43B | - | 44.49 |
| Total | 5,012.08 | 4,010.42 |

** (i) Show Cause Notice F. No. ST/Audit-III/Gr.I/ABF/SCN/739/2015-16/4587 dated 15 October 2015 was issued to the Company seeking to recover, inter alia, CENVAT Credit of ₹ 120.44 lakhs under Rule 14 of the CENVAT Credit Rules, 2004 (hereinafter referred to as "CCR") along with interest of ₹ 129.63 lakhs (as applicable) and imposition of penalties of ₹ 120.44 lakhs under the extant provisions of CCR of the Finance Act, 1994. Subsequently, the Company had opted for the Sabka Vishwas (Legacy Dispute Resolution Scheme), 2019 and our application has been accepted by the Members of the Designated Committee on 21 February, 2020. Accordingly, the said case has been settled by paying an amount of ₹ 60.21 lakhs and the Company has received the Discharge Certificate for Full and Final Settlement of Tax Dues towards the said case.

** (ii) Show Cause cum demand Notice No. ST/Audit-III/P-3/Gr-7/Aditya Birla/SCN/2016 dated 09 May, 2017 was issued to the Company demanding Service Tax of ₹ 69.84 lakhs on penal/ default interest.

** (iii) Show Cause cum demand Notice No. 20/GST/ME/Aditya Birla/ADC/2018-19 dated 26.07.2018 was issued to the Company demanding Service Tax of ₹ 61.65 lakhs on penal interest.

*** The claims against the Company comprise of the following :

Two of the Company clients have filed the Claim Petition as per High Court Order dated 27 October, 2009 for an amount of ₹ 512 lakhs (31 March, 2019: ₹ 512.00 lakhs) along with damages with interest. The matter is pending before Arbitrator.

**** Represents the limit utilized by client of the Guarantee / Letter of Comfort given by the Company.

(B) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 5,958.89 lakhs (31 March, 2019: ₹ 2,508.88 lakhs).



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

(C) Lease Disclosures

(i) Following are the changes in the carrying value of right of use assets for the year ended March 31, 2020:

| Particulars | Amount |
|--------------------------------|------------|
| Balance as at 1st April, 2019 | 8,562.96 |
| Additions | 1,432.23 |
| Deferred Rent Lease Expense | 26.05 |
| Depreciation | (1,951.79) |
| Balance as at 31st March, 2020 | 8,069.45 |

(ii) Amounts recognised in profit and loss for the year ended 31 March, 2020

| Particulars | Amount |
|--|----------|
| Depreciation expense on right-of-use assets | 1,951.79 |
| Interest expense on lease liabilities | 724.94 |
| Expense relating to short-term leases | 561.07 |
| Expense relating to leases of low value assets | 1,576.32 |
| Expense relating to variable lease payments not included in the measurement of the lease liability | - |
| Income from subleasing right-of-use assets | 284.33 |
| Gains or losses arising from sale and leaseback transactions | - |

(iii) The Maturity analysis of lease liabilities as at 31 March, 2020 :

| Particulars | Amount |
|------------------|-----------------|
| Within 12 months | 2,389.40 |
| After 12 months | 6,520.51 |
| Total | 8,909.91 |

(iv) The following is the movement in lease liabilities during the year ended March 31, 2020:

| Particulars | Amount |
|---|------------|
| Balance as at 1st April, 2019 | 9,423.53 |
| Additions | 1,086.51 |
| Additions through Business Combinations | - |
| Deletions on account of De-merger | - |
| Finance Cost accrued during the year | 724.94 |
| Payment of Lease Liabilities | (2,325.07) |
| Balance as at 31st March, 2020 | 8,909.91 |



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Notes to the Financial Statements (continued)
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(v) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis:

| Particulars | Amount |
|----------------------|------------------|
| Less than one year | 2,335.88 |
| One to Five years | 6,188.80 |
| More than Five years | 2,275.81 |
| Total | 10,800.49 |

(vi) Impact on Financial Statements

The adoption of the standard has resulted in recognising a right-of-use asset of ₹ 8,562.96 lakhs, a corresponding lease liability of ₹ 9,423.53 lakhs and deferred tax assets created on the same for ₹ 211.56 lakhs by adjusting retained earnings of ₹ 649.01 lakhs as at 1 April, 2019. In the Profit and Loss account for the current year, the nature of expenses in respect of Operating Lease has changed from lease rent in previous periods to depreciation cost for the right-to-use asset and finance cost for interest accrued on lease liability.

When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate at March 1, 2019. The weighted average rate applied ranges between 8.10% p.a. - 8.50 % p.a..

A reconciliation of the operating lease commitments at March 31, 2019, disclosed in the Company's 2019 financial statements, to the lease liabilities recognized in the statement of financial position at April 01, 2019 is provided below:

| | |
|---|-----------------|
| Operating lease commitments disclosed as at 31 March, 2019 | 648.39 |
| Discounted using the incremental borrowing rate at 01 April, 2019 | 1,013.13 |
| Discounted value of additional uncommitted leases as at 01 April, 2019 | 8,410.40 |
| (Less): short-term leases recognized on a straight-line basis as expense | - |
| (Less): low-value leases recognized on a straight-line basis as expense | - |
| (Less): components of contracts reassessed as service agreements | - |
| Add/(less): adjustments as a result of a different treatment of extension and termination options | - |
| Add/(less): adjustments relating to changes in the index or rate affecting variable payments | - |
| Add/(less): residual value guarantees | - |
| Discounting using the Company's incremental borrowing rate | - |
| Lease liabilities recognized as at 01 April, 2019 | 9,423.53 |

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.



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Notes to the Financial Statements (continued)
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Note 49: Related party disclosures

I) List of Related Parties as per IND AS -24 with whom transactions have taken place during the year:

(A) Ultimate Holding Company:

Grasim Industries Limited (Ultimate Holding Company)

(B) Holding Company:

Aditya Birla Capital Limited (Holding Company)

(C) Subsidiaries / Fellow Subsidiaries:

Fellow Subsidiaries

Aditya Birla Capital Technology Services Limited, ABCTSL (Formerly Known as Aditya Birla MyUniverse Limited, ABMUL)
Aditya Birla Financial Shared Services Limited (ABFSSL)
Aditya Birla Money Limited (ABML)
Aditya Birla Insurance Brokers Limited (ABIBL)
Aditya Birla Money Mart Limited (ABMML)
Aditya Birla Money Insurance Advisory Services Limited (ABMIASL)
Aditya Birla Sun Life Insurance Company Limited (ABSULCL)
Aditya Birla Sun Life Asset Management Company Limited (ABSAMCL)
Aditya Birla Housing Finance Limited (ABHFL)
Aditya Birla ARC Limited (ABARCL)
Aditya Birla PE Advisors Private Limited (ABPEAPL)
Aditya Birla Health Insurance Company Limited (ABHICL)
Ultratech Cement Limited (UCL)
Aditya Birla Commodities Broking Limited (ABCBL)
ABCCL Employee Trust
Aditya Birla Special Situations Fund - I

(D) Other related parties in which Directors of Ultimate Holding Company are interested

Aditya Birla Management Corporation Private Limited (w.e.f. 1 January, 2019)

(E) Joint Venture/Associates

Aditya Birla Idea Payments Bank Limited
Vodafone Idea Limited (formerly known as Idea Cellular Limited, associate of Ultimate Holding Company upto 31 August, 2018)

(F) Key managerial personnel

Mr. Rakesh Singh (CEO upto July 22, 2019 and Managing Director & CEO w.e.f. July 23, 2019)
Mr. Sekhar Mosur (Manager upto July 22, 2019)
Mr. D J Kakalia
Mr. Jitender Balakrishnan
Mr. Ashwani Puri
Ms. Alka Bharucha
Mr. Baldev Raj Gupta
Mr. S C Bhargava (appointed w.e.f. January 25, 2019)
Mrs. Vijayalakshmi Iyer (resigned w.e.f. November 16, 2018)



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
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(Currency: ₹ in Lakhs)
Note 49 Related Party Disclosures (Continued)

II) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:

| Particulars | 31 March, 2020 | 31 March, 2019 |
|---|----------------|----------------|
| Holding Company | | |
| Reimbursement of Administrative expenses | | |
| Aditya Birla Capital Limited | 620.10 | 666.42 |
| Interest expenses | | |
| Aditya Birla Capital Limited | 66.45 | 82.40 |
| Reimbursement of Rent expenses | | |
| Aditya Birla Capital Limited | 47.36 | 157.49 |
| Reimbursement of Legal and Professional expenses | | |
| Aditya Birla Capital Limited | 148.16 | 230.04 |
| Reimbursement of Employee cost | | |
| Aditya Birla Capital Limited- ESOP | 715.29 | 1,341.00 |
| Aditya Birla Capital Limited- OCI | 57.87 | (4.06) |
| Aditya Birla Capital Limited | 2,443.01 | 3,551.85 |
| Employee Cost Recovered | | |
| Aditya Birla Capital Limited | - | 27.42 |
| Purchase of Asset Gross Value | | |
| Aditya Birla Capital Limited | - | 18.42 |
| Issue of Equity Share Capital | | |
| Aditya Birla Capital Limited | 585.56 | 1,056.87 |
| Issue of Inter-corporate Deposits (ICD) | | |
| Aditya Birla Capital Limited | 1,568.72 | 3,455.38 |
| Share Premium on issue of equity share capital | | |
| Aditya Birla Capital Limited | - | 31,446.23 |
| Interest on Debentures | | |
| Aditya Birla Capital Limited | 880.44 | 771.22 |
| Redemption of Preference Share Capital | | |
| Aditya Birla Capital Limited | 1,000.00 | - |
| Preference Share Capital Outstanding | | |
| Aditya Birla Capital Limited | 66.45 | 1,080.00 |
| Paid up Equity Share Capital Outstanding (excluding shares pending issuance) | | |
| Aditya Birla Capital Limited | 66,210.08 | 65,624.52 |
| Equity Share Premium Outstanding | | |
| Aditya Birla Capital Limited | 3,21,096.08 | 3,21,096.08 |
| ICD Outstanding | | |
| Aditya Birla Capital Limited | - | 7,648.79 |
| Repayment of ICD | | |
| Aditya Birla Capital Limited | 8,754.00 | - |
| Payable | | |
| Aditya Birla Capital Limited (Debenture) (Long term borrowings) | 3,393.19 | 3,113.09 |
| Aditya Birla Capital Limited (Trade Payables) | 503.85 | 252.11 |
| Receivable | | |
| Aditya Birla Capital Limited | 3.52 | 8.90 |



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for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)
Note 49 Related Party Disclosures (Continued)

| Particulars | 31 March, 2020 | 31 March, 2019 |
|--|----------------|----------------|
| Remuneration of Key Management Personnel | | |
| Mr. Rakesh Singh (CEO upto July 22, 2019 and Managing Director & CEO w.e.f. July 23, 2019) | 1,520.80 | 942.84 |
| Mr. Sekhar Mosur (Manager upto July 22, 2019) | 91.66 | 182.76 |
| Fellow Subsidiaries | | |
| Brokerage | | |
| Aditya Birla Money Limited | 142.42 | 128.40 |
| Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited) | - | 12.25 |
| Reimbursement of Administrative expenses | | |
| Aditya Birla Money Limited | 0.53 | 0.87 |
| Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited) | 10.31 | 1.14 |
| Aditya Birla Sun Life Insurance Company Limited | 0.43 | 2.13 |
| Aditya Birla Insurance Brokers Limited | - | 1.19 |
| Aditya Birla Financial Shared Services Limited | 1,318.32 | 1,100.25 |
| Aditya Birla Housing Finance Limited | 252.74 | 324.01 |
| Aditya Birla Management Corporation Private Limited (w.e.f. 1 January, 2019) | 563.42 | 256.07 |
| Aditya Birla Health Insurance Company Limited | 16.81 | 16.60 |
| Telephone/Internet Expenses | | |
| Vodafone Idea Limited (Associate of ultimate parent company upto 31 August, 2018) | - | 5.14 |
| Custodian Charges Expenses | | |
| Aditya Birla Money Limited | 11.47 | 40.33 |
| Interest expenses | | |
| Aditya Birla Sun Life Insurance Company Limited | 2,683.30 | 2,130.28 |
| Reimbursement of Rent expenses | | |
| Aditya Birla Money Limited | 3.79 | 6.94 |
| Aditya Birla Management Corporation Private Limited (w.e.f. 1 January, 2019) | 147.04 | 32.57 |
| Aditya Birla ARC Limited | 14.03 | - |
| Aditya Birla Sun Life Insurance Company Limited | 282.33 | 290.49 |
| Aditya Birla Sun Life Insurance Company Limited Notional Interest expense | 13.24 | 6.35 |
| Aditya Birla Sun Life Insurance Company Limited Operating Lease Expenses | 12.73 | 6.36 |
| Aditya Birla Financial Shared Services Limited | 18.30 | 48.70 |
| Aditya Birla Housing Finance Limited | 118.49 | 189.28 |
| Reimbursement of Legal and Professional expenses | | |
| Aditya Birla Management Corporation Private Limited (w.e.f. 1 January, 2019) | 775.34 | 188.12 |
| Aditya Birla Sunlife Asset Management Company Limited | 5.60 | - |
| Aditya Birla Financial Shared Services Limited | 434.01 | 244.40 |
| Reimbursement of Employee cost | | |
| Aditya Birla Money Limited | 241.16 | 216.24 |
| Aditya Birla Money Insurance Advisory Services Limited | 18.83 | - |
| Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited) | 1.45 | 7.25 |
| Aditya Birla ARC Limited | 9.36 | 1.73 |
| Ultratech Cement Limited | - | 9.01 |
| Aditya Birla Stressed Asset AMC Pvt Ltd | 13.96 | - |
| Aditya Birla Financial Shared Services Limited | 611.20 | 609.86 |
| Aditya Birla Financial Shared Services Limited - Other Comprehensive Income (OCI) | 12.21 | 16.15 |
| Aditya Birla Housing Finance Limited | 32.09 | 37.38 |
| Aditya Birla Management Corporation Private Limited (w.e.f. 1 January, 2019) | 1,599.54 | 265.18 |
| Aditya Birla Sunlife Insurance Company Limited | 0.46 | - |
| Aditya Birla Sunlife Asset Management Company Limited | 9.73 | 4.53 |
| Insurance Premium Paid | | |
| Aditya Birla Health Insurance Company Limited | 36.00 | 89.96 |
| Interest Income | | |
| Vodafone Idea Limited (Associate of ultimate parent company upto 31 August, 2018) | - | 170.52 |
| ESOP Expenses | | |
| Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited) | 0.57 | - |
| Aditya Birla Money Limited | - | 0.75 |
| Aditya Birla Sunlife Asset Management Company Limited | - | 0.27 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)
Note 49 Related Party Disclosures (Continued)

| Particulars | 31 March, 2020 | 31 March, 2019 |
|--|----------------|----------------|
| Director Sitting fees | | |
| Mr. D J Kakalla | 5.80 | 4.40 |
| Mr. Jitender Balakrishnan | 4.30 | 3.70 |
| Mr. Ashwani Puri | 4.85 | 4.15 |
| Ms. Alka Bharucha | 1.00 | 1.00 |
| Mrs. Vijayalakshmi Iyer (resigned w.e.f. November 16, 2018) | - | 2.20 |
| Mr. S C Bhargava (appointed w.e.f. January 25, 2019) | 2.50 | 0.50 |
| Mr. Baldev Raj Gupta | 2.50 | 2.50 |
| Employee cost recovered | | |
| Aditya Birla Money Limited | - | 12.33 |
| Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited) | 6.93 | 0.51 |
| Aditya Birla ARC Limited | 114.48 | 146.82 |
| Aditya Birla Sun Life Insurance Company Limited | 32.09 | 0.27 |
| Aditya Birla Sunlife Asset Management Company Limited | 3.03 | 8.70 |
| Aditya Birla Money Mart Limited | - | 0.44 |
| Aditya Birla Management Corporation Private Limited (w.e.f. 1 January, 2019) | 1.53 | 1.86 |
| Aditya Birla Housing Finance Limited | 964.78 | - |
| Aditya Birla Insurance Brokers Limited | 1.59 | - |
| Aditya Birla Financial Shared Services Limited | 21.34 | 0.84 |
| Referral Fees Income | | |
| Aditya Birla Idea Payment Bank Ltd | - | 0.84 |
| Aditya Birla Money Limited | 45.45 | 41.08 |
| Legal and Professional expenses recovered | | |
| Aditya Birla Financial Shared Services Limited | 63.02 | - |
| Aditya Birla Housing Finance Limited | 4.50 | 1.50 |
| Brokerage Income | | |
| Aditya Birla Money Limited | 220.34 | 633.31 |
| Aditya Birla Housing Finance Limited | 6.26 | - |
| Aditya Birla Sunlife Asset Management Company Limited | 40.97 | 108.20 |
| Rent recovered | | |
| Aditya Birla Money Limited | - | 3.55 |
| Aditya Birla Money Insurance Advisory Services Limited | 19.85 | 2.12 |
| Aditya Birla Insurance Brokers Limited | 8.24 | 0.48 |
| Aditya Birla Sunlife Asset Management Company Limited | 72.94 | 73.74 |
| Aditya Birla Money Mart Limited | - | 0.48 |
| Aditya Birla Housing Finance Limited | 174.73 | 172.33 |
| Advertisement Income | | |
| Aditya Birla Sunlife Insurance Company Limited | 50.00 | - |
| Recovery of ESOP Expenses | | |
| Aditya Birla Financial Shared Services Limited | - | 0.66 |
| Administrative Income | | |
| Aditya Birla Money Limited | - | 2.18 |
| Aditya Birla Money Insurance Advisory Services Limited | 13.14 | 2.96 |
| Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited) | 5.65 | 7.14 |
| Aditya Birla Insurance Brokers Limited | - | 3.79 |
| Aditya Birla Sunlife Insurance Company Limited | - | 1.00 |
| Aditya Birla Sunlife Asset Management Company Limited | - | 1.74 |
| Aditya Birla Money Mart Limited | - | 0.68 |
| Aditya Birla Financial Shared Services Limited | 1.27 | 5.86 |
| Aditya Birla Housing Finance Limited | 224.16 | 229.90 |
| Aditya Birla Management Corporation Private Limited (w.e.f. 1 January, 2019) | - | 1.02 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)
Note 49 Related Party Disclosures (Continued)

| Particulars | 31 March, 2020 | 31 March, 2019 |
|--|----------------|----------------|
| Sale of assets | | |
| Aditya Birla ARC Limited | 4.91 | - |
| Aditya Birla Money Limited | - | 5.18 |
| Aditya Birla Housing Finance Limited | 7.17 | - |
| Aditya Birla Financial Shared Services Limited | - | 49.02 |
| Aditya Birla Sunlife Asset Management Company Limited | - | 11.38 |
| Purchase of assets | | |
| Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited) | - | 0.02 |
| Aditya Birla Management Corporation Private Limited (w.e.f. 1 January, 2019) | 0.25 | - |
| Aditya Birla Housing Finance Limited | 4.02 | - |
| Aditya Birla Sun Life Insurance Company Limited | 4.78 | 22.17 |
| Issue of Non-convertible Debentures (NCDs) | | |
| Aditya Birla Sun Life Insurance Company Limited | - | 15,000.00 |
| Redemption of NCDs | | |
| Aditya Birla Sun Life Insurance Company Limited | 1,500.00 | - |
| Investment in fund made | | |
| Aditya Birla Special Situations Fund - I | 21.74 | - |
| Redemption from Investment | | |
| Aditya Birla Special Situations Fund - I | 15.49 | - |
| Prepaid Expenses | | |
| Aditya Birla Health Insurance Company Limited | 115.97 | - |
| Aditya Birla Financial Shared Services Limited | 46.40 | 57.90 |
| Redeemable NCDs | | |
| Aditya Birla Sun Life Insurance Company Limited | 29,479.96 | 30,977.17 |
| Interest accrued on NCDs | | |
| Aditya Birla Sun Life Insurance Company Limited | 1,332.45 | 1,444.04 |
| Investment in fund outstanding | | |
| Aditya Birla Special Situations Fund - I | 6.25 | - |
| Payable | | |
| Aditya Birla ARC Limited | 0.63 | - |
| Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited) | - | 0.56 |
| Aditya Birla Insurance Brokers Limited | - | 1.16 |
| Aditya Birla Sun Life Insurance Company Limited | 45.44 | 29.93 |
| Aditya Birla Financial Shared Services Limited | 483.49 | 312.80 |
| Aditya Birla Management Corporation Private Limited (w.e.f. 1 January, 2019) | 390.16 | 431.75 |
| Aditya Birla Sunlife Asset Management Company Limited | 15.77 | - |
| Aditya Birla Health Insurance Company Limited | 9.91 | 4.63 |
| Receivable | | |
| Aditya Birla Money Limited | 44.19 | 4.79 |
| Aditya Birla Financial Shared Services Limited | - | 32.38 |
| Aditya Birla Sunlife Insurance Company Limited | - | 1.81 |
| Aditya Birla Insurance Brokers Limited | 2.59 | - |
| Aditya Birla Money Insurance Advisory Services Limited | 34.55 | 5.91 |
| Aditya Birla Housing Finance Limited | 236.21 | 22.55 |
| Aditya Birla ARC Limited | - | 9.76 |
| Aditya Birla Sun Life Assets Management Company Limited | - | 11.89 |
| Aditya Birla Health Insurance Company Limited | - | 1.81 |
| Aditya Birla Money Mart Limited | 3.47 | 3.47 |
| Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited) | 75.03 | - |
| Aditya Birla Management Corporation Private Limited (w.e.f. 1 January, 2019) | - | 0.56 |
| ABCSL Employee Trust | - | 0.09 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)
Note 49 Related Party Disclosures (Continued)

| Particulars | 31 March, 2020 | 31 March, 2019 |
|--|----------------|----------------|
| Security Deposit Receivable | | |
| Aditya Birla Management Corporation Private Limited (w.e.f. 1 January, 2019) | 1,015.76 | 127.76 |
| Aditya Birla Sun Life Insurance Company Limited Deferred Lease Asset on Security Deposit | - | 6.36 |
| Aditya Birla Sun Life Insurance Company Limited | 88.30 | 81.41 |
| Other Transaction- Advance paid for Expenses | | |
| Aditya Birla Health Insurance Company Limited | - | 13.99 |
| Other Transaction- Advance receivable for Expenses | | |
| Aditya Birla Housing Finance Limited | - | 79.03 |

Notes:-

a)The related party relationships have been as identified by the management on the basis of the requirements of the Indian Accounting Standard IND AS-24 'Related Party Disclosures' and the same have been relied upon by the Auditors.

b)The relationships disclosed above are for the entities where control exists / existed and with whom transactions have taken place during the year and the previous year.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

Note 50: Capital

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a capital adequacy ratio, which is weighted assets divided by total capital derived as per the RBI requirements. As per the RBI guidelines, Company being a Non Banking Finance Company has to maintain 15% of capital adequacy ratio.

The actual Capital Adequacy Ratio is as under:

| Particulars | 31 March, 2020 | 31 March, 2019 |
|------------------------|----------------|----------------|
| Capital Adequacy Ratio | 19.08% | 17.45% |

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2020 and 31 March, 2019.



Note 51: Fair value measurement

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method, market comparable method, recent transactions happened in the company and other valuation models.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below :

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, units of mutual funds (open ended) and traded bonds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Fair Value Hierarchy of assets and liabilities-

Fair Value measurement-

1. The carrying amount and fair value measurement hierarchy for assets and liabilities as at March 31, 2020 is as follows:

Assets valued at fair value on a recurring basis

| Particulars | Fair Value through profit and loss | | | | | Total |
|---|------------------------------------|-------------|-------------|----------|-----------|-------------|
| | Carrying Value | Fair Value | Level-1 | Level-2 | Level-3 | |
| Quoted Investments | | | | | | |
| MOIL Limited | 24.89 | 24.89 | 24.89 | - | - | 24.89 |
| Preference Share | | | | | | |
| TATA Motors Finance Limited (formerly known as Sheba Properties Limited) (8.20 % Compulsory Convertible Cumulative Preference Shares) | 22,551.00 | 22,551.00 | - | - | 22,551.00 | 22,551.00 |
| Other Investments | | | | | | |
| PMS Investment | - | - | - | - | - | - |
| Investment in Alternate Funds | 9,221.18 | 9,221.18 | - | 9,221.18 | - | 9,221.18 |
| Investment in Debt Securities | 42,029.37 | 42,029.37 | 42,029.37 | - | - | 42,029.37 |
| Bonds | 9,365.31 | 9,365.31 | 9,365.31 | - | - | 9,365.31 |
| Mutual Fund | 2,50,872.74 | 2,50,872.74 | 2,50,872.74 | - | - | 2,50,872.74 |
| Derivative financial instruments (net) | 5,407.99 | 5,407.99 | - | 5,407.99 | - | 5,407.99 |

| Particulars | Fair Value through other comprehensive income | | | | | Total |
|--|---|------------|---------|---------|---------|--------|
| | Carrying Value | Fair Value | Level-1 | Level-2 | Level-3 | |
| Equity Share | | | | | | |
| Birla Management Centre Services Limited | 175.68 | 175.68 | - | - | 175.68 | 175.68 |

II. The carrying amount and fair value measurement hierarchy for assets and liabilities as at March 31, 2019 is as follows:

Assets valued at fair value on a recurring basis

| Particulars | Fair Value through profit and loss | | | | | Total |
|---|------------------------------------|------------|-----------|-----------|---------|-----------|
| | Carrying Value | Fair Value | Level-1 | Level-2 | Level-3 | |
| Quoted Investments | | | | | | |
| MOIL Limited | 38.94 | 38.94 | 38.94 | - | - | 38.94 |
| Preference Share | | | | | | |
| TATA Motors Finance Limited (formerly known as Sheba Properties Limited) (8.20 % Compulsory Convertible Cumulative Preference Shares) | 21,407.12 | 21,407.12 | - | 21,407.12 | - | 21,407.12 |
| Other Investments | | | | | | |
| PMS Investment | 1,685.39 | 1,685.39 | - | 1,685.39 | - | 1,685.39 |
| Investment in Alternate Funds | 15,339.26 | 15,339.26 | - | 15,339.26 | - | 15,339.26 |
| Investment in Debt Securities | 93,892.85 | 93,892.85 | 93,892.85 | - | - | 93,892.85 |
| Bonds | 25,097.58 | 25,097.58 | 25,097.58 | - | - | 25,097.58 |



Note 51: Fair value measurement

| Particulars | Fair Value through Other Comprehensive Income | | | | |
|--|---|------------|---------|---------|---------|
| | Carrying Value | Fair Value | Level-1 | Level-2 | Level-3 |
| Equity Share | | | | | |
| Birla Management Centre Services Limited | 189.57 | 189.57 | - | - | 189.57 |
| | | | | | 189.57 |

Valuation techniques

Equity Instruments and units of mutual fund: The majority of equity instrument are actively traded on stock exchanges with readily available active prices on a regular basis. Such instruments are classified as Level 1. Units held in funds are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions. Such instruments are also classified as Level 1. Equity instruments in non-listed entities are initially recognised in transaction price and re-measured at each reporting date at valuation provided by external valuer at instrument level. Unlisted equity securities are classified at Level 3.

Investment in Preference Shares: As per latest guideline issued by FIMMDA, the Preference shares which are not rated by a rating agency, the YTM method has been adopted. The preference shares are fair valued on the basis of YTM method, hence they are classified as Level 3. For the year ended March, 2019, the preference shares were fair valued on the basis of a similar compulsorily convertible preference shares issued by Tata Motors Finance Limited, hence they were classified as Level 2 for the year ended March, 2019.

Investment in Alternate funds and PMS Investments : Units held in funds of AIF are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions. Such instruments are generally Level 2. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors. The fair values of investments made in securities through PMS is based on net asset value (NAV) which is provided in report received from the Portfolio Manager as at the reporting period and the same are classified under Level 2.

Investment in Debt Securities and Bonds : Fair value of these instrument is derived based on the indicative quote of price and yields prevailing in the market as at reporting date. Company has used quoted price of national stock exchange wherever bonds are traded actively. In cases where debt securities are not actively traded company has used CRISIL corporate bond valuer model for measuring fair value i.e. fair value has been computed using the Fixed Income Money Market and Derivatives Association of India ('FIMMDA') data on corporate bond spreads.

Derivative Financial Instruments : A generally accepted framework for the valuation of the swap explains the position in each leg of the swap as a 'bond'. Therefore, a receive fixed - pay floating swap can be viewed as a portfolio consisting a long position in fixed bond and short position a floating rate bond. The value of the swap is the net proceeds from such bond positions i.e. Receipt - Payment. The swaps were valued on and with inputs from Bloomberg database using the terms of the swap contract.

Equity shares measured at Fair Value through Other Comprehensive Income: Unquoted equity shares are measured at fair value through other comprehensive income on the basis of the net worth of the investee company and are classified as Level 3.

Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value:

| 31 March, 2020 | As at 1 April, 2019 | Purchase / (Sales) | Transfers into / (from) Level 3 | Net interest income, net trading income and other income | Other comprehensive income | At 31 March, 2020 |
|---|---------------------|--------------------|---------------------------------|--|----------------------------|-------------------|
| Equity Shares | | | | | | |
| Birla Management Centre Services Limited | 189.57 | - | - | - | (13.89) | 175.68 |
| Preference Shares | | | | | | |
| TATA Motors Finance Limited | - | - | 22,551.00 | - | - | 22,551.00 |
| Total financial investments classified in Level 3 | 189.57 | - | 22,551.00 | - | (13.89) | 22,726.68 |
| Total financial assets measured at fair value on a recurring basis | 189.57 | - | - | - | - | 22,726.68 |

The following tables show the reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities measured at fair value:

| 31 March, 2019 | As at 1 April, 2018 | Purchase / (Sales) | Transfers into / (from) Level 3 | Net interest income, net trading income and other income | Other comprehensive income | At 31 March, 2019 |
|---|---------------------|--------------------|---------------------------------|--|----------------------------|-------------------|
| Equity Shares | | | | | | |
| Birla Management Centre Services Limited | 127.07 | - | - | - | 62.50 | 189.57 |
| Total financial investments classified in Level 3 | 127.07 | - | - | - | 62.50 | 189.57 |
| Total financial assets measured at fair value on a recurring basis | 127.07 | - | - | - | - | 189.57 |



Note 51: Fair value measurement

Impact on fair value of level 3 financial instruments measured at fair value of changes to key assumptions

The table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of the Group's Level 3 assets and liabilities.

Relationships between unobservable inputs have not been incorporated in this summary.

| Particulars | Fair value | | Valuation technique | Significant unobservable inputs |
|--|----------------------------------|---------------------------------------|-------------------------------|---------------------------------|
| | Level 3 assets 31 March, 2020 | Level 3 liabilities 31 March, 2020 | | |
| Equity Shares - Birla Management Centre Services Limited | 175.68 | - | Net worth of investee company | Instrument Price |
| Preference Share - TATA Motors Finance Limited | 22,551.00 | - | YTM Method | Discount Rate |
| Particulars | Fair value | | Valuation technique | Significant unobservable inputs |
| | Level 3 assets 31 March, 2019 | Level 3 liabilities 31 March, 2019 | | |
| Equity Shares - Birla Management Centre Services Limited | 189.57 | - | Net worth of investee company | Instrument Price |

Quantitative analysis of significant unobservable inputs

Instrument Price

When specific market prices are not available, the Company uses net worth of the investee company. Given the nature of this approach, the actual range of prices used as inputs are usually quite wide. Therefore, the range is not indicative of the uncertainty associated with the fair value of the individual financial instrument.

Sensitivity of fair value measurements to changes in unobservable market data

The table below describes the effect of changing the significant unobservable inputs to reasonable possible alternatives.

Sensitivity data are calculated using a number of techniques, including adjusting model inputs to reasonable changes within the fair value methodology.

| Particulars | 31 March, 2020 | | 31 March, 2019 | |
|--|----------------------------|------------------------------|----------------------------|------------------------------|
| | Favourable changes(+5%) | Unfavourable changes(-5%) | Favourable changes(+5%) | Unfavourable changes(-5%) |
| Equity Shares - Birla Management Centre Services Limited | 8.78 | (8.78) | 9.48 | (9.48) |
| Preference Share - TATA Motors Finance Limited | 43.00 | (43.00) | N.A. | N.A. |

Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements.

This table does not include the fair values of non-financial assets and non-financial liabilities.

| 31 March, 2020 | Notional amount | Fair Value | | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| | | Level-1 | Level-2 | Level-3 | Total |
| Financial assets: | | | | | |
| Cash and cash equivalents | 1,83,056.25 | 1,83,056.25 | - | - | 1,83,056.25 |
| Trade and Other Receivables | 1,601.75 | - | 1,601.75 | - | 1,601.75 |
| Loans * | 45,98,779.59 | - | 8,15,106.00 | 37,46,789.59 | 45,61,895.59 |
| Other financial assets | 466.48 | - | 466.48 | - | 466.48 |
| Total financial assets | 47,83,904.07 | 1,83,056.25 | 8,17,174.23 | 37,46,789.59 | 47,47,020.07 |
| Financial liabilities: | | | | | |
| Trade payables | 6,535.42 | - | 6,535.42 | - | 6,535.42 |
| Debt securities | 17,86,922.93 | 15,02,820.70 | 3,36,941.72 | - | 18,39,762.42 |
| Borrowings (other than debt securities) | 23,43,844.89 | - | 23,43,844.89 | - | 23,43,844.89 |
| Subordinated liabilities | 2,10,142.09 | - | 2,05,088.80 | - | 2,05,088.80 |
| Lease Liabilities | 8,909.91 | - | - | 8,909.91 | 8,909.91 |
| Other financial liabilities | 17,591.86 | - | 17,591.86 | - | 17,591.86 |
| Total financial liabilities | 43,73,947.10 | 15,02,820.70 | 29,10,002.69 | 8,909.91 | 44,21,733.30 |

* The fair values does not include the effect of moratorium notified by Reserve Bank of India (Refer Note 52)



Note 51: Fair value measurement

| 31 March, 2019 | Notional amount | Fair Value | | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| | | Level-1 | Level-2 | Level-3 | Total |
| Financial assets: | | | | | |
| Cash and cash equivalents | 5,908.89 | 5,908.89 | - | - | 5,908.89 |
| Trade and Other Receivables | 1,074.11 | - | 1,074.11 | - | 1,074.11 |
| Loans | 50,18,832.97 | - | 7,73,007.84 | 42,15,593.76 | 49,88,601.60 |
| Other financial assets | 2,823.88 | - | 2,823.88 | - | 2,823.88 |
| Total financial assets | 50,28,639.85 | 5,908.89 | 7,76,905.83 | 42,15,593.76 | 49,98,408.48 |
| Financial liabilities: | | | | | |
| Trade payables | 4,944.36 | - | 4,944.36 | - | 4,944.36 |
| Debt securities | 22,64,856.32 | 15,82,935.43 | 7,19,509.27 | - | 23,02,444.70 |
| Borrowings (other than debt securities) | 19,66,728.62 | - | 19,66,728.62 | - | 19,66,728.62 |
| Subordinated liabilities | 2,04,455.47 | - | 2,02,650.91 | - | 2,02,650.91 |
| Other financial liabilities | 36,312.48 | - | 36,312.48 | - | 36,312.48 |
| Total financial liabilities | 44,77,297.25 | 15,82,935.43 | 29,30,145.64 | - | 45,13,081.07 |

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such amounts have been classified as Level 2 on the basis that no adjustments have been made to the balances in the balance sheet.

Loans

Loans can be categorized into two main categories based on the rate of interest charged on such loans:

- A) Floating rate Loans: Floating rate loans are loans in which the interest rates are reset at a periodic interval based on a pre-decided reference rate.
- B) Fixed Rate Loans: Fixed rate loans are loans in which the interest rates are decided at the time of sanction of the loan and are not reset automatically.

Floating Rate Loans:

The floating rate loans are valued on the basis of MCLR + Spread specific to the Company. This MCLR rate is being reset on periodic intervals based on the pre-decided reference rate. Hence, they are classified as Level 3.

Fixed Rate Loans:

1. A fixed rate loan given can be viewed as a plain vanilla bond purchased that pays a fixed rate of interest and has fixed redemption date with no options or variable terms attached to it. Value of a Bond is equal to the present value of coupon payments and the redemption price discounted at the yield to maturity ('YTM') as on the Valuation Date of a similar loan. Accordingly, the Company has used the present value technique for valuation of the Fixed Rate Loans given by the Company.

2. In case of loans, they are considered as financial assets and the contractual cash flows are defined over the tenure of the loan. Since the loans are not traded in active markets and company does not have any active markets for identical assets, the Company has not used any level 1 inputs as per INDAS 113. The Company has used the prevailing risk free rate as the valuation date and the credit default spread based on FIMMDA-PDAI Gilt curve for Valuation of Corporate Bonds-Corporates Valuation Matrix, being a level 2 input, as on the valuation date; to determine the discount factor for arriving at the fair value of these loans using the present value technique.



Note S1: Fair value measurement

Borrowings

Floating Rate Borrowings:

The floating rate borrowings are valued on the basis of MCLR + Spread.

Fixed Rate Borrowings:

The methodology to arrive at yield and bond price is similar and is used in valuation for mutual fund industry. Trades reported may be analysed based on polls received and internal spread models of iMaCS to arrive at final yield for the security using the process mentioned below.

1. Last traded Yield/price that has been reported on NSE, BSE, MCX, FTRAC and NDS-OM is used for valuation as per existing rules for trade size and outliers used for Scrip level valuation. However polls are carried out for outliers trades.
2. In case above conditions are not met, yield is calculated considering trades in same issuer of similar maturity in line with overall market movement and market data collected. Polls may be carried out for outliers and for final valuation yield.
3. In case the above two conditions are not met, matrix movement (benchmark movement of relevant maturity bucket as analysed based on overall trades available/bid-ask and or poll on the similar securities shall be applied on previous day's yield to arrive at Yield/Price for the day.
4. If yield/price is not determinable based on above steps due to non-availability of data, outliers and/or such exceptional events, valuation shall be provided based on previous days Yield/Price.

Derivative Liabilities (Hedging Instruments measured at fair value)

1. The fair value of interest rate swaps is calculated as the present value of estimated future cash flows based on observable yield curves and an appropriate discount factor.
2. The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of respective currencies.
3. The fair value of currency swap is calculated as the present value determined using forward exchange rates, currency basis spreads between the respective currencies, interest rate curves and an appropriate discount factor.



Aditya Birla Finance Limited
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Note 52: Risk management

(a) Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings and trade and other payables. The main purpose of these financial liabilities is to finance and support the company's operations. The Company's principal financial assets include loans, investments, cash and cash equivalents and other receivables that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Risk Management Committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Risk Committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors review and agree policies for managing each of these risks, which are summarised below.

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 reviewed, improved and adapted in 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. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. In the case of the Company, market risk primarily comprises of interest rate risk. Financial instruments affected by market risk include loans and borrowings. The analyses exclude the impact of movements in market variables on the carrying values of gratuity, other post-retirement obligations and provisions.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March, 2020 and 31 March, 2019.





Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
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Note 52: Risk management (continued)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest rate sensitivity

Since the Company manages its interest rate risk on domestic borrowings by ensuring, at maximum, its long term borrowings from domestic banks at floating rate of interest and in case of reduction in interest rate, it initiates negotiations with bankers for realigning the interest rate and/or repaying the high interest rate exposures, the interest rate change in market as such doesn't affect Company's profitability materially.

| Market indices | Change in Interest rate | 31 March, 2020 | | 31 March, 2019 | |
|----------------|-------------------------|-----------------------------|------------------|-----------------------------|------------------|
| | | Impact on profit before tax | Impact on equity | Impact on profit before tax | Impact on equity |
| Interest rate | 25 Basis Point down | 5,859.61 | 4,479.66 | 4,860.67 | 3,179.61 |
| | 50 Basis Point down | 11,719.22 | 8,959.33 | 9,721.33 | 6,359.22 |
| | 25 Basis Point Up | (5,859.61) | (4,479.66) | (4,860.67) | (3,179.61) |
| | 50 Basis Point Up | (11,719.22) | (8,959.33) | (9,721.33) | (6,359.22) |

Foreign Exchange Risk

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates to its External Commercial Borrowings. The Company uses derivative instruments like forwards to hedge exposure to foreign currency risk.

The Company has taken foreign currency floating rate borrowings, which are linked to LIBOR. For managing the foreign currency risk and interest rate risk, arising from changes in LIBOR on such borrowings, the Company has entered into Cross Currency Interest Rate Swap (CCIRS) and forward contracts for the entire loan liability and tenure of the facility. Under the terms of the CCIRS, the Company pays interest at the fixed rate to the swap counterparty in INR and receives the floating interest payments based on LIBOR in foreign currency.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
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Note 52: Risk management (continued)

Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective action.

Impairment assessment

The ECL model Credit loss provisioning approach has now moved from incurred model. This forces entity to understand the significance of credit risk and its movement since its initial recognition. This model ensures (a) timely recognition of ECLs (b) assessment of significant increase in credit risk which will provide better disclosure (c) ascertainment of better business ratios.

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies in Note 5.

- An explanation of the Company's internal grading system (Note 'Definition of default and cure' below)
- How the Company defines, calculates and monitors the probability of default, exposure at default and loss given default) (Note 'The Company's internal rating and PD estimation process' 'Probability of Default', 'Exposure at Default' below)
- When the Company considers there has been a significant increase in credit risk of an exposure (Note 'Significant increase in credit risk' below)
- The Company's policy of segmenting financial assets where ECL is assessed on a collective basis (Note 'Grouping financial assets measured on a collective basis' below)
- The details of the ECL calculations for Stage 1, Stage 2 and Stage 3 assets (Notes 'Probability of default', 'Exposure at default' and 'loss given default' below)



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
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Note 52: Risk management (continued)

Definition of default

The Company considers a financial instrument defaulted and therefore Stage 3 (credit impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikeliness to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate.

Such events include:

- a) Significant financial difficulty of the borrower or issuer;
- b) A breach of contract such as a default or past due event;
- c) The restructuring of a loan or advance by the company on terms that the company would not consider otherwise;
- d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- e) The disappearance of an active market for a security because of financial difficulties and the customer has delay in his repayments over a month.

The Company's internal rating and PD estimation process

a. Internal Rating: A robust internal credit rating framework is vital for effective credit risk management. It is specified by RBI on credit risk management that lenders should have an internal rating framework and the lenders must have independent Credit Risk Control Units (CRCU) or equivalents that are responsible for the design or selection, implementation and performance of their internal rating systems. Accordingly we also have an internal rating framework developed along with CRISIL, with ratings being assigned to all the customer/ portfolio pool – (eligible customers for Ratings) and used extensively in internal decision-making.

b. It is further specified in the policy that Internal rating/grading/scoring of the borrower/client is at least Investment grade rating as per the Company's internal credit rating model or valid/live external rating.

Probability of Default(PD)

PD is calculated basis likelihood that the borrower will default within one year horizon(Basis for Stage 1), For Stage 2 – it is defined as significant increase in credit risk and probability is defined as borrower's probability to default in lifetime.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
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Note 52: Risk management (continued)

Exposure at Default

Gross exposure/potential gross exposure under a facility (i.e. the amount that is legally owed to the lender) at the time of default by a borrower. Exposure at Default gives an estimate of the amount outstanding.

Loss Given Default(LGD)

LGD is usually shown as the percentage of Exposure at Default that the lender might lose in case the borrower defaults. It depends, among others, on the type of collateral, its value, borrower rating and the expected proceeds from the sale (e.g. sales proceeds from sales of collaterals/securities) of the assets, NPV net of recovery costs.

Significant increase in credit risk

- a. There is significant increase in credit risk, when there is deterioration in account performance and expected resolution is not available.
- b. Further, for large borrowers after assessing the following Risks in totality and deterioration in each factor, it is then assessed whether there is a significant increase in credit risk
 - i. Industry Risk
 - ii. Business Risk
 - iii. Management Risk
 - iv. Financial Risk
 - v. Banking Conduct & Facility level Conduct.
- c. Significant increase in credit risk is also gauged through Credit rating. Credit rating is an opinion of capacity of borrower to meet its financial obligations to the depositor or bondholder (i.e. lender of money) on a particular issue or type of instrument (i.e. a domestic or foreign currency: short-term or medium or long-term, etc.) in a timely manner. The rating measures the relative risk of an issuers ability and willingness to repay both interest and principal over the period of the rated instrument. i.e. rating signifies the risk of default of the borrower that is rated.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
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Note 52: Risk management (continued)

Collateral Security:

The Company by way of loan sanction letter and other loan securing documents agrees with its customers on collateral security to be provided by the customers in secured loan exposures that are subject to credit risk. Collateral security enables us to recover all or part of the outstanding exposure by liquidating the collateral asset provided, in cases where the borrower is unable or unwilling to fulfil its primary obligations.

Collateral security accepted by the Company could be in the form of:

- a) Financial collateral in the form of pledge of equity shares, units of mutual funds, assignment of life insurance policies;
- b) Current assets in the form of inventories meant for sale or receivables arising out of the sale of finished goods
- c) Fixed asset (in the form of immovable properties – real estate, Plant and Machinery, Equipment's)
- d) Third-party obligation (in the form of Irrevocable Unconditional Guarantee issued by Bank, Third party);
- e) Risk participation from Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)
- f) Assignment of borrower's rights and interests under agreements with third parties.

In addition, the Company also stipulates escrow of cash flows and a Debt Service Reserve Account (DSRA) for project loans

Collateral serves to mitigate the inherent risk of credit loss in an exposure, by either improving recoveries in the event of a default or substituting the borrower.

As part of the assessment of a credit transaction the availability, adequacy and suitability of collateral for the transaction is evaluated and decided upon. The Company's processes includes verification of the title to the collateral offered and valuation by technical experts where warranted. We accept as collateral only securities of good quality and have in place legally effective and enforceable documentation.

For guarantee's taken, the guarantor's creditworthiness is assessed during the credit assessment process of the transaction. We have collateral type specific haircuts in place which are reviewed at intervals as appropriate to the type of collateral.

The Company recognises that collateral can be a credit mitigant (alternative source of repayment), but does not replace or dilute the underwriting standards the company adopts to underwrite credit exposures.



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Notes to the Financial Statements (continued)
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Note 52: Risk management (continued)

(b) Forward looking Information :

The Company is required to provide for impairment allowance basis expected credit loss (ECL), which is calculated using empirical portfolio performance and adjusted for forward looking macroeconomic factors, as prescribed by Ind AS. The overall provisioning made through this approach, continues to be in excess of the floor provisions as prescribed by RBI for NBFCs.

The assessment of credit risk and estimation of ECL is statistically validated. It considers all relevant information about past events, current conditions and some elements of predicted performance of the portfolio.

ECL has been calculated using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD).

In the process of determining the PD, the macro economic impact is intrinsically built in in our current approach. The overall performance through the life cycle of the loan, considers the impact of macro-economic parameters like GDP, Unemployment factor or once in events like de-monetisation etc. Most of the portfolios have seen one to two complete economic cycles and hence the default probabilities experienced by the Company takes into account the upturn, downturn and central (balanced) economic scenario.

In the internally rated portfolio, the Industry rating module (sourced from CRISIL under agreement) recognizes factors like demand prediction, supply side glut / constraints, impact of imports and exports and the government policies which are more forward looking and making the through-the-cycle default probabilities to point-in-time default probability.

Forward looking macro-economic factors as appropriate to the sub portfolios of the Company, that can demonstrate some degree of correlation to the forward looking default probability are being evaluated and will be adopted as the company concludes the revalidation exercise for the models to be used from FY 2021.

For FY 2020 COVID – 19 impact has been considered and suitably modelled to forecast and provide for the future impact and a separate note on the same has been provided.

Grouping financial assets measured on a collective basis

The Company calculates ECLs either on a collective or an individual basis.

Asset classes where the Company calculates ECL on an individual basis include:

1. Corporate Portfolio

Asset classes where the Company calculates ECL on a collective basis include:

1. Retail Portfolio

The ECL methodology allows for individual assessment for corporates and therefore these loans are generally measured individually as each of these exposures have unique characteristics and structuring. For retail exposures and exposures which can be clubbed in homogenous pools, ECL is measured on a collective basis. This has been arrived at based on common characteristics like nature of product, customer profile etc .



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Notes to the Financial Statements (continued)
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Note 52: Risk management (continued)

(c) Analysis of risk concentration

Concentration analysis are presented for Portfolio pool, Location, Top borrower exposures, Group exposures etc. These are regularly analysed and presented for further review/action. Based on the exposures of the company towards various sectors, analysis is as follows :

| Top 20 Industry Sectors | (%) |
|---|---------------|
| Real Estate Activities - Builders and Contractors | 14.85% |
| Energy Renewable | 6.85% |
| Lease Rental Discounting | 6.73% |
| Construction/Maintenance of Roads | 6.33% |
| Textiles, Readymade Garments, Apparels - Spinning, Mfg. & Trading | 4.13% |
| Hotels, Motels and Resorts | 3.38% |
| NBFCs | 3.16% |
| Other Trade (Wholesale/ Retail) | 2.86% |
| Education | 2.79% |
| Transportation, logistics & allied services | 2.59% |
| Domestic Commercial Banks | 2.50% |
| Energy Transportation & Distribution | 1.92% |
| Hospital & medical business | 1.85% |
| Automobiles & Ancillaries | 1.54% |
| Food & Beverages | 1.43% |
| Brokers / Traders - Shares, securities | 1.37% |
| Pharmaceuticals & intermediates | 1.32% |
| Finance - Investment / Others | 1.21% |
| Business & Self-Employed | 1.19% |
| Mining and Quarrying | 1.17% |
| TOP 20 Industry Exposures | 69.17% |



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Notes to the Financial Statements (continued)
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Note 52: Risk management (continued)

(d) Liquidity risk and funding management

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances.

The Company manages its liquidity requirement by analysing the maturity pattern of Company's cash flows of financial assets and financial liabilities. The Asset Liability Management of the Company is periodically reviewed by its Asset Liability Management Committee.

The Company maintains a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flow. The Company also has lines of credit that it can access to meet liquidity needs. In accordance with the Company's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company. Net liquid assets consist of cash. The ratios during the year were, as follows:

Advances to borrowings ratios

| | 2020 | 2019 |
|----------|---------|---------|
| Year-end | 105.94% | 116.14% |
| Maximum | 112.25% | 116.92% |
| Minimum | 105.94% | 114.64% |
| Average | 109.79% | 115.98% |

Borrowings from banks and financial institutions and issue of debentures are considered as important sources of funds to finance lending to customers. They are monitored using the advances to borrowings ratio, which compares loans and advances to customers as a percentage of secured and unsecured borrowings.



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Note 52: Risk management (continued)

(d) Liquidity risk and funding management (continued)

Analysis of financial liabilities by remaining contractual maturities

The table below summarises the maturity profile of the cash flows of the Company's financial liabilities as at 31 March:

| Particulars | upto 30/31 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 |
|--|-----------------|----------------------------|-----------------------------|-------------------------------|-----------------------------|----------------------------|-----------------------------|--------------|--------------|
| Financial liabilities | | | | | | | | | |
| Derivative Financial Liability | - | - | - | - | - | 0.40 | - | - | 0.40 |
| Trade Payables (refer note 2 below) | | | | | | | | | |
| - Micro and small enterprises | - | - | 141.04 | 141.03 | - | - | - | - | 282.07 |
| - Other than micro and small enterprises | - | - | 5,153.68 | 5,153.68 | - | - | - | - | 10,307.36 |
| Debt securities (refer note 3 below) | 91,177.73 | 1,94,361.07 | 2,90,960.11 | 75,661.26 | 1,66,287.50 | 5,38,057.64 | 1,15,880.32 | 3,14,406.53 | 17,86,792.16 |
| Borrowings (other than debt securities) | 38,568.79 | 2,564.75 | 30,131.58 | 96,670.03 | 4,93,573.31 | 12,09,595.76 | 3,72,996.54 | 1,00,000.00 | 23,44,104.76 |
| Subordinated liabilities | - | 1,441.65 | 3,904.83 | 3,504.69 | 1,699.61 | 5,511.27 | 19,539.96 | 1,75,217.42 | 2,10,819.43 |
| Lease liabilities | 194.66 | 194.66 | 194.66 | 583.97 | 1,167.94 | 3,094.40 | 3,094.40 | 2,275.81 | 10,800.49 |
| Other financial liabilities | 3,933.19 | 6,033.76 | 77.02 | 3,442.99 | 4,104.90 | - | - | - | 17,591.86 |

As at 31 March, 2019

| Particulars | upto 30/31 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 |
|--|-----------------|----------------------------|-----------------------------|-------------------------------|-----------------------------|----------------------------|-----------------------------|--------------|--------------|
| Financial liabilities | | | | | | | | | |
| Trade Payables (refer note 2 below) | | | | | | | | | |
| - Micro and small enterprises | 276.50 | 1.21 | - | - | - | - | - | - | 277.71 |
| - Other than micro and small enterprises | 8,835.32 | 90.83 | - | - | - | - | - | - | 8,926.15 |
| Debt securities (refer note 3 below) | 3,02,079.80 | 1,42,786.08 | 2,17,182.04 | 1,94,534.86 | 2,99,649.36 | 8,47,307.00 | 1,72,765.79 | 88,749.87 | 22,65,054.80 |
| Borrowings (other than debt securities) | 51,844.79 | - | 21,250.00 | 81,333.00 | 4,38,441.00 | 7,96,257.70 | 4,77,696.00 | 99,999.56 | 19,66,822.05 |
| Subordinated liabilities | - | 32,635.40 | 1,353.01 | 3,492.79 | 1,689.48 | 2,000.00 | 13,500.00 | 1,50,400.00 | 2,05,070.68 |
| Other financial liabilities | 6,564.59 | 29,671.78 | - | 76.11 | - | - | - | - | 36,312.48 |

Notes:

- The above table includes future contractual cash flows recognized as at balance sheet date in different buckets and does not include other future contracted cash flows (such as interest which are not accrued as at Balance sheet date).
- Trade payables is based on the estimate of actual payment.
- Commercial papers shown net of unamortised discounting charges ₹ 4,634.93 lakhs (31 March, 2019 ₹ 7,419.98 lakhs).



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Notes to the Financial Statements (continued)
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Note 52: Risk management (continued)

(d) Liquidity risk and funding management (continued)

The table below shows the contractual expiry by maturity of the Corporate guarantees and Letter of comfort given by the Company on behalf of clients.

| | On demand | Less than 3 months | 3 to 12 months | 1 to 5 years | Over 5 years | Total |
|--|-----------|--------------------|----------------|--------------|--------------|----------|
| As at 31 March, 2020 | | | | | | |
| Corporate guarantees and Letter of comfort given by the Company on behalf of clients | - | 1,033.77 | 3,057.25 | - | - | 4,091.02 |
| Total | - | 1,033.77 | 3,057.25 | - | - | 4,091.02 |
| As at 31 March, 2019 | | | | | | |
| Corporate guarantees and Letter of comfort given by the Company on behalf of clients | 2,233.21 | 595.25 | 4,946.61 | 790.18 | - | 8,565.25 |
| Total | 2,233.21 | 595.25 | 4,946.61 | 790.18 | - | 8,565.25 |



Note 52: Risk management (continued)

(e) Methodology for estimation of additional expected credit loss provision for COVID-19

As the world is fighting an unprecedented crisis due to the spread of global pandemic COVID-19, the impact of this crisis on the broader economy has started appearing with several leading economic indicators pointing towards a significant slowdown in economic activity in the financial year 2021 across the major developed and developing economies, including India. The threats posed on the global economy include a potential adverse impact on the credit worthiness of the borrowers as their cash inflows may get significantly disrupted.

Though the central banks and the regulators across the world have announced regulatory packages and relief measures to support the affected industry sectors, the Company identifies the need to proactively recognise an additional impairment provision in respect of the expected impact of this crisis based on the supportable information and management judgement.

Availing the moratorium / deferment does not in itself indicate a deterioration in the ability of a borrower to service debt and is often availed to ensure adequate liquidity buffers under increased.

The Company has adopted the following approach to estimate the additional impairment provisions due to the economic shock caused by the COVID 19 pandemic.

Portfolio Segmentation

In order to ensure that the assessment of every borrower in the portfolio is carried out in a manner that is commensurate with the size and resilience of the borrower and the borrower segment, their current status, the product or facility availed by the borrower, the underlying collateral details and other factors, the portfolio classified as Stage -1 and Stage -2 (i.e. the portfolio that has not categorized as credit impaired – referred as Stage -3) is segmented as follows:

The portfolio is first bifurcated based on the product type into Wholesale, Retail and Capital Markets. The segments stratified above are further bifurcated based on moratorium and DPD status as follows:

| Availed Moratorium | Stage | DPD Bucket | Category |
|--------------------|-------|-----------------|----------|
| Yes | 1 | < 60 DPD | 3 |
| Yes | 2 | > 60 DPD | 2 |
| No | 1 | < 30 DPD | 5 |
| No | 2 | > 30 DPD | 4 |
| N/A | 3 | Credit Impaired | 1 |

Approximately 84%, 10% and 6% of the total portfolio of the Company belongs to the wholesale, capital markets and retail portfolios respectively as per the segmentation above.

Detailed methodological approach to categories 2-5 for each of the sub-portfolios is covered in the sections below.

Wholesale Portfolio

The first step in estimating the overlay consisted of considering the historical experience, of the impact of similar events. Though the current pandemic is unprecedented, the Company has referred to annual studies of external agencies and performed a detailed analysis of past 28 years. The said period has witnessed following significant economic shocks:

1. Economic liberalization of India in 1990,
2. Economic sanctions imposed on India following the nuclear arms testing in 1995,
3. Asian economic crisis of 1997,
4. Global dot-com bubble burst in 2000,
5. Global financial meltdown of 2008, and
6. Demonetization economic disruption in 2016.

As such, this study was relied upon as it was considered to be the most representative of the major economic shocks witnessed by the Indian economy in the current era and their impact on borrower defaults. It was utilised to estimate the impact on Probability of Default (PD) and ratings of the borrowers.



Note 52: Risk management (continued)

Impact on the default probability given the rating of the borrower

To consider the impact explained above, the PD rates for Scenario A are sourced from CRISIL Default Study Report - 2016 and an additional overlay of 5% and 10% is applied to the same to derive the PDs for Scenario B and Scenario C respectively.

Accordingly, following PD rates are derived:

| Rating Grade | Scenario | | |
|-----------------|----------|--------|--------|
| | A | B | C |
| AAA | 0.00% | 0.00% | 0.00% |
| AA | 0.04% | 0.04% | 0.04% |
| A | 0.51% | 0.54% | 0.56% |
| BBB | 1.01% | 1.06% | 1.11% |
| BB | 3.95% | 4.15% | 4.35% |
| B | 8.02% | 8.42% | 8.82% |
| C | 20.92% | 21.97% | 23.01% |
| Unrated | 1.01% | 1.06% | 1.11% |

Scenario "A" is applied to borrowers in categories 4 & 5, Scenario "B" is applied to borrowers in Category 3 and Scenario "C" is applied to borrowers in Category 2. The 12-month PD is converted into lifetime PD based on the survival analysis by application of the formula:

$$1 - (1 - \text{"12-month Default Probability"})^{\text{Actuarial Life}}$$

For borrowers in category 2, an additional overlay of 5% has been applied on the overall provision.

Impact on ratings of borrowers

While stressing the default probabilities of borrowers of a given rating grade, it is also needed to account for the possibility that there might be a ratings migration of the borrower during the next 12 months period, leading to the application of default probability of a different rating grade than the one that the borrower is in currently. For example, a borrower rated AA today, might migrate to A or BBB rating in the 12-month period. Hence, there is a need to apply the PD rates on the potential credit rating and not the rating as at the reporting date.

In order to estimate the impact of ratings migration, the Company has performed an analysis based on CRISIL Default Study report 2016. The results of the analysis are utilised to simulate the next period rating and accordingly the PD rates of such potential rating grade as per the applicable scenario have been applied.

Therefore, the final ECL for each loan account is arrived at by first incorporating the impact of potential ratings migration, and then by applying the stressed default probabilities.

Further, no additional overlay is considered in the LGD since the Company has adopted 50% hair cut on immovable property values and the historical experience has been better than this.

Retail Portfolio

The approach taken to forecast the impact of the current crisis on the retail portfolio is based on actual observed changes in borrower behaviour, specifically, the change in the communication pattern of borrowers over email, phone or physical addresses as reported by Collections units. In the presence of moratorium, this serves again as a conservative proxy for future borrower behaviour when moratorium relief is withdrawn.

The approach is based on the analysis performed on the tele-calling data that indicates the change in communication pattern of borrowers pre-COVID-19 as against in the middle of the complete lockdown imposed by the Government.

Based on the analysis performed, it was observed that the contactability of the borrowers has dropped by ~30% across buckets in the key retail sub-portfolios i.e. business loans and personal loans. Accordingly, the Company expects that this drop in contactability would be reflected in the collections efficiency (resolution %) drop across buckets.

As such, the forward flows have been uniformly increased by 30% across categories 2-5.



Note 52: Risk management (continued)

The Company has further stressed the PDs by setting the roll-back probabilities (the probability that an account in higher delinquency bucket will flow back to a lower delinquency bucket) to zero.

For certain segments of borrowers who are already delinquent, a management overlay (equivalent to Stage 3 provision of 25%) is made to ensure that the enhanced risk is factored in, and adequate provisions are made.

Capital Markets

The capital markets portfolio is a zero-default portfolio, and barring a couple of sporadic instances, there have been no defaults in the past 20 years of this portfolio including during the market volatility in the month of March 2020.

This capital markets portfolio is tightly monitored daily with prices and other price-related information on the underlying securities updated 4 times a day, and alerts and action initiated immediately on any accounts that are observed to be in margin shortfall.

In such a scenario, the Company has, based on adequate empirical evidence, not recognised an additional overlay on account of COVID-19 impact on this portfolio which constitutes around 10% of the total loan portfolio.

(f) Uncertainty over the impact of COVID - 19 on the Expected credit loss provision

The COVID-19 pandemic has significantly impacted economic activities, businesses, individuals across the spectrum. Reserve Bank of India (RBI)'s guidelines dated 27 March, 2020 enabled banks, lending institutions and NBFCs to offer a moratorium upto 3 months on repayment of EMIs, payment of interest on line of credit falling due between 01 March, 2020 and 31 May, 2020 to all eligible borrowers, which has been extended for a further period of 3 months via RBI circular dated 23 May, 2020. The Company based on its Board approved policy, has engaged with its customers whose account were standard as at 29 February, 2020, and offered the moratorium basis their need. As on 31 March, 2020, the staging of these accounts is basis days past due status as on 29 February, 2020 in line with the RBI circular. As per the Company's assessment made above in note 52(e), this by itself has not resulted into any significant increase in the credit risk.

The Company recognizes the need to make reasonable estimation of the impact of this pandemic on the repayment ability of its borrowers, and make additional provisions as considered appropriate, over-and-above the extant provisions, for expected credit losses. Basis the above methodology, the Company has tried to ascertain the impact of COVID-19 in arriving at the additional impairment which is provided for in its financial statements. Given the uncertainty over the potential macro-economic condition, the impact of the COVID-19 may be different from that expected as at the date of approval of these financial results. The Company will continue to closely monitor any material changes to future economic conditions and suitable effect will be given in the respective future period.



53A. Disclosure in terms of Direction 19 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016

| Sr No. Particulars | | 31 March, 2020 | | 31 March, 2019 | |
|---|--|---------------------------------------|----------------|---------------------------------------|----------------|
| | | Amount out-standing | Amount overdue | Amount out-standing | Amount overdue |
| Liabilities side : | | | | | |
| 1) | Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid: | | | | |
| | (a) Debentures : Secured (including interest accrued but not due of ₹ 1,12,948.45 lakhs; 31 March 2019 : ₹ 83,189.95 lakhs) | 15,62,929.66 | - | 16,28,536.99 | - |
| | Unsecured (including interest accrued but not due of ₹ 9,350.53 lakhs; 31 March 2019 : ₹ 7,975.27 lakhs) (other than falling within the meaning of public deposits*) | 1,92,359.93 | - | 1,85,397.04 | - |
| | (b) Perpetual Debts (including interest accrued but not due of ₹ 1,200.25 lakhs; 31 March 2019 : ₹ 1,195.41 lakhs)** | 21,108.90 | - | 21,091.52 | - |
| | (c) Deferred Credits | - | - | - | - |
| | (d) Term Loans, External commercial borrowings and Working Capital Demand loans (including interest accrued but not due of ₹ 9,430.73 lakhs; 31 March 2019 : ₹ 7,773.49 lakhs) | 23,08,273.28 | - | 17,72,558.32 | - |
| | (e) Inter-corporate borrowing (including interest accrued but not due of ₹ Nil; 31 March, 2019 : Nil) | - | - | 7,648.79 | - |
| | (f) Commercial Paper (net of unamortised discount of ₹ 4,634.93 lakhs; 31 March, 2019 : ₹ 7,419.98 lakhs) | 2,20,600.08 | - | 6,33,206.24 | - |
| | (g) Other Loans (Cash Credit, Preference Shares) | 35,638.06 | - | 1,87,601.51 | - |
| | | 43,40,909.91 | - | 44,36,040.41 | - |
| * Please see Note 1 below and ** Please see Note 5 below. | | | | | |
| Assets side : | | | | | |
| | Break-up of Loans and Advances including bills receivables (other than those included in [4] below): | 31 March, 2020 Amount out-standing | | 31 March, 2019 Amount out-standing | |
| 2) | (a) Secured : | 38,83,920.22 | | 41,52,118.48 | |
| | (b) Unsecured : | 7,99,871.43 | | 9,15,249.07 | |
| | (includes those in nature of loans and excludes Advances Recoverable in cash or kind or for value to be received, Advance Payment of Taxes and Other Deposits) | | | | |
| 3) | Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities : | | | | |
| | (i) Lease assets including lease rentals under sundry debtors : | | | | |
| | (a) Financial lease | - | | - | |
| | (b) Operating lease | - | | - | |
| | (ii) Stock on hire including hire charges under sundry debtors: | | | | |
| | (a) Assets on hire | - | | - | |
| | (b) Repossessed Assets | - | | - | |
| | (iii) Other loans counting towards AFC activities | | | | |
| | (a) Loans where assets have been repossessed | - | | - | |
| | (b) Loans other than (a) above | - | | - | |
| | | 46,83,791.65 | | 50,67,367.55 | |



53A. Continued

| Assets side : | | 31 March, 2020 Amount out-standing | 31 March, 2019 Amount out-standing | | | |
|--|-------------------------------------|---------------------------------------|---------------------------------------|-------------------------------------|--------------------|---------------------|
| 4) Break-up of Investments : | | | | | | |
| Short Term investments : | | | | | | |
| 1. Quoted : | | | | | | |
| (i) Shares : (a) Equity | | + | + | | | |
| (b) Preference | | + | + | | | |
| (ii) Debentures and Bonds | | + | + | | | |
| (iii) Units of mutual funds | | + | + | | | |
| (iv) Government Securities | | + | + | | | |
| (v) Others (Please specify) | | + | + | | | |
| 2. Unquoted : | | | | | | |
| (i) Shares : (a) Equity | | + | + | | | |
| (b) Preference | | + | + | | | |
| (ii) Debentures and Bonds | 51,394.68 | | 1,18,990.43 | | | |
| (iii) Units of mutual funds | 2,50,872.74 | | | | | |
| (iv) Government Securities | + | | + | | | |
| (v) Others (Please specify) | + | | + | | | |
| Long Term investments : | | | | | | |
| 1. Quoted : | | | | | | |
| (i) Shares : (a) Equity | 24.89 | | 38.94 | | | |
| (b) Preference | + | | + | | | |
| (ii) Debentures and Bonds | + | | + | | | |
| (iii) Units of mutual funds | + | | + | | | |
| (iv) Government Securities | + | | + | | | |
| (v) Others (Please specify) | + | | + | | | |
| 2. Unquoted : | | | | | | |
| (i) Shares : (a) Equity | 175.68 | | 189.57 | | | |
| (b) Preference | 22,551.00 | | 21,407.12 | | | |
| (ii) Debentures and Bonds | + | | + | | | |
| (iii) Units of mutual funds | + | | + | | | |
| (iv) Government Securities | + | | + | | | |
| (v) Others (PMS and Alternate Fund) | 9,221.18 | | 17,024.65 | | | |
| 5) Borrower group-wise classification of assets financed as in (2) and (3) above | | | | | | |
| Category | 31 March, 2020 Net of Provisions | | | 31 March, 2019 Net of Provisions | | |
| | Secured | Unsecured | Total | Secured | Unsecured | Total |
| 1) Related Parties** | | | | | | |
| (a) Subsidiaries | + | + | + | + | + | + |
| (b) Companies in the same group | + | 1,16,269.53 | 1,16,269.53 | 12,500.00 | 30,766.09 | 43,266.09 |
| (c) Other related parties | + | 394.98 | 394.98 | + | 45.34 | 45.34 |
| 2) Other than related parties | 38,83,920.22 | 6,83,206.92 | 45,67,127.14 | 41,39,618.48 | 8,84,437.64 | 50,24,056.12 |
| | 38,83,920.22 | 7,99,871.43 | 46,83,791.65 | 41,52,118.48 | 9,15,249.07 | 50,67,367.55 |

** Relationships have been identified on the basis of the requirements of the Indian Accounting Standard IND AS-24 'Related Party Disclosures'.

** Relationships have been identified on the basis of the requirements of the Indian Accounting Standard IND AS-24 'Related Party Disclosures'.



| 6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): | | | | |
|---|--|--------------------------------|--|--------------------------------|
| Category | 31 March, 2020 | | 31 March, 2019 | |
| | Market Value / Break up or fair value or NAV | Book Value (Net of Provisions) | Market Value / Break up or fair value or NAV | Book Value (Net of Provisions) |
| 1) Related Parties** | | | | |
| (a) Subsidiaries | - | - | - | - |
| (b) Companies in the same group | 6.42 | 6.42 | - | - |
| (c) Other related parties | - | - | - | - |
| 2) Other than related parties | 3,34,233.75 | 3,29,359.08 | 1,57,650.71 | 1,49,323.04 |
| | 3,34,240.17 | 3,29,365.49 | 1,57,650.71 | 1,49,323.04 |

Note: Break up value derived from the latest available Balance Sheet of the Company.
** Relationships have been identified on the basis of the requirements of the Indian Accounting Standard IND AS-24 'Related Party Disclosures'.

| 7) Other information : | | |
|---|----------------|----------------|
| | 31 March, 2020 | 31 March, 2019 |
| (i) Gross Non-Performing Assets (Stage 3) : | | |
| (a) Related parties | - | - |
| (b) Other than related parties | 1,82,708.23 | 81,340.04 |
| (ii) Net Non-Performing Assets (Stage 3) : | | |
| (a) Related parties | - | - |
| (b) Other than related parties | 1,26,147.81 | 50,044.23 |
| (iii) Assets acquired in satisfaction of debt : | - | - |

The above amounts are including Interest Accrued.

Notes:

- As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank of India) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016.
- There are no prior period and change in accounting policies which require disclosure in the notes to accounts. There have been no instances in which revenue recognition has been postponed pending the resolution of significant uncertainties.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.
- During the year ended 31 March, 2020 the Company has raised ₹ Nil (31 March, 2019 ₹ Nil) through perpetual debt instrument. Closing balance as on 31 March, 2020 is ₹ 21,108.90 lakhs (31 March, 2019 ₹ 21,091.52 lakhs), the same is 2.88% (31 March, 2019 2.87%) of tier I Capital as on 31 March, 2020.



53B. Disclosure in terms of Direction 73 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016

a) Capital Risk Adequacy Ratio (CRAR)

| Sr. No. | Items | 31 March, 2020 | 31 March, 2019 |
|---------|---|----------------|----------------|
| (i) | CRAR (%) | 19.08 | 17.45 |
| (ii) | CRAR - Tier I capital (%) | 15.15 | 14.33 |
| (iii) | CRAR - Tier II Capital (%) | 3.94 | 3.13 |
| (iv) | Amount of subordinated debt raised as Tier-II capital | 1,88,966.74 | 1,82,283.95 |
| (v) | Amount raised by issue of Perpetual Debt Instruments | 21,108.90 | 21,091.52 |

Notes :

- The management had reduced the tenor of the subdebt of ₹ 30,000 lakhs in March 2019, hence for the purpose of computation of CRAR, the subdebt of ₹ 30,000 lakhs have not been considered in March 2019.
- Amount of Subordinated debt and Perpetual Debt shown above are outstanding balances (including interest accrued thereon) as on 31 March, 2020 and 31 March, 2019.

b) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure - The company enters into derivative agreements to mitigate the foreign exchange risk and interest rate risk pertaining to its external commercial borrowings. Detailed description of the policies and risk mitigation strategies are disclosed as per Note 5.1(viii), Note 9 and Note 52 of the financial statements.

Quantitative Disclosures -

| Sr. No. | Particulars | Currency Derivatives | Interest Rate Derivatives |
|---------|---|----------------------|---------------------------|
| (i) | Derivatives (Notional Principal Amount) for Hedging | 36.11 | 1,46,367.54 |
| (ii) | Marked to Market Positions | | |
| | (a) Asset (Positive) | - | 5,408.39 |
| | (b) Liability (Negative) | (0.40) | - |
| (iii) | Credit Exposure | - | - |
| (iv) | Unhedged Exposures | - | - |

c) Unsecured Advances

| Sr. No. | Particulars | 31 March, 2020 | 31 March, 2019 |
|---------|---|----------------|----------------|
| (i) | Unsecured Advances (Inclusive of doubtful advances) | 7,99,871.43 | 9,15,249.07 |

Out of the above amount, advances for which intangible securities such as charge over the rights, licences, authority, etc. are taken as collateral : Nil

d) Exposures

d.i) Exposure to Real Estate Sector

| Category | 31 March, 2020 | 31 March, 2019 |
|---|---------------------|--------------------|
| Direct exposure | | |
| (i) Residential Mortgages Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented | 8,03,439.41 | 13,677.64 |
| (ii) Commercial Real Estate Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.) Exposure would also include non-hand based limits | 13,04,949.46 | 7,76,082.89 |
| (iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures | | |
| a. Residential | Nil | Nil |
| b. Commercial Real Estate | Nil | Nil |
| Total Exposure to Real Estate Sector | 21,08,388.87 | 7,89,760.53 |



53B. Continued

d.ii) Exposure to Capital Market

| Particulars | 31 March, 2020 | 31 March, 2019 |
|---|--------------------|--------------------|
| (i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt; | 24.89 | 1,724.33 |
| (ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds; | 59,667.97 | 1,00,815.18 |
| (iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security; | 2,05,160.99 | 3,68,457.89 |
| (iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances; | - | - |
| (v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers; | 925.12 | 9,425.07 |
| (vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources; | - | - |
| (vii) Bridge loans to companies against expected equity flows / issues; | - | - |
| (viii) All exposures to Venture Capital Funds (both registered and unregistered) | - | - |
| Total Exposure to Capital Market | 2,65,778.97 | 4,80,422.47 |

d.iii) Asset Liability Management

Maturity pattern of certain items of Assets and Liabilities

| Particulars | 1 to 7 days | 8 to 14 days | 15 day to 30 days | Over 1 month and upto 2 months | Over 2 months and upto 3 months | Over 3 months and upto 6 months | Over 6 months and upto 1 year | Over 1 year and upto 3 years | Over 3 years and upto 5 years | Over 5 years | Total |
|--|-------------|--------------|-------------------|--------------------------------|---------------------------------|---------------------------------|-------------------------------|------------------------------|-------------------------------|--------------|--------------|
| Deposits | - | - | 527.83 | 3.09 | 22.16 | 188.87 | 1,057.55 | 398.54 | 404.29 | 211.76 | 2,954.09 |
| Advances** | 43,146.86 | 20,073.54 | 29,988.90 | 30,903.68 | 2,17,781.80 | 2,87,453.77 | 6,86,970.62 | 11,62,218.50 | 6,62,916.72 | 14,54,371.11 | 45,95,825.50 |
| Investments | - | - | - | 1,30,000.00 | 72,267.41 | - | 1,22,551.00 | 4,423.64 | - | 4,998.12 | 3,34,240.17 |
| Borrowings* | 6,693.79 | 13,885.34 | 1,09,126.74 | 1,98,296.58 | 3,24,787.92 | 1,75,775.08 | 6,62,011.10 | 17,53,253.25 | 5,08,245.52 | 5,88,834.59 | 43,40,909.91 |
| Foreign Currency Assets | - | - | - | - | - | - | - | - | - | - | - |
| Foreign Currency Liabilities (also included in borrowings above) | - | - | - | - | - | - | - | 1,53,512.17 | - | - | 1,53,512.17 |

* Commercial papers shown net of unamortised discounting charges ₹ 4,634.93 lakhs (31 March, 2019 ₹ 7,419.98 lakhs).

** a) Overdue Receivable on account of Corporate Finance Activities have been slotted in respective time bucket category as per instructions contained in Appendix 1 of Guidelines for Assets Liabilities Management (ALM) system in NBFC.

b) Advances includes Loan and Advances in the nature of Loans (net of ECL provisions) and excludes Deposits.

d.iv) The Company has no specific program for financing its parent company products. However, in its general lending business, the Company may have funded some entities which may have been customer(s) of its ultimate parent company: Grasim Industries Limited. Single Borrower Limit (SGL) or Group Borrower Limit (GBL) did not exceed the limits prescribed under the prudential norms.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
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53C. Disclosure on liquidity risk under RBI circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies as on March 31, 2020.

i) Funding Concentration based on significant counterparty (both deposits and borrowings)

| Sr. No | No of Significant Counterparties | Amount | % of total Deposits | % of Total Liabilities* |
|--------|----------------------------------|--------------|---------------------|-------------------------|
| 1 | 22 | 28,96,749.23 | NA | 65.99% |

ii) Top 20 large deposits – Not Applicable

iii) Top 10 Borrowings

| Amount | % of Total Liabilities* |
|--------------|-------------------------|
| 21.68,418.07 | 49.40% |

iv) Funding Concentration based on significant instrument/product

| Sr. | Name of the Instrument | Amount | % of Total Liabilities* |
|-----|---|--------------|-------------------------|
| 1 | Term Loan | 18,62,078.02 | 42.42% |
| 2 | Non Convertible Debentures | 15,62,929.66 | 35.60% |
| 3 | Commercial Paper | 2,20,600.08 | 5.03% |
| 4 | Working capital / short term facilities | 2,25,780.29 | 5.14% |
| 5 | External Commercial Borrowings | 2,55,986.58 | 5.83% |
| 6 | Sub-ordinate Debt | 1,88,966.74 | 4.30% |

v) Stock Ratios

| Sr No | Particulars | 31 March, 2020 |
|-------|---|----------------|
| 1 | Commercial Papers to Total Liabilities* | 5.03% |
| 2 | Commercial Papers to Total Assets | 4.24% |
| 3 | NCDs (Original Maturity < 1 year) to Total Liabilities* | Nil |
| 4 | NCDs (original Maturity < 1 year) to Total Assets | Nil |
| 5 | Other Short Term Liabilities** to Total Liabilities* | 28.61% |
| 6 | Other Short Term Liabilities** to Total Assets | 24.17% |

** Other Short Term Liabilities excludes Commercial Paper as considered in 1 & 2.

vi) Institutional set-up for liquidity risk management:

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk management. The ALCO meetings are held at periodic intervals. At the apex level, the Risk Committee (RC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RC subsequently updates the Board of Directors on the same.

* Total Liabilities does not include Net Worth.



Aditya Birla Finance Limited
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53D. Disclosure in terms of RBI Notification No. DOR.No.BP.BC.62/21.04.048/2020-21 dated April 17, 2020

| No. of Borrowers | Outstanding as on 31 March, 2020 |
|------------------|----------------------------------|
| 3 | 67,371.00 |

The above borrowers represent cases where extension of resolution timelines under the Prudential Framework on Resolution of Stressed Assets dated June 7, 2019 have been considered in lieu of RBI Notification No.BP.BC.62/21.04.048/2020-21 dated April 17, 2020.

53E. Disclosure in terms of RBI Notification No. DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020

| Particulars | Amount |
|--|-------------|
| Amounts in SMA/overdue categories, where the moratorium/deferment was extended | 1,19,763.00 |
| Amount where the classification benefit to stage 3 was extended | 14,446.02 |
| Provisions made during the Q4FY2020 | 1,850.93 |
| Provisions adjusted during the respective accounting periods against slippages and the residual provisions | N.A. |



54 Disclosure in terms of Direction 73 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016

54.1 Registration/ license/ authorization obtained from financial sector regulators:

The Company has received certificate of registration as a non-deposit taking systematically important Non-Banking Financial Company from Reserve Bank of India dated August 9, 2011 having COR number N-01.00500 in lieu of earlier COR number B-13 01163 dated February 12, 1999.

The Company is registered with AMFI for distribution of Mutual fund products having certificate number ARN-91896 and ARN-118681 valid from 23 October, 2019 to 22 October, 2022 and 04 February, 2020 to 03 February, 2023 respectively.

54.2 Penalties levied if any during the year:

Nil

54.3 Investments

| Particulars | | 31 March, 2020 | 31 March, 2019 |
|----------------------|---|----------------|----------------|
| Value of Investments | | | |
| (i) | Book Value of Investments | | |
| | (a) In India | 3,29,365.49 | 1,49,323.04 |
| | (b) Outside India, | - | - |
| (ii) | Unrealised fair value gain / (loss) recognised on investments | | |
| | (a) In India | 4,874.68 | 8,327.67 |
| | (b) Outside India, | - | - |
| (iii) | Fair Value of Investments | | |
| | (a) In India | 3,34,240.17 | 1,57,650.71 |
| | (b) Outside India | - | - |

54.4 Provisions and Contingencies

| Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of P&L | 31 March, 2020 | 31 March, 2019 |
|---|----------------|----------------|
| Bad debts/Advances Written off | 33,577.95 | 12,037.83 |
| Expected Credit Loss Allowance on Loans and Advances and trade receivables | 37,129.05 | 8,663.41 |
| Provision made towards Income tax (Net of Deferred Tax) | 24,796.13 | 45,929.15 |

54.5 Concentration of Advances

| Particulars | 31 March, 2020 | 31 March, 2019 |
|--|----------------|----------------|
| Total Advances to twenty largest borrowers (including interest accrued) | 5,32,945.80 | 6,40,291.39 |
| Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC | 11.38% | 12.64% |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

54.6 Concentration of Exposures

| Particulars | 31 March, 2020 | 31 March, 2019 |
|--|----------------|----------------|
| Total Exposure to twenty largest borrowers / customers* (including interest accrued) | 5,32,945.80 | 6,40,291.39 |
| Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers | 11.38% | 12.64% |

* The above calculation is as per loans outstanding as at year end.

54.7 Concentration of NPAs

| Particulars | 31 March, 2020 | 31 March, 2019 |
|--|----------------|----------------|
| Total Exposure to top four NPA (Stage 3) accounts (including interest accrued) | 78,457.35 | 29,996.40 |

54.8 Sector-wise NPAs (Stage 3)

| Sr No. | Sector | 31 March, 2020 | 31 March, 2019 |
|--------|---------------------------------|---|---|
| | | Percentage of NPAs (Stage 3 loans) to Total Advances in that sector | Percentage of NPAs (Stage 3 loans) to Total Advances in that sector |
| 1 | Agriculture & allied activities | 2.53% | 2.32% |
| 2 | MSME | 1.49% | 1.55% |
| 3 | Corporate borrowers | 4.21% | 1.38% |
| 4 | Services | 4.74% | 0.30% |
| 5 | Unsecured working capital loans | 3.73% | 3.28% |
| 6 | Auto loans | 0.00% | 0.00% |
| 7 | Other personal loans | 2.67% | 2.56% |

54.9 Movement of NPAs (Stage 3)

| Particulars | 31 March, 2020 | 31 March, 2019 |
|--|----------------|----------------|
| (i) Net NPAs to Net Advances (%) | 2.69% | 0.99% |
| (ii) Movement of NPAs (Gross Stage 3 assets) | | |
| (a) Opening balance | 81,340.04 | 38,572.95 |
| (b) Additions during the year | 1,53,350.09 | 57,686.91 |
| (c) Reductions during the year | (51,981.90) | (14,919.82) |
| (d) Closing balance | 1,82,708.23 | 81,340.04 |
| (iii) Movement of Net NPAs (Net Stage 3 assets) | | |
| (a) Opening balance | 50,044.23 | 17,840.43 |
| (b) Additions during the year | 90,582.35 | 32,203.80 |
| (c) Reductions during the year | (14,478.77) | - |
| (d) Closing balance | 1,26,147.81 | 50,044.23 |
| (iv) Movement of provisions for NPAs (Stage 3 Provision) | | |
| (a) Opening balance | 31,295.81 | 20,732.52 |
| (b) Provisions made during the year | 62,767.74 | 25,483.11 |
| (c) Write-off / write-back of excess provisions | (37,503.13) | (14,919.82) |
| (d) Closing balance | 56,560.42 | 31,295.81 |

Note : The above amounts are including Interest Accrued.



54.10 Credit Rating

| Instrument | Credit Rating Agency | 31 March, 2020 | 31 March, 2019 |
|---|--|--|--|
| Commercial Paper | ICRA Limited India Ratings & Research Private Limited | [ICRA] A1+ IND A1+ | [ICRA] A1+ IND A1+ |
| Non Convertible Debentures (NCD) | ICRA Limited India Ratings & Research Private Limited | [ICRA] AAA Stable IND AAA Stable | [ICRA] AAA Stable IND AAA Stable |
| Sub Debt | CARE Limited ICRA Limited India Ratings & Research Private Limited | CARE AAA Stable [ICRA] AAA Stable IND AAA Stable | CARE AAA Stable [ICRA] AAA Stable IND AAA Stable |
| Unsecured NCD | ICRA Limited | [ICRA] AAA Stable | [ICRA] AAA Stable |
| Perpetual Debt | ICRA Limited India Ratings & Research Private Limited | [ICRA] AA+ (hyb) Stable IND AA+ Stable | [ICRA] AA+ (hyb) Stable IND AA+ Stable |
| Principal Protected Market Linked Debenture | India Ratings & Research Private Limited | IND PP-MLD AAA emr Stable | - |
| Long Term Bank Loans | ICRA Limited India Ratings & Research Private Limited | [ICRA] AAA Stable IND AAA Stable | [ICRA] AAA Stable IND AAA Stable |
| Short Term Bank Loans | ICRA Limited India Ratings & Research Private Limited | [ICRA] A1+ IND AAA Stable | [ICRA] A1+ IND AAA Stable |

* There were no migrations of ratings during the year.

54.11 Customer Complaints

| Sr. No. | Particulars | 31 March, 2020 | 31 March, 2019 |
|---------|--|----------------|----------------|
| (a) | No. of complaints pending at the beginning of the year | 6 | 8 |
| (b) | No. of complaints received during the year | 528 | 264 |
| (c) | No. of complaints redressed during the year | 518 | 266 |
| (d) | No. of complaints pending at the end of the year | 16 | 6 |

54.12 During FY 2020, there were no draw down from Reserves (Previous year: Nil)

54.13 Overseas assets (for those with joint ventures and subsidiaries abroad): Nil (Previous year: Nil)
Off Balance Sheet SPVs sponsored: Nil (Previous year: Nil)

54.14 The Company has reported frauds aggregating ₹ 1,616.68 lakhs (Previous year March 31,2019 : ₹ 216.08 lakhs) based on management reporting to Audit Committee of Board and Board of Directors and to the RBI through prescribed returns.

54.15 Pursuant to RBI Notification No. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March, 2020 on Implementation of Indian Accounting Standards whereby it is clarified that all regulatory ratios, limits and disclosures shall be based on IND AS figures, the previous years ratios, limits and disclosures have been restated accordingly.

54.16 The disclosures given in the above notes pursuant to RBI Notification are only to the extent they are applicable to the Company.



55 Disclosure pursuant to RBI Notification No. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020

As on 31 March, 2020

| Asset Classification as per RBI Norms | Asset classification as per Ind AS 109 | Gross Carrying Amount as per Ind AS | Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying Amount | Provisions required as per IRACP norms | Difference between Ind AS 109 provisions and IRACP norms |
|---|--|-------------------------------------|---|---------------------|--|--|
| (1) | (2) | (3) | (4) | (5)=(3)-(4) | (6) | (7) = (4)-(6) |
| Performing Assets | | | | | | |
| Standard | Stage 1 | 43,74,891.74 | 21,080.81 | 43,53,810.93 | 17,499.57 | 3,581.24 |
| | Stage 2 | 1,21,676.21 | 10,489.91 | 1,11,186.30 | 1,177.73 | 9,312.18 |
| Subtotal | | 44,96,567.95 | 31,570.72 | 44,64,997.23 | 18,677.30 | 12,893.42 |
| Non-Performing Assets (NPA) | | | | | | |
| Standard | Stage 3 | - | - | - | - | - |
| Substandard | Stage 3 | 1,47,599.19 | 38,146.01 | 1,09,453.18 | 19,872.40 | 18,273.61 |
| Doubtful - up to 1 year | Stage 3 | 20,648.00 | 8,706.86 | 11,941.14 | 4,600.98 | 4,105.88 |
| 1 to 3 years | Stage 3 | 10,265.00 | 5,764.13 | 4,500.87 | 3,194.95 | 2,569.18 |
| More than 3 years | Stage 3 | 4,196.04 | 3,943.42 | 252.62 | 2,290.78 | 1,652.64 |
| Subtotal for doubtful | | 35,109.04 | 18,414.41 | 16,694.63 | 10,086.71 | 8,327.70 |
| Loss | Stage 3 | - | - | - | - | - |
| Subtotal for NPA | | 1,82,708.23 | 56,560.42 | 1,26,147.81 | 29,959.11 | 26,601.31 |
| 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 and Provisioning (IRACP) norms | Stage 1 | 5,001.00 | 14.00 | 4,987.00 | - | 14.00 |
| | Stage 2 | 204.00 | 8.00 | 196.00 | - | 8.00 |
| | Stage 3 | - | - | - | - | - |
| Subtotal | | 5,205.00 | 22.00 | 5,183.00 | - | 22.00 |
| Total | Stage 1 | 43,79,892.74 | 21,094.81 | 43,58,797.93 | 17,499.57 | 3,595.24 |
| | Stage 2 | 1,21,880.21 | 10,497.91 | 1,11,382.30 | 1,177.73 | 9,320.18 |
| | Stage 3 | 1,82,708.23 | 56,560.42 | 1,26,147.81 | 29,959.11 | 26,601.31 |
| | Total | 46,84,481.18 | 88,153.14 | 45,96,328.04 | 48,636.41 | 39,516.73 |

As on 31 March, 2019

| Asset Classification as per RBI Norms | Asset classification as per Ind AS 109 | Gross Carrying Amount as per Ind AS | Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying Amount | Provisions required as per IRACP norms | Difference between Ind AS 109 provisions and IRACP norms |
|---|--|-------------------------------------|---|---------------------|--|--|
| (1) | (2) | (3) | (4) | (5)=(3)-(4) | (6) | (7) = (4)-(6) |
| Performing Assets | | | | | | |
| Standard | Stage 1 | 48,73,415.01 | 15,359.54 | 48,58,055.47 | 19,493.66 | (4,134.12) |
| | Stage 2 | 1,00,643.74 | 4,424.65 | 96,219.09 | 402.57 | 4,022.08 |
| Subtotal | | 49,74,058.75 | 19,784.19 | 49,54,274.56 | 19,896.24 | (112.05) |
| Non-Performing Assets (NPA) | | | | | | |
| Standard | Stage 3 | 15,485.30 | 3,760.01 | 11,725.29 | 60.26 | 3,699.75 |
| Substandard | Stage 3 | 34,737.16 | 14,832.48 | 19,904.68 | 8,513.25 | 6,319.23 |
| Doubtful - up to 1 year | Stage 3 | 21,008.23 | 8,998.49 | 12,009.74 | 4,121.60 | 4,876.89 |
| 1 to 3 years | Stage 3 | 7,390.54 | 2,234.42 | 5,156.12 | 2,344.97 | (210.55) |
| More than 3 years | Stage 3 | 2,718.81 | 1,470.42 | 1,248.39 | 1,128.87 | 341.54 |
| Subtotal for doubtful | | 31,117.58 | 12,703.32 | 18,414.26 | 7,695.44 | 5,007.88 |
| Loss | Stage 3 | - | - | - | - | - |
| Subtotal for NPA | | 81,340.04 | 31,295.81 | 50,044.23 | 16,268.95 | 15,026.86 |
| 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 and Provisioning (IRACP) norms | Stage 1 | 13,738.00 | 22.00 | 13,716.00 | - | 22.00 |
| | Stage 2 | - | - | - | - | - |
| | Stage 3 | - | - | - | - | - |
| Subtotal | | 13,738.00 | 22.00 | 13,716.00 | - | 22.00 |
| Total | Stage 1 | 48,87,153.01 | 15,381.54 | 48,71,771.47 | 19,493.66 | (4,112.12) |
| | Stage 2 | 1,00,643.74 | 4,424.65 | 96,219.09 | 402.57 | 4,022.08 |
| | Stage 3 | 31,340.04 | 31,295.81 | 50,044.23 | 16,268.95 | 15,026.86 |
| | Total | 50,69,136.79 | 51,102.00 | 50,18,034.79 | 36,165.18 | 14,936.82 |



56. Information in respect of restructured assets in accordance with review of guidelines on restructuring of advances by NBFC (RBI/2013-14/459) DNBS. CO. PD. No. 367/03.10.01/2013-14
The following tables set forth, for the periods indicated, details of loan assets subjected to restructuring:-

| Sr. no. | Type of Restructuring | Under CDR Mechanism | | | | | Under SME Debt Restructuring Mechanism | | | | |
|---------|--|---------------------|--------------|----------|------|-------|--|--------------|----------|------|-----------|
| | | Standard | Sub-Standard | Doubtful | Loss | Total | Standard | Sub-Standard | Doubtful | Loss | Total |
| 1 | Asset Classification Details at April 1, 2019 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | 1 | - | - | - | 1 |
| | Amount outstanding | - | - | - | - | - | 12,230.86 | - | - | - | 12,230.86 |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 2 | Fresh restructuring during the year ended March 31, 2020 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 3 | Upgradations to restructured standard category during the year ended March 31, 2020 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | 1 | - | - | - | 1 |
| | Amount outstanding | - | - | - | - | - | 12,230.86 | - | - | - | 12,230.86 |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 4 | Restructured standard advances at April 1, 2019, which cease to attract higher provisioning and/or additional risk weight at March 31, 2020 and hence need not be shown as restructured standard advances at April 1, 2020 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 5 | Downgradations of restructured accounts during the year ended March 31, 2020 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 6 | Write-offs of restructured accounts during the year ended March 31, 2020 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 7 | Restructured Accounts at March 31, 2020 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |



Information in respect of restructured assets (Continued)


The following tables set forth, for the periods indicated, details of loan assets subjected to restructuring :

| Sr. no. | Type of Restructuring | Others | | | | | Total | | | | |
|--|--|----------|--------------|----------|------|----------|-----------|--------------|----------|------|-----------|
| | | Standard | Sub-Standard | Doubtful | Loss | Total | Standard | Sub-Standard | Doubtful | Loss | Total |
| The following tables set forth, for the periods indicated, details of loan assets subjected to restructuring : | | | | | | | | | | | |
| 1 | Asset Classified Accounts at April 1, 2019 | | | | | | | | | | |
| | Restructured Accounts at April 1, 2019 | | | | | | | | | | |
| | No. of borrowers | - | 37 | 1 | - | 38 | 1 | 37 | 1 | - | 39 |
| | Amount outstanding | - | 851.02 | 989.41 | - | 1,840.43 | 12,230.86 | 851.02 | 989.41 | - | 14,071.29 |
| | Provision thereon | - | 274.58 | 989.65 | - | 1,264.24 | - | 274.58 | 989.65 | - | 1,264.24 |
| 2 | Fresh restructuring during the year ended March 31, 2020 | | | | | | | | | | |
| | No. of borrowers | 101 | 2 | - | - | 103 | 101 | 2 | - | - | 103 |
| | Amount outstanding | 7,812.16 | 18.50 | - | - | 7,830.65 | 7,812.16 | 18.50 | - | - | 7,830.65 |
| | Provision thereon | 448.07 | 4.62 | - | - | 452.69 | 448.07 | 4.62 | - | - | 452.69 |
| 3 | Upgradations to restructured standard category during the year ended March 31, 2020 | | | | | | | | | | |
| | No. of borrowers | (9) | 32 | - | - | 23 | (8) | 32 | - | - | 24 |
| | Amount outstanding | (310.60) | 673.88 | - | - | 363.28 | 11,920.26 | 673.88 | - | - | 12,594.14 |
| | Provision thereon | (156.66) | 268.48 | - | - | 111.82 | (156.66) | 268.48 | - | - | 111.82 |
| 4 | Restructured standard advances at April 1, 2019, which cease to attract higher provisioning and/or additional risk weight at March 31, 2020 and hence need not be shown as restructured standard advances at April 1, 2020 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 5 | Downgradations of restructured accounts during the year ended March 31, 2020 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 6 | Write-offs of restructured accounts during the year ended March 31, 2020 | | | | | | | | | | |
| | No. of borrowers | 5 | 3 | 1 | - | 9 | 5 | 3 | 1 | - | 9 |
| | Amount outstanding | 178.09 | 109.91 | 989.41 | - | 1,277.41 | 178.09 | 109.91 | 989.41 | - | 1,277.41 |
| | Provision thereon | 89.46 | 0.84 | 989.65 | - | 1,079.95 | 89.46 | 0.84 | 989.65 | - | 1,079.95 |
| 7 | Restructured Accounts at March 31, 2020 | | | | | | | | | | |
| | No. of borrowers | 105 | 4 | - | - | 109 | 105 | 4 | - | - | 109 |
| | Amount outstanding | 7,944.67 | 85.73 | - | - | 8,030.39 | 7,944.67 | 85.73 | - | - | 8,030.39 |
| | Provision thereon | 515.27 | 9.89 | - | - | 525.17 | 515.27 | 9.89 | - | - | 525.17 |



56. Information in respect of restructured assets in accordance with review of guidelines on restructuring of advances by NBFC (RBI/2013-14/459) DNBS. CO. PD. No. 367/03.10.01/2013-14
The following tables set forth, for the periods indicated, details of loan assets subjected to restructuring:-

| The following tables set forth, for the periods indicated, details of loan assets subjected to restructuring: | | | | | | | | | | | |
|---|--|---------------------|--------------|----------|------|--------|--|--------------|----------|------|-----------|
| Sr. no. | Type of Restructuring Asset Classification Details | Under CDR Mechanism | | | | | Under SME Debt Restructuring Mechanism | | | | |
| | | Standard | Sub-Standard | Doubtful | Loss | Total | Standard | Sub-Standard | Doubtful | Loss | Total |
| 1 | Restructured Accounts at April 1, 2018 | | | | | | | | | | |
| | No. of borrowers | - | 1 | - | - | 1 | - | - | - | - | - |
| | Amount outstanding | - | 957.27 | - | - | 957.27 | - | - | - | - | - |
| | Provision thereon | - | 957.27 | - | - | 957.27 | - | - | - | - | - |
| 2 | Fresh restructuring during the year ended March 31, 2019 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | 1 | - | - | - | 1 |
| | Amount outstanding | - | - | - | - | - | 12,230.86 | - | - | - | 12,230.86 |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 3 | Upgradations to restructured standard category during the year ended March 31, 2019 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 4 | Restructured standard advances at April 1, 2018, which cease to attract higher provisioning and/or additional risk weight at March 31, 2019 and hence need not be shown as restructured standard advances at April 1, 2019 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 5 | Downgradations of restructured accounts during the year ended March 31, 2019 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 6 | Write-offs of restructured accounts during the year ended March 31, 2019 | | | | | | | | | | |
| | No. of borrowers | - | 1 | - | - | 1 | - | - | - | - | - |
| | Amount outstanding | - | 957.27 | - | - | 957.27 | - | - | - | - | - |
| | Provision thereon | - | 957.27 | - | - | 957.27 | - | - | - | - | - |
| 7 | Restructured Accounts at March 31, 2019 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | 1 | - | - | - | 1 |
| | Amount outstanding | - | - | - | - | - | 12,230.86 | - | - | - | 12,230.86 |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |





Note: The outstanding amount and number of borrowers as at 31 March, 2020 and 31 March, 2019 are after considering recoveries during the year.

| Sr. no. | Type of Restructuring | Others | | | | | Total | | | | |
|---------|--|------------------------------|---|--------|--------|----------|-----------|--------------|----------|------|-----------|
| | | Asset Classification Details | | | | | Standard | Sub-Standard | Doubtful | Loss | Total |
| 1 | Restructured Accounts at April 1, 2018 | | | | | | | | | | |
| | No. of borrowers | | - | - | 1 | 1 | - | - | 1 | - | 2 |
| | Amount outstanding | | - | - | 989.41 | 989.41 | - | - | 989.40 | - | 1,946.66 |
| | Provision thereon | | - | - | 989.65 | 989.65 | - | - | 989.65 | - | 1,946.92 |
| 2 | Fresh restructuring during the year ended March 31, 2019 | | | | | | | | | | |
| | No. of borrowers | | - | 37 | - | 37 | 1 | 37 | - | - | 38 |
| | Amount outstanding | | - | 851.02 | - | 851.02 | 12,230.86 | 851.02 | - | - | 13,081.88 |
| | Provision thereon | | - | 274.58 | - | 274.58 | - | 274.58 | - | - | 274.58 |
| 3 | Upgradations to restructured standard category during the year ended March 31, 2019 | | | | | | | | | | |
| | No. of borrowers | | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | | - | - | - | - | - | - | - | - | - |
| | Provision thereon | | - | - | - | - | - | - | - | - | - |
| 4 | Restructured standard advances at April 1, 2018, which cease to attract higher provisioning and/or additional risk weight at March 31, 2019 and hence need not be shown as restructured standard advances at April 1, 2019 | | | | | | | | | | |
| | No. of borrowers | | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | | - | - | - | - | - | - | - | - | - |
| | Provision thereon | | - | - | - | - | - | - | - | - | - |
| 5 | Downgradations of restructured accounts during the year ended March 31, 2019 | | | | | | | | | | |
| | No. of borrowers | | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | | - | - | - | - | - | - | - | - | - |
| | Provision thereon | | - | - | - | - | - | - | - | - | - |
| 6 | Write-offs of restructured accounts during the year ended March 31, 2019 | | | | | | | | | | |
| | No. of borrowers | | - | - | - | - | - | 1 | - | - | 1 |
| | Amount outstanding | | - | - | - | - | - | 957.27 | - | - | 957.27 |
| | Provision thereon | | - | - | - | - | - | 957.27 | - | - | 957.27 |
| 7 | Restructured Accounts at March 31, 2019 | | | | | | | | | | |
| | No. of borrowers | | - | 37 | 1 | 38 | 1 | 37 | 1 | - | 39 |
| | Amount outstanding | | - | 851.02 | 989.41 | 1,840.43 | 12,230.86 | 851.02 | 989.41 | - | 14,071.29 |
| | Provision thereon | | - | 274.58 | 989.65 | 1,264.24 | - | 274.58 | 989.65 | - | 1,264.24 |

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs)

57 The Company has dues amounting to ₹ 282.07 lakhs (Previous year ₹ 277.71 lakhs) to vendors (Trade) registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act').

58 Expenditure in Foreign Currency:

| | 31 March, 2020 | 31 March, 2019 |
|---|----------------|----------------|
| Interest and other expenses on External Commercial Borrowings / Business / Sales Promotion / Staff Training and Seminar | 5,576.39 | 438.29 |

59 Pursuant to The Taxation Laws (Amendment) Ordinance 2019, promulgated on 20 September 2019, the Company intends to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 to compute income tax at the revised rate (i.e. 25.17%) from the current financial year. Cumulative benefit of ₹ 5,815.53 lakhs is recognised in the profit after tax which was a result of the gain arising due to reduction in income tax rate amounting to ₹ 11,309.86 lakhs for the year ended 31 March, 2020 offset by a charge on account of re-measurement of opening deferred tax assets amounting to ₹ 5,494.33 lakhs.

60 Previous year/ period's figures have been regrouped/ rearranged, wherever considered necessary, to confirm with Current year/ period's presentation.

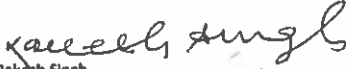
As per our report of even date attached.


For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No: 30100E/E300005


per Viren H. Mehta
Partner
Membership No: 048749

For and on behalf of the Board of Directors of
Aditya Birla Finance Limited


Ajay Srinivasan
(Director)
(DIN - 00121121)


Rakesh Singh
(Managing Director & Chief Executive Officer)
(DIN - 07006067)


Sanjay Miranka
(Chief Financial Officer)


Ankur Shah
(Company Secretary)

Place: Mumbai
Date: 4 June, 2020

Place: Mumbai
Date: 4 June, 2020



INDEPENDENT AUDITOR'S REPORT

**To the Members of Aditya Birla Finance Limited
Report on the Audit of the Financial Statements**

Opinion

We have audited the accompanying financial statements of Aditya Birla Finance Limited (the "Company"), which comprise the Balance Sheet as at 31st March 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 51(e) to the financial statements, in which the Company describes the continuing uncertainties arising from the COVID 19 pandemic.

Our opinion on the financial statements is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, 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.

| Sr. No. | Key Audit Matter | Auditor's Response |
|------------|--|--|
| 1. | <p>Allowances for Expected Credit Losses:</p> <p>As at March 31, 2021, the carrying value of loan assets measured at amortised cost, aggregated ₹ 47,59,743.36 lakh (net of allowance of expected credit loss ₹1,02,118.65 lakh) constituting approximately 94% of the Company's total assets. Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. The allowance for expected credit losses ("ECL") on such loan assets measured at amortised cost is a critical estimate involving greater level of management judgement.</p> <p>As part of our risk assessment, we determined that the allowance for ECL on loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements.</p> <p>The elements of estimating ECL which involved increased level of audit focus are the following:</p> <ul style="list-style-type: none"> • Qualitative and quantitative factors used in staging the loan assets measured at amortised cost. • Basis used for estimating Probabilities of Default ("PD"). • Basis used for estimating Loss Given Default ("LGD"). • Judgements used in projecting economic scenarios and probability weights applied to reflect future economic conditions. • Adjustments to model driven ECL results to address emerging trends. | <p>We performed the following audit procedures:</p> <p>We have examined the policies approved by the Board of Directors of the Company that articulate the objectives of managing each portfolio and their business models. We have also verified the methodology adopted for computation of ECL ("ECL Model") that addresses policies approved by the Board of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures measured at amortised cost.</p> <p>Additionally, we have confirmed that adjustments to the output of the ECL Model is consistent with the documented rationale and basis for such adjustments and that the amount of adjustment has been approved by the Audit Committee of the Board of Directors.</p> <p>Our audit procedures related to the allowance for ECL included the following, among others:</p> <ul style="list-style-type: none"> • Testing the design and effectiveness of internal controls over the following: <ul style="list-style-type: none"> - completeness and accuracy of the Exposure at Default ("EAD") and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the qualitative factors to be applied. - completeness, accuracy and appropriateness of information used in the estimation of the PD and LGD for the different stages depending on the nature of the portfolio; and - computation of the ECL including methodology used to determine macro-economic overlays and adjustments to the output of the ECL Model. |

| Sr. No. | Key Audit Matter | Auditor's Response |
|------------|--|---|
| | (Refer Note 51 to the Financial Statements) | <ul style="list-style-type: none"> Also, for a sample of ECL allowance on loan assets tested: <ul style="list-style-type: none"> we tested the input data such as ratings and period of default and other related information used in estimating the PD; we evaluated reasonableness of LGD estimates by comparing actual recoveries post the loan asset becoming credit impaired with estimates of LGD; and we evaluated the incorporation of the applicable assumptions into the ECL Model and tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company. We also evaluated the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL Model and ensured that the adjustment was in conformity with the amount approved by the Audit Committee. We also assessed the disclosures made in relation to the ECL allowance to confirm compliance with the provisions of Ind AS 107. |
| 2. | <p>Information Technology and General Controls</p> <p>The Company is dependent on its Information Technology ("IT") systems due to the significant number of transactions that are processed daily across such multiple and discrete IT systems.</p> <p>Also, IT application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner and under controlled environments. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data.</p> | <p>With the assistance of our IT specialists, we obtained an understanding of the Company's IT applications, databases and operating systems relevant to financial reporting and the control environment. For these elements of the IT infrastructure the areas of our focus included access security (including controls over privileged access), program change controls, database management and network operations.</p> <p>In particular:</p> <ul style="list-style-type: none"> we tested the design, implementation and operating effectiveness of the Company's general IT controls over the IT systems relevant to financial |

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| Sr. No. | Key Audit Matter | Auditor's Response |
|------------|---|---|
| | On account of the pervasive use of its IT systems, the testing of the general computer controls of the IT systems used in financial reporting was considered to be a Key Audit Matter | <p>reporting. This included evaluation of Company's controls over segregation of duties and access rights being provisioned / modified based on duly approved requests, access for exit cases being revoked in a timely manner and access of all users being recertified during the period of audit;</p> <ul style="list-style-type: none"> • We also tested key automated and manual business cycle controls and logic for the reports generated through the IT infrastructure that were relevant for financial reporting or were used in the exercise of internal financial controls over financial reporting. Our tests including testing of the compensating controls or alternate procedures to assess whether there were any unaddressed IT risks that would materially impact the financial statements. |

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors' report including Annexures to Director's Report, but does not include the financial statements and our auditors report thereon.
- 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the 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 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

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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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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.

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

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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.

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

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

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

Other Matter

The financial statements of the Company as at and for the year ended March 31, 2020 prepared in accordance with Ind AS have been audited by the predecessor auditor/other auditors. The report of these auditors on these comparative financial information expressed an un-modified opinion.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

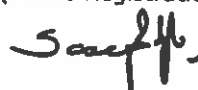
1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss Including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g. With respect to the other matters to be included in the Auditor's report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us the

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remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on 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.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Sanjiv V. Pilgaonkar
Partner
(Membership No. 039826)
UDIN: 21039826AAAAEB3427

Mumbai, May 13, 2021

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of Aditya Birla Finance Limited ("the Company") as of 31st March, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have 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

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policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021 based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



Sanjiv V. Pilgaonkar

Partner

(Membership No. 039826)

UDIN: 21039826AAAAEB3427)

Mumbai, May 13, 2021

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Aditya Birla Finance Limited on the financial statements as at and for the year ended March 31, 2021)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its property plant and equipment.
- (b) The property plant and equipment were physically verified during the year by the Management in accordance with a regular program for verification which, in our opinion, provides for physical verification of all the property plant and equipment at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noted on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- (ii) According to the information and explanations given to us, the Company is engaged primarily in lending activities and these activities do not require the Company to hold any inventories. Hence reporting under clause (ii) of the CARO 2016 is not applicable.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors / to a company in which director is interested to which provisions of section 185 of the Companies Act, 2013 apply and the provisions of Section 186 of the Companies Act 2013 are not applicable to the Company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and does not have any unclaimed deposits as at 31st March, 2021 and therefore, the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable to the Company.
- (vi) The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under Clause 3(vi) of the Order is not applicable to the Company.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax Act, cess and other material statutory dues applicable to it to the appropriate authorities.

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- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax Act, cess and other material statutory dues in arrears as at 31st March, 2021, for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax and Service Tax Act which have not been deposited as on 31st March, 2021, on account of disputes are given below:

| <i>Name of the statute</i> | <i>Nature of dues</i> | <i>Amount involved</i> ₹ | <i>Amount unpaid</i> ₹ | <i>Period to which the amount relates</i> | <i>Forum where dispute is pending</i> |
|----------------------------|-----------------------|-----------------------------|---------------------------|---|---|
| Income Tax Act, 1961 | Income Tax | 55,82,955 | 55,82,955 | AY 2007-08 | Income Tax Officer (Assessing Officer) |
| Income Tax Act, 1961 | Income Tax | 32,34,11,508 | 32,34,11,508 | AY 2011-12 | Income Tax Appellate Tribunal (ITAT) |
| Income Tax Act, 1961 | Income Tax | 1,89,42,896 | 1,89,42,896 | AY 2012-13 | Commissioner of Income Tax (Appeals) |
| Income Tax Act, 1961 | Income Tax | 75,758 | 75,758 | AY 2013-14 | Income Tax Officer (Assessing Officer) |
| Income Tax Act, 1961 | Income Tax | 48,645 | 48,645 | AY 2014-15 | Income Tax Officer (Assessing Officer) |
| Income Tax Act, 1961 | Income Tax | 36,484 | 36,484 | AY 2015-16 | Income Tax Officer (Assessing Officer) |
| Income Tax Act, 1961 | Income Tax | 15,46,07,392 | 15,46,07,392 | AY 2017-18 | Commissioner of Income Tax (Appeals) |
| Finance Act, 1994 | Service Tax | 69,84,000 | 69,84,000 | FY 2014-15 and 2015-16 | Custom, Excise and Service Tax Appellate Tribunal, Mumbai |

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| <i>Name of the statute</i> | <i>Nature of dues</i> | <i>Amount involved</i> ₹ | <i>Amount unpaid</i> ₹ | <i>Period to which the amount relates</i> | <i>Forum where dispute is pending</i> |
|----------------------------|-----------------------|-----------------------------|---------------------------|---|---|
| Finance Act, 1994 | Service Tax | 61,65,000 | 61,65,000 | April, 2016 to June, 2017 | Commissioner of Central Excise (Appeals) - II |

There were no dues in respect of Customs Duties, Excise Duties and State Value Added Tax or related cess which have not been deposited as on March 31, 2021 on account of disputes.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks, government and dues to debenture holders.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and the term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

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

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



Sanjiv V. Pilgaonkar

Partner

(Membership No. 039826)


UDIN: 21039826AAAAEB3427

Mumbai, May 13, 2021

Aditya Birla Finance Limited
Balance Sheet as at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

| Particulars | Notes | As at 31 March, 2021 | As at 31 March, 2020 |
|--|-------|----------------------|----------------------|
| I ASSETS | | | |
| 1 Financial assets | | | |
| Cash and cash equivalents | 7 | 1,51,098.56 | 1,82,042.53 |
| Bank balance other than cash and cash equivalents | 8 | 1,913.09 | - |
| Derivative financial instruments | 9 | - | 5,408.39 |
| Trade Receivables | 10 | 998.86 | 1,195.36 |
| Loans | 11 | 47,59,743.36 | 45,98,535.45 |
| Investments | 12 | 79,290.90 | 3,34,240.17 |
| Other financial assets | 13 | 5,117.95 | 4,341.17 |
| 2 Non-financial assets | | | |
| Current tax assets (net) | 14 | 23,971.65 | 23,364.88 |
| Deferred tax assets (net) | 42 | 26,013.31 | 24,058.99 |
| Property, plant and equipments | 15 | 1,465.80 | 1,953.20 |
| Intangible assets under development | 16 | 1,197.92 | 4,898.29 |
| Other intangible assets | 17 | 7,149.74 | 2,481.14 |
| Right of use Lease Assets | 18 | 9,405.31 | 8,069.45 |
| Other non-financial assets | 19 | 8,150.54 | 9,363.27 |
| Total assets | | 50,75,516.99 | 51,99,952.29 |
| II LIABILITIES AND EQUITY | | | |
| Liabilities | | | |
| 1 Financial liabilities | | | |
| Derivative financial instruments | 9 | 3,063.81 | 0.40 |
| Payables | | | |
| Trade Payables | | | |
| - Total outstanding dues of Micro and small enterprises | 20 | 214.66 | 282.07 |
| - Total outstanding dues of creditors Other than micro and small enterprises | 20 | 10,957.65 | 10,184.87 |
| Debt securities | 21 | 16,57,875.04 | 17,86,922.93 |
| Borrowings (other than debt securities) | 22 | 22,45,460.08 | 23,48,463.85 |
| Subordinated liabilities | 23 | 2,18,183.26 | 2,10,142.09 |
| Lease Liability | 24 | 10,224.64 | 8,909.91 |
| Other financial liabilities | 25 | 31,157.54 | 11,403.74 |
| 2 Non-financial liabilities | | | |
| Current tax liabilities (Net) | 26 | 1,466.63 | 2,825.65 |
| Provisions | 27 | 8,062.51 | 9,703.56 |
| Other non-financial liabilities | 28 | 5,063.23 | 3,298.18 |
| Total liabilities | | 41,91,729.05 | 43,92,137.25 |
| Equity | | | |
| Equity share capital | 29 | 66,210.08 | 66,210.08 |
| Other equity | 30 | 8,17,577.86 | 7,41,604.96 |
| Total equity | | 8,83,787.94 | 8,07,815.04 |
| Total liabilities and equity | | 50,75,516.99 | 51,99,952.29 |

As per our report of even date attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm Registration No: 117366W/W-100018

Sanjay V. Pugaonkar
Partner
Membership No: 039826

For and on behalf of the Board of Directors of
Aditya Birla Finance Limited


Ajay Srivivasan
Director

(DIN - 00121181)


Sanjay Miranka
(Chief Financial Officer)


Rakesh Singh
Managing Director and Chief
Executive Officer

(DIN - 07006067)


Ankur Shah
(Company Secretary)

Place: Mumbai
Date: 13 May, 2021

Place: Mumbai
Date: 13 May, 2021



Aditya Birla Finance Limited
Statement of Profit and Loss for the year ended 31 March, 2021
(Currency: ₹ In Lakhs except otherwise stated)

| Particulars | Notes | Year ended 31 March, 2021 | Year ended 31 March, 2020 |
|--|-------|------------------------------|------------------------------|
| Revenue from operations | | | |
| (i) Interest Income | 32 | 5,28,338.56 | 5,72,706.65 |
| (ii) Dividend Income | 33 | 284.75 | 1,924.97 |
| (iii) Fee and commission income | 34 | 15,251.64 | 16,361.38 |
| (iv) Net gain on fair value changes | 35 | 7,277.03 | 16,649.46 |
| (I) Total revenue from operations | | 5,51,151.98 | 6,07,642.46 |
| (II) Other income | 36 | 1,644.28 | 1,296.07 |
| (III) Total Income (I + II) | | 5,52,796.26 | 6,08,938.53 |
| Expenses | | | |
| (i) Finance cost | 37 | 3,01,990.53 | 3,60,812.40 |
| (ii) Impairment on financial instruments | 38 | 68,177.51 | 70,707.00 |
| (iii) Employee benefit expenses | 39 | 44,892.29 | 40,480.52 |
| (iv) Depreciation, amortization and impairment | 40 | 5,850.05 | 4,976.64 |
| (v) Other expenses | 41 | 28,744.65 | 26,671.24 |
| (IV) Total expenses | | 4,49,655.03 | 5,03,647.80 |
| (V) Profit/(loss) before tax (III- IV) | | 1,03,141.23 | 1,05,290.73 |
| (VI) Tax expense: | | | |
| (1) Current tax | 42 | 28,600.00 | 29,136.44 |
| (2) Deferred tax expenses(credit) | 42 | (1,648.16) | (3,793.01) |
| (3) Prior year adjustments | 42 | (693.82) | (547.30) |
| (VII) Profit/(loss) for the year | | 76,883.21 | 80,494.60 |
| (VIII) Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss | | | |
| Remeasurement gain/(loss) on defined benefit plan | | 439.59 | (425.93) |
| Income tax impact of above | | (110.64) | 106.84 |
| | | 328.95 | (319.09) |
| Gain/(Loss) on FVTOCI Equity Instrument | | 35.36 | (13.89) |
| Income tax impact of above | | (8.90) | 3.50 |
| | | 26.46 | (10.39) |
| Items that will be reclassified to profit or loss | | | |
| Fair Value change on derivatives designated as cash flow hedge | | (1,691.42) | (1,649.32) |
| Income tax impact on above | | 425.70 | 415.10 |
| | | (1,265.72) | (1,234.22) |
| Other comprehensive income for the year, net of tax | | (910.31) | (1,563.70) |
| Total comprehensive income for the year, net of tax | | 75,972.90 | 78,930.90 |
| (IX) Earnings per equity share | | | |
| Basic (₹) | 43 | 11.61 | 12.16 |
| Diluted (₹) | 43 | 11.61 | 12.16 |

As per our report of even date attached.

For Deloitte Haskins & Sells LLP

Chartered Accountants

ICAI Firm Registration No: 117366W/W-100018

Sanjiv V. Pilgaonkar

Sanjiv V. Pilgaonkar
Partner

Membership No: 039826

For and on behalf of the Board of Directors of

Aditya Birla Finance Limited

Alay Srinivasan

Alay Srinivasan
(Director)

(DIN - 00121181)

Sanjay Miranka
Sanjay Miranka
(Chief Financial Officer)

Rakesh Singh

Rakesh Singh
Managing Director and
Chief Executive Officer
(DIN - 07006067)

Ankur Shah
Ankur Shah
(Company Secretary)

Place: Mumbai

Date: 13 May, 2021

Place: Mumbai

Date: 13 May, 2021



Aditya Birla Finance Limited
Cash flow statement for the year ended 31 March, 2021
(Currency: ₹ In Lakhs except otherwise stated)

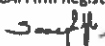
| Particulars | Year ended 31 March, 2021 | Year ended 31 March, 2020 |
|---|------------------------------|------------------------------|
| Operating activities | | |
| Profit before tax | 1,03,141.23 | 1,05,290.73 |
| Adjustments to reconcile profit before tax to net cash flows: | | |
| Depreciation, amortization and impairment | 5,850.05 | 4,976.64 |
| Impairment on financial instruments | 68,177.51 | 70,707.00 |
| Net (Gain) / Loss on fair value changes | (7,277.03) | (16,649.46) |
| (Gain)/Loss on sale of property, plant and equipment | 95.94 | (1.77) |
| Dividend income | (284.75) | (1,924.97) |
| Interest income on investment and Bonds | (5,430.12) | (6,710.84) |
| Finance cost on lease liability | 897.27 | 724.94 |
| Profit on surrender of lease liability/ income from rent concession | (691.99) | - |
| Operating Profit before Working Capital Changes | 1,64,478.11 | 1,56,412.27 |
| Working capital changes | | |
| Decrease / (Increase) in Loans | (2,29,398.74) | 3,50,133.03 |
| Decrease / (Increase) in Trade Receivables | 233.63 | (651.02) |
| Decrease / (Increase) in Other financial assets | (776.78) | 2,357.98 |
| Decrease / (Increase) in Other non-financial assets | 1,046.49 | (3,082.16) |
| Increase/ (Decrease) in Trade Payables | 705.37 | 1,569.77 |
| Increase/ (Decrease) in Other financial liabilities | (9,369.11) | 29,066.67 |
| Increase/ (Decrease) in Provisions | (1,201.46) | 469.79 |
| Increase/ (Decrease) in Other non-financial liabilities | 1,765.05 | (510.64) |
| | (72,517.44) | 5,35,765.69 |
| Income tax paid (net of refunds) | (29,871.97) | (49,508.77) |
| Net cash flows from/(used in) operating activities | (1,02,389.41) | 4,86,256.92 |
| Investing activities | | |
| Purchase of property, plant and equipments | (328.69) | (847.53) |
| Purchase of Intangible assets including assets under development | (3,479.95) | (4,894.28) |
| Net (Purchase) / Sale of Investments | 2,59,041.50 | (1,57,547.83) |
| Sale of property, plant and equipments | 83.64 | 86.87 |
| Dividend received | 284.75 | 1,924.97 |
| Increase in bank balance other than cash and cash equivalents | (1,913.09) | - |
| Interest received on investment measured at FVTPL | 8,650.27 | 3,503.13 |
| Net cash flows from/(used in) investing activities | 2,62,338.43 | (1,57,774.67) |
| Financing activities | | |
| Proceeds from long term borrowings | 8,27,599.99 | 11,68,157.84 |
| Repayment of long term borrowings | (11,22,209.08) | (7,54,807.06) |
| (Repayment) / Proceeds from short term borrowings* | 1,06,501.88 | (5,64,166.25) |
| Payment of lease & other liability | (2,785.88) | (1,532.26) |
| Net cash flows from/(used in) financing activities | (1,90,893.09) | (1,52,347.73) |
| Net increase/(Decrease) in Cash and Cash Equivalents | (30,944.07) | 1,76,134.52 |
| Cash and cash equivalents as at the beginning of the year | 1,82,042.53 | 5,908.01 |
| Cash and cash equivalents as at the end of the year | 1,51,098.46 | 1,82,042.53 |
| Components of cash and cash equivalents | | |
| Cash / Cheques on hand | - | - |
| Balances with banks | | |
| In Fixed Deposits | - | 22,294.66 |
| In current accounts | 1,51,098.56 | 1,59,747.87 |
| Total cash and cash equivalents | 1,51,098.56 | 1,82,042.53 |
| Cash Flow from Operations includes: | | |
| Interest Received | 5,30,708.88 | 5,69,599.83 |
| Interest paid | 3,32,556.90 | 3,28,124.06 |
| Dividend Received | 284.75 | 1,924.97 |

* (Repayment) / Proceeds from short term borrowings includes commercial paper, Bank overdraft Cash Credit and Working Capital Demand Loan.



Aditya Birla Finance Limited
Cash flow statement for the year ended 31 March, 2021 (Continued)
(Currency: ₹ in Lakhs except otherwise stated)


| Additional disclosure pursuant to Ind AS 7 | | |
|--|------------------------------|------------------------------|
| Particulars | Year ended 31 March, 2021 | Year ended 31 March, 2020 |
| Opening balance of Debt securities, borrowings (other than debt securities) and subordinated liabilities | 43,45,528.87 | 44,52,589.94 |
| Cash Flows | (1,88,107.21) | (1,50,815.47) |
| Fair Value Adjustment | (5,336.91) | 11,066.06 |
| Interest Accrued on borrowings | (30,566.37) | 32,688.34 |
| Acquisition | - | - |
| Closing balance of Debt securities, borrowings (other than debt securities) and subordinated liabilities | 41,21,518.38 | 43,45,528.87 |

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm Registration No: 117366W/W-100018

Sanjiv V. Pilgaonkar
Partner
Membership No: 039826

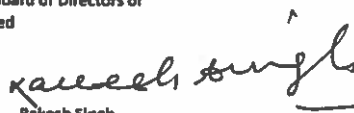
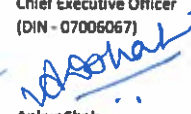
Place: Mumbai
Date: 13 May, 2021



For and on behalf of the Board of Directors of
Aditya Birla Finance Limited


Ajay Srinivasan
Director
(DIN - 00121181)


Sanjay Miranka
(Chief Financial Officer)


Rakesh Singh
Managing Director and
Chief Executive Officer
(DIN - 07006067)

Ankur Shah
(Company Secretary)

Place: Mumbai
Date: 13 May, 2021

Aditya Birla Finance Limited
Statement of changes in Equity for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

| | No. in Lakhs | ₹ in Lakhs |
|--|--------------|------------|
| a. Equity Share Capital | | |
| Equity shares of Rs. 10 each issued, subscribed and fully paid | 6,621.01 | 66,210.00 |
| As at 1 April, 2019 | | |
| Issued during the year | | |
| As at 31 March, 2020 | 6,621.01 | 66,210.00 |
| Issued during the year | | |
| As at 31 March, 2021 | 6,621.01 | 66,210.00 |

| | Reserves and Surplus | | | | | Other comprehensive income | | Total Other Equity |
|---|----------------------|----------------------------|-----------------|-----------------|----------------------------|----------------------------|---|--------------------|
| | Special reserve | Securities premium account | Capital Reserve | General Reserve | Capital Redemption Reserve | Retained Earnings | Equity Instruments through other comprehensive income | |
| Balance as at 1 April, 2019 | 66,187.79 | 3,63,738.29 | (10,452.11) | 13,660.95 | - | 2,29,237.04 | 138.33 | 6,63,110.29 |
| Profit for the year | - | - | - | - | - | 80,494.50 | - | 80,494.50 |
| Fair Value change on derivatives designated as cash flow hedge | - | - | - | - | - | - | - | - |
| On redemption of Preference Share Capital | - | - | - | - | - | - | - | - |
| Adjustment on account of Merger of Transaction business of demerger of Aditya Birla Capital Technologies Services Limited, ABCTSL (formerly known as Aditya Birla MyUniverse Limited) (ABMU1) | - | - | - | - | 1,000.00 | (1,000.00) | - | (1,234.22) |
| Other comprehensive income | - | - | - | - | - | 792.81 | - | 792.81 |
| Total comprehensive income | - | - | - | - | - | (319.08) | (10.39) | (329.48) |
| Transfer to/from retained earnings | 16,420.21 | - | - | - | 1,000.00 | 79,968.32 | (1,234.22) | 79,723.71 |
| Balance as at 31 March, 2020 | 82,608.00 | 3,63,738.29 | (10,452.11) | 13,660.95 | 1,000.00 | (629.04) | - | 7,41,604.96 |
| Balance as at 1 April, 2020 | 82,608.00 | 3,63,738.29 | (10,452.11) | 13,660.95 | 1,000.00 | 2,92,156.11 | 177.94 | 7,41,604.96 |
| Profit for the year | - | - | - | - | - | 76,883.21 | - | 76,883.21 |
| Fair Value change on derivatives designated as cash flow hedge | - | - | - | - | - | - | - | - |
| Other comprehensive income | - | - | - | - | - | 328.95 | 26.46 | (1,265.72) |
| Total comprehensive income | - | - | - | - | - | 77,212.16 | 26.46 | 75,972.90 |
| Transfer to/from retained earnings | 15,376.64 | - | - | - | - | (115,376.64) | - | - |
| Balance as at 31 March, 2021 | 97,984.64 | 3,63,738.29 | (10,452.11) | 13,660.95 | 1,000.00 | 3,53,991.63 | (2,499.94) | 8,17,577.86 |

As per our report of even date attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm Registration No: 117366W/W-100018

Sanjay V. Pigeantkar

Sanjay V. Pigeantkar
Partner
Membership No: 039826

For and on behalf of the Board of Directors of
Aditya Birla Finance Limited

Alpy Srinivasan
Alpy Srinivasan
(Director)
(DIN - 00121181)

Sanjay Mirankar
Sanjay Mirankar
(Chief Financial Officer)
Place: Mumbai
Date: 13 May, 2021

Rakesh Singh
Rakesh Singh
(Managing Director and Chief Executive Officer)
(DIN - 07006067)

Ankur Shah
Ankur Shah
(Company Secretary)



Aditya Birla Finance Limited
Notes to the Financial Statements
for the year ended 31 March, 2021

1 Corporate Information - Brief description about the Company

Aditya Birla Finance Limited ('ABFL' or 'the Company') is a public company domiciled in India incorporated on 28 August, 1991 under the provisions of the Companies Act, 1956.

The Company is registered with Reserve Bank of India (RBI) as non-deposit taking systematically important Non Banking Financial Company (NBFC) with Registration no.N-01.00500 and is certified as ISO 9001: 2015 for all its Business processes by British Standards Institution (BSI).

The Company is also certified with ISO 27001: 2013 - Information security Management System (ISMS) for Human resource and administration, Information Technology and Internal audit & compliance functions.

The Company is among the leading well-diversified financial services company in India offering end-to-end lending, financing and wealth management solutions to a diversified range of customers across the country.

The Company is one of the wholly owned subsidiary of Aditya Birla Capital Limited and the ultimate parent company is Grasim Industries Limited.

The registered office of the Company is Indian Rayon Compound, Veraval, Gujarat - 362266.

The financial statements were authorised for issue by the Board of Directors on 13 May, 2021.

2 Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant accounting standards. Accounting policies have been consistently applied to all periods presented, unless otherwise stated.

The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company are discussed in Note 6 - Significant accounting judgements, estimates and assumptions.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakh, except when otherwise indicated.

To provide more reliable and relevant information about the effect of certain items in the Balance Sheet and Statement of Profit and Loss, the Company has changed the classification of certain items. Accordingly, previous period/year figures have been re-grouped or reclassified, to conform to such current period grouping / classifications. There is no impact on Equity or Net Loss due to these regrouping / reclassifications.

3 Presentation of financial statements:

The financial statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

- i. The normal course of business
- ii. The event of default
- iii. The event of insolvency or bankruptcy of the Company and/or its counterparties

4 Statement of compliance:

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act.

5 Significant accounting policies:

5.1 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.



(i) Classification of financial instruments

The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets.

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial assets to be measured at fair value through profit or loss account

The business model is assessed on the basis of aggregated portfolios based on observable factors. These factors include:

- Reports reviewed by the entity's key management personnel on the performance of the financial assets.
- The risks impacting the performance of the business model (and the financial assets held within that business model) and its management thereof.
- The compensation of the managing teams (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- The expected frequency, value and timing of trades.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account.

The Company also assesses the contractual terms of financial assets on the basis of its contractual cash flow characteristics that are solely for the payments of principal and interest on the principal amount outstanding.

'Principal' is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

Sales that are infrequent and insignificant in value both individually and in aggregate are considered to be consistent with the business model whose objective is to hold and collect the contractual cash flows.

The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss.

(ii) Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, except in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement - Financial assets measured at amortised cost

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate method (EIR). Amortised cost is calculated by taking into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in fee and commission income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

These financial assets comprise bank balances, trade receivables, loans and other financial assets.



Aditya Birla Finance Limited
Notes to the Financial Statements
for the year ended 31 March, 2021

Subsequent measurement - Financial assets measured at fair value through other comprehensive income

Debt Instruments

A 'debt instrument' is classified as at the Fair Value through Other Comprehensive Income (FVTOCI) if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent Solely Payment of Principal and Interest (SPPI).

Debt Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value.

Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Equity Instruments

All equity investments in scope of Ind AS 109 are measured at fair value. For all such equity investments, the Company may make an irrevocable election to present in OCI the subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

Equity instruments included within the Fair Value through Profit or Loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Subsequent measurement - Items at fair value through profit or loss

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

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

(III) Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include borrowings including Company overdrafts and trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification.

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

(iv) Recognition and Derecognition of financial assets and liabilities

Recognition:

A financial asset or financial liability is recognised in the balance sheet when the Company becomes a party to the contractual provisions of the instrument, which is generally on trade date. Loans and receivables are recognised when cash is advanced (or settled) to the borrowers. Financial assets at fair value through profit or loss are recognised initially at fair value. All other financial assets are recognised initially at fair value plus directly attributable transaction costs.



Aditya Birla Finance Limited
Notes to the Financial Statements
for the year ended 31 March, 2021

Derecognition:

Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- (a) The right to receive cash flows from the asset have expired, or
- (b) The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (i) the Company has transferred substantially all the risks and rewards of the asset, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(v) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments are measured at amortised cost e.g., loans, debt securities, deposits, and other balances
- b) Financial assets that are measured as at FVTOCI
- c) Loan commitments which are not measured as at FVTPL
- d) Financial guarantee contracts which are not measured as at FVTPL.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.



Aditya Birla Finance Limited
Notes to the Financial Statements
for the year ended 31 March, 2021

The Company has established a policy to perform an assessment at the end of each reporting period of whether credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument.

To calculate ECL, the Company estimate the risk of a default occurring on the financial instrument during its expected life. ECLs are estimated based on the present value of all cash shortfalls over the remaining expected life of the financial asset i.e., the difference between the contractual cash flows that are due to the Company under the contract, and the cash flows that the Company expects to receive are discounted at the effective interest rate of the loan.

The Company groups its loans into Stage 1, Stage 2 and Stage 3, based on the applied impairment methodology, as described below:

Stage 1: 12-months ECL

For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised.

Stage 2: Lifetime ECL – not credit impaired

For exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset) is recognised.

Stage 3: Lifetime ECL – credit impaired

Exposures are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount.

ECL impairment loss allowance (or reversal) during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'Impairment on financial instruments' in the Statement of Profit and Loss. On the other side, for financial assets measured as at amortised cost, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March, 2020 on Implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the company exceeds the total provision required under IRACP (including standard asset provisioning), as at 31 March, 2021 and accordingly, no amount is required to be transferred to impairment reserve.

(vi) Offsetting of financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(vii) Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset 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 subjected to write-offs. The Company reserves the right to recover such written off amount. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

(viii) Derivative Financial Instruments and Hedge Accounting:

The Company enters into forward contracts to hedge the foreign currency risk of firm commitments and highly probable forecast transactions. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item.

The Company enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate and foreign exchange rate risks. The Company does not hold derivative financial instruments for speculative purposes.



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Hedge Accounting : The Company designates certain hedging instruments in respect of foreign currency risk and Interest rate risk as cash flow hedges. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows, and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognised in Other Comprehensive Income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss.

Amounts previously recognised in Other Comprehensive Income and accumulated in other equity relating to (effective portion as described above) are re-classified to the Statement of Profit and Loss in the periods when the hedged item affects profit or loss. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires, terminated, or exercised, without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in Other Comprehensive Income and accumulated in other equity at that time remains in other equity and is recognised when the forecast transaction is ultimately recognised in Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in other equity is recognised immediately in the Statement of Profit and Loss.

(ix) Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments (as explained in note 5.1 (ii) and (iii)) at fair value on each balance sheet date.



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Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

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

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

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

5.2 Revenue from operations

(i) Interest Income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the EIR. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of provision) of the financial asset.

(ii) Dividend Income

Dividend income is recognised

- a. When the right to receive the payment is established which is generally when shareholders approve the dividend,
- b. it is probable that the economic benefits associated with the dividend will flow to the entity and
- c. the amount of the dividend can be measured reliably

(iii) Rental Income

Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases where the increase is in line with expected general inflation, rental income is recognised as per the contractual terms.

- Operating leases are leases where the Company does not transfer substantially all of the risk and benefits of ownership of the asset.



(iv) Fees & Commission Income

Fees and commissions are recognised when the Company satisfies the performance obligation, at fair value of the consideration received or receivable based on a five-step model as set out below, unless included in the effective interest calculation:

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

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

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

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

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

(v) Net gain on Fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss (refer Note 35), held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain/loss in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations in the statement of Profit and Loss. Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL is recognised in net gain / loss on fair value changes.

Similarly, any differences between the fair values of financial assets classified as fair value through other comprehensive income are disclosed in the OCI.

However, net gain / loss on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the Statement of Profit and Loss.

5.3 Expenses

(i) Finance Costs

Finance costs represents interest expense recognised by applying the EIR to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

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

(ii) Retirement and other employee benefits

Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ex-gratia are recognised in the period in which the employee renders the related service.

Post employment employee benefit

a) Defined contribution schemes

The Company makes defined contribution to Government managed Employee Provident Fund, Government managed Employee Pension Fund, Employee Deposit Linked Insurance, Employee State Insurance and Superannuation Schemes which are recognised in Statement of Profit and Loss on accrual basis. Payments to defined contribution retirement benefit plans are recognised as an expense when employee have rendered the service entitling them to the contribution.

If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.



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b) Defined benefit expenses

The Company's liabilities under Payment of Gratuity Act and long term compensated absences are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Actuarial gain and losses are recognised immediately in Statement of Profit and Loss as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

The Company presents the entire leave as a provision in the Balance Sheet, since it does not have any unconditional right to defer its settlement for twelve months after the reporting date.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss at the earliest of:

- ▶ The date of the plan amendment or curtailment, and
- ▶ The date that the Company recognises related restructuring costs

Net Interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation under employee benefit expenses in the Statement of Profit and Loss.

- ▶ Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements,
- ▶ Net interest expense or income.

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, attrition rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Other long-term employee benefits

Company's liabilities towards compensated absences to employees are accrued on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary using Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss.

The Company presents the Provision for compensated absences under provisions in the Balance Sheet.

(iii) Rent expense

In case of short term leases and leases for which the underlying asset is of low value, the company has elected not to apply the requirements of Ind AS 116 and the lease payments associated with those leases are recognised as rent expense on a straight line basis.

(iv) Leases

The Company as a lessee

The Company's lease assets primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes right – of – use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.



The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset generates cash flows that are largely dependent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment on exercise of an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly for all contracts as on April 1, 2019, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The weighted average incremental borrowing rate applied to lease liabilities as at 01 April, 2020 is between the range of 6.72% p.a. to 7.15% p.a. for a period varying from 1 to 10 years.

Critical accounting judgements and key sources of estimation uncertainty

Critical judgements required in the application of Ind AS 116 may include, among others, the following:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Classification of lease agreements (when the entity is a lessor);
- Determination of whether variable payments are in substance fixed;
- Establishing whether there are multiple leases in an arrangement;
- Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

(v) Other income and expenses

All Other income and expense are recognized in the period they occur.



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(vi) Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

(vii) Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalised as a part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

All other borrowing costs are expensed in the period in which they occur at amortised cost using Effective Interest Rate (EIR). Borrowing costs consist of interest and other costs that an entity incurs in connection with borrowing funds.

(viii) Taxes

Current tax

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

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

Deferred tax relating to items recognised outside profit or loss account is recognised either in OCI or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income (OCI) or directly in equity.

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

(ix) Functional and presentational currency

The financial statements are presented in Indian rupees (rounded to the nearest lakhs) which is determined to be the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

5.4 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet and for the purpose of statement of cash flows comprise cash at bank and cheques in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).



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5.5 Property, Plant and Equipments

All items of property, plant and equipments are stated at historical cost, net of accumulated depreciation and impairment loss if any. The cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

Depreciation methods, estimated useful lives and residual value

Depreciation on the property, plant and equipments is provided on straight line method using the rates arrived as per estimates made by the management supported by technical assessment which coincides with the useful lives of assets as specified in Schedule II to the Companies Act, 2013, except for the assets specified below. The Company has used the following useful lives of the property, plant and equipments to provide depreciation.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

| Asset | Useful Life as Prescribed by Schedule II of the Companies Act, 2013 | Estimated Useful Life by Company |
|--|---|----------------------------------|
| Office Computers and Electronic Equipments (including Plant & Machinery) | 3 Years | 4 Years |
| Vehicles | 8 Years | 5 Years |
| Furniture, Fixtures and Other Office Equipments | 10 Years | 7 Years |
| Leasehold Improvements | Over the primary period of the lease | 3 Years |

Useful life of assets different from prescribed in Schedule II has been estimated by management supported by technical assessment.

Depreciation on assets acquired / sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from/ till the date of acquisition or sale.

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

5.6 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses if any. Intangible assets are amortised on straight line basis over a period of 3 years.

The useful lives of intangible assets are assessed as finite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

5.7 Provisions and Contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the 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 recognised as a finance cost.



5.8 Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

5.9 Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share.

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to ordinary equity holders of Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to ordinary equity holders of Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, inclusive of tax) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

5.10 Segment Reporting

Operating business segment results are reviewed regularly by the Company's Chief Operating Decision Maker to make decisions about resources to be allocated to the segments and assess their performance. Business segment is the primary segment comprising of 'Financing activity'. As the Company operates only in a single business segment, no segment information thereof is given as required under Ind AS 108.

5.11 Dividend

The Company recognises a liability to make dividend distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity or Statement of profit or loss account.

5.12 Business Combination under Common Control

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

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

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made only to harmonize significant accounting policies.
- The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.
- The identity of the reserves are preserved and appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

6 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:



6.1 Business Model Assessment

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

6.2 Estimation of defined benefit plans (gratuity benefits)
Refer Note 5.3 (ii)

6.3 Fair value measurement:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

6.4 Impairment of loans portfolio

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

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

The impairment loss on loans and advances is disclosed in more detail in Note 11.

6.5 Provisions other than impairment on loan portfolio and contingent liabilities

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

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

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

6.6 Effective Interest Rate (EIR) method

The Company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

6.7 Recognition of deferred tax assets for carried forward losses
Refer Note 5.3 (viii)

6.8 Estimation of useful life of property, plant and equipments and intangible assets
Refer note 5.5 and 5.6



Note 7: Cash and cash equivalents

Note 8: Bank balance other than cash and cash equivalents

Note 9: Derivative financial instruments

| Particulars | As at 31 March, 2021 | | As at 31 March, 2020 | | |
|--|----------------------|---------------------|--------------------------|---------------------|--------------------------|
| | Notional amounts | Fair Value - Assets | Fair Value - Liabilities | Fair Value - Assets | Fair Value - Liabilities |
| Part I | | | | | |
| (i) Cross Currency Interest Rate swaps | 1,46,367.54 | - | 3,062.55 | | - |
| (ii) Currency forward | 35.55 | - | 1.26 | 5,408.39 | 0.40 |
| Total | <u>1,46,403.09</u> | <u>-</u> | <u>3,063.81</u> | <u>5,408.39</u> | <u>0.40</u> |
| Part II | | | | | |
| (i) Cash flow hedging | | | | | |
| - Cross Currency Interest Rate swaps | 1,46,367.54 | - | 3,062.55 | 5,408.39 | - |
| - Currency forward | 35.55 | - | 1.26 | 36.11 | 0.40 |
| Total | <u>1,46,403.09</u> | <u>-</u> | <u>3,063.81</u> | <u>5,408.39</u> | <u>0.40</u> |



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Note 9.1 : Hedging activities and derivatives (continued)

The Company is exposed to certain risks relating to its external commercial borrowings. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. The Company's risk management strategy and how it is applied to manage risk are explained in Note 51.

Note 9.2 : Derivatives designated as hedging instruments

Cash flow hedges

The Company is exposed to foreign currency risk arising from its External Commercial borrowings amounting to ₹ 1,46,367.54 Lakhs. Interest on the borrowing is payable at a floating rate. The Company economically hedged the foreign currency risk arising from the debt with a 'receive floating pay fixed' cross-currency interest rate swap ('swap'). The notional amount of swap is disclosed in the table below. The swap contract converts the cash outflows of the foreign currency borrowing as per table below to cash outflows in INR with a notional amount of ₹ 1,46,367.54 lakhs at fixed interest rate.

| Name of Lender | Foreign Currency Denominated Borrowing Amount | Interest rate type | Notional Amount of swap (₹) | Interest rate swap type |
|--|--|------------------------------|--------------------------------|----------------------------|
| As at 31 March, 2021 | | | | |
| JPY Denominated (in JPY lakhs) (Maturity range : September 2022 to Febuary 2023) | 1,89,366.25 | Floating interest rate | 1,24,089.54 | Fixed rate interest |
| USD Denominated (Maturity March 2023) | 300.00 | Floating interest rate | 22,278.00 | Fixed rate interest |
| Total | | | <u>1,46,367.54</u> | |
| Name of Lender | Foreign Currency Denominated Borrowing Amount | Interest rate type | Notional Amount of swap (₹) | Interest rate swap type |
| As at 31 March, 2020 | | | | |
| JPY Denominated (in JPY lakhs) (Maturity range : September 2022 to February 2023) | 1,89,366.25 | Floating Interest rate | 1,24,089.54 | Fixed rate interest |
| USD Denominated (Maturity March 2023) | 300.00 | Floating Interest rate | 22,278.00 | Fixed rate interest |
| Total | | | <u>1,46,367.54</u> | |



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Note 9.2 : Derivatives designated as hedging instruments (contd.)

There is an economic relationship between the hedged item and the hedging instrument as the terms of the cross currency swap contract match that of the foreign currency borrowing (notional amount, interest payment dates, principal repayment date etc.). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the cross currency swap are identical to the hedged risk components.

The hedge ineffectiveness can arise mainly if there is a change in the credit risk of the Company or the counterparty.

The impact of the hedging instruments on the balance sheet is, as follows

As at 31 March, 2021

| Particulars | Notional Amounts | Carrying Amount | Line item in the statement of financial position | Change in fair value used for measuring ineffectiveness for the year |
|------------------------------------|--------------------|-----------------|--|--|
| Cross currency interest rate swaps | 1,46,367.54 | 3,062.55 | Derivative liability | (1,265.08) |
| Currency forward | 35.55 | 1.26 | Derivative liability | (0.64) |
| Total | 1,46,403.10 | 3,063.81 | | (1,265.72) |

As at 31 March, 2020

| Particulars | Notional Amounts | Carrying Amount | Line item in the statement of financial position | Change in fair value used for measuring ineffectiveness for the year |
|------------------------------------|--------------------|-----------------|--|--|
| Cross currency interest rate swaps | 1,46,367.54 | 5,408.39 | Derivative Asset | (1,233.92) |
| Currency forward | 36.11 | 0.40 | Derivative liability | (0.30) |
| Total | 1,46,403.65 | 5,408.79 | | (1,234.22) |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 9.2 : Derivatives designated as hedging instruments (contd.)

The impact of hedged items on the balance sheet is, as follows:

| Particulars | As at 31 March, 2021 | | As at 31 March, 2020 | |
|--|--|---|--|---|
| | Change in fair value used for measuring ineffectiveness for the year | Cash flow hedge reserve as at 31 March 2021 | Change in fair value used for measuring ineffectiveness for the year | Cash flow hedge reserve as at 31 March 2020 |
| Foreign currency denominated floating rate borrowing | (1,265.72) | (2,499.94) | (1,234.22) | (1,234.22) |
| Total | <u>(1,265.72)</u> | <u>(2,499.94)</u> | <u>(1,234.22)</u> | <u>(1,234.22)</u> |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
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Note 9.2 : Derivatives designated as hedging instruments (contd.)

The effect of the cash flow hedge in the statement of profit or loss and other comprehensive income is, as follows:

| As at 31 March, 2021 | | | | | | |
|--|---|--|--|-----------------------------------|--|--|
| Particulars | Total hedging gain / (loss) recognised in OCI | Ineffectiveness recognised in profit or loss | Line item in the statement of profit or loss | Cost of hedging recognised in OCI | Amount reclassified from OCI to profit or loss | Line item in the statement of profit or loss |
| Foreign currency denominated floating rate borrowing | (1,265.72) | - | - | - | - | - |
| Total | (1,265.72) | - | - | - | - | - |
| As at 31 March, 2020 | | | | | | |
| Particulars | Total hedging gain / (loss) recognised in OCI | Ineffectiveness recognised in profit or loss | Line item in the statement of profit or loss | Cost of hedging recognised in OCI | Amount reclassified from OCI to profit or loss | Line item in the statement of profit or loss |
| Foreign currency denominated floating rate borrowing | (1,234.22) | - | - | - | - | - |
| Total | (1,234.22) | - | - | - | - | - |
| Note 9.3 : Movements in Cash Flow Hedging Reserve | | | | | | |
| Particulars | As at 1 April, 2020 | Add/Less: Changes in fair value | Add/Less: Foreign exchange Gain / (loss) | Add/Less: Deferred Tax | Add/Less: Accrued Interest | As at 31 March, 2021 |
| Cash flow Hedging Reserve | (1,234.22) | (8,471.79) | 6,794.51 | 425.70 | (14.14) | (2,499.94) |
| Total | (1,234.22) | (8,471.79) | 6,794.51 | 425.70 | (14.14) | (2,499.94) |



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Note 9.3 : Movements in Cash Flow Hedging Reserve (continued)

| Particulars | As at 1 April, 2019 | Add/Less: Changes in fair value | Add/Less: Foreign exchange Gain / (loss) | Add/Less: Deferred Tax | Add/Less: Accrued Interest | As at 31 March, 2020 |
|---------------------------|---------------------|---------------------------------------|---|---------------------------|-------------------------------|-------------------------|
| Cash flow Hedging Reserve | - | 5,407.99 | (8,141.82) | 415.10 | 1,084.51 | (1,234.22) |
| Total | - | 5,407.99 | (8,141.82) | 415.10 | 1,084.51 | (1,234.22) |

Note 9.4 : The following table shows the maturity profile of hedging derivatives based on their notional amounts.

| Particulars | As at 31 March, 2021 | | | | As at 31 March, 2020 | | |
|--|----------------------|--------------------|--------------|--------------------|----------------------|--------------------|--------------------|
| | 0 to 12 months | 1 to 5 years | Over 5 years | Total | 0 to 12 months | 1 to 5 years | Total |
| (i) Cross Currency Interest Rate swaps | - | 1,46,367.54 | - | 1,46,367.54 | - | 1,46,367.54 | 1,46,367.54 |
| (ii) Currency forward | 35.55 | - | - | 35.55 | - | 36.11 | 36.11 |
| Total | 35.55 | 1,46,367.54 | - | 1,46,403.09 | - | 1,46,403.65 | 1,46,403.65 |



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(Currency: ₹ in Lakhs except otherwise stated)

Note 10: Trade Receivables

| As at 31 March, 2021 | Exposure | Loss Allowance | Net Amount |
|--|-----------------|-----------------------|-------------------|
| Trade receivables | | | |
| Considered Good – Secured | - | - | - |
| Considered Good – Unsecured | 1,060.38 | (61.52) | 998.86 |
| Trade Receivables which have significant increase in credit risk | - | - | - |
| Trade Receivables – credit impaired | - | - | - |
| Total | 1,060.38 | (61.52) | 998.86 |

| As at 31 March, 2020 | Exposure | Loss Allowance | Net Amount |
|--|-----------------|-----------------------|-------------------|
| Trade receivables | | | |
| Considered Good – Secured | - | - | - |
| Considered Good – Unsecured | 1,251.82 | (56.46) | 1,195.36 |
| Trade Receivables which have significant increase in credit risk | - | - | - |
| Trade Receivables – credit impaired | 203.52 | (203.52) | - |
| Total | 1,455.34 | (259.98) | 1,195.36 |

Note:

No Trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.



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Note 10: Trade Receivables (continued)

| Trade receivables days past due | | 0-30 days past due | 31-90 days past due | More than 90 days past due | Total |
|---------------------------------|-----------------------------|-----------------------|------------------------|----------------------------------|----------|
| 31 March, 2021 | Total gross carrying amount | 997.30 | 18.54 | 44.54 | 1,060.38 |
| | ECL-Simplified approach | (7.71) | (9.27) | (44.54) | (61.52) |
| | Net carrying amount | 989.59 | 9.27 | - | 998.86 |
| 31 March, 2020 | Total gross carrying amount | 1,143.87 | 78.86 | 232.61 | 1,455.34 |
| | ECL-Simplified approach | (9.84) | (17.53) | (232.61) | (259.98) |
| | Net carrying amount | 1,134.03 | 61.33 | - | 1,195.36 |

Reconciliation of impairment allowance on trade and other receivables:

| | |
|---|----------------|
| Impairment allowance measured as per simplified approach | |
| Impairment allowance as at 31 March, 2020 | (259.98) |
| (Add) : New assets originated or purchased | 37.13 |
| Less : Assets derecognised or repaid (excluding write offs) | 161.33 |
| Less : Amounts written off | - |
| Impairment allowance as at 31 March, 2021 | <u>(61.52)</u> |



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Note 11: Loans

| Particulars | As at 31 March, 2021 | | | | | As at 31 March, 2020 | | | | | | |
|---|----------------------|------------------------------------|---------------------------------|---|-----------|----------------------|----------------|------------------------------------|---------------------------------|---|-----------|--------------|
| | Amortised Cost | At fair value | | | | Total | Amortised Cost | At fair value | | | | |
| | | Through Other Comprehensive Income | Through profit and loss account | Designated at through profit and loss account | Sub-total | | | Through Other Comprehensive Income | Through profit and loss account | Designated at through profit and loss account | Sub-total | |
| Loans & Advances | 48,61,820.53 | - | - | - | - | 48,61,820.53 | 46,86,646.56 | - | - | - | - | 46,86,646.56 |
| Other Advances | 41.48 | - | - | - | - | 41.48 | 42.03 | - | - | - | - | 42.03 |
| Total (A) - Gross | 48,61,862.01 | - | - | - | - | 48,61,862.01 | 46,86,688.59 | - | - | - | - | 46,86,688.59 |
| Less: Impairment loss allowance | 1,02,118.65 | - | - | - | - | 1,02,118.65 | 88,153.14 | - | - | - | - | 88,153.14 |
| Total (A) - Net | 47,59,743.36 | - | - | - | - | 47,59,743.36 | 45,98,535.45 | - | - | - | - | 45,98,535.45 |
| i) Secured by tangible assets | 35,69,505.55 | - | - | - | - | 35,69,505.55 | 33,59,676.84 | - | - | - | - | 33,59,676.84 |
| ii) Secured by intangible assets | - | - | - | - | - | - | - | - | - | - | - | - |
| iii) Covered by bank and government guarantee | 1,43,439.71 | - | - | - | - | 1,43,439.71 | 1,81,784.92 | - | - | - | - | 1,81,784.92 |
| iv) Secured by book debts, inventories, fixed deposit and other working capital items | 2,51,038.77 | - | - | - | - | 2,51,038.77 | 3,42,458.46 | - | - | - | - | 3,42,458.46 |
| v) Unsecured | 8,97,877.98 | - | - | - | - | 8,97,877.98 | 8,02,768.37 | - | - | - | - | 8,02,768.37 |
| Total (B) - Gross | 48,61,862.01 | - | - | - | - | 48,61,862.01 | 46,86,688.59 | - | - | - | - | 46,86,688.59 |
| Less: Impairment loss allowance | 1,02,118.65 | - | - | - | - | 1,02,118.65 | 88,153.14 | - | - | - | - | 88,153.14 |
| Total (B) - Net | 47,59,743.36 | - | - | - | - | 47,59,743.36 | 45,98,535.45 | - | - | - | - | 45,98,535.45 |
| Loans In India | 47,530.39 | - | - | - | - | 47,530.39 | 54,429.24 | - | - | - | - | 54,429.24 |
| i) Public Sector | 48,14,331.62 | - | - | - | - | 48,14,331.62 | 46,32,259.35 | - | - | - | - | 46,32,259.35 |
| ii) Others | 48,61,862.01 | - | - | - | - | 48,61,862.01 | 46,86,688.59 | - | - | - | - | 46,86,688.59 |
| Total - Gross | 48,61,862.01 | - | - | - | - | 48,61,862.01 | 46,86,688.59 | - | - | - | - | 46,86,688.59 |
| Less: Impairment loss allowance | 1,02,118.65 | - | - | - | - | 1,02,118.65 | 88,153.14 | - | - | - | - | 88,153.14 |
| Total - Net | 47,59,743.36 | - | - | - | - | 47,59,743.36 | 45,98,535.45 | - | - | - | - | 45,98,535.45 |
| Loans outside India | - | - | - | - | - | - | - | - | - | - | - | - |
| Less: Impairment loss allowance | - | - | - | - | - | - | - | - | - | - | - | - |
| Total - Net | - | - | - | - | - | - | - | - | - | - | - | - |
| Total (C) | 47,59,743.36 | - | - | - | - | 47,59,743.36 | 45,98,535.45 | - | - | - | - | 45,98,535.45 |



Note 11: Loans

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans is as follows:

| Loans | As at 31 March, 2021 | | | | As at 31 March, 2020 | | | |
|--|----------------------|-------------|-------------|----------------|----------------------|-------------|-------------|----------------|
| | Stage 1 | Stage 2 | Stage 3 | Total | Stage 1 | Stage 2 | Stage 3 | Total |
| Opening Balance of Gross carrying amount | 43,86,660.17 | 1,21,676.21 | 1,82,708.23 | 46,91,044.61 | 48,73,415.01 | 1,00,643.74 | 81,340.04 | 50,55,398.79 |
| New assets originated or purchased | 14,37,319.66 | 42,176.51 | 2,344.64 | 14,81,840.81 | 13,90,926.57 | 6,150.89 | 2,875.65 | 13,99,953.11 |
| Assets derecognised or repaid (excluding write offs) | (12,04,439.47) | (21,783.49) | (27,291.81) | (12,53,514.77) | (16,68,947.83) | (46,851.03) | (14,111.14) | (17,29,910.00) |
| Transfers to Stage 1 | 29,095.93 | (15,845.90) | (13,250.03) | - | 28,009.53 | (26,187.51) | (1,822.02) | - |
| Transfers to Stage 2 | (2,58,008.40) | 2,58,590.76 | (582.36) | - | (1,14,942.67) | 1,17,879.49 | (2,936.82) | - |
| Transfers to Stage 3 | (34,063.60) | (18,906.79) | 52,970.39 | - | (1,20,961.84) | (29,512.60) | 1,50,474.44 | - |
| Amounts written off | (2,450.21) | - | (54,651.82) | (57,102.03) | (838.60) | (446.77) | (33,111.92) | (34,397.29) |
| Closing Balance of Gross carrying amount | 43,54,114.08 | 3,65,907.30 | 1,42,247.24 | 48,62,268.62 | 43,86,660.17 | 1,21,676.21 | 1,82,708.23 | 46,91,044.61 |

Stage 1, 2 and 3 Loans Includes Interest Accrued but Excludes EIR amounting to ₹ 406.61 lakhs (31 March, 2020 : ₹ 4,356.02 lakhs).

Reconciliation of ECL balance is given below:

| ECL | As at 31 March, 2021 | | | | As at 31 March, 2020 | | | |
|---|----------------------|------------|-------------|-------------|----------------------|------------|-------------|-------------|
| | Stage 1 | Stage 2 | Stage 3 | Total | Stage 1 | Stage 2 | Stage 3 | Total |
| Opening Balance of ECL allowance | 21,094.81 | 10,497.91 | 56,560.42 | 88,153.14 | 15,381.54 | 4,424.65 | 31,295.81 | 51,102.00 |
| Increase in new / existing assets originated or purchased | 9,488.24 | 11,569.24 | 57,084.73 | 78,142.21 | 10,960.66 | 9,096.18 | 59,689.97 | 79,746.81 |
| Assets derecognised or repaid (excluding write offs) | (4,547.69) | (969.69) | (1,557.29) | (7,074.67) | (4,519.20) | (586.87) | (3,192.31) | (8,298.38) |
| Transfers to Stage 1 | 964.07 | (305.48) | (658.59) | - | 1,753.04 | (1,114.18) | (638.86) | - |
| Transfers to Stage 2 | (1,025.94) | 1,162.76 | (136.82) | - | (633.81) | 1,193.85 | (560.04) | - |
| Transfers to Stage 3 | (501.21) | (1,853.72) | 2,354.93 | - | (1,008.82) | (2,068.95) | 3,077.77 | - |
| Amounts written off | (2,450.21) | - | (54,651.82) | (57,102.03) | (838.60) | (446.77) | (33,111.92) | (34,397.29) |
| Closing Balance of ECL allowance | 23,022.07 | 20,101.02 | 58,995.56 | 1,02,118.65 | 21,094.81 | 10,497.91 | 56,560.42 | 88,153.14 |

During the year ended 31 March 2021, the Company has changed its definition of significant increase in credit risk for classifying loan assets as Stage 2 from 60 days past due to 30 days past due. The change does not have a significant impact on the reported results of the corresponding previous periods.

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to non-fund based exposures is as follows:

| Non-funded exposures | Total Non-fund Exposures (not included in the tables above) | | | | ECL on Non-fund exposures (included in the tables above) | | | |
|--------------------------------------|---|---------|---------|------------|--|---------|---------|--------|
| | Stage 1 | Stage 2 | Stage 3 | Total | Stage 1 | Stage 2 | Stage 3 | Total |
| Opening Balance as on 31 March, 2020 | 5,001.00 | 204.00 | - | 5,205.00 | 14.00 | 8.00 | - | 22.00 |
| Net Movement | (1,521.64) | (4.00) | - | (1,525.64) | (3.16) | 0.48 | - | (2.68) |
| Closing Balance as on 31 March, 2021 | 3,479.36 | 200.00 | - | 3,679.36 | 10.84 | 8.48 | - | 19.32 |

Stage 1 represents 'High Grade' Internal rating.
Stage 2 represents 'Medium Grade' Internal rating.
Stage 3 represents 'Credit Impaired'.



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Note 12: Investments

| Particulars | Amortised Cost | At Fair value | | | Sub-total | Others | Total |
|--------------------------------------|----------------|------------------------------------|---------------------------------|---|-------------|--------|-------------|
| | | Through Other Comprehensive Income | Through profit and loss account | Designated at through profit and loss account | | | |
| As at 31 March, 2021 | | | | | | | |
| i) Investment in Govt Securities | - | - | 15,420.71 | - | 15,420.71 | - | 15,420.71 |
| ii) Equity Instruments | - | 211.04 | 36.82 | - | 247.86 | - | 247.86 |
| iii) Preference Shares | - | - | - | - | - | - | - |
| iv) Investment in Alternate Funds | - | - | 6,729.83 | - | 6,729.83 | - | 6,729.83 |
| v) Investment in Debentures | - | - | 56,892.50 | - | 56,892.50 | - | 56,892.50 |
| vi) Investment in Bonds | - | - | - | - | - | - | - |
| vii) Investment in Mutual Funds | - | - | - | - | - | - | - |
| Total Gross (A) | - | 211.04 | 79,079.86 | - | 79,290.90 | - | 79,290.90 |
| (i) Investments in India | - | 211.04 | 79,079.86 | - | 79,290.90 | - | 79,290.90 |
| (ii) Investments outside India | - | - | - | - | - | - | - |
| Total (B) | - | 211.04 | 79,079.86 | - | 79,290.90 | - | 79,290.90 |
| Less : Impairment loss allowance (C) | - | - | - | - | - | - | - |
| Total - Net [D= (A)-(C)] | - | 211.04 | 79,079.86 | - | 79,290.90 | - | 79,290.90 |
| As at 31 March, 2020 | | | | | | | |
| i) Equity Instruments | - | 175.68 | 24.89 | - | 200.57 | - | 200.57 |
| ii) Preference Shares | - | - | 22,551.00 | - | 22,551.00 | - | 22,551.00 |
| iii) PMS Investment | - | - | - | - | - | - | - |
| iv) Investment in Alternate Funds | - | - | 9,221.18 | - | 9,221.18 | - | 9,221.18 |
| v) Investment in Debentures | - | - | 42,029.37 | - | 42,029.37 | - | 42,029.37 |
| vi) Investment in Bonds | - | - | 9,365.31 | - | 9,365.31 | - | 9,365.31 |
| vii) Investment in Mutual Funds | - | - | 2,50,872.74 | - | 2,50,872.74 | - | 2,50,872.74 |
| Total Gross (A) | - | 175.68 | 3,34,064.49 | - | 3,34,240.17 | - | 3,34,240.17 |
| (i) Investments in India | - | 175.68 | 3,34,064.49 | - | 3,34,240.17 | - | 3,34,240.17 |
| (ii) Investments outside India | - | - | - | - | - | - | - |
| Total (B) | - | 175.68 | 3,34,064.49 | - | 3,34,240.17 | - | 3,34,240.17 |
| Less : Impairment loss allowance (C) | - | - | - | - | - | - | - |
| Total - Net [D= (A)-(C)] | - | 175.68 | 3,34,064.49 | - | 3,34,240.17 | - | 3,34,240.17 |

Notes:

1. More information regarding the valuation methodologies are provided in Note 50.
2. The Company received dividends of ₹ 284.75 Lakhs (31 March, 2020: ₹ 1,924.97 Lakhs) from its FVTPL securities, recorded as dividend income.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 13: Other financial assets

| | As at 31 March, 2021 | As at 31 March, 2020 |
|--|----------------------|----------------------|
| Security Deposits | | |
| (Carried at amortised cost, unless otherwise stated) | 2,486.83 | 2,954.09 |
| Others Receivable* | 2,631.12 | 1,387.08 |
| Total | 5,117.95 | 4,341.17 |

*Other receivable includes Ex-gratia receivable from government.

Note 14: Current tax assets (net)

| | As at 31 March, 2021 | As at 31 March, 2020 |
|--|----------------------|----------------------|
| Advance Payment of Taxes (Net of provision for taxation ₹ 107694.47 lakhs; 31 March, 2020 ₹ 79,788.29 lakhs) | 23,971.65 | 23,364.88 |
| Total | 23,971.65 | 23,364.88 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 15: Property, plant and equipments

| Particulars | Building | Plant & Equipments | Furniture & Fixtures | Vehicles | Office Equipments | Leasehold Improvements | Total |
|---|----------|--------------------|----------------------|----------|-------------------|------------------------|----------|
| Costs: | | | | | | | |
| As At 1 April, 2019 | 20.92 | 1,661.35 | 130.96 | 1,253.70 | 327.14 | 508.60 | 3,902.67 |
| Additions | - | 120.39 | 30.83 | 485.57 | 131.51 | 52.70 | 821.00 |
| Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL) | - | (12.92) | (3.12) | - | (10.52) | - | (26.56) |
| Disposals | - | 585.27 | 4.56 | 203.75 | 16.77 | 53.28 | 863.63 |
| As At 31 March, 2020 | 20.92 | 1,183.55 | 154.11 | 1,535.52 | 431.36 | 508.02 | 3,833.48 |
| Additions | - | 47.99 | 8.87 | 144.91 | 58.81 | 234.36 | 494.94 |
| Disposals | - | 107.18 | 14.29 | 171.89 | 23.41 | 52.15 | 368.92 |
| As at 31 March, 2021 | 20.92 | 1,124.36 | 148.69 | 1,508.54 | 466.76 | 690.23 | 3,959.50 |
| Depreciation and impairment: | | | | | | | |
| As At 1 April, 2019 | 0.92 | 979.31 | 56.59 | 319.93 | 152.84 | 215.94 | 1,725.53 |
| Depreciation charge for the year | 0.46 | 362.21 | 43.04 | 303.01 | 89.53 | 161.59 | 959.84 |
| Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL) | - | (8.02) | (0.35) | - | (4.08) | - | (12.45) |
| Disposals | - | 584.06 | 3.84 | 138.70 | 12.76 | 53.28 | 792.64 |
| As At 31 March, 2020 | 1.38 | 749.44 | 95.44 | 484.24 | 225.53 | 324.25 | 1,890.28 |
| Depreciation charge for the year | 0.46 | 268.08 | 14.85 | 329.74 | 90.38 | 189.04 | 892.55 |
| Disposals | - | 103.54 | 8.89 | 93.83 | 20.75 | 52.12 | 279.13 |
| As at 31 March, 2021 | 1.84 | 913.98 | 101.40 | 720.15 | 295.16 | 461.17 | 2,493.70 |
| Net book value: | | | | | | | |
| As At 1 April, 2019 | 20.00 | 682.04 | 74.37 | 933.77 | 174.30 | 292.66 | 2,177.14 |
| As At 31 March, 2020 | 19.54 | 434.11 | 58.67 | 1,051.28 | 205.83 | 183.77 | 1,953.20 |
| As at 31 March, 2021 | 19.08 | 210.38 | 47.29 | 788.39 | 171.60 | 229.06 | 1,465.80 |

Notes:

- 1 Redeemable Non Convertible Debentures are secured by charge on immovable property of the Company.
- 2 Office Equipments include Gross Assets amounting to ₹ 2.19 lakhs (31 March, 2020 : ₹ 2.19 lakhs) held jointly with Aditya Birla Sun Life Insurance Company Limited.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 16: Intangible assets under development

| Particulars | Amount |
|-----------------------------|-----------------|
| Costs: | |
| As at 1 April, 2019 | 1,530.42 |
| Additions | 3,867.87 |
| Disposals | - |
| Transfers | 500.00 |
| As at 31 March, 2020 | 4,898.29 |
| Additions | 805.64 |
| Disposals | - |
| Transfers | 4,506.01 |
| As at 31 March, 2021 | 1,197.92 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 17: Other intangible assets

| Particulars | Amount |
|---|-----------|
| Costs: | |
| At 1 April, 2019 | 6,979.37 |
| Additions | 1,526.41 |
| Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL) | - |
| Disposals | - |
| At 31 March, 2020 | 8,505.78 |
| At 1 April, 2020 | 8,505.78 |
| Additions | 7,090.54 |
| Disposals | (89.78) |
| As at 31 March, 2021 | 15,506.54 |
| Accumulated amortisation: | |
| At 1 April, 2019 | 3,959.63 |
| Disposals | - |
| Amortisation charge for the year | 2,065.01 |
| Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL) | - |
| At 31 March, 2020 | 6,024.64 |
| Disposals | - |
| Amortisation charge for the year | 2,332.16 |
| Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL) | - |
| As at 31 March, 2021 | 8,356.80 |
| Net book value: | |
| At 1 April, 2019 | 3,019.74 |
| At 31 March, 2020 | 2,481.14 |
| As at 31 March, 2021 | 7,149.74 |

Note:

All intangible assets are other than Internally generated.



Note 18: Right of use Lease Assets

| Particulars | Amount |
|---|-----------|
| Costs: | |
| As at 1 April, 2019 | 8,562.96 |
| Opening Balance as on 1 April 2019 | - |
| Additions | 1,432.23 |
| Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL) | 26.05 |
| Disposals | - |
| As at 31 March, 2020 | 10,021.24 |
| As at 1 April, 2020 | 10,021.24 |
| Additions | 5,861.15 |
| Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL) | - |
| Disposals | 1,969.94 |
| As at 31 March, 2021 | 13,912.45 |
| Accumulated amortisation: | |
| As at 1 April, 2019 | - |
| Disposals | - |
| Amortisation charge for the year | 1,951.79 |
| Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL) | - |
| As at 31 March, 2020 | 1,951.79 |
| Disposals | 69.99 |
| Amortisation charge for the year | 2,625.34 |
| Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL) | - |
| As at 31 March, 2021 | 4,507.14 |
| Net book value: | |
| As at 1 April, 2019 | 8,562.96 |
| As at 31 March, 2020 | 8,069.45 |
| As at 31 March, 2021 | 9,405.31 |

Note 19: Other non-financial assets

| | As at 31 March, 2021 | As at 31 March, 2020 |
|--|----------------------|----------------------|
| Deferred lease expenses | 28.59 | 81.90 |
| Prepaid expenses | 2,622.46 | 3,055.44 |
| Capital advances | 26.68 | 192.92 |
| Goods and Service Tax / Service Tax Receivable | 2,805.70 | 3,489.96 |
| Plan Assets of Gratuity Fund | 1,931.77 | 1,789.54 |
| Others | 735.34 | 753.51 |
| | 8,150.54 | 9,363.27 |

Note 20: Trade Payables

| | As at 31 March, 2021 | As at 31 March, 2020 |
|--|----------------------|----------------------|
| - Total outstanding dues of Micro and small enterprises | 214.66 | 282.07 |
| - Total outstanding dues of creditors Other than micro and small enterprises | 10,957.65 | 10,184.87 |
| | 11,172.31 | 10,466.94 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 21: Debt securities

| Particulars | As at 31 March, 2021 | | | As at 31 March, 2020 | | |
|---|----------------------|---|--|---|--|---------------------|
| | At amortised cost | At fair value through profit and loss Account | Designated at fair value through profit and loss account | At fair value through profit and loss account | Designated at fair value through profit and loss account | Total |
| Redeemable non-convertible debentures (Secured) | 13,32,116.41 | - | - | - | - | 15,62,929.66 |
| Redeemable non-convertible debentures (Unsecured) | 5,821.46 | - | - | - | - | - |
| Compulsory Convertible Debentures (Unsecured) | - | - | - | - | - | 3,393.19 |
| Commercial papers (Unsecured) | 3,19,937.17 | - | - | - | - | 2,20,600.08 |
| Total | 16,57,875.04 | - | - | 17,86,922.93 | - | 17,86,922.93 |
| Debt securities in India | 16,57,875.04 | - | - | - | - | 17,86,922.93 |
| Debt securities outside India | - | - | - | - | - | - |
| Total | 16,57,875.04 | - | - | 17,86,922.93 | - | 17,86,922.93 |

Note : 1. The above figures are including interest accrued but not due on borrowings.

2. Redeemable Non-Convertible Debentures are secured by way of mortgage on the immovable property and first pari-passu charge on certain Financial Assets of the company.

| Particulars | As at 31 March, 2021 | As at 31 March, 2020 |
|---|----------------------|----------------------|
| Redeemable Non-Convertible Debentures (Secured) | 4,15,781.57 | 5,97,726.65 |
| Repayment Terms : Maturing within 1 year, Rate of Interest 7.80% p.a. to 9.50% p.a. | 5,05,493.63 | 5,35,438.04 |
| Repayment Terms : Maturing between 1 to 3 years, Rate of Interest 5.75% p.a. to 9.50% p.a. | 4,10,841.21 | 4,29,764.97 |
| Repayment Terms : Maturing after 3 years, Rate of Interest 6.25% p.a. to 9.15% p.a. | 13,32,116.41 | 15,62,929.66 |
| Total | 16,57,875.04 | 17,86,922.93 |
| Redeemable Non-Convertible Debentures (Secured) : Rate of Interest 7.57% p.a. (Maturing in March, 2035) | 5,821.46 | - |
| 0.10% Compulsory Convertible Debentures(CCD), (Converted & Redeemed on 20th March, 2021) | - | 3,393.19 |
| Commercial Papers - Rate of Interest 3.70% p.a. to 5.80% p.a. (Maturing within 1 year)* | 3,19,937.17 | 2,20,600.08 |
| Total | 16,57,875.04 | 17,86,922.93 |

Note :

*Commercial papers shown net of unamortised discounting charges ₹ 3,013.51 lakhs (31 March, 2020 ₹ 4,634.93 lakhs).



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 22: Borrowings other than debt securities

| Particulars | As at 31 March, 2021 | | | | As at 31 March, 2020 | | |
|---|----------------------|---|--|---------------------|----------------------|---|--|
| | Amortised cost | At fair value through profit and loss account | Designated at fair value through profit and loss account | Total | Amortised cost | At fair value through profit and loss account | Designated at fair value through profit and loss account |
| Term Loan from Banks (Secured) | 17,57,030.47 | - | - | 17,57,030.47 | 18,62,067.58 | - | - |
| Cash Credit from Banks (Secured) | - | - | - | - | 35,571.61 | - | - |
| External Commercial Borrowings from foreign banks (secured) | 2,48,525.21 | - | - | 2,48,525.21 | 2,55,397.32 | - | - |
| Book Overdraft | 1,36,392.15 | - | - | 1,36,392.15 | 5,218.66 | - | - |
| WCODL from Bank (Secured) | 1,03,512.25 | - | - | 1,03,512.25 | 1,90,208.68 | - | - |
| Total | 22,45,460.08 | - | - | 22,45,460.08 | 23,48,463.85 | - | - |
| Borrowings in India | 19,96,934.87 | - | - | 19,96,934.87 | 20,93,066.53 | - | - |
| Borrowings outside India | 2,48,525.21 | - | - | 2,48,525.21 | 2,55,397.32 | - | - |
| Total | 22,45,460.08 | - | - | 22,45,460.08 | 23,48,463.85 | - | - |

Note : 1) The above figures are including interest accrued but not due on borrowings. 2) External Commercial Borrowings from foreign banks includes Notional amount ₹ 1,46,367.54 Lakhs which is fully hedged.

Term loan from banks:

Indian rupee loan from banks (secured): The term loan from banks are secured by way of first pari-passu charge on the receivables of the Company.

| Particulars | As at 31 March, 2021 | As at 31 March, 2020 |
|---|----------------------|----------------------|
| Term Loan (Secured by way of first pari-passu charge on the receivables of the Company) | 5,77,916.68 | 4,33,094.18 |
| Repayment Terms : Maturing within 1 year, Rate of Interest 5.00% p.a. to 7.70% p.a. | 9,76,918.07 | 10,56,249.21 |
| Repayment Terms : Maturing between 1 to 3 years, Rate of Interest 5.00% p.a. to 7.75% p.a. | 2,02,195.72 | 3,72,724.19 |
| Repayment Terms : Maturing after 3 years, Rate of Interest 5.50% p.a. to 7.65% p.a. | 17,57,030.47 | 18,62,067.58 |
| Total | 1,47,116.73 | 1,53,512.17 |
| External commercial borrowings (Secured by way of first pari-passu charge on the receivables of the Company) | 1,01,408.48 | 1,01,885.15 |
| Repayment Terms : Maturing between 1 to 3 years, Rate of Interest 6.74% p.a. to 7.94% p.a. | 2,48,525.21 | 2,55,397.32 |
| Repayment Terms : Maturing after 3 years, Rate of Interest 5.15% p.a. | - | - |
| Total | 1,36,392.15 | 35,571.61 |
| Loans repayable on demand | 1,03,512.25 | 5,218.66 |
| Cash Credit secured by way of first pari-passu charge on the receivables of the company | - | - |
| Book Overdraft | - | - |
| Working Capital Demand Loan secured by way of first pari-passu charge on receivables of the Company - Rate of interest 4.50% p.a. to 7.30% p.a. | 22,45,460.08 | 1,90,208.68 |
| Total | 22,45,460.08 | 23,48,463.85 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 23: Subordinated liabilities

| Particulars | As at 31 March, 2021 | | | | As at 31 March, 2020 | | | |
|--|----------------------|---|--|--------------------|----------------------|---|--|--------------------|
| | Amortised cost | At fair value through profit and loss account | Designated at fair value through profit and loss account | Total | Amortised cost | At fair value through profit and loss account | Designated at fair value through profit and loss account | Total |
| Perpetual debt instruments to the extent they do not qualify as equity instruments | | | | | | | | |
| (i) from banks | - | - | - | - | - | - | - | - |
| (ii) from other parties | 21,116.57 | - | - | 21,116.57 | 21,108.90 | - | - | 21,108.90 |
| Preference shares other than those qualify as equity | - | - | - | - | 66.45 | - | - | 66.45 |
| Subordinate debt (Unsecured) | 1,97,066.69 | | | 1,97,066.69 | 1,88,966.74 | | | 1,88,966.74 |
| Total | 2,18,183.26 | - | - | 2,18,183.26 | 2,10,142.09 | - | - | 2,10,142.09 |
| Subordinate liabilities in India | 2,18,183.26 | - | - | 2,18,183.26 | 2,10,142.09 | - | - | 2,10,142.09 |
| Subordinate liabilities outside India | - | - | - | - | - | - | - | - |
| Total | 2,18,183.26 | - | - | 2,18,183.26 | 2,10,142.09 | - | - | 2,10,142.09 |

Note : The above figures are including interest accrued but not due on borrowings.

| Particulars | As at 31 March, 2021 | As at 31 March, 2020 |
|---|----------------------|----------------------|
| Perpetual Debts 8.70% p.a. (Maturing in July, 2027) | 21,116.57 | 21,108.90 |
| 8% Cumulative Redeemable Preference Shares (Redeemed on 29th January, 2020) | - | 66.45 |
| Subordinate Debts - Debentures: | | |
| Repayment Terms : Maturing within 1 year, Rate of Interest is 10.60% p.a. | 11,354.56 | 9,509.33 |
| Repayment Terms : Maturing between 1 to 3 years, Rate of Interest 9.85% p.a. to 10.60% p.a. | 13,513.07 | 5,500.00 |
| Repayment Terms : Maturing after 3 years, Rate of Interest 7.43% p.a. to 9.76% p.a. | 1,72,199.06 | 1,73,957.41 |
| Total | 2,18,183.26 | 2,10,142.09 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ In Lakhs except otherwise stated)

Note 24: Lease Liability

| | As at 31 March, 2021 | As at 31 March, 2020 |
|---|----------------------|----------------------|
| Lease liability for right to use assets | 10,224.64 | 8,909.91 |
| Total | 10,224.64 | 8,909.91 |

Note 25: Other financial liabilities

| | As at 31 March, 2021 | As at 31 March, 2020 |
|--|----------------------|----------------------|
| Margin Money from Customers | 11,031.14 | 1,924.11 |
| Payables for salaries, bonus and other employee benefits | 6,105.28 | 3,693.24 |
| Other Payable-Deposit and others | 14,021.12 | 5,786.39 |
| Total | 31,157.54 | 11,403.74 |

Note 26: Current tax liabilities (Net)

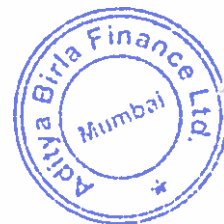
| | As at 31 March, 2021 | As at 31 March, 2020 |
|---|----------------------|----------------------|
| Provision for Income Tax (Net of advance tax ₹ 39,704.96 lakhs ; 31 March, 2020 ₹. 38,345.94 lakhs) | 1,466.63 | 2,825.65 |
| Total | 1,466.63 | 2,825.65 |

Note 27: Provisions

| | As at 31 March, 2021 | As at 31 March, 2020 |
|--------------------------------------|----------------------|----------------------|
| Employee benefit | | |
| - Gratuity | 3,085.29 | 2,657.24 |
| - Provision for compensated absences | 1,725.51 | 1,701.30 |
| - Long term Incentive Plans (LTIP) | 3,251.71 | 5,345.02 |
| Total | 8,062.51 | 9,703.56 |

Note 28: Other non-financial liabilities

| | As at 31 March, 2021 | As at 31 March, 2020 |
|--------------------------------|----------------------|----------------------|
| Revenue received in advance | 2,388.10 | 1,826.65 |
| Tax Deducted at Source Payable | 880.06 | 403.02 |
| Goods and Service Tax Payable | 1,531.30 | 809.86 |
| Other Statutory Dues Payable | 263.77 | 258.65 |
| Total | 5,063.23 | 3,298.18 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 29: Issued Capital and reserves

| | As at 31 March, 2021 | As at 31 March, 2020 |
|--|----------------------|----------------------|
| Authorised | | |
| 1,270,000,000 (March 31, 2020: 1,270,000,000) equity shares of ₹ 10/- each | 1,27,000.00 | 1,27,000.00 |
| Total | <u>1,27,000.00</u> | <u>1,27,000.00</u> |
| Issued, Subscribed and fully paid up | | |
| 662,100,822 (March 31, 2020: 662,100,822) equity shares of ₹ 10/- each | 66,210.08 | 66,210.08 |
| Total | <u>66,210.08</u> | <u>66,210.08</u> |

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year is as under:

| | No. in lakhs | ₹ in lakhs |
|-----------------------------|-----------------|------------------|
| As at 1 April, 2019 | 6,621.01 | 66,210.08 |
| Issued during the year | 58.56 | 585.56 |
| Shares pending issuance | (58.56) | (585.56) |
| As at 31 March, 2020 | <u>6,621.01</u> | <u>66,210.08</u> |
| Issued during the year | - | - |
| As at 31 March, 2021 | <u>6,621.01</u> | <u>66,210.08</u> |

Terms/ rights attached to equity shares

The Company has only one class of equity shares having a 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. The dividend proposed if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the Company, the holders of equity shares will be receiving remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 29: Issued Capital and reserves (Continued)

Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

| Particulars | As at 31 March, 2021 | As at 31 March, 2020 | As at 31 March, 2019 | As at 31 March, 2018 | As at 31 March, 2017 |
|---|----------------------------|----------------------------|----------------------------|-------------------------|----------------------------|
| (i) Equity shares of ₹ 10 each, fully paid up, allotted pursuant to the merger scheme for demerger of wealth undertaking of Aditya Birla Money Mart Limited | - | - | - | - | 1,02,77,778.00 |
| (ii) Equity shares of ₹ 10 each, fully paid up, allotted on conversion of 175,000,000 0.01% compulsory convertible cumulative preference shares of ₹ 10 each, fully paid up | - | - | - | - | 1,15,13,158.00 |
| (iii) Equity shares of ₹ 10 each, fully paid up, allotted pursuant to the amalgamation scheme with Madura Garments Lifestyle Retail Company Limited (MGLRCL). | - | - | - | - | - |
| (iv) Equity shares of ₹ 10 each, fully paid up, allotted pursuant to the Demerger of transaction business of Aditya Birla Capital Technology Services Limited, ABCTSL (formerly known as Aditya Birla My Universe Limited, ABMUL) | - | 58,55,625.00 | - | - | - |

Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates:

| Name of Share holder | As at 31 March, 2021 | | As at 31 March, 2020 | |
|---|----------------------|------------|----------------------|------------|
| | Number | ₹ In lakhs | Number | ₹ In lakhs |
| Aditya Birla Capital Limited, holding company | 66,21,00,762 | 66,210.08 | 66,21,00,762 | 66,210.08 |
| | 66,21,00,762 | 66,210.08 | 66,21,00,762 | 66,210.08 |

Details of shareholders holding more than 5% shares in the Company:

| Particulars | As at 31 March, 2021 | | As at 31 March, 2020 | |
|---|----------------------|-----------------------------------|----------------------|-----------------------------------|
| | Number | % of total paid-up equity capital | Number | % of total paid-up equity capital |
| Aditya Birla Capital Limited, holding company | 66,21,00,762 | 100% | 66,21,00,762 | 100% |

NBFC's objectives, policies and processes for managing capital:
For above disclosures Refer Note 49.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 30: Other equity

| | |
|--|-------------|
| Securities Premium Account | |
| As at 1 April, 2019 | 3,63,738.29 |
| Add: Additions during the year | - |
| As at 31 March, 2020 | 3,63,738.29 |
| Add: Additions during the year | - |
| As at 31 March, 2021 | 3,63,738.29 |
| Special Reserve pursuant to Section 45-IC of the RBI Act, 1934 | |
| As at 1 April, 2019 | 66,187.79 |
| Add: Transfer from surplus balance in the Statement of Profit and Loss | 16,420.21 |
| As at 31 March, 2020 | 82,608.00 |
| Add: Transfer from surplus balance in the Statement of Profit and Loss | 15,376.64 |
| As at 31 March, 2021 | 97,984.64 |
| Capital Reserve | |
| As at 1 April, 2019 | (10,452.11) |
| Add: Other Additions/ Deductions during the year | - |
| As at 31 March, 2020 | (10,452.11) |
| Add: Other Additions/ Deductions during the year | - |
| As at 31 March, 2021 | (10,452.11) |
| Capital Redemption Reserve | |
| As at 1 April, 2019 | - |
| Add: Transfer from surplus balance in the Statement of Profit and Loss | 1,000.00 |
| As at 31 March, 2020 | 1,000.00 |
| Add: Transfer from surplus balance in the Statement of Profit and Loss | - |
| As at 31 March, 2021 | 1,000.00 |
| General Reserve | |
| As at 1 April, 2019 | 13,660.95 |
| Add: Amount transferred from surplus in the statement of profit and loss | - |
| As at 31 March, 2020 | 13,660.95 |
| Add: Amount transferred from surplus in the statement of profit and loss | - |
| As at 31 March, 2021 | 13,660.95 |
| Surplus in Statement of Profit and Loss | |
| As at 1 April, 2019 | 2,29,237.04 |
| Add: Profit for the year | 80,494.60 |
| Less: Appropriations | |
| IND AS 116 Impact - Transition reserve | (629.04) |
| Re-measurement reserves on defined benefit plans | (319.09) |
| Transfer to Capital Redemption Reserve | (1,000.00) |
| ABMUL Reserves (Refer note 44) | 792.81 |
| Transfer to Special Reserve | (16,420.21) |
| Total appropriations | (17,575.53) |
| As at 31 March, 2020 | 2,92,156.11 |
| Add: Profit for the year | 76,883.21 |
| Less: Appropriations | |
| Re-measurement reserves on defined benefit plans | 328.95 |
| Transfer to Special Reserve | (15,376.64) |
| Total appropriations | (15,047.69) |
| As at 31 March, 2021 | 3,53,991.63 |



Other Comprehensive Income

| | |
|---|--------------------|
| As at 1 April, 2019 | 138.33 |
| Add: Additions / (Deletions) during the year | (10.39) |
| Add: Fair Value change on derivatives designated as cash flow hedge | (1,234.22) |
| As at 31 March, 2020 | (1,106.28) |
| Add: Additions / (Deletions) during the year | 26.46 |
| Add: Fair Value change on derivatives designated as cash flow hedge | (1,265.72) |
| As at 31 March, 2021 | (2,345.54) |
| Total other equity | |
| As at 1 April, 2019 | 6,62,510.29 |
| As at 31 March, 2020 | 7,41,604.96 |
| As at 31 March, 2021 | 8,17,577.86 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021

Note 31: Nature and purpose of reserve

Securities Premium Reserve: Security premium reserve is used to record the premium on the issue of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

Special Reserve: Special reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act"). Appropriation from this Reserve Fund is permitted only for the purposes specified by RBI.

Capital Reserve: Capital reserve refers to difference on account of net assets taken over and purchase consideration paid for merger of wealth management undertaking of Aditya Birla Money Mart Limited with the Company and the difference on account of net assets taken over and purchase consideration paid for merger of transaction business of Aditya Birla Capital Technology Services Limited, ABCTSL (formerly known as Aditya Birla My Universe Limited, ABMUL) undertaking with the Company.

General Reserve: This reserve is created on account of merger. As per court order, this reserve can be utilised for distribution of dividends.

FVTOCI Investments : The Company has elected to recognise changes in the fair value of certain instruments in equity securities and debt instruments in other comprehensive income. These changes are accumulated with the FVTOCI reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are de-recognised.

Retained Earnings: Retained earnings refer to the percentage of net earnings not paid out as dividends, but retained by the Company to be reinvested in its core business, or to pay debts.

Cash flow hedge reserve : The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated on borrowings. For hedging foreign currency and interest rate risk, the Company uses foreign currency forward contracts and cross currency interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to the statement of profit or loss when the hedged item affects profit or loss (e.g. interest payments).

Capital Redemption reserve : Preference shares of ₹ 10 Crore were redeemed at the Board meeting held on January 30, 2020. As per the provisions of Companies Act, 2013, the preference shares were redeemed out of the profits of the company and therefore a sum equivalent to the nominal amount of shares redeemed were transferred to capital redemption reserve.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 32: Interest Income

| Particulars | For the year ended 31 March, 2021 | | | | For the year ended 31 March, 2020 | | | |
|----------------------------------|--|--|---|--------------------|--|--|---|--------------------|
| | On Financial Assets measured at FVTOCI | On Financial Assets measured at Amortised cost | On Financial Assets classified at FVTPL | Total | On Financial Assets measured at FVTOCI | On Financial Assets measured at Amortised cost | On Financial Assets classified at FVTPL | Total |
| Interest on Loans | - | 5,22,908.44 | - | 5,22,908.44 | - | 5,65,995.81 | - | 5,65,995.81 |
| Interest Income from Investments | - | - | 5,430.12 | 5,430.12 | - | - | 6,710.84 | 6,710.84 |
| Total | - | 5,22,908.44 | 5,430.12 | 5,28,338.56 | - | 5,65,995.81 | 6,710.84 | 5,72,706.65 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 33: Dividend income

| | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 |
|--|--------------------------------------|--------------------------------------|
| Dividend from Long Term Investment (FVTPL) | 284.75 | 1,924.97 |
| Total | 284.75 | 1,924.97 |

Note 34: Fees and commission income

| | | |
|----------------------------------|------------------|------------------|
| Syndication and Other Fee Income | 10,233.53 | 11,646.66 |
| Brokerage and Commission Income | 5,018.11 | 4,714.72 |
| Total | 15,251.64 | 16,361.38 |

Note 35: Net gain on fair value changes

Net gain/ (loss) on financial instruments at fair value

On Trading portfolio

| | | |
|----------------------|-----------------|------------------|
| - Investments | 2,106.25 | 3,577.55 |
| - Bonds/Mutual Funds | 5,170.78 | 13,071.91 |
| Total | 7,277.03 | 16,649.46 |

Fair Value changes:

| | | |
|--------------|-----------------|------------------|
| - Realised | 7,284.37 | 18,158.79 |
| - Unrealised | (7.34) | (1,509.33) |
| Total | 7,277.03 | 16,649.46 |

Note 36: Other Income

| | | |
|---|-----------------|-----------------|
| Sundry Balance Written Back | - | 376.50 |
| Miscellaneous Income (Income tax refund and other income) | 1,561.01 | 721.22 |
| Other Interest Income-Security Deposit on Amortised Cost | 83.27 | 196.58 |
| Profit on sale of fixed assets (net) | - | 1.77 |
| Total | 1,644.28 | 1,296.07 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 37: Finance Costs

| Particulars | For the year ended 31 March, 2021 | | For the year ended 31 March, 2020 | |
|---------------------------------------|--|---|--|---|
| | On Financial liabilities measured at fair value through profit or loss | On Financial liabilities measured at Amortised Cost | On Financial liabilities measured at fair value through profit or loss | On Financial liabilities measured at Amortised Cost |
| Debit Securities | - | 1,24,222.64 | - | 1,77,003.64 |
| Borrowings Other than Debt Securities | - | 1,57,423.46 | - | 1,65,646.02 |
| Subordinated Liabilities | - | 18,330.36 | - | 17,143.30 |
| Finance cost on lease liability | - | 897.27 | - | 724.94 |
| Others | - | 1,116.80 | - | 294.50 |
| Total | - | 3,01,990.53 | - | 3,60,812.40 |

Note 38: Impairment on financial instruments

The below table show impairment loss on financial instruments charge to statement of profit and loss based on category of financial instrument :

| Particulars | For the year ended 31 March, 2021 | | For the year ended 31 March, 2020 | |
|--|---|---|---|---|
| | On Financial instruments measured at Fair Value through OCI | On Financial instruments measured at Amortised cost | On Financial instruments measured at Fair Value through OCI | On Financial instruments measured at Amortised cost |
| Bad debts/Advances Written off (net of recoveries) | - | 54,249.13 | - | 33,577.95 |
| Loans | - | 13,965.51 | - | 37,043.21 |
| Trade Receivable | - | (37.13) | - | 85.84 |
| Total | - | 68,177.51 | - | 70,707.00 |



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Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 39: Employee benefit expenses

| Particulars | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 |
|-----------------------------------|--------------------------------------|--------------------------------------|
| Salaries and Wages | 42,073.39 | 37,005.57 |
| Contribution to Provident Funds | 1,483.37 | 1,348.04 |
| Contribution to Gratuity Funds | 725.42 | 449.83 |
| Share based payments to Employees | 183.71 | 715.86 |
| Staff welfare expenses | 426.40 | 961.22 |
| Total | 44,892.29 | 40,480.52 |

Note 40: Depreciation, amortization and impairment

| | | |
|---|-----------------|-----------------|
| Depreciation of tangible assets | 892.55 | 959.84 |
| Amortization of Intangible assets | 2,332.16 | 2,065.01 |
| Depreciation and amortisation on lease assets | 2,625.34 | 1,951.79 |
| Total | 5,850.05 | 4,976.64 |

Note 41: Other expenses

| | | |
|--|------------------|------------------|
| Rent | 1,219.05 | 1,977.12 |
| Repairs and maintenance | | |
| - Plant and machinery | 16.58 | 14.78 |
| - Others | 3,124.62 | 2,445.56 |
| Communication costs | 698.89 | 653.93 |
| Printing and stationery | 206.78 | 438.39 |
| Advertisement and publicity | 265.69 | 179.87 |
| Directors' fees, allowances and expenses | 29.21 | 28.13 |
| Auditor's fees and expenses | 126.49 | 239.16 |
| Legal and professional charges | 7,534.14 | 6,296.90 |
| Insurance | 2,239.88 | 615.38 |
| Business Support Expenses | 3,103.01 | 3,358.38 |
| Travelling and conveyance | 1,057.42 | 1,878.12 |
| Water and Electricity expenses | 351.56 | 364.71 |
| Rates and taxes | 147.96 | 276.21 |
| Contract Service Charges | 863.51 | 646.02 |
| Information Technology Expenses | 1,650.74 | 1,369.82 |
| Business/ Sales Promotion Expenses | 474.47 | 213.35 |
| Postage Expenses | 125.93 | 138.16 |
| Bank charges | 164.94 | 873.03 |
| Brokerage and Commission | 141.73 | 161.23 |
| Corporate Social Responsibility (CSR) Expenses | 2,195.00 | 2,153.80 |
| Sub-Brokerage and Fees | 337.90 | 365.96 |
| Recruitment Expenses | 112.38 | 298.40 |
| Loss on sale of fixed assets (net) | 95.94 | - |
| Miscellaneous expenses | 2,460.83 | 1,684.83 |
| Total | 28,744.65 | 26,671.24 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

| Auditor's Fees and Expenses | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 |
|---|--|--|
| As auditor: | | |
| For Statutory Audit (Including Limited Review, Internal Control Financial | 107.36 | 78.47 |
| Tax audit | 6.54 | 6.66 |
| In any other capacity | | |
| For Other Services (Including Certification, Agreed upon procedures and other services)* | 12.59 | 142.73 |
| For Reimbursement of Expenses | - | 11.30 |
| Total | 126.49 | 239.16 |

*Includes fees paid to predecessor auditor.

| Details of CSR Expenditure | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 |
|---|--|--|
| a) Gross amount required to be spent by the Company during the year | 2,195.00 | 2,149.80 |
| b) Amount spent during the year- | | |
| i) Construction/acquisition of any asset | - | - |
| ii) On purpose other than (i) above | 2,195.00 | 2,153.80 |
| Total | 2,195.00 | 2,153.80 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 42: Income Tax

The components of income tax expense are as under:

| Particulars | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 |
|--|-----------------------------------|-----------------------------------|
| Current tax | 28,600.00 | 29,136.44 |
| Adjustment in respect of current Income tax of prior years | (693.82) | (547.30) |
| Deferred tax relating to origination and reversal of temporary differences | (1,648.16) | (3,793.01) |
| Total tax charge | 26,258.02 | 24,796.13 |
| Current tax | 27,906.18 | 28,589.14 |
| Deferred tax | (1,648.16) | (3,793.01) |

OCI section - Deferred tax related to Items recognised in OCI are as under:

| Particulars | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 |
|--|-----------------------------------|-----------------------------------|
| Net loss/(gain) on remeasurements | (306.16) | (525.44) |
| Income tax expense charged to OCI | (306.16) | (525.44) |

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended 31 March, 2021 and 31 March, 2020 are as follows:

| Particulars | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 |
|--|-----------------------------------|-----------------------------------|
| Accounting profit before tax | 1,03,141.23 | 1,05,290.73 |
| At India's statutory income tax rate of 25.168% (As at 31 March 2020 - 25.168%) | 25,958.58 | 26,499.58 |
| Adjustment in respect of current Income tax & deferred tax of prior years | (134.81) | (547.30) |
| Differences other than temporary in nature on account of tax benefits and others | 434.25 | (866.09) |
| Income not subject to tax i.e. exempt income | - | (290.06) |
| Income tax expense reported in the statement of profit and loss | 26,258.02 | 24,796.13 |
| Effective income tax rate for the year | 25.46% | 23.55% |

Deferred Tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense:

| Particulars | Deferred Tax Assets | Deferred Tax Liabilities | Income Statement | OCI | Transition Reserve |
|--|---------------------|--------------------------|-------------------|-----------------|--------------------|
| | 31 March 2021 | 31 March 2021 | 31 March 2021 | 31 March 2021 | 31 March 2021 |
| Expected Credit Loss Allowances | 21,357.29 | - | (10,310.33) | - | - |
| Employee benefit provisions and other provisions | 3,819.65 | - | 9,004.81 | (306.16) | - |
| Depreciation | 836.37 | - | (342.64) | - | - |
| Total | 26,013.31 | - | (1,648.16) | (306.16) | - |
| Net | 26,013.31 | - | - | - | - |

| Particulars | Deferred Tax Assets | Deferred Tax Liabilities | Income Statement | OCI | Transition Reserve |
|--|---------------------|--------------------------|-------------------|-----------------|--------------------|
| | 31 March 2020 | 31 March 2020 | 31 March 2020 | 31 March 2020 | 31 March 2020 |
| Expected Credit Loss Allowances | 11,046.96 | - | (472.99) | - | - |
| Employee benefit provisions and other provisions | 12,518.30 | - | (2,947.27) | (525.44) | (211.56) |
| Depreciation | 493.73 | - | (372.75) | - | - |
| Total | 24,058.99 | - | (3,793.01) | (525.44) | (211.56) |
| Net | 24,058.99 | - | - | - | - |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 43: Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

| Particulars | For the year ended 31 | For the year ended 31 |
|--|-----------------------|-----------------------|
| | March, 2021 | March, 2020 |
| Net Profit after Tax | 76,883.21 | 80,494.60 |
| Less: Interest on Financial Liabilities (including taxes) | - | - |
| Net Profit after Tax available for equity shareholders | 76,883.21 | 80,494.60 |
| Weighted average number of ordinary shares for basic and diluted earnings per share | 66,21,00,822 | 66,21,00,822 |
| Earnings per share | | |
| Basic earnings per share (₹) | 11.61 | 12.16 |
| Diluted earnings per share (₹) | 11.61 | 12.16 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2023
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Notes 44: Retirement benefit plan

Defined Contribution Plan

The Company makes Provident Fund, Pension Fund, Superannuation Fund, Employee State Insurance Scheme, Maharashtra Labour Welfare Fund, and National Pension Scheme contributions which are defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

| Particulars | 31 March, 2021 | 31 March, 2020 |
|--|----------------|----------------|
| (i) Contribution to Government Employees Provident Fund | 1,074.92 | 1,196.28 |
| (ii) Contribution to Government Employees Pension Fund | 316.54 | 58.00 |
| (iii) Contribution to Superannuation Fund | - | - |
| (iv) Contribution to Employees State Insurance Corporation | 2.32 | 5.24 |
| (v) Contribution to Maharashtra Labour Welfare Fund | 0.84 | 0.53 |
| (vi) Contribution to National Pension Scheme | 88.75 | 87.99 |

Defined Benefit Plan

The Company has a defined benefit gratuity plan (funded). The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and last drawn salary. The fund is managed by Aditya Birla Sun Life Insurance Company Limited.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.

Changes in the defined benefit obligation and fair value of plan assets as at 31 March, 2021 are as under:

| | Gratuity cost charged to profit or loss | | | | Remeasurement gains/(losses) in other comprehensive income | | | | Transfer In/out | 31 March, 2021 |
|----------------------------|---|--------------|----------------------|--------------------------------------|--|---|---|---------------------|---------------------------|----------------|
| | 1 April, 2020 | Service cost | Net interest expense | Sub-total included in profit or loss | Return on plan assets (excluding amounts included in net interest expense) | Actuarial changes arising from changes in demographic assumptions | Actuarial changes arising from changes in financial assumptions | Experience variance | Sub-total included in OCI | 31 March, 2020 |
| Defined benefit obligation | (2,657.24) | (586.04) | (171.27) | (757.31) | - | (16.91) | - | 175.99 | 159.08 | (3,085.29) |
| Fair value of plan assets | 1,789.54 | - | 115.34 | 115.34 | 197.06 | - | - | - | 197.06 | 1,931.76 |
| Benefit / (Liability) | (867.70) | (586.04) | (55.93) | (641.57) | 197.06 | (16.91) | - | 175.99 | 356.14 | (1,153.53) |

Changes in the defined benefit obligation and fair value of plan assets as at 31 March, 2020 are as under:

| | Gratuity cost charged to profit or loss | | | | Remeasurement gains/(losses) in other comprehensive income | | | | Transfer In/out | 31 March, 2020 |
|----------------------------|---|--------------|----------------------|--------------------------------------|--|---|---|---------------------|---------------------------|----------------|
| | 1 April, 2019 | Service cost | Net interest expense | Sub-total included in profit or loss | Return on plan assets (excluding amounts included in net interest expense) | Actuarial changes arising from changes in demographic assumptions | Actuarial changes arising from changes in financial assumptions | Experience variance | Sub-total included in OCI | 31 March, 2020 |
| Defined benefit obligation | (1,847.12) | (480.67) | (138.87) | (619.54) | - | 1.15 | (297.53) | (3.25) | (299.63) | (2,657.24) |
| Fair value of plan assets | 1,316.58 | - | 99.61 | 99.61 | (56.22) | - | - | - | (56.22) | 1,789.54 |
| Benefit / (Liability) | (530.54) | (480.67) | (39.26) | (519.93) | (56.22) | 1.15 | (297.53) | (3.25) | (355.85) | (867.70) |



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Notes to the Financial Statements (continued)
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(Currency: ₹ in Lakhs except otherwise stated)

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

| | 31 March, 2021 | 31 March, 2020 |
|---|--|--|
| Expected return on Plan assets | 6.30% | 6.45% |
| Discount Rate | 6.30% | 6.45% |
| Salary Escalation Rate | 7.00% | 7.00% |
| Retirement age | 60 years | 60 years |
| Mortality rate | Indian Assured Lives mortality (2012-14) | Indian Assured Lives mortality (2012-14) |
| Attrition / Withdrawal rates, based on age: (per annum) | | |
| Up to 30 years | 14.00% | 14.00% |
| 31 - 40 years | 12.60% | 12.60% |
| 41 - 50 years | 5.60% | 5.60% |
| Above 50 years | 2.80% | 2.80% |

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields as at Balance Sheet date.

Disaggregation of plan assets:

| | 31 March, 2021 | 31 March, 2020 |
|--|-----------------|-----------------|
| Unquoted investments: | | |
| Insurer managed funds (Investments with Aditya Birla Sun Life Insurance Company Limited) | 1,931.76 | 1,789.54 |
| Total | 1,931.76 | 1,789.54 |

A quantitative sensitivity analysis for significant assumption is as shown below:

| Assumptions | Discount rate | | Salary | |
|---|---------------|---------------|---------------|---------------|
| Sensitivity level | 0.5% Increase | 0.5% decrease | 0.5% Increase | 0.5% decrease |
| Impact on defined benefit obligation - (31 March, 2021) | 2,922.18 | 3,762.10 | 3,760.22 | 2,922.33 |
| Impact on defined benefit obligation - (31 March, 2020) | 2,515.71 | 2,810.77 | 2,809.43 | 2,515.57 |

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the year.

The following payments are expected contributions to the defined benefit plan in future years:

| | 31 March, 2021 | 31 March, 2020 |
|--|-----------------|-----------------|
| Expected payment for future years | 168.22 | 170.19 |
| Within the next 12 months (next annual reporting period) | | |
| Between 2 and 5 years | 757.61 | 551.19 |
| Between 6 and 9 years | 937.20 | 861.64 |
| 10 years and above | 5,114.43 | 4,614.01 |
| Total expected payments | 6,977.46 | 6,197.03 |

The Company expects to contribute ₹ 1,815.77 lakhs (31 March, 2020 : ₹ 1,474.80 lakhs) to the fund in the next financial year. The weighted average duration of the defined benefit obligation as at 31 March, 2021 is 11 years (31 March, 2020: 11 years).

Other Long Term Incentive Benefits

Liability for the scheme is determined based on actuarial valuations.

Employee Stock Option Plan (ESOP) by Aditya Birla Capital Limited

Pursuant to ESOP Plan being established by the holding company (i.e. Aditya Birla Capital Limited), stock options were granted to the employees of the Company. Total cost incurred by the holding company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of ₹ 183.71 lakhs (31st March, 2020 ₹ 715.86 lakhs) has been recovered from the Company during the year, which has been charged to the Statement of Profit and Loss. The balance sum of ₹ 234.42 lakhs will be recovered in future periods.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
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(Currency: ₹ in Lakhs except otherwise stated)

Note 45: Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations.

| Particulars | 31 March, 2021 | | | 31 March, 2020 | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Within 12 months | After 12 months | Total | Within 12 months | After 12 months | Total |
| Assets | | | | | | |
| Financial assets | | | | | | |
| Cash and cash equivalents | 1,51,098.56 | - | 1,51,098.56 | 1,82,042.53 | - | 1,82,042.53 |
| Bank balance other than cash and cash equivalents | 1,913.09 | - | 1,913.09 | - | - | - |
| Derivative financial instruments | - | - | - | - | 5,408.39 | 5,408.39 |
| Trade and Other Receivables | 998.86 | - | 998.86 | 1,195.36 | - | 1,195.36 |
| Loans* | 13,84,447.07 | 33,75,296.30 | 47,59,743.37 | 13,17,974.53 | 32,80,560.92 | 45,98,535.45 |
| Investments | 72,313.21 | 6,977.69 | 79,290.90 | 3,24,818.41 | 9,421.76 | 3,34,240.17 |
| Other financial assets | 3,053.68 | 2,064.27 | 5,117.95 | 3,357.71 | 983.46 | 4,341.17 |
| Non-financial Assets | | | | | | |
| Current tax asset (net) | - | 23,971.65 | 23,971.65 | - | 23,364.88 | 23,364.88 |
| Deferred tax assets (net) | - | 26,013.31 | 26,013.31 | - | 24,058.99 | 24,058.99 |
| Property, plant and equipments | - | 1,465.80 | 1,465.80 | - | 1,953.20 | 1,953.20 |
| Intangible assets under development | - | 1,197.92 | 1,197.92 | - | 4,898.29 | 4,898.29 |
| Other intangible assets | - | 7,149.74 | 7,149.74 | - | 2,481.14 | 2,481.14 |
| Right of use Lease Assets | - | 9,405.31 | 9,405.31 | - | 8,069.45 | 8,069.45 |
| Other non financial assets | 5,631.90 | 2,518.64 | 8,150.54 | 8,242.97 | 1,120.30 | 9,363.27 |
| Total assets | 16,19,456.37 | 34,56,060.63 | 50,75,517.00 | 18,37,631.51 | 33,62,320.78 | 51,99,952.29 |
| Liabilities | | | | | | |
| Financial Liabilities | | | | | | |
| Derivative financial instruments | - | 3,063.81 | 3,063.81 | - | 0.40 | 0.40 |
| Trade payables | 11,172.31 | - | 11,172.31 | 10,466.94 | - | 10,466.94 |
| Debt Securities | 7,35,990.46 | 9,21,884.58 | 16,57,875.04 | 8,18,326.72 | 9,68,596.21 | 17,86,922.93 |
| Borrowings (other than debt security) | 8,19,854.00 | 14,25,606.08 | 22,45,460.08 | 6,66,730.01 | 16,81,733.84 | 23,48,463.85 |
| Subordinated Liabilities | 12,549.97 | 2,05,633.29 | 2,18,183.26 | 10,776.03 | 1,99,366.06 | 2,10,142.09 |
| Lease liabilities | 2,485.83 | 7,738.81 | 10,224.64 | 2,389.40 | 6,520.51 | 8,909.91 |
| Other Financial liabilities | 31,157.54 | - | 31,157.54 | 11,403.74 | - | 11,403.74 |
| Non-financial Liabilities | | | | | | |
| Current tax liabilities (net) | 1,466.63 | - | 1,466.63 | 2,825.65 | - | 2,825.65 |
| Provisions ** | 8,062.51 | - | 8,062.51 | 9,294.83 | 408.73 | 9,703.56 |
| Other non-financial liabilities | 5,063.23 | - | 5,063.23 | 3,298.18 | - | 3,298.18 |
| Total Liabilities | 16,27,802.48 | 25,63,926.57 | 41,91,729.05 | 15,35,511.50 | 28,56,625.75 | 43,92,137.25 |

* Stage 3 loans have been considered in after 12 months bucket.

** The amount of provision in the after 12 months bucket is based on the estimate of actual payment.

Note: Classification of assets and liabilities under the different maturity buckets is based on the certain estimates and assumptions as used by the company which has been relied upon by the auditors.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 46: Change in liabilities arising from financing activities

| Particulars | As at 31 March, 2020 | Cash Flows (Net) | Other(Non- Cash) | As at 31 March, 2021 |
|--|-------------------------|----------------------|---------------------|-------------------------|
| Debt Securities | 17,86,922.93 | (1,03,199.13) | (25,848.76) | 16,57,875.04 |
| Borrowings other than debt securities | 23,48,463.85 | (92,908.08) | (10,095.69) | 22,45,460.08 |
| Subordinate Liabilities | 2,10,142.09 | 8,000.00 | 41.17 | 2,18,183.26 |
| Total liabilities from financing activities | 43,45,528.87 | (1,88,107.21) | (35,903.28) | 41,21,518.38 |

| Particulars | As at 31 March, 2019 | Cash Flows (Net) | Other(Non- Cash) | As at 31 March, 2020 |
|--|-------------------------|----------------------|---------------------|-------------------------|
| Debt Securities | 22,64,856.32 | (5,11,549.24) | 33,615.85 | 17,86,922.93 |
| Borrowings other than debt securities | 19,83,278.15 | 3,56,726.42 | 8,459.28 | 23,48,463.85 |
| Subordinate Liabilities | 2,04,455.47 | 4,007.35 | 1,679.27 | 2,10,142.09 |
| Total liabilities from financing activities | 44,52,589.94 | (1,50,815.47) | 43,754.40 | 43,45,528.87 |

Note : The above amounts are including interest accrued but not due.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 47: Contingent liabilities, commitments and leasing arrangements

(A) Contingent Liabilities

| Particulars | As at 31 March, 2021 | As at 31 March, 2020 |
|---|----------------------|----------------------|
| Disputed Income Tax Liability* | 4,860.34 | 5,012.08 |
| Disputed Service Tax Liability** | 131.49 | 131.49 |
| Claims against the Company not acknowledged as debts*** | 638.00 | 512.00 |
| Corporate guarantees, Overdraft, Letter of credit & Letter of comfort given by the Company on behalf of the clients**** | 3,148.60 | 4,091.02 |
| Total | 8,778.43 | 9,746.59 |

*** Disputed Income Tax Liability**

| Particulars | As at 31 March, 2021 | As at 31 March, 2020 |
|--|----------------------|----------------------|
| Disallowances of Depreciation on Intangibles, Disallowance of Expenses, Disallowance under Section 14A, Disallowance of Dividend under Section 10(33), Disallowance of PF ESIC Cenvat Credit | 607.65 | 232.48 |
| Disallowances of exceptional losses of Wealth Business | 3,234.12 | 3,234.12 |
| Interest on Non Performing Assets (NPA) | 1,018.57 | 1,545.48 |
| Total | 4,860.34 | 5,012.08 |

** (ii) Show Cause cum demand Notice No. ST/Audit-III/P-3/Gr-7/Aditya Birla/SCN/2016 dated 09 May, 2017 was issued to the Company demanding Service Tax of ₹ 69.84 lakhs on penal/ default interest.

** (iii) Show Cause cum demand Notice No. 20/GST/ME/Aditya Birla/ADC/2018-19 dated 26 July, 2018 was issued to the Company demanding Service Tax of ₹ 61.65 lakhs on penal interest.

*** The claims against the Company comprise of the following :

- (i) Two of the Company customer have filed the Claim Petition as per High Court Order dated 27 October, 2009 for an amount of ₹ 512 lakhs (31 March 2020: ₹ 512.00 lakhs) along with damages with interest. The matter is pending before Arbitrator.
- (ii) In one of the cases, the Company has challenged before the Bombay High Court, the order of NCLT Mumbai which directed company to pay liquidation cost of ₹ 91 lakhs. Accordingly, the Company has deposited ₹ 91 lakhs as per the Bombay High Court's direction till the outcome of the final hearing is decided. The matter is still pending.
- (iii) In view of the pending case mentioned in point (ii) above, the Company has decided to not pay liquidation cost of ₹ 35 lakhs in another case where the Company has successfully sold the secured assets of the customer which is undergoing liquidation.

**** Represents the limit utilized by client of the Guarantee / Overdraft / Letter of Credit and Letter of Comfort given by the Company.

(B) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) on account of property, plant and equipment Rs. 46.82 Lakh (31 March, 2020: Rs. 112.69 Lakh) and on account of intangible assets Rs. 662.89 Lakh (31 March, 2020: Rs. 921.20 Lakh).

Undisbursed commitments where the Company does not have an unconditional rights to cancel the undrawn/un-availed/unused portion of the loan at any time during the subsistence of the loan ₹ Nil.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 47: Contingent liabilities, commitments and leasing arrangements (Continued)

(C) Lease Disclosures

(i) Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021:

| Particulars | Amount |
|---|-----------|
| Gross Carrying Value | |
| Balance as at 1st April, 2019 | 8,562.96 |
| Additions | 1,432.23 |
| Deferred Rent Lease Expense | 26.05 |
| Deletion | - |
| Balance as at 31st March, 2020 | 10,021.24 |
| Additions | 5,861.15 |
| Deletion | 1,969.94 |
| Balance as at 31st March, 2021 | 13,912.45 |
| Accumulated Amortisation | |
| As at 1st April, 2019 | - |
| Additions | 1,951.79 |
| Deletion | - |
| Balance as at 31st March, 2020 | 1,951.79 |
| Additions | 2,625.34 |
| Deletion | 69.99 |
| Balance as at 31st March, 2021 | 4,507.14 |
| Net Carrying Value as at 31st March, 2020 | 8,069.45 |
| Net Carrying Value as at 31st March, 2021 | 9,405.31 |

(ii) Amounts recognised in profit and loss for the year ended 31 March, 2021

| Particulars | Year Ended 31st March, 2021 | Year Ended 31st March, 2020 |
|--|--------------------------------|--------------------------------|
| Depreciation expense on right-of-use assets | 2,625.34 | 1,951.79 |
| Interest expense on lease liabilities | 897.27 | 724.94 |
| Expense relating to short-term leases | - | 561.07 |
| Expense relating to leases of low value assets | 1,219.05 | 1,576.32 |
| Income from subleasing right-of-use assets | 297.61 | 284.33 |
| Gains or losses arising from Rent concessions due to Covid-19 Pandemic | 252.02 | - |

(iii) The Maturity analysis of lease liabilities as at 31 March, 2021 :

| Particulars | As at 31st March 2021 | As at 31st March 2020 |
|------------------|-----------------------|-----------------------|
| Within 12 months | 2,485.83 | 2,389.40 |
| After 12 months | 7,738.81 | 6,520.51 |
| Total | 10,224.64 | 8,909.91 |

(iv) The following is the movement in lease liabilities during the year ended March 31, 2021:

| Particulars | As at 31st March 2021 | As at 31st March 2020 |
|--------------------------------------|-----------------------|-----------------------|
| Opening balance | 8,909.91 | 9,423.53 |
| Additions | 5,696.92 | 1,086.51 |
| Surrender of premises | (2,493.58) | - |
| Finance Cost accrued during the year | 897.27 | 724.94 |
| Payment of Lease Liabilities | (2,785.88) | (2,325.07) |
| Closing balance | 10,224.64 | 8,909.91 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

(v) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis:

| Particulars | As at 31st March 2021 | As at 31st March 2020 |
|----------------------|-----------------------|-----------------------|
| Less than one year | 2,577.35 | 2,335.88 |
| One to Five years | 8,107.10 | 6,188.80 |
| More than Five years | 1,818.00 | 2,275.81 |
| Total | 12,502.45 | 10,800.49 |

When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate at 01 April, 2020. The weighted average rate applied ranges between 6.72% p.a. - 7.15 % p.a.

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
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(Currency: ₹ in Lakhs except otherwise stated)

Note 48: Related party disclosures

i) List of Related Parties as per IND AS - 24 with whom transactions have taken place during the year:

(A) Ultimate Holding Company:

Grasim Industries Limited (Ultimate Holding Company)

(B) Holding Company:

Aditya Birla Capital Limited (Holding Company)

(C) Subsidiaries / Fellow Subsidiaries:

Fellow Subsidiaries

Aditya Birla Capital Technology Services Limited, ABCTSL (Formerly Known as Aditya Birla MyUniverse Limited, ABMUL)
Aditya Birla Financial Shared Services Limited (ABFSSL)
Aditya Birla Money Limited (ABML)
Aditya Birla Insurance Brokers Limited (ABIBL)
Aditya Birla Money Mart Limited (ABMML)
Aditya Birla Money Insurance Advisory Services Limited (ABMIASL)
Aditya Birla Sun Life Insurance Company Limited (ABSULCL)
Aditya Birla Sun Life Asset Management Company Limited (ABSAMCL)
Aditya Birla Housing Finance Limited (ABHFL)
Aditya Birla ARC Limited (ABARCL)
Aditya Birla PE Advisors Private Limited (ABPEAPL)
Aditya Birla Health Insurance Company Limited (ABHICL)
Ultratech Cement Limited (UCL)
Aditya Birla Commodities Broking Limited (ABCBL)
ABC SL Employee Trust
Aditya Birla Special Situations Fund - I
Aditya Birla Sun Life Pension Management Limited
Aditya Birla Trustee Company Private Limited
Aditya Birla Sun Life Trustee Private Limited
ABCAP Trustee Company Private Limited
Aditya Birla Wellness Private Limited
Aditya Birla Stressed Asset AMC Private Limited
Aditya Birla Capital Investment Private Limited (Struck off w.e.f 25 Feb 2021)

(D) Other related parties in which Directors of Ultimate Holding Company are interested

Aditya Birla Management Corporation Private Limited

(E) Joint Venture/Associates

Aditya Birla Idea Payments Bank Limited

(F) Key managerial personnel

Mr. Rakesh Singh (CEO upto July 22, 2019 and Managing Director & CEO w.e.f. July 23, 2019)
Mr. Sekhar Mosur (Manager upto July 22, 2019)
Mr. D J Kakalia
Mr. Jitender Balakrishnan
Mr. Ashwani Puri
Ms. Alka Bharucha
Mr. Baldev Raj Gupta
Mr. S C Bhargava



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
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(Currency: ₹ in Lakhs except otherwise stated)
Note 48 Related Party Disclosures (Continued)

II) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:

| Particulars | 31 March, 2021 | 31 March, 2020 |
|--|----------------|----------------|
| Holding Company | | |
| Reimbursement of Administrative expenses | | |
| Aditya Birla Capital Limited | 520.65 | 620.10 |
| Interest expenses | | |
| Aditya Birla Capital Limited | - | 66.45 |
| Reimbursement of Rent expenses | | |
| Aditya Birla Capital Limited | - | 47.36 |
| Reimbursement of Legal and Professional expenses | | |
| Aditya Birla Capital Limited | 140.33 | 148.16 |
| Reimbursement of Employee cost | | |
| Aditya Birla Capital Limited- ESOP | 183.71 | 715.29 |
| Aditya Birla Capital Limited- OCI | (36.01) | 57.87 |
| Aditya Birla Capital Limited | 2,359.38 | 2,443.01 |
| Rent Recovered | | |
| Aditya Birla Capital Limited | 14.94 | - |
| Issue of Equity Share Capital | | |
| Aditya Birla Capital Limited | - | 585.56 |
| Issue of Inter-corporate Deposits (ICD) | | |
| Aditya Birla Capital Limited | - | 1,568.72 |
| Interest on Debentures | | |
| Aditya Birla Capital Limited | 303.80 | 880.44 |
| Redemption of Preference Share Capital | | |
| Aditya Birla Capital Limited | - | 1,000.00 |
| Preference Share Capital Outstanding | | |
| Aditya Birla Capital Limited | - | 66.45 |
| Paid up Equity Share Capital Outstanding (excluding shares pending issuance) | | |
| Aditya Birla Capital Limited | 66,210.08 | 66,210.08 |
| Equity Share Premium Outstanding | | |
| Aditya Birla Capital Limited | 3,21,096.08 | 3,21,096.08 |
| Repayment of ICD | | |
| Aditya Birla Capital Limited | - | 8,754.00 |
| Payable | | |
| Aditya Birla Capital Limited (Debenture) (Long term borrowings) | - | 3,393.19 |
| Aditya Birla Capital Limited (Trade Payables) | 266.63 | 503.85 |
| Statutory Dues (GST) | | |
| Aditya Birla Capital Limited | 53.11 | 236.94 |
| Receivable | | |
| Aditya Birla Capital Limited | 3.52 | 3.52 |
| Remuneration of Key Management Personnel | | |
| Mr. Rakesh Singh (CEO upto July 22, 2019 and Managing Director & CEO w.e.f. July 23, 2019) | 1,192.10 | 1,520.80 |
| Mr. Sekhar Mosur (Manager upto July 22, 2019) | - | 91.66 |
| Fellow Subsidiaries | | |
| Brokerage | | |
| Aditya Birla Money Limited | 29.89 | 142.42 |
| Aditya Birla Money Insurance Advisory Services Limited | 8.50 | - |
| Reimbursement of Administrative expenses | | |
| Aditya Birla Wellness Private Limited | 1.70 | - |
| Aditya Birla Money Limited | 8.03 | 0.53 |
| Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited) | 3.82 | 10.31 |
| Aditya Birla Sun Life Insurance Company Limited | - | 0.43 |
| Aditya Birla Insurance Brokers Limited | 0.15 | - |
| Aditya Birla Financial Shared Services Limited | 1,069.72 | 1,318.32 |
| Aditya Birla Housing Finance Limited | 178.71 | 252.74 |
| Aditya Birla Health Insurance Company Limited | 2.49 | 16.81 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)

for the year ended 31 March, 2021

(Currency: ₹ in Lakhs except otherwise stated)

Note 48 Related Party Disclosures (Continued)

| Particulars | 31 March, 2021 | 31 March, 2020 |
|--|----------------|----------------|
| Payment of Other Services | | |
| Aditya Birla Management Corporation Private Limited | 2,851.08 | 3,085.34 |
| IT Support Expenses | | |
| Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited) | 171.78 | - |
| Custodian Charges Expenses | | |
| Aditya Birla Money Limited | 5.81 | 11.47 |
| Interest expenses | | |
| Aditya Birla Sun Life Insurance Company Limited | 2,671.49 | 2,683.30 |
| Reimbursement of Rent expenses | | |
| Aditya Birla Money Limited | 0.61 | 3.79 |
| Aditya Birla Insurance Brokers Limited | 6.38 | - |
| Aditya Birla Sunlife Asset Management Co Ltd | 3.45 | - |
| Aditya Birla ARC Limited | 1.00 | 14.03 |
| Aditya Birla Sun Life Insurance Company Limited | 25.50 | 282.33 |
| Aditya Birla Sun Life Insurance Company Limited Notional Interest expense | - | 13.24 |
| Aditya Birla Sun Life Insurance Company Limited Operating Lease Expenses | - | 12.73 |
| Aditya Birla Financial Shared Services Limited | - | 18.30 |
| Aditya Birla Housing Finance Limited | 104.54 | 118.49 |
| Reimbursement of Legal and Professional expenses | | |
| Aditya Birla Sunlife Asset Management Company Limited | - | 5.60 |
| Aditya Birla Housing Finance Limited | 26.40 | - |
| Aditya Birla Financial Shared Services Limited | 306.11 | 434.01 |
| Reimbursement of Employee cost | | |
| Aditya Birla Money Limited | 213.53 | 241.16 |
| Aditya Birla Money Mart Ltd | 28.70 | - |
| Aditya Birla Health Insurance Co Ltd | 0.39 | - |
| Aditya Birla Money Insurance Advisory Services Limited | 0.04 | 18.83 |
| Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited) | 10.06 | 1.45 |
| Aditya Birla ARC Limited | 19.67 | 9.36 |
| Aditya Birla Stressed Asset AMC Pvt Ltd | - | 13.96 |
| Aditya Birla Financial Shared Services Limited | 422.33 | 611.20 |
| Aditya Birla Financial Shared Services Limited - Other Comprehensive Income (OCI) | (47.44) | 12.21 |
| Aditya Birla Housing Finance Limited | 72.52 | 32.09 |
| Aditya Birla Sunlife Insurance Company Limited | 6.43 | 0.46 |
| Aditya Birla Sunlife Asset Management Company Limited | 2.03 | 9.73 |
| Insurance Premium Paid | | |
| Aditya Birla Health Insurance Company Limited | 30.05 | 36.00 |
| ESOP Expenses | | |
| Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited) | - | 0.57 |
| Director Sitting fees | | |
| Mr. D J Kakalia | 6.40 | 5.80 |
| Mr. Jitender Balakrishnan | 4.60 | 4.30 |
| Mr. Ashwani Puri | 5.60 | 4.85 |
| Ms. Alka Bharucha | 3.00 | 1.00 |
| Mr. S C Bhargava | 3.70 | 2.50 |
| Mr. Baldev Raj Gupta | 3.50 | 2.50 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)
Note 48 Related Party Disclosures (Continued)

| Particulars | 31 March, 2021 | 31 March, 2020 |
|--|----------------|----------------|
| Employee cost recovered | | |
| Aditya Birla Money Limited | 28.63 | - |
| Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited) | - | 6.93 |
| Aditya Birla ARC Limited | - | 114.48 |
| Aditya Birla Sun Life Insurance Company Limited | 10.70 | 32.09 |
| Aditya Birla Sunlife Asset Management Company Limited | 4.89 | 3.03 |
| Aditya Birla Management Corporation Private Limited | 5.50 | 1.53 |
| Aditya Birla Housing Finance Limited | 802.21 | 954.78 |
| Aditya Birla Insurance Brokers Limited | - | 1.59 |
| Aditya Birla Health Insurance Company Limited | 1.26 | - |
| Aditya Birla Financial Shared Services Limited | - | 21.34 |
| Referral Fees Income | | |
| Aditya Birla Money Limited | 17.50 | 45.45 |
| Legal and Professional expenses recovered | | |
| Aditya Birla Financial Shared Services Limited | - | 63.02 |
| Aditya Birla Housing Finance Limited | - | 4.50 |
| Brokerage Income | | |
| Aditya Birla Money Limited | 383.66 | 220.34 |
| Aditya Birla Housing Finance Limited | - | 6.26 |
| Aditya Birla Sunlife Asset Management Company Limited | 75.10 | 40.97 |
| Rent recovered | | |
| Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited) | 1.94 | - |
| Aditya Birla Money Insurance Advisory Services Limited | 6.07 | 19.85 |
| Aditya Birla Insurance Brokers Limited | 42.27 | 8.24 |
| Aditya Birla Sunlife Asset Management Company Limited. | 3.59 | 72.94 |
| Aditya Birla Money Mart Limited | - | - |
| Aditya Birla Housing Finance Limited | 245.65 | 174.73 |
| Advertisement Income | | |
| Aditya Birla Sunlife Insurance Company Limited. | - | 50.00 |
| Administrative Expenses Recovered | | |
| Aditya Birla Money Insurance Advisory Services Limited | 6.98 | 13.14 |
| Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited) | 0.59 | 5.65 |
| Aditya Birla Financial Shared Services Limited | 228.71 | 1.27 |
| Aditya Birla Housing Finance Limited | 214.93 | 224.16 |
| Sale of assets | | |
| Aditya Birla ARC Limited | 3.33 | 4.91 |
| Aditya Birla Money Mart Ltd | 5.42 | - |
| Aditya Birla Stressed Asset AMC Pvt Ltd | 0.56 | - |
| Aditya Birla Housing Finance Limited | - | 7.17 |
| Purchase of assets | | |
| Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited) | 26.57 | - |
| Aditya Birla Management Corporation Private Limited | 0.62 | 0.25 |
| Aditya Birla Housing Finance Limited | 1.91 | 4.02 |
| Aditya Birla Sun Life Insurance Company Limited | 0.64 | 4.78 |
| Redemption of NCDs | | |
| Aditya Birla Sun Life Insurance Company Limited | - | 1,500.00 |
| Investment in fund made | | |
| Aditya Birla Special Situations Fund - I | 11.64 | 21.74 |
| Redemption from Investment | | |
| Aditya Birla Special Situations Fund - I | 2.05 | 15.49 |
| Prepaid Expenses | | |
| Aditya Birla Health Insurance Company Limited | - | 115.97 |
| Aditya Birla Capital Technology Services Limited | 2.46 | - |
| Aditya Birla Financial Shared Services Limited | 34.24 | 46.40 |
| Redeemable NCDs | | |
| Aditya Birla Sun Life Insurance Company Limited | 29,482.85 | 29,479.96 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
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(Currency: ₹ in Lakhs except otherwise stated)
Note 48 Related Party Disclosures (Continued)

| Particulars | 31 March, 2021 | 31 March, 2020 |
|--|----------------|----------------|
| Interest accrued on NCDs | | |
| Aditya Birla Sun Life Insurance Company Limited | 1,327.20 | 1,332.45 |
| Investment in fund outstanding | | |
| Aditya Birla Special Situations Fund - I | 15.84 | 6.25 |
| Payable | | |
| Aditya Birla Wellness Pvt Ltd | 1.88 | - |
| Aditya Birla ARC Limited | 19.92 | 0.63 |
| Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited) | 46.68 | - |
| Aditya Birla Sun Life Insurance Company Limited | 18.35 | 45.44 |
| Aditya Birla Financial Shared Services Limited | 176.84 | 483.49 |
| Aditya Birla Management Corporation Private Limited | 564.98 | 390.16 |
| Aditya Birla Sunlife Asset Management Company Limited | - | 15.77 |
| Aditya Birla Health Insurance Company Limited | 1.35 | 9.91 |
| Receivable | | |
| Aditya Birla Money Limited | 265.12 | 44.19 |
| Aditya Birla Insurance Brokers Limited | 19.69 | 2.59 |
| Aditya Birla Money Insurance Advisory Services Limited | 75.98 | 34.55 |
| Aditya Birla Housing Finance Limited | 299.60 | 236.21 |
| Aditya Birla Sun Life Assets Management Company Limited | 0.16 | - |
| Aditya Birla Money Mart Limited | - | 3.47 |
| Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited) | - | 75.03 |
| Security Deposit Receivable | | |
| Aditya Birla Management Corporation Private Limited | 615.12 | 1,015.76 |
| Aditya Birla Sun Life Insurance Company Limited | 88.30 | 88.30 |
| Deposit Placed (Transaction during the year) | | |
| Aditya Birla Management Corporation Private Limited | 204.00 | 888.00 |
| Deposit Received back (Transaction during the year) | | |
| Aditya Birla Management Corporation Private Limited | 604.64 | - |

Notes:-

a) The related party relationships have been as identified by the management on the basis of the requirements of the Indian Accounting Standard IND AS-24 'Related Party Disclosures' and the same have been relied upon by the Auditors.

b) The relationships disclosed above are for the entities where control exists / existed and with whom transactions have taken place during the year and the previous year.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 49: Capital

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a capital adequacy ratio, which is weighted assets divided by total capital derived as per the RBI requirements. As per the RBI guidelines, Company being a Non Banking Finance Company has to maintain 15% of capital adequacy ratio.

The actual Capital Adequacy Ratio is as under:

| Particulars | 31 March, 2021 | 31 March, 2020 |
|------------------------|----------------|----------------|
| Capital Adequacy Ratio | 22.70% | 19.08% |

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2021 and 31 March, 2020.



Note 50: Fair value measurement

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method, market comparable method, recent transactions happened in the company and other valuation models.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below :

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, units of mutual funds (open ended) and traded bonds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**Fair Value Hierarchy of assets and liabilities-
Fair Value measurement-**

I. The carrying amount and fair value measurement hierarchy for assets and liabilities as at March 31, 2021 is as follows:

Assets valued at fair value on a recurring basis

| Particulars | Fair Value through profit and loss | | | | | |
|--|------------------------------------|------------|-----------|------------|---------|------------|
| | Carrying Value | Fair Value | Level-1 | Level-2 | Level-3 | Total |
| Quoted Investments | | | | | | |
| MOIL Limited | 36.82 | 36.82 | 36.82 | - | - | 36.82 |
| Other Investments | | | | | | |
| Investment In Govt Securities | 15,420.71 | 15,420.71 | - | 15,420.71 | - | 15,420.71 |
| Investment In Alternate Funds | 6,729.83 | 6,729.83 | - | 6,729.83 | - | 6,729.83 |
| Investment In Debt Securities | 56,892.50 | 56,892.50 | 56,892.50 | - | - | 56,892.50 |
| Derivative financial instruments (net) | (3,063.81) | (3,063.81) | - | (3,063.81) | - | (3,063.81) |

| Particulars | Fair Value through other comprehensive income | | | | | |
|--|---|------------|---------|---------|---------|--------|
| | Carrying Value | Fair Value | Level-1 | Level-2 | Level-3 | Total |
| Equity Share | | | | | | |
| Birla Management Centre Services Limited | 211.04 | 211.04 | - | - | 211.04 | 211.04 |

II. The carrying amount and fair value measurement hierarchy for assets and liabilities as at March 31, 2020 is as follows:

Assets valued at fair value on a recurring basis

| Particulars | Fair Value through profit and loss | | | | | |
|---|------------------------------------|-------------|-------------|----------|-----------|-------------|
| | Carrying Value | Fair Value | Level-1 | Level-2 | Level-3 | Total |
| Quoted Investments | | | | | | |
| MOIL Limited | 24.89 | 24.89 | 24.89 | - | - | 24.89 |
| Preference Share | | | | | | |
| TATA Motors Finance Limited (formerly known as Sheba Properties Limited) (8.20 % Compulsory Convertible Cumulative Preference Shares) | 22,551.00 | 22,551.00 | - | - | 22,551.00 | 22,551.00 |
| Other Investments | | | | | | |
| Investment In Alternate Funds | 9,221.18 | 9,221.18 | - | 9,221.18 | - | 9,221.18 |
| Investment In Debt Securities | 42,029.37 | 42,029.37 | 42,029.37 | - | - | 42,029.37 |
| Bonds | 9,365.31 | 9,365.31 | 9,365.31 | - | - | 9,365.31 |
| Mutual Fund | 2,50,872.74 | 2,50,872.74 | 2,50,872.74 | - | - | 2,50,872.74 |
| Derivative financial instruments (net) | 5,407.99 | 5,407.99 | - | 5,407.99 | - | 5,407.99 |

| Particulars | Fair Value through Other Comprehensive Income | | | | | |
|--|---|------------|---------|---------|---------|--------|
| | Carrying Value | Fair Value | Level-1 | Level-2 | Level-3 | Total |
| Equity Share | | | | | | |
| Birla Management Centre Services Limited | 175.68 | 175.68 | - | - | 175.68 | 175.68 |



Note 50: Fair value measurement

Valuation techniques

Equity Instruments and units of mutual fund: The majority of equity instrument are actively traded on stock exchanges with readily available active prices on a regular basis. Such instruments are classified as Level 1. Units held in funds are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions. Such Instruments are also classified as Level 1. Unlisted equity securities are classified at Level 3.

Investment in Preference Shares: As per latest guideline issued by FBIL, the Preference shares which are not rated by a rating agency, the YTM method has been adopted. The preference shares are fair valued on the basis of YTM method, hence they are classified as Level 3. For the year ended March, 2020, the preference shares were fair valued on the basis of a similar compulsorily convertible preference shares issued by Tata Motors Finance Limited, hence they were classified as Level 3 for the year ended March, 2020.

Investment in Govt Securities: The fair values of Investments made in Government Securities is based on valuation report from ICRA as at the reporting period and the same are classified under Level 2.

Investment in Alternate funds: Units held in funds of AIF are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions. Such instruments are generally Level 2. NAV represents the price at which the issuer will issue further units of AIF and the price at which issuers will redeem such units from the investors.

Investment in Debt Securities and Bonds: Fair value of these instrument is derived based on the indicative quote of price and yields prevailing in the market as at reporting date. Company has used quoted price of national stock exchange wherever bonds are traded actively. In cases where debt securities are not actively traded company has used CRISIL corporate bond valuer model for measuring fair value i.e. fair value has been computed using the Fixed Income Money Market and Derivatives Association of India ('FIMMDA') data on corporate bond spreads.

Derivative Financial Instruments: A generally accepted framework for the valuation of the swap explains the position in each leg of the swap as a 'bond'. Therefore, a receive fixed - pay floating swap can be viewed as a portfolio consisting a long position in fixed bond and short position a floating rate bond. The value of the swap is the net proceeds from such bond positions i.e. Receipt - Payment. The swaps were valued on and with inputs from Bloomberg database using the terms of the swap contract.

Equity shares measured at Fair Value through Other Comprehensive Income: Unquoted equity shares are measured at fair value through other comprehensive income on the basis of the net worth of the investee company and are classified as Level 3.

Movements in Level 3 financial Instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value:
For the year ended 31 March, 2021

| Particulars | As at 1 April, 2020 | Purchase / (Sales) | Transfers into / (from) Level 3 | Net interest income, net trading income and other income | Other comprehensive income | At 31 March, 2021 |
|--|---------------------|--------------------|---------------------------------|--|----------------------------|-------------------|
| Equity Shares | | | | | | |
| Birla Management Centre Services Limited | 175.68 | - | - | - | 35.36 | 211.04 |
| Preference Shares | | | | | | |
| TATA Motors Finance Limited | 22,551.00 | (22,551.00) | - | - | - | - |
| Total financial investments classified in Level 3 | 22,726.68 | (22,551.00) | - | - | 35.36 | 211.04 |
| Total financial assets measured at fair value on a recurring basis | 22,726.68 | - | - | - | - | 211.04 |

The following tables show the reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities measured at fair value:
For the year ended 31 March, 2020

| Particulars | As at 1 April, 2019 | Purchase / (Sales) | Transfers into / (from) Level 3 | Net interest income, net trading income and other income | Other comprehensive income | At 31 March, 2020 |
|--|---------------------|--------------------|---------------------------------|--|----------------------------|-------------------|
| Equity Shares | | | | | | |
| Birla Management Centre Services Limited | 189.57 | - | - | - | (13.89) | 175.68 |
| Preference Shares | | | | | | |
| TATA Motors Finance Limited | - | - | 22,551.00 | - | - | 22,551.00 |
| Total financial investments classified in Level 3 | 189.57 | - | 22,551.00 | - | (13.89) | 22,726.68 |
| Total financial assets measured at fair value on a recurring basis | 189.57 | - | - | - | - | 22,726.68 |



Note 50: Fair value measurement

Impact on fair value of level 3 financial instruments measured at fair value of changes to key assumptions

The table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of the Group's Level 3 assets and liabilities.

Relationships between unobservable inputs have not been incorporated in this summary.

| Particulars | Fair value | | Valuation technique | Significant unobservable inputs |
|--|----------------------------------|---------------------------------------|-------------------------------|---------------------------------|
| | Level 3 assets 31 March, 2021 | Level 3 liabilities 31 March, 2021 | | |
| Equity Shares - Birla Management Centre Services Limited | 211.04 | - | Net worth of investee company | Instrument Price |
| Preference Share - TATA Motors Finance Limited | - | - | YTM Method | Discount Rate |

| Particulars | Fair value | | Valuation technique | Significant unobservable inputs |
|--|----------------------------------|---------------------------------------|-------------------------------|---------------------------------|
| | Level 3 assets 31 March, 2020 | Level 3 liabilities 31 March, 2020 | | |
| Equity Shares - Birla Management Centre Services Limited | 175.68 | - | Net worth of investee company | Instrument Price |
| Preference Share - TATA Motors Finance Limited | 22,551.00 | - | YTM Method | Discount Rate |

Quantitative analysis of significant unobservable inputs

Instrument Price

When specific market prices are not available, the Company uses net worth of the investee company. Given the nature of this approach, the actual range of prices used as inputs are usually quite wide. Therefore, the range is not indicative of the uncertainty associated with the fair value of the individual financial instrument.

Sensitivity of fair value measurements to changes in unobservable market data

The table below describes the effect of changing the significant unobservable inputs to reasonable possible alternatives.

Sensitivity data are calculated using a number of techniques, including adjusting model inputs to reasonable changes within the fair value methodology.

| Particulars | 31 March, 2021 | | 31 March, 2020 | |
|--|-------------------------|---------------------------|-------------------------|---------------------------|
| | Favourable changes(+5%) | Unfavourable changes(-5%) | Favourable changes(+5%) | Unfavourable changes(-5%) |
| Equity Shares - Birla Management Centre Services Limited | 10.55 | (10.55) | 8.78 | (8.78) |
| Preference Share - TATA Motors Finance Limited | N.A. | N.A. | 43.00 | (43.00) |

Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements.

This table does not include the fair values of non-financial assets and non-financial liabilities.

As at 31 March, 2021

| Particulars | Carrying amount | Fair Value | | | |
|---|---------------------|--------------------|---------------------|---------------------|---------------------|
| | | Level-1 | Level-2 | Level-3 | Total |
| Financial assets: | | | | | |
| Cash and cash equivalents | 1,51,098.56 | 1,51,098.56 | - | - | 1,51,098.56 |
| Trade and Other Receivables | 998.86 | - | - | 998.86 | 998.86 |
| Loans | 47,59,743.36 | - | 12,98,479.34 | 34,11,970.02 | 47,10,449.36 |
| Other financial assets | 5,117.95 | - | - | 5,117.95 | 5,117.95 |
| Total financial assets | 49,16,958.73 | 1,51,098.56 | 12,98,479.34 | 34,18,086.83 | 48,67,664.73 |
| Financial liabilities: | | | | | |
| Trade payables | 11,172.31 | - | - | 11,172.31 | 11,172.31 |
| Debt securities | 16,57,875.04 | - | 14,22,224.19 | 3,19,937.17 | 17,42,161.36 |
| Borrowings (other than debt securities) | 22,45,460.08 | - | - | 22,45,460.08 | 22,45,460.08 |
| Subordinated liabilities | 2,18,183.26 | - | 2,29,747.15 | - | 2,29,747.15 |
| Lease liabilities | 10,224.64 | - | - | 10,224.64 | 10,224.64 |
| Other financial liabilities | 31,157.54 | - | - | 31,157.54 | 31,157.54 |
| Total financial liabilities | 41,74,072.87 | - | 16,51,971.34 | 26,17,951.74 | 42,69,923.08 |



Note 50: Fair value measurement
As at 31 March, 2020

| Particulars | Carrying amount | Fair Value | | | |
|---|---------------------|--------------------|---------------------|---------------------|---------------------|
| | | Level-1 | Level-2 | Level-3 | Total |
| Financial assets: | | | | | |
| Cash and cash equivalents | 1,82,042.53 | 1,82,042.53 | - | - | 1,82,042.53 |
| Trade and Other Receivables | 1,195.36 | - | - | 1,195.36 | 1,195.36 |
| Loans | 45,98,535.45 | - | 8,36,519.97 | 37,25,131.48 | 45,61,651.45 |
| Other financial assets | 4,341.17 | - | - | 4,341.17 | 4,341.17 |
| Total financial assets | 47,86,114.51 | 1,82,042.53 | 8,36,519.97 | 37,30,668.01 | 47,49,230.51 |
| Financial liabilities: | | | | | |
| Trade payables | 10,466.94 | - | - | 10,466.94 | 10,466.94 |
| Debt securities | 17,86,922.93 | - | 16,15,769.15 | 2,23,993.27 | 18,39,762.43 |
| Borrowings (other than debt securities) | 23,48,463.85 | - | - | 23,48,463.85 | 23,48,463.85 |
| Subordinated liabilities | 2,10,142.09 | - | 2,05,022.35 | 66.45 | 2,05,088.80 |
| Lease Liabilities | 8,909.91 | - | - | 8,909.91 | 8,909.91 |
| Other financial liabilities | 11,403.74 | - | - | 11,403.74 | 11,403.74 |
| Total financial liabilities | 43,76,309.46 | - | 18,20,791.50 | 26,03,304.16 | 44,24,095.67 |

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such amounts have been classified as Level 2 on the basis that no adjustments have been made to the balances in the balance sheet.

Loans

Loans can be categorized into two main categories based on the rate of interest charged on such loans:

- A) Floating rate Loans: Floating rate loans are loans in which the interest rates are reset at a periodic interval based on a pre-decided reference rate.
- B) Fixed Rate Loans: Fixed rate loans are loans in which the interest rates are decided at the time of sanction of the loan and are not reset automatically.

Floating Rate Loans:

The floating rate loans are valued on the basis of MCLR + Spread specific to the Company. This MCLR rate is being reset on periodic intervals based on the pre-decided reference rate. Hence, they are classified as Level 3.

Fixed Rate Loans:

1. A fixed rate loan given can be viewed as a plain vanilla bond purchased that pays a fixed rate of interest and has fixed redemption date with no options or variable terms attached to it. Value of a Bond is equal to the present value of coupon payments and the redemption price discounted at the yield to maturity ("YTM") as on the Valuation Date of a similar loan. Accordingly, the Company has used the present value technique for valuation of the Fixed Rate Loans given by the Company.

2. In case of loans, they are considered as financial assets and the contractual cash flows are defined over the tenure of the loan. Since the loans are not traded in active markets and company does not have any active markets for identical assets, the Company has not used any level 1 inputs as per INDAS 113. The Company has used the prevailing risk free rate as the valuation date and the credit default spread based on FIMMDA-PDAI Gilt curve for Valuation of Corporate Bonds-Corporates Valuation Matrix, being a level 2 input, as on the valuation date; to determine the discount factor for arriving at the fair value of these loans using the present value technique.

Borrowings

Floating Rate Borrowings:

The floating rate borrowings are valued on the basis of MCLR + Spread.

Fixed Rate Borrowings:

The methodology to arrive at yield and bond price is similar and is used in valuation for mutual fund industry. Trades reported may be analysed based on polls received and internal spread models of IMaCS to arrive at final yield for the security using the process mentioned below.

1. Last traded Yield/price that has been reported on NSE, BSE, MCX, FTRAC and NDS-OM is used for valuation as per existing rules for trade size and outliers used for Scrip level valuation. However polls are carried out for outliers trades.
2. In case above conditions are not met, yield is calculated considering trades in same issuer of similar maturity in line with overall market movement and market data collected. Polls may be carried out for outliers and for final valuation yield.
3. In case the above two conditions are not met, matrix movement (benchmark movement of relevant maturity bucket as analysed based on overall trades available/bid-ask and or poll on the similar securities shall be applied on previous day's yield to arrive at Yield/Price for the day.
4. If yield/price is not determinable based on above steps due to non-availability of data, outliers and/or such exceptional events, valuation shall be provided based on previous days Yield/Price.

Derivative Liabilities (Hedging Instruments measured at fair value)



Aditya Birla Finance Limited
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Note 50: Fair value measurement

1. The fair value of interest rate swaps is calculated as the present value of estimated future cash flows based on observable yield curves and an appropriate discount factor.
2. The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of respective currencies.
3. The fair value of currency swap is calculated as the present value determined using forward exchange rates, currency basis spreads between the respective currencies, interest rate curves and an appropriate discount factor.



Note 51: Risk management

(a) Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings and trade and other payables. The main purpose of these financial liabilities is to finance and support the company's operations. The Company's principal financial assets include loans, investments, cash and cash equivalents and other receivables that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Risk Management Committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Risk Committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors review and agree policies for managing each of these risks, which are summarised below.

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 reviewed, improved and adapted in 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. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Operational & Business Risk

Loss of Risk that is related to activities carried out within an entity, arising from incomplete structure, failure of systems, untrained people, inefficient products or processes. To make the structure more robust a Board approved Operational Risk Management Framework has been put in place which is implemented by a dedicated team within the Risk Management function. A bottom up risk control self-assessment process identifies high risk areas, potential gaps and serves as an early warning system so that remedial measures can be initiated in a timely manner.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. In the case of the Company, market risk primarily comprises of interest rate risk. Financial instruments affected by market risk include loans and The analyses exclude the impact of movements in market variables on the carrying values of gratuity, other post-retirement obligations and provisions.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March, 2021 and 31 March, 2020.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest rate sensitivity

Since the Company manages its interest rate risk on domestic borrowings by ensuring, at maximum, its long term borrowings from domestic banks at floating rate of interest and in case of reduction in interest rate, it initiates negotiations with bankers for realigning the interest rate and/or repaying the high interest rate exposures, the interest rate change in market as such doesn't affect Company's profitability materially.

| Market Indices | Change in interest rate | 31 March, 2021 | | 31 March, 2020 | |
|----------------|-------------------------|-----------------------------|------------------|-----------------------------|------------------|
| | | Impact on profit before tax | Impact on equity | Impact on profit before tax | Impact on equity |
| Interest rate | 25 Basis Point down | 5,613.65 | 4,184.51 | 5,859.61 | 4,479.66 |
| | 50 Basis Point down | 11,227.30 | 8,369.02 | 11,719.22 | 8,959.33 |
| | 25 Basis Point Up | (5,613.65) | (4,184.51) | (5,859.61) | (4,479.66) |
| | 50 Basis Point Up | (11,227.30) | (8,369.02) | (11,719.22) | (8,959.33) |

Foreign Exchange Risk

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates primarily relates to its External Commercial Borrowings. The Company uses derivative instruments like forwards to hedge exposure to foreign currency risk.



The Company has taken foreign currency floating rate borrowings, which are linked to LIBOR. For managing the foreign currency risk and interest rate risk, arising from changes in LIBOR on such borrowings, the Company has entered into Cross Currency Interest Rate Swap (CCIRS) and forward contracts for the entire loan liability and tenure of the facility. Under the terms of the CCIRS, the Company pays interest at the fixed rate to the swap counterparty in INR and receives the floating interest payments based on LIBOR in foreign currency.

Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective action.

Impairment assessment

The ECL model Credit loss provisioning approach has now moved from incurred model. This forces entity to understand the significance of credit risk and its movement since its initial recognition. This model ensures (a) timely recognition of ECLs (b) assessment of significant increase in credit risk which will provide better disclosure (c) ascertainment of better business ratios.

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies in Note 5.

- An explanation of the Company's internal grading system (Note 'Definition of default and cure' below)
- How the Company defines, calculates and monitors the probability of default, exposure at default and loss given default (Note 'The Company's internal rating and PD estimation process', 'Probability of Default', 'Exposure at Default' below)
- When the Company considers there has been a significant increase in credit risk of an exposure (Note 'Significant increase in credit risk' below)
- The Company's policy of segmenting financial assets where ECL is assessed on a collective basis (Note 'Grouping financial assets measured on a collective basis' below)
- The details of the ECL calculations for Stage 1, Stage 2 and Stage 3 assets (Notes 'Probability of default', 'Exposure at default' and 'loss given default' below)

Definition of default

The Company considers a financial instrument defaulted and therefore Stage 3 (credit impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikelihood to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

- a) Significant financial difficulty of the borrower or issuer;
- b) A breach of contract such as a default or past due event;
- c) The restructuring of a loan or advance by the company on terms that the company would not consider otherwise;
- d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- e) The disappearance of an active market for a security because of financial difficulties and the customer has delay in his repayments over a month.

The Company's internal rating and PD estimation process

- a. Internal Rating: A robust internal credit rating framework is vital for effective credit risk management. It is specified by RBI on credit risk management that lenders should have an internal rating framework and the lenders must have independent Credit Risk Control Units (CRCU) or equivalents that are responsible for the design or selection, implementation and performance of their internal rating systems. Accordingly the Company also have an internal rating framework developed along with CRISIL, with ratings being assigned to all the customer/ portfolio pool – (eligible customers for Ratings) and used extensively in internal decision-making.
- b. It is further specified in the policy that internal rating/grading/scoring of the borrower/client is at least investment grade rating as per the Company's internal credit rating model or valid/live external rating.

Probability of Default (PD)

PD is calculated basis likelihood that the borrower will default within one year horizon (Basis for Stage 1), For Stage 2 – it is defined as significant increase in credit risk and probability is defined as borrower's probability to default in lifetime.



Exposure at Default

Gross exposure/potential gross exposure under a facility (i.e. the amount that is legally owed to the lender) at the time of default by a borrower. Exposure at Default gives an estimate of the amount outstanding.

Loss Given Default (LGD)

LGD is usually shown as the percentage of Exposure at Default that the lender might lose in case the borrower defaults. It depends, among others, on the type of collateral, its value and the expected proceeds from the sale (e.g. sales proceeds from sales of collaterals/securities) of the assets, NPV net of recovery costs.

Significant Increase in credit risk

- a. There is significant increase in credit risk, when there is deterioration in account performance and expected resolution is not available.
- b. Further, for large borrowers after assessing the following Risks in totality and deterioration in each factor, it is then assessed whether there is a significant increase in credit risk
- i. Industry Risk
- ii. Business Risk
- iii. Management Risk
- iv. Financial Risk
- v. Banking Conduct & Facility level Conduct.
- c. Significant increase in credit risk is also gauged through Credit rating. Credit rating is an opinion of capacity of borrower to meet its financial obligations to the depositor or bondholder (i.e. lender of money) on a particular issue or type of instrument (i.e. a domestic or foreign currency: short-term or medium or long-term, etc.) in a timely manner. The rating measures the relative risk of an Issuers ability and willingness to repay both interest and principal over the period of the rated instrument. i.e. rating signifies the risk of default of the borrower that is rated.

Collateral Security:

The Company's net exposure to credit risk, after taking into account credit risk mitigation, have been tabulated below:

| Particulars | As at March 31, 2021 | | | As at March 31, 2020 | | |
|---|----------------------|-----------------|-------------------------------|----------------------|-----------------|-------------------------------|
| | Outstanding | Cash collateral | Nature of Non-cash collateral | Outstanding | Cash collateral | Nature of Non-cash collateral |
| Financial assets | | | | | | |
| Cash and cash equivalents | 1,51,098.56 | - | | 1,82,042.53 | - | |
| Bank balance other than cash and cash equivalents | 1,913.09 | - | | - | - | |
| Derivative financial instruments | - | | | 5,408.39 | | |
| Trade Receivables | 998.86 | - | | 1,195.36 | - | |
| Loans | 47,59,743.36 | - | Refer footnote below | 45,98,535.45 | - | Refer footnote below |
| Investments | 79,290.90 | - | | 3,34,240.17 | - | |
| Other financial assets | 5,117.95 | - | | 4,341.17 | - | |
| Total | 49,98,162.72 | - | | 51,25,763.07 | - | |

The Company by way of loan sanction letter and other loan securing documents agrees with its customers on collateral security to be provided by the customers in secured loan exposures that are subject to credit risk. Collateral security enables us to recover all or part of the outstanding exposure by liquidating the collateral asset provided, in cases where the borrower is unable or unwilling to fulfil its primary obligations.

Collateral security accepted by the Company could be in the form of:

- Financial collateral in the form of pledge of equity shares, units of mutual funds, assignment of life insurance policies;
- Current assets in the form of inventories meant for sale or receivables arising out of the sale of finished goods
- Fixed asset (in the form of immovable properties – real estate, Plant and Machinery, Equipment's)
- Third-party obligation (in the form of Irrevocable Unconditional Guarantee issued by Bank, Third party);
- Risk participation from Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)
- Assignment of borrower's rights and interests under agreements with third parties.

In addition, the Company also stipulates escrow of cash flows and a Debt Service Reserve Account (DSRA) for project loans

Collateral serves to mitigate the inherent risk of credit loss in an exposure, by either improving recoveries in the event of a default or substituting the borrower.

As part of the assessment of a credit transaction the availability, adequacy and suitability of collateral for the transaction is evaluated and decided upon. The Company's processes includes verification of the title to the collateral offered and valuation by technical experts where warranted. The Company accept as collateral only securities of good quality and have in place legally effective and enforceable documentation.



For guarantees taken, the guarantor's creditworthiness is assessed during the credit assessment process of the transaction. We have collateral type specific haircuts in place which are reviewed at intervals as appropriate to the type of collateral.

The Company recognises that collateral can be a credit mitigant (alternative source of repayment), but does not replace or dilute the underwriting standards the company adopts to underwrite credit exposures.

(b) Forward looking Information :

The Company is required to provide for impairment allowance basis expected credit loss (ECL), which is calculated using empirical portfolio performance and adjusted for forward looking macroeconomic factors, as prescribed by Ind AS. The overall provisioning made through this approach, continues to be in excess of the floor provisions as prescribed by RBI for NBFCs.

The assessment of credit risk and estimation of ECL is statistically validated. It considers all relevant information about past events, current conditions and some elements of predicted performance of the portfolio.

ECL has been calculated using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD).

In the process of determining the PD, the macro economic impact is intrinsically built in in our current approach. The overall performance through the life cycle of the loan, considers the impact of macro-economic parameters like GDP, Unemployment factor or once in events like de-monetisation etc. Most of the portfolios have seen one to two complete economic cycles and hence the default probabilities experienced by the Company takes into account the upturn, downturn and central (balanced) economic scenario.

In the internally rated portfolio, the Industry rating module (sourced from CRISIL under agreement) recognizes factors like demand prediction, supply side glut / constraints, impact of imports and exports and the government policies which are more forward looking and making the through-the-cycle default probabilities to point-in-time default probability.

Forward looking macro-economic factors as appropriate to the sub portfolios of the Company, that can demonstrate some degree of correlation to the forward looking default probability are being evaluated and will be adopted as the company concludes the revalidation exercise for the models to be used from FY 2021.

For FY 2020, COVID - 19 impact has been considered and suitably modelled to forecast and provide for the future impact and a separate note on the same has been provided.

Grouping financial assets measured on a collective basis

The Company calculates ECLs either on a collective or an individual basis.

Asset classes where the Company calculates ECL on an individual basis include:

1. Corporate Portfolio

Asset classes where the Company calculates ECL on a collective basis include:

1. Retail Portfolio

The ECL methodology allows for individual assessment for corporates and therefore these loans are generally measured individually as each of these exposures have unique characteristics and structuring. For retail exposures and exposures which can be clubbed in homogenous pools, ECL is measured on a collective basis. This has been arrived at based on common characteristics like nature of product, customer profile etc.

(c) Analysis of risk concentration

Concentration analysis are presented for Portfolio pool, Location, Top borrower exposures, Group exposures etc. These are regularly analysed and presented for further review/action. Based on the exposures of the company towards various sectors, analysis is as follows :

| Top 20 Industry Sectors | As at 31 March, 2021 | As at 31 March, 2020 |
|--|----------------------|----------------------|
| | (%) | (%) |
| Real Estate Activities - Builders and Contractors | 14.67% | 14.85% |
| Lease Rental Discounting | 6.76% | 6.73% |
| Energy Renewable | 5.85% | 6.85% |
| Construction/Maintenance of Roads | 5.76% | 6.33% |
| Hotels, Motels and Resorts | 3.73% | 3.38% |
| Education | 3.28% | 2.79% |
| Textiles, Readymade Garments, Apparels - Spinning, Mfg and Trading | 3.28% | 4.13% |
| NBFCs | 3.10% | 3.16% |
| Transportation, logistics & allied services | 3.09% | 2.59% |
| Other Trade (Wholesale/ Retail) | 2.92% | 2.86% |
| Domestic Commercial Banks | 2.39% | 2.50% |
| Automobiles & Ancillaries | 2.30% | 1.54% |
| Hospital & medical business | 1.87% | 1.85% |
| Food & Beverages | 1.68% | 1.43% |
| Brokers / Traders - Shares, securities | 1.66% | 1.37% |
| Energy Trans & Distr | 1.58% | 1.92% |
| Pharmaceuticals & Intermediates | 1.55% | 1.32% |
| Chemical & related products* | 1.36% | - |
| Electricals & Electronics equipments* | 1.22% | - |
| Mining and Quarrying | 1.05% | 1.17% |
| Finance - Investment / Others** | - | 1.21% |
| Business & Self-Employed** | - | 1.19% |
| Top 20 Industry Exposures | 69.10% | 69.17% |

*Industry sector does not covered in Top 20 Industry sector for the year ended 31 March, 2020.

**Industry sector does not covered in Top 20 Industry sector for the year ended 31 March, 2021.

Note: Industry Sectors tagging on loans is done by the Company's management which have been relied upon by the auditors.



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Notes to the Financial Statements (continued)
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Note 51: Risk management (continued)

(d) Liquidity risk and funding management

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances.

The Company manages its liquidity requirement by analysing the maturity pattern of Company's cash flows of financial assets and financial liabilities. The Asset Liability Management of the Company is periodically reviewed by its Asset Liability Management Committee.

The Company maintains a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flow. The Company also has lines of credit that it can access to meet liquidity needs. In accordance with the Company's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company. Net liquid assets consist of cash. The ratios during the year were, as follows:

Advances to borrowings ratios

| | 2021 | 2020 |
|----------|---------|---------|
| Year-end | 115.49% | 105.94% |
| Maximum | 119.34% | 112.25% |
| Minimum | 110.41% | 105.94% |
| Average | 114.83% | 109.79% |

Borrowings from banks and financial institutions and issue of debentures are considered as important sources of funds to finance lending to customers. They are monitored using the advances to borrowings ratio, which compares loans and advances to customers as a percentage of secured and unsecured borrowings.

Analysis of financial liabilities by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial liabilities as at 31 March:

As at 31 March, 2021

| Particulars | Within 12 months | After 12 months | Total |
|--|------------------|-----------------|------------------|
| Financial liabilities | | | |
| Derivative Financial Liability | - | 3,063.81 | 3,063.81 |
| Trade Payables (refer note 2 below) | | | |
| - Micro and small enterprises | 214.66 | - | 214.66 |
| - Other than micro and small enterprises | 10,957.65 | - | 10,957.65 |
| Debt securities (refer note 3 below) | 7,88,481.19 | 11,87,415.93 | 19,75,897.12 |
| Borrowings (other than debt securities) | 9,48,998.38 | 15,69,514.84 | 25,18,513.22 |
| Subordinated liabilities | 20,712.85 | 3,11,152.87 | 3,31,865.72 |
| Lease liabilities | 2,577.35 | 9,925.10 | 12,502.45 |
| Other financial liabilities | 31,157.54 | - | 31,157.54 |

As at 31 March, 2020

| Particulars | Within 12 months | After 12 months | Total |
|--|------------------|-----------------|------------------|
| Financial liabilities | | | |
| Derivative Financial Liability | - | 0.40 | 0.40 |
| Trade Payables (refer note 2 below) | | | |
| - Micro and small enterprises | 282.07 | - | 282.07 |
| - Other than micro and small enterprises | 10,184.87 | - | 10,184.87 |
| Debt securities (refer note 3 below) | 8,18,447.67 | 9,68,344.49 | 17,86,792.16 |
| Borrowings (other than debt securities) | 6,61,508.46 | 16,82,596.30 | 23,44,104.76 |
| Subordinated liabilities | 10,550.78 | 2,00,268.65 | 2,10,819.43 |
| Lease liabilities | 2,335.88 | 8,464.61 | 10,800.49 |
| Other financial liabilities | 11,403.74 | - | 11,403.74 |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
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Note 51: Risk management (continued)

(d) Liquidity risk and funding management (continued)

Notes :

1. Previous year figures does not include other future contracted cash flows (such as interest which are not accrued as at Balance sheet date).
2. Trade payables is based on the estimate of actual payment.
3. Commercial papers shown net of unamortised discounting charges ₹ 3,013.51 lakhs (31 March, 2020 ₹ 4,634.93 lakhs).

The table below shows the contractual expiry by maturity of the Corporate guarantees and Letter of comfort given by the Company on

| | Within 12 months | After 12 months | Total |
|--|------------------|-----------------|-----------------|
| As at 31 March, 2021 | | | |
| Corporate guarantees and Letter of comfort given by the Company on behalf of clients | 3,126.00 | 22.60 | 3,148.60 |
| Total | 3,126.00 | 22.60 | 3,148.60 |
| As at 31 March, 2020 | | | |
| Corporate guarantees and Letter of comfort given by the Company on behalf of clients | 4,091.02 | - | 4,091.02 |
| Total | 4,091.02 | - | 4,091.02 |



Aditya Birla Finance Limited
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Note 51: Risk management (continued)

(e) Methodology for estimation of additional expected credit loss provision for COVID-19

The COVID-19 pandemic continues to spread across the globe and India, which has contributed to a significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The financial results, includes the potential impact of the COVID-19 pandemic on the Company's financial results which are dependent on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the second wave of COVID-19 pandemic and any action to contain its spread or mitigate its impact whether Government mandated or elected by the Company and its subsequent impact on the recoverability's on the Company's assets. The Company has, based on current available information and based on the policy approved by the Board, determined the provision for impairment of financial assets including the additional overlay for uncertainty over the potential macro-economic impact of the pandemic.

Based on the current indicators of future economic conditions, the Company considers this provision to be adequate and expects to recover the carrying amount of these financial assets. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

(f) Impact of Restructuring

The economic fallout on account of the Covid-19 pandemic has led to significant financial stress for borrowers across the board. The resultant stress potentially impacted the long-term viability of many firms, otherwise having a good track record under the existing promoters, due to their debt burden becoming disproportionate relative to their cash flow generation abilities. Such wide spread impact could impair the entire recovery process, posing significant financial stability risks.

Considering the above, with the intent to facilitate revival of real sector activities and mitigate the impact on the ultimate borrowers, RBI has decided to provide a window under the Prudential Framework to enable the lenders to implement a resolution plan in respect of eligible MSME, corporate exposures, Small borrowers and Personal Loans while classifying such exposures as Standard, subject to specified conditions.

Under this framework, ABFL identified the customers that required handholding and were significantly impacted under the COVID related stress but who would bounce back if given the option to pay a lower instalment or payment holiday for 6 to 12 months. The Company has restructured only 2.46 % of the overall book and has taken adequate provisions against these loans.



52A. Disclosure in terms of Direction 19 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016

| Sr No. | Particulars | 31 March, 2021 Amount out-standing | 31 March, 2021 Amount overdue | 31 March, 2020 Amount out-standing | 31 March, 2020 Amount overdue |
|--------|--|--|-------------------------------------|--|-------------------------------------|
| | Liabilities side : | | | | |
| 1) | Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid: | | | | |
| | (a) Debentures : Secured (including interest accrued but not due of ₹ 85,859.83 lakhs; 31 March 2020 : ₹ 1,12,948.45 lakhs) | 13,32,116.41 | - | 15,62,929.66 | - |
| | : Unsecured (including interest accrued but not due of ₹ 9,758.12 lakhs; 31 March 2020 : ₹ 9,350.53 lakhs) (other than falling within the meaning of public deposits*) | 2,02,888.15 | - | 1,92,359.93 | - |
| | (b) Perpetual Debts (including interest accrued but not due of ₹ 1,195.41 lakhs; 31 March 2020 : ₹ 1,200.25 lakhs)** | 21,116.57 | - | 21,108.90 | - |
| | (c) Deferred Credits | - | - | - | - |
| | (d) Term Loans, External commercial borrowings and Working Capital Demand loans (including interest accrued but not due of ₹ 5,698.64 lakhs ; 31 March 2020 : ₹ 9,430.73 lakhs) | 21,09,067.93 | - | 23,07,673.58 | - |
| | (e) Commercial Paper (net of unamortised discount of ₹ 3,013.51 lakhs; 31 March, 2020 : ₹ 4,634.93 lakhs) | 3,19,937.17 | - | 2,20,600.08 | - |
| | (f) Other Loans (Cash Credit, Preference Shares, Book overdraft) | 1,36,392.15 | - | 40,856.72 | - |
| | | 41,21,518.38 | - | 43,45,528.87 | - |
| | * Please see Note 1 below and ** Please see Note 5 below. | | | | |
| | Assets side : | | | | |
| 2) | Break-up of Loans and Advances including bills receivables (other than those included in (4) below): | | | | |
| | (a) Secured : | 39,63,984.03 | | 38,83,920.22 | |
| | (b) Unsecured : | 8,97,877.98 | | 8,02,768.37 | |
| | (includes those in nature of loans and excludes Advances Recoverable in cash or kind or for value to be received, Advance Payment of Taxes and Other Deposits) | | | | |
| | | 48,61,862.01 | | 46,86,688.59 | |
| 3) | Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities : | | | | |
| | (i) Lease assets including lease rentals under sundry debtors : | | | | |
| | (a) Financial lease | - | | - | |
| | (b) Operating lease | - | | - | |
| | (ii) Stock on hire including hire charges under sundry debtors: | | | | |
| | (a) Assets on hire | - | | - | |
| | (b) Repossessed Assets | - | | - | |
| | (iii) Other loans counting towards AFC activities | | | | |
| | (a) Loans where assets have been repossessed | - | | - | |
| | (b) Loans other than (a) above | - | | - | |
| | | - | - | - | - |



52A. Continued

| <u>Assets side :</u> | | 31 March, 2021 Amount out-standing | 31 March, 2020 Amount out-standing | | | |
|--|---------------------|---------------------------------------|---------------------------------------|---------------------|--------------------|---------------------|
| 4) Break-up of Investments : | | | | | | |
| Short Term Investments : | | | | | | |
| 1. <u>Quoted :</u> | | | | | | |
| (i) Shares : (a) Equity | | - | - | | | |
| (b) Preference | | - | - | | | |
| (ii) Debentures and Bonds | | - | - | | | |
| (iii) Units of mutual funds | | - | - | | | |
| (iv) Government Securities | | - | - | | | |
| (v) Others (Please specify) | | - | - | | | |
| 2. <u>Unquoted :</u> | | | | | | |
| (i) Shares : (a) Equity | | - | - | | | |
| (b) Preference | | - | - | | | |
| (ii) Debentures and Bonds | | 56,892.50 | 51,394.68 | | | |
| (iii) Units of mutual funds | | - | 2,50,872.74 | | | |
| (iv) Government Securities | | 15,420.71 | - | | | |
| (v) Others (Please specify) | | - | - | | | |
| Long Term Investments : | | | | | | |
| 1. <u>Quoted :</u> | | | | | | |
| (i) Shares : (a) Equity | | 36.82 | 24.89 | | | |
| (b) Preference | | - | - | | | |
| (ii) Debentures and Bonds | | - | - | | | |
| (iii) Units of mutual funds | | - | - | | | |
| (iv) Government Securities | | - | - | | | |
| (v) Others (Please specify) | | - | - | | | |
| 2. <u>Unquoted :</u> | | | | | | |
| (i) Shares : (a) Equity | | 211.04 | 175.68 | | | |
| (b) Preference | | - | 22,551.00 | | | |
| (ii) Debentures and Bonds | | - | - | | | |
| (iii) Units of mutual funds | | - | - | | | |
| (iv) Government Securities | | - | - | | | |
| (v) Others (PMS and Alternate Fund) | | 6,729.83 | 9,221.18 | | | |
| 5) Borrower group-wise classification of assets financed as in (2) and (3) above | | | | | | |
| Category | 31 March, 2021 | | | 31 March, 2020 | | |
| | Secured | Unsecured | Total | Secured | Unsecured | Total |
| 1) Related Parties | | | | | | |
| (a) Subsidiaries | - | - | - | - | - | - |
| (b) Companies in the same group | - | - | - | - | - | - |
| (c) Other related parties | - | - | - | - | - | - |
| 2) Other than related parties | | | | | | |
| (a) Companies in the same group | - | 30,500.00 | 30,500.00 | - | 95,777.12 | 95,777.12 |
| (b) Other | 39,63,984.03 | 8,67,377.98 | 48,31,362.01 | 38,83,920.22 | 7,06,991.25 | 45,90,911.47 |
| | <u>39,63,984.03</u> | <u>8,97,877.98</u> | <u>48,61,862.01</u> | <u>38,83,920.22</u> | <u>8,02,768.37</u> | <u>46,86,688.59</u> |



| 6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): | | | | |
|---|--|------------------|--|--------------------|
| Category | 31 March, 2021 | | 31 March, 2020 | |
| | Market Value / Break up or fair value or NAV | Book Value | Market Value / Break up or fair value or NAV | Book Value |
| 1) Related Parties | | | | |
| (a) Subsidiaries | - | - | - | - |
| (b) Companies in the same group | - | - | - | - |
| (c) Other related parties | - | - | - | - |
| 2) Other than related parties | | | | |
| (a) Companies in the same group | 391.36 | 323.22 | 920.34 | 843.56 |
| (b) Other | 78,899.54 | 77,603.52 | 3,33,319.83 | 3,28,542.95 |
| | 79,290.90 | 77,926.74 | 3,34,240.17 | 3,29,386.51 |
| Note: Break up value derived from the latest available Balance Sheet of the Company. | | | | |

| 7) Other Information : | | |
|---|----------------|----------------|
| | 31 March, 2021 | 31 March, 2020 |
| (I) Gross Non-Performing Assets (Stage 3) : | | |
| (a) Related parties | - | - |
| (b) Other than related parties | 1,42,247.24 | 1,82,708.23 |
| (II) Net Non-Performing Assets (Stage 3) : | | |
| (a) Related parties | - | - |
| (b) Other than related parties | 58,995.56 | 1,26,147.81 |
| (iii) Assets acquired in satisfaction of debt : | - | - |
| The above amounts are including Interest Accrued. | | |

Notes:

- As defined in Paragraph 2(1)(iii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank of India) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016.
- There are no prior period and material change in accounting policies which require disclosure in the notes to accounts.
- All Indian Accounting Standards issued by MCA and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/NAV in respect of unquoted Investments has been disclosed irrespective of whether they are classified as long term or current in (4) above.
- During the year ended 31 March, 2021 the Company has raised ₹ Nil (31 March, 2020 ₹ Nil) through perpetual debt instrument. Closing balance as on 31 March, 2021 is ₹ 21,116.57 lakhs (31 March, 2020 ₹ 21,108.90 lakhs), the same is 2.43% (31 March, 2020 2.88%) of tier I Capital as on 31 March, 2021.



52B. Disclosure in terms of Direction 73 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016

a) Capital Risk Adequacy Ratio (CRAR)

| Sr. No. | Items | 31 March, 2021 | 31 March, 2020 |
|---------|---|----------------|----------------|
| (i) | CRAR (%) | 22.70 | 19.08 |
| (ii) | CRAR - Tier I capital (%) | 18.43 | 15.15 |
| (iii) | CRAR - Tier II Capital (%) | 4.27 | 3.94 |
| (iv) | Amount of subordinated debt raised as Tier-II capital | 1,97,066.69 | 1,88,966.74 |
| (v) | Amount raised by issue of Perpetual Debt Instruments | 21,116.57 | 21,108.90 |

Notes :

1 Amount of Subordinated debt and Perpetual Debt shown above are outstanding balances (including interest accrued thereon) as on 31 March, 2021 and 31 March, 2020.

b) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure - The company enters into derivative agreements to mitigate the foreign exchange risk and interest rate risk pertaining to its external commercial borrowings. Detailed description of the policies and risk mitigation strategies are disclosed as per Note 5.1(viii), Note 9 and Note 52 of the financial statements.

Quantitative Disclosures -

| Sr. No. | Particulars | 31 March, 2021 | | 31 March, 2020 | |
|---------|---|----------------------|---------------------------|----------------------|---------------------------|
| | | Currency Derivatives | Interest Rate Derivatives | Currency Derivatives | Interest Rate Derivatives |
| (i) | Derivatives (Notional Principal Amount) for Hedging | 35.55 | 1,46,367.54 | 36.11 | 1,46,367.54 |
| (ii) | Marked to Market Positions | | | | |
| | (a) Asset (Positive) | - | - | - | 5,408.39 |
| | (b) Liability (Negative) | (1.26) | (3,062.55) | (0.40) | - |
| (iii) | Credit Exposure | - | - | - | - |
| (iv) | Unhedged Exposures | - | - | - | - |

c) Unsecured Advances

| Sr. No. | Particulars | 31 March, | 31 March, |
|---------|---|-------------|-------------|
| (i) | Unsecured Advances (inclusive of doubtful advances) | 8,97,877.98 | 8,02,768.37 |

Out of the above amount, advances for which intangible securities such as charge over the rights, licences, authority, etc. are taken as collateral : NIL

d) Exposures

d.i) Exposure to Real Estate Sector

| Category | 31 March, 2021 | 31 March, 2020 |
|--|---------------------|---------------------|
| Direct exposure | | |
| (i) Residential Mortgages secured by | 10,12,337.72 | 8,03,439.41 |
| (ii) Commercial Real Estate Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.) Exposure would also include non-fund based limits | 13,76,744.74 | 13,04,792.05 |
| (iii) Investments in a. Residential b. Commercial Real Estate | NIL NIL | NIL NIL |
| Total Exposure to Real Estate Sector | 23,89,082.46 | 21,08,231.46 |

Note: Exposure to Real Estate sector does not includes interest receivable.



d.II) Exposure to Capital Market

| Particulars | 31 March, 2021 | 31 March, 2020 |
|---|--------------------|--------------------|
| (i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt; | 36.82 | 24.89 |
| (ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds; | 63,952.99 | 59,667.97 |
| (iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security; | 2,05,959.63 | 2,05,160.99 |
| (iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances; | - | - |
| (v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers; | 817.76 | 925.12 |
| (vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoters' contribution to the equity of new companies in anticipation of raising resources. | - | - |
| (vii) Bridge loans to companies against expected equity flows / issues; | - | - |
| (viii) All exposures to Venture Capital Funds (both registered and unregistered) | - | - |
| Total Exposure to Capital Market | 2,70,767.20 | 2,65,778.97 |

Note: Capital market exposure does not include interest receivable.

d.III) Asset Liability Management

Maturity pattern of certain items of Assets and Liabilities

As at 31 March, 2021

| Particulars | 1 to 7 days | 8 to 14 days | 15 day to 30 days | Over 1 month and upto 2 months | Over 2 months and upto 3 months | Over 3 months and upto 6 months | Over 6 months and upto 1 year | Over 1 year and upto 3 years | Over 3 years and upto 5 years | Over 5 years | Total |
|--|-------------|--------------|-------------------|--------------------------------|---------------------------------|---------------------------------|-------------------------------|------------------------------|-------------------------------|--------------|--------------|
| Deposits | - | - | - | 135.32 | 66.62 | 9.23 | 211.40 | 353.88 | 966.64 | 743.74 | 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 | 428.18 | 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 |

As at 31 March 2020

| Particulars | 1 to 7 days | 8 to 14 days | 15 day to 30 days | Over 1 month and upto 2 months | Over 2 months and upto 3 months | Over 3 months and upto 6 months | Over 6 months and upto 1 year | Over 1 year and upto 3 years | Over 3 years and upto 5 years | Over 5 years | Total |
|------------------------------|-------------|--------------|-------------------|--------------------------------|---------------------------------|---------------------------------|-------------------------------|------------------------------|-------------------------------|--------------|--------------|
| Deposits | - | - | 527.83 | 3.09 | 22.16 | 288.87 | 1,057.55 | 398.54 | 404.29 | 251.76 | 2,954.09 |
| Advances** | 43,146.86 | 20,073.54 | 30,516.73 | 30,906.77 | 2,17,803.96 | 2,87,742.64 | 6,87,784.03 | 11,62,617.04 | 6,63,321.01 | 14,54,622.87 | 45,98,535.45 |
| Investments | - | - | - | 1,30,000.00 | 72,267.41 | - | 1,22,551.00 | 4,423.64 | - | 4,998.12 | 3,34,240.17 |
| Borrowings* | 6,693.79 | 13,885.34 | 1,09,126.74 | 2,03,515.24 | 3,24,787.92 | 1,75,775.08 | 6,62,011.10 | 17,52,653.55 | 5,08,245.52 | 5,88,834.59 | 43,45,528.87 |
| Foreign Currency Assets | - | - | - | - | - | - | - | - | - | - | - |
| Foreign Currency Liabilities | - | - | - | - | - | - | - | 1,53,512.17 | - | - | 1,53,512.17 |

*Note: Classification of assets and liabilities under the different maturity buckets is based on the certain estimates and assumptions as used by the company which has been relied upon by the auditors.

* Commercial papers shown net of unamortised discounting charges ₹ 3,013.51 (31 March, 2020 ₹ 4,634.93 lakhs).

** a) Overdue Receivable on account of Corporate Finance Activities have been slotted in respective time bucket category as per instructions contained in Appendix 1 of Guidelines for Assets Liabilities Management (ALM) system in NBFC.

b) Advances includes Loan and Advances in the nature of Loans (net of ECL provisions) and excludes Deposits.

d.IV) The Company has no specific program for financing its parent company products. However, in its general lending business, the Company may have funded some entities which may have been customer(s) of its ultimate parent company: Grasim Industries Limited. Single Borrower Limit (SGL) or Group Borrower Limit (GBL) did not exceed the limits prescribed under the prudential norms.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

52C. A) Disclosure on liquidity risk under RBI circular no. RBI/2019-20/88 DOR.NBFC (PO) CC. No.102/03.10.001/2019-20 dated November 04, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies as on March 31, 2021.

i) Funding Concentration based on significant counterparty (both deposits and borrowings)

As at 31 March 2021

| Sr. No | No of Significant Counterparties | Amount | % of total Deposits | % of Total Liabilities* |
|--------|----------------------------------|--------------|---------------------|-------------------------|
| 1 | 20 | 28,24,533.05 | NA | 67.38% |

As at 31 March 2020

| Sr. No | No of Significant Counterparties | Amount | % of total Deposits | % of Total Liabilities* |
|--------|----------------------------------|--------------|---------------------|-------------------------|
| 1 | 22 | 28,96,749.23 | NA | 65.95% |

Note:

1. A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFCNDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs

ii) Top 20 large deposits – Not Applicable for 31 March 2021 & 31 March 2020

iii) Top 10 Borrowings

As at 31 March 2021

| Amount | % of Total Liabilities* |
|--------------|-------------------------|
| 21,76,921.05 | 51.93% |

As at 31 March 2020

| Amount | % of Total Liabilities* |
|--------------|-------------------------|
| 21,68,418.07 | 49.37% |

iv) Funding Concentration based on significant instrument/product

| Sr. | Name of the Instrument | As at 31 March 2021 | | As at 31 March 2020 | |
|-----|---|---------------------|-------------------------|---------------------|-------------------------|
| | | Amount | % of Total Liabilities* | Amount | % of Total Liabilities* |
| 1 | Term Loan | 17,57,030.47 | 41.92% | 18,62,067.58 | 42.40% |
| 2 | Non Convertible Debentures | 13,32,116.41 | 31.78% | 15,62,929.66 | 35.58% |
| 3 | Commercial Paper | 3,19,937.17 | 7.63% | 2,20,600.08 | 5.02% |
| 4 | Working capital / short term facilities | 1,03,512.25 | 2.47% | 2,25,780.29 | 5.14% |
| 5 | External Commercial Borrowings | 2,48,525.21 | 5.93% | 2,55,397.32 | 5.81% |
| 6 | Sub-ordinate Debt | 1,97,066.69 | 4.70% | 1,88,966.74 | 4.30% |
| | Total | 39,58,188.20 | 94.43% | 43,15,741.67 | 98.25% |

Note:

1. A "Significant instrument/product" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFCNDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

2. Above table does not includes Book overdraft.

v) Stock Ratios

| Sr No | Particulars | 31 March, 2021 | 31 March, 2020 |
|-------|---|----------------|----------------|
| 1 | Commercial Papers to Total Liabilities* | 7.63% | 5.02% |
| 2 | Commercial Papers to Total Assets | 6.30% | 4.24% |
| 3 | NCDs (Original Maturity < 1 year) to Total Liabilities* | Nil | Nil |
| 4 | NCDs (original Maturity < 1 year) to Total Assets | Nil | Nil |
| 5 | Other Short Term Liabilities** to Total Liabilities* | 31.20% | 29.94% |
| 6 | Other Short Term Liabilities** to Total Assets | 25.77% | 25.29% |

* Total Liabilities does not include Net Worth.

** Other Short Term Liabilities excludes Commercial Paper as considered in 1 & 2.

vi) Institutional set-up for liquidity risk management:

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk management. The ALCO meetings are held at periodic intervals. At the apex level, the Risk Committee (RC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RC subsequently updates the Board of Directors on the same.



B) Liquidity Coverage Ratio : The daily average LCR of the company for the quarter ended 31 March, 2021 was 72% vis-à-vis 93% for the month ended 31 December, 2020. The calculation has been arrived based on average daily computation.

| Sr. No. | Particulars | Three months ended 31 March, 2021 | | One month ended 31 December, 2020 | |
|---------|--|------------------------------------|----------------------------------|------------------------------------|----------------------------------|
| | | Total Unweighted Value 3 (Average) | Total Weighted Value 4 (Average) | Total Unweighted Value 3 (Average) | Total Weighted Value 4 (Average) |
| 1 | Total High Quality Liquid Assets (HQLA) | 1,41,756.48 | 1,41,756.48 | 1,01,774.47 | 1,01,774.47 |
| 2 | Cash Outflows | - | - | - | - |
| 3 | Deposits (for deposit taking companies) | - | - | - | - |
| 4 | Unsecured wholesale funding | 2,40,721.78 | 2,76,830.04 | 1,72,660.06 | 1,98,559.07 |
| 5 | Secured wholesale funding | 61,913.85 | 71,200.92 | 80,259.76 | 92,298.72 |
| 6 | Additional requirements, of which | - | - | - | - |
| 7 | (i) Outflows related to derivative exposures and other collateral requirements | - | - | - | - |
| 8 | (ii) Outflows related to loss of funding on debt products | - | - | - | - |
| 9 | (iii) Credit and liquidity facilities | - | - | - | - |
| 10 | Other contractual funding obligations | 1,59,974.24 | 1,83,970.38 | 1,26,949.47 | 1,45,991.89 |
| 11 | Other contingent funding obligations | 291.41 | 335.12 | 667.21 | 767.29 |
| 12 | Total Cash Outflows | 4,62,901.28 | 5,32,336.46 | 3,80,536.50 | 4,37,616.97 |
| 13 | Cash Inflow | - | - | - | - |
| 14 | Secured lending | - | - | - | - |
| 15 | Inflows from fully performing exposures | 3,10,319.71 | 2,32,739.78 | 4,02,305.89 | 3,01,729.42 |
| 16 | Other cash inflows | 1,36,746.67 | 1,02,560.00 | 1,32,931.15 | 99,698.36 |
| 17 | Total Cash Inflows | 4,47,066.38 | 3,35,299.78 | 5,35,237.04 | 4,01,427.78 |
| 18 | Total Adjusted Value | - | - | - | - |
| 19 | Total HQLA | 1,41,756.48 | 1,41,756.48 | 1,01,774.47 | 1,01,774.47 |
| 20 | Total Net Cash Outflows | 15,834.90 | 1,97,036.69 | (1,54,700.53) | 1,09,404.24 |
| 21 | Liquidity Coverage Ratio (%) | - | 72% | - | 93% |

Notes:

- Circular requirement for LCR disclosure is applicable from Dec 1, 2020 hence comparative information has not been provided.
- In computing the above information, certain estimates/ assumptions have been made by the Company's management which have been relied upon by the auditors.
- Unweighted values must be calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).
- Weighted values must be calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.

C) Qualitative Disclosure

a) The main drivers of their LCR results and the evolution of the contribution of inputs to the LCR's calculation over time : RBI had introduced the liquidity coverage ratio (LCR) to ensure that NBFC has an adequate stock of unencumbered high-quality liquid assets (HQLA) to survive a significant liquidity stress lasting for a period of 30 days. LCR is defined as a ratio of HQLA to the total net cash outflows estimated for the next 30 calendar days. At March 31, 2021, the applicable minimum LCR required to be maintained by NBFC is 50%.

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk. The ALCO meets at periodic intervals. At the apex level, the Risk Committee (RC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RC subsequently updates the Board of Directors on the same.

b) Intra-period changes as well as changes over time: Company has started maintaining LCR w.e.f 1st December 2020. The details for the month ended 31 December 2020 and quarter ended 31st March 2021 are disclosed in 52C-B) Liquidity Coverage Ratio.

c) The composition of HQLAs: The Company, for the three month ended 31 March 2021, had average HQLA of Rs. 1,417.56 crore vis-à-vis 1,017.74 crore for the one month ended December 31, 2020.

| High-Quality Liquid Assets (HQLA) | Three months ended March 31, 2021 (Average) | One month ended December 31, 2020 (Average) |
|-----------------------------------|---|---|
| Total | 1,41,756.48 | 1,01,774.47 |
| Cash & callable FDs | 1,22,305.93 | 89,643.55 |
| Treasury Bills | 9,300.06 | 9,905.19 |
| Government Securities | 10,150.49 | 2,225.73 |

d) Concentration of funding sources

| Name of the Source | % of Total Liabilities |
|--------------------|------------------------|
| Bank | 62.10% |
| Mutual Fund | 13.60% |
| Insurance | 10.41% |
| PF & Others | 8.79% |
| FII | 2.57% |
| Corporates | 2.53% |
| Total | 100.00% |

e) Currency mismatch in the LCR : The company has taken foreign currency borrowings. The Company has entered into Cross currency swap and forward contracts to hedge the foreign currency risk on such borrowing.

f) Other inflows and outflows in the LCR calculation that are not captured in the LCR common template but which the institution considers to be relevant for its liquidity profile: All inflows/ outflows considered relevant has been considered for LCR calculation.



52D. Disclosure in terms of RBI Notification No. DOR.No.BP.BC.62/21.04.048/2020-21 dated 17 April, 2020

As at 31 March, 2021

| No. of Borrowers | Outstanding as on 31 March, 2021 |
|------------------|----------------------------------|
| 2 | 9,643.77 |

As at 31 March, 2020

| No. of Borrowers | Outstanding as on 31 March, 2020 |
|------------------|----------------------------------|
| 3 | 67,371.00 |

The above borrowers represent cases where extension of resolution timelines under the Prudential Framework on Resolution of Stressed Assets dated June 7, 2019 have been considered in lieu of RBI Notification No.BP.BC.62/21.04.048/2020-21 dated 17 April, 2020.

52E. Disclosure in terms of RBI Notification No. DOR.No.BP.BC.63/21.04.048/2019-20 dated 17 April, 2020

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|--|---------------------|---------------------|
| | Amount | Amount |
| Amounts in SMA/overdue categories, where the moratorium/deferment was extended* | 3,31,973.15 | 1,19,763.00 |
| Amount where the classification benefit to stage 3 was extended | 0.00 | 14,445.02 |
| Provisions made during the Q4FY2020 & Q1 FY 2021 | 14,057.00 | 1,850.93 |
| Provisions adjusted during the respective accounting periods against slippages and the residual provisions | 7,844.65 | N.A |

*above numbers represents outstanding balance as of 31 March, 2021 accounts.

52F. Disclosure in terms of RBI Circular - RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21 dated 06 August, 2020 (for restructuring of accounts of Micro, Small and Medium Enterprises (MSME) sector--Restructuring of Advances' having exposure less than or equal to ₹ 25 crores).

| Type of Borrower | No. of accounts restructured | Amount |
|------------------|------------------------------|-----------|
| MSMEs | 1,945 | 51,329.73 |

52G. Disclosure in terms of RBI Circular - RBI/2018-19/127 DOR.No.BP.BC.28/21.04.048/2018-19 dated 01 January, 2019 and RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06 August, 2020.

| | (A) | (B) | (C) | (D) | (E) |
|--------------------|---|---|---|--|--|
| Type of borrower | Number of accounts where resolution plan has been implemented under this window | exposure to accounts mentioned at (A) before implementation of the plan | Of (B), aggregate amount of debt that was converted into other securities | Additional funding sanctioned, if any, including between invocation of the plan and implementation | Increase in provisions on account of the implementation of the resolution plan |
| Personal Loans | 16,097 | 31,371.59 | - | - | 3,231.00 |
| Corporate persons* | 8 | 23,999.58 | - | 3,395.34 | 1,256.52 |
| MSMEs** | 1,945 | 47,816.24 | - | 1,204.21 | 2,623.87 |
| Others | 7 | 2,495.68 | - | - | 243.72 |
| Total | 18,057 | 1,05,683.09 | - | 4,599.55 | 7,355.11 |

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016.

** This includes non fund based facility also.

Note: Incremental Provisions mentioned in the above table are as per IRAC.



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53 Disclosure in terms of Direction 73 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016

53.1 Registration/ license/ authorization obtained from financial sector regulators:

The Company has received certificate of registration as a non-deposit taking systematically important Non-Banking Financial Company from Reserve Bank of India dated August 9, 2011 having COR number N-01.00500 in lieu of earlier COR number B-13.01163 dated February 12, 1999.

The Company is registered with AMFI for distribution of Mutual fund products having certificate number ARN-91896 and ARN-118681 valid from 23 October, 2019 to 22 October, 2022 and 04 February, 2020 to 03 February, 2023 respectively.

53.2 Penalties levied if any during the year:

Nil

53.3 Investments

| Particulars | | 31 March, 2021 | 31 March, 2020 |
|----------------------|---|----------------|----------------|
| Value of Investments | | | |
| (i) | Book Value of Investments | | |
| (a) | In India | 77,926.74 | 3,29,386.51 |
| (b) | Outside India, | - | - |
| (ii) | Unrealised fair value gain / (loss) recognised on Investments | | |
| (a) | In India | 1,364.16 | 4,853.66 |
| (b) | Outside India, | - | - |
| (iii) | Fair Value of Investments | | |
| (a) | In India | 79,290.90 | 3,34,240.17 |
| (b) | Outside India | - | - |

53.4 Provisions and Contingencies

| Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of P&L | 31 March, 2021 | 31 March, 2020 |
|---|----------------|----------------|
| Bad debts/Advances Written off | 54,249.13 | 33,577.95 |
| Expected Credit Loss Allowance on Loans and Advances and trade receivables | 13,928.38 | 37,129.05 |
| Provision made towards Income tax (Net of Deferred Tax) | 26,258.02 | 24,796.13 |

53.5 Concentration of Advances

| Particulars | 31 March, 2021 | 31 March, 2020 |
|--|----------------|----------------|
| Total Advances to twenty largest borrowers (including interest accrued) | 4,87,979.48 | 5,32,945.80 |
| Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC | 10.04% | 11.37% |



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
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53.6 Concentration of Exposures

| Particulars | 31 March, 2021 | 31 March, 2020 |
|--|----------------|----------------|
| Total Exposure to twenty largest borrowers / customers* (including interest accrued) | 4,89,077.55 | 6,38,045.94 |
| Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers | 9.90% | 12.71% |

* The above calculation is as per loans outstanding as at year end.

53.7 Concentration of NPAs

| Particulars | 31 March, 2021 | 31 March, 2020 |
|--|----------------|----------------|
| Total Exposure to top four NPA (Stage 3) accounts (including interest accrued) | 34,403.82 | 78,457.35 |

53.8 Sector-wise NPAs (Stage 3)

| Sr No. | Sector | 31 March, 2021 | 31 March, 2020 |
|--------|---------------------------------|---|---|
| | | Percentage of NPAs (Stage 3 loans) to Total Advances in that sector | Percentage of NPAs (Stage 3 loans) to Total Advances in that sector |
| 1 | Agriculture & allied activities | 3.31% | 2.53% |
| 2 | MSME | 1.81% | 1.49% |
| 3 | Corporate borrowers | 4.11% | 4.21% |
| 4 | Services | 2.40% | 4.74% |
| 5 | Unsecured working capital loans | 3.37% | 3.73% |
| 6 | Auto loans | 0.00% | 0.00% |
| 7 | Other personal loans | 5.50% | 2.67% |

Note: Industry Sectors tagging on loans is done by the Company's management which have been relied upon by the auditors.

53.9 Movement of NPAs (Stage 3)

| Particulars | 31 March, 2021 | 31 March, 2020 |
|--|----------------|----------------|
| (i) Net NPAs to Net Advances (%) | 1.73% | 2.72% |
| (ii) Movement of NPAs (Gross Stage 3 assets) | | |
| (a) Opening balance | 1,82,708.23 | 81,340.04 |
| (b) Additions during the year | 55,315.03 | 1,53,350.09 |
| (c) Reductions during the year | (95,776.02) | (51,981.90) |
| (d) Closing balance | 1,42,247.24 | 1,82,708.23 |
| (iii) Movement of Net NPAs (Net Stage 3 assets) | | |
| (a) Opening balance | 1,26,147.81 | 50,044.23 |
| (b) Additions during the year | (4,124.63) | 90,582.35 |
| (c) Reductions during the year | (38,771.50) | (14,478.77) |
| (d) Closing balance | 83,251.68 | 1,26,147.81 |
| (iv) Movement of provisions for NPAs (Stage 3 Provision) | | |
| (a) Opening balance | 56,560.42 | 31,295.81 |
| (b) Provisions made during the year | 59,439.66 | 62,767.74 |
| (c) Write-off / write-back of excess provisions | (57,004.52) | (37,503.13) |
| (d) Closing balance | 58,995.56 | 56,560.42 |

Note : The above amounts are including Interest Accrued.



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Notes to the Financial Statements (continued)
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53.10 Credit Rating

| Instrument | Credit Rating Agency | 31 March, 2021 | 31 March, 2020 |
|---|--|--|--|
| Commercial Paper | ICRA Limited India Ratings & Research Private Limited | [ICRA] A1+ IND A1+ | [ICRA] A1+ IND A1+ |
| Non Convertible Debentures (NCD) | ICRA Limited India Ratings & Research Private Limited | [ICRA] AAA Stable IND AAA Stable | [ICRA] AAA Stable IND AAA Stable |
| Sub Debt | CARE Limited ICRA Limited India Ratings & Research Private Limited | CARE AAA Stable [ICRA] AAA Stable IND AAA Stable | CARE AAA Stable [ICRA] AAA Stable IND AAA Stable |
| Unsecured NCD | ICRA Limited | [ICRA] AAA Stable | [ICRA] AAA Stable |
| Perpetual Debt | ICRA Limited India Ratings & Research Private Limited | [ICRA] AA+ (hyb) Stable IND AA+ Stable | [ICRA] AA+ (hyb) Stable IND AA+ Stable |
| Principal Protected Market Linked Debenture | India Ratings & Research Private Limited | IND PP-MLD AAA emr Stable | IND PP-MLD AAA emr Stable |
| Public Issue of NCDs | ICRA Limited India Ratings & Research Private Limited | [ICRA] AAA Stable IND AAA Stable | [ICRA] AAA Stable IND AAA Stable |
| Long Term Bank Loans | ICRA Limited India Ratings & Research Private Limited | [ICRA] AAA Stable IND AAA Stable | [ICRA] AAA Stable IND AAA Stable |
| Short Term Bank Loans | ICRA Limited India Ratings & Research Private Limited | [ICRA] AAA Stable IND AAA Stable | [ICRA] A1+ IND AAA Stable |

53.11 Customer Complaints

| Sr. No. | Particulars | 31 March, 2021 | 31 March, 2020 |
|---------|--|----------------|----------------|
| (a) | No. of complaints pending at the beginning of the year | 16 | 6 |
| (b) | No. of complaints received during the year | 2,262 | 528 |
| (c) | No. of complaints redressed during the year | 2,205 | 518 |
| (d) | No. of complaints pending at the end of the year | 73 | 16 |

53.12 During FY 2021, there were no draw down from Reserves (Previous year: Nil)

53.13 Overseas assets (for those with joint ventures and subsidiaries abroad): Nil (Previous year: Nil)
Off Balance Sheet SPVs sponsored: Nil (Previous year: Nil)

53.14 Frauds committed against the company:

| Particulars | 31 March, 2021 | 31 March, 2020 |
|--|----------------|----------------|
| No. of cases of fraud which occurred during the year | 9 | 3 |
| Amount involved | 36.72 | 1,616.68 |
| Amount recovered | 19.53 | - |
| Amount provided/loss | 17.19 | 1,616.68 |

53.15 Pursuant to RBI Notification No. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March, 2020 on Implementation of Indian Accounting Standards whereby it is clarified that all regulatory ratios, limits and disclosures shall be based on IND AS figures.

53.16 The disclosures given in the above notes pursuant to RBI Notification are only to the extent they are applicable to the Company.



54 Disclosure pursuant to RBI Notification No. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020

As on 31 March, 2021

| Asset Classification as per RBI Norms | Asset classification as per Ind AS 109 | Gross Carrying Amount as per Ind AS | Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying Amount | Provisions required as per IRACP norms | Difference between Ind AS 109 provisions and IRACP norms |
|---|--|-------------------------------------|---|---------------------|--|--|
| (1) | (2) | (3) | (4) | (5)=(3)-(4) | (6) | (7) = (4)-(6) |
| Performing Assets | | | | | | |
| Standard | Stage 1 | 43,51,949.59 | 23,000.22 | 43,28,949.37 | 21,185.36 | 1,814.86 |
| | Stage 2 | 3,59,956.60 | 19,524.78 | 3,40,431.82 | 5,681.52 | 13,843.25 |
| Subtotal | | 47,11,906.19 | 42,525.00 | 46,69,381.19 | 26,866.88 | 15,658.11 |
| Non-Performing Assets (NPA) | | | | | | |
| Standard | Stage 3 | - | - | - | - | - |
| Substandard | Stage 1 | 2,164.49 | 11.01 | 2,153.48 | 215.00 | (203.99) |
| | Stage 2 | 5,950.70 | 567.76 | 5,382.94 | 589.79 | (22.03) |
| | Stage 3 | 56,807.15 | 27,458.47 | 29,348.68 | 11,782.12 | 15,676.35 |
| Doubtful - up to 1 year | Stage 3 | 49,476.83 | 20,778.04 | 28,698.79 | 10,966.74 | 9,811.30 |
| 1 to 3 years | Stage 3 | 31,845.99 | 9,968.48 | 21,877.51 | 8,678.12 | 1,290.36 |
| More than 3 years | Stage 3 | 4,117.27 | 790.57 | 3,326.70 | 1,292.36 | (501.79) |
| Subtotal for doubtful | | 85,440.09 | 31,537.09 | 53,903.00 | 20,937.22 | 10,599.87 |
| Loss | Stage 3 | - | - | - | - | - |
| Subtotal for NPA | | 1,50,362.43 | 59,574.33 | 90,788.10 | 33,524.13 | 26,050.20 |
| 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 and Provisioning (IRACP) norms | Stage 1 | 3,479.00 | 10.84 | 3,468.16 | - | 10.84 |
| | Stage 2 | 200.00 | 8.48 | 191.52 | - | 8.48 |
| | Stage 3 | - | - | - | - | - |
| Subtotal | | 3,679.00 | 19.32 | 3,659.68 | - | 19.32 |
| Total | Stage 1 | 43,57,593.08 | 23,022.07 | 43,34,571.01 | 21,400.36 | 1,621.71 |
| | Stage 2 | 3,66,107.30 | 20,101.02 | 3,46,006.28 | 6,271.31 | 13,829.71 |
| | Stage 3 | 1,42,247.24 | 58,995.56 | 83,251.68 | 32,719.34 | 26,276.22 |
| | Total | 48,65,947.62 | 1,02,118.65 | 47,63,828.97 | 60,391.01 | 41,727.64 |

As on 31 March, 2020

| Asset Classification as per RBI Norms | Asset classification as per Ind AS 109 | Gross Carrying Amount as per Ind AS | Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying Amount | Provisions required as per IRACP norms | Difference between Ind AS 109 provisions and IRACP norms |
|---|--|-------------------------------------|---|---------------------|--|--|
| (1) | (2) | (3) | (4) | (5)=(3)-(4) | (6) | (7) = (4)-(6) |
| Performing Assets | | | | | | |
| Standard | Stage 1 | 43,86,660.17 | 21,080.81 | 43,65,579.36 | 17,499.57 | 3,581.24 |
| | Stage 2 | 1,21,676.21 | 10,489.91 | 1,11,186.30 | 1,177.73 | 9,312.18 |
| Subtotal | | 45,08,336.38 | 31,570.72 | 44,76,765.66 | 18,677.30 | 12,893.42 |
| Non-Performing Assets (NPA) | | | | | | |
| Standard | Stage 3 | - | - | - | - | - |
| Substandard | Stage 3 | 1,47,599.19 | 38,146.01 | 1,09,453.18 | 19,872.40 | 18,273.61 |
| Doubtful - up to 1 year | Stage 3 | 20,648.00 | 8,706.86 | 11,941.14 | 4,600.98 | 4,105.88 |
| 1 to 3 years | Stage 3 | 10,265.00 | 5,764.13 | 4,500.87 | 3,194.95 | 2,569.18 |
| More than 3 years | Stage 3 | 4,196.04 | 3,943.42 | 252.62 | 2,290.78 | 1,652.64 |
| Subtotal for doubtful | | 35,109.04 | 18,414.41 | 16,694.63 | 10,086.71 | 8,327.70 |
| Loss | Stage 3 | - | - | - | - | - |
| Subtotal for NPA | | 1,82,708.23 | 56,560.42 | 1,26,147.81 | 29,959.11 | 26,601.31 |
| 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 and Provisioning (IRACP) norms | Stage 1 | 5,001.00 | 14.00 | 4,987.00 | - | 14.00 |
| | Stage 2 | 204.00 | 8.00 | 196.00 | - | 8.00 |
| | Stage 3 | - | - | - | - | - |
| Subtotal | | 5,205.00 | 22.00 | 5,183.00 | - | 22.00 |
| Total | Stage 1 | 43,91,661.17 | 21,094.81 | 43,70,566.36 | 17,499.57 | 3,595.24 |
| | Stage 2 | 1,21,880.21 | 10,497.91 | 1,11,382.30 | 1,177.73 | 9,320.18 |
| | Stage 3 | 1,82,708.23 | 56,560.42 | 1,26,147.81 | 29,959.11 | 26,601.31 |
| | Total | 46,96,249.61 | 88,153.14 | 46,08,096.47 | 48,636.41 | 39,516.73 |



55. Information in respect of restructured assets in accordance with review of guidelines on restructuring of advances by NBFC (RBI/2013-14/459) DNBS. CO. PD. No. 367/03.10.01/2013-14
The following tables set forth, for the year indicated, details of loan assets subjected to restructuring:-

| Sr. no. | Type of Restructuring | Under CDR Mechanism | | | | | Under SME Debt Restructuring Mechanism | | | | |
|---------|--|------------------------------|--------------|------------------------------|------|-------|--|--------------|------------------------------|------|-------|
| | | Asset Classification Details | | Asset Classification Details | | | Asset Classification Details | | Asset Classification Details | | |
| | | Standard | Sub-Standard | Doubtful | Loss | Total | Standard | Sub-Standard | Doubtful | Loss | Total |
| 1 | Restructured Accounts at 1 April, 2020 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 2 | Movement in balance for account appearing in opening balance | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 3 | Fresh restructuring during the year ended 31 March, 2021 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 4 | Upgradations to restructured standard category during the year ended 31 March, 2021 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 5 | Restructured standard advances at 1 April, 2020, which cease to attract higher provisioning and/or additional risk weight at 31 March, 2021 and hence need not be shown as restructured standard advances at 1 April, 2021 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 6 | Downgradations of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 7 | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 8 | Restructured Accounts at 31 March, 2021 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |



Information in respect of restructured assets (Continued)

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring :

| Sr. no. | Type of Restructuring | Restructuring | | | | Others | | | | Total | | | |
|---------|--|------------------------------|-----------|--------------|-------------|--------|-------------|-------------|--------------|----------|------|-------------|-------------|
| | | Asset Classification Details | Standard | Sub-Standard | Doubtful | Loss | Total | Standard | Sub-Standard | Doubtful | Loss | Total | Total |
| 1 | Restructured Accounts at 1 April, 2020 | | | | | | | | | | | | |
| | No. of borrowers | 69 | 38 | 2 | 109 | - | 8,231.67 | 69 | 38 | 2 | - | 109 | 109 |
| | Amount outstanding | 7,454.38 | 737.10 | 40.19 | 8,231.67 | - | 8,231.67 | 7,454.38 | 737.10 | 40.19 | - | 8,231.67 | 8,231.67 |
| | Provision thereon | 381.08 | 213.58 | 14.83 | 609.49 | - | 609.49 | 381.08 | 213.58 | 14.83 | - | 609.49 | 609.49 |
| 2 | Movement in balance for account appearing in opening balance | | | | | | | | | | | | |
| | No. of borrowers | 39 | 34 | 2 | 75 | - | 6,550.11 | 39 | 34 | 2 | - | 75 | 75 |
| | Amount outstanding | 5,920.92 | 589.00 | 40.19 | 6,550.11 | - | 6,550.11 | 5,920.92 | 589.00 | 40.19 | - | 6,550.11 | 6,550.11 |
| | Provision thereon | 319.66 | 176.43 | 14.83 | 510.92 | - | 510.92 | 319.66 | 176.43 | 14.83 | - | 510.92 | 510.92 |
| 3 | Fresh restructuring during the year ended 31 March, 2021 | | | | | | | | | | | | |
| | No. of borrowers | 19,440 | 1,605 | - | 21,045 | - | 21,045 | 19,440 | 1,605 | - | - | 21,045 | 21,045 |
| | Amount outstanding | 1,06,964.30 | 10,822.52 | - | 1,17,786.82 | - | 1,17,786.82 | 1,06,964.30 | 10,822.52 | - | - | 1,17,786.82 | 1,17,786.82 |
| | Provision thereon | 4,531.19 | 2,004.98 | - | 6,536.17 | - | 6,536.17 | 4,531.19 | 2,004.98 | - | - | 6,536.17 | 6,536.17 |
| 4 | Upgradations to restructured standard category during the year ended 31 March, 2021 | | | | | | | | | | | | |
| | No. of borrowers | 1 | (1) | - | - | - | - | 1 | (1) | - | - | - | - |
| | Amount outstanding | 11.74 | (11.74) | - | - | - | - | 11.74 | (11.74) | - | - | - | - |
| | Provision thereon | 2.93 | (2.93) | - | - | - | - | 2.93 | (2.93) | - | - | - | - |
| 5 | Restructured standard advances at 1 April, 2020, which cease to attract higher provisioning and/or additional risk weight at 31 March, 2021 and hence need not be shown as restructured standard advances at 1 April, 2021 | | | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - | - | - |
| 6 | Downgradations of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | | |
| | No. of borrowers | (20) | 19 | 1.00 | - | - | - | (20) | 19 | 1 | - | - | - |
| | Amount outstanding | (1,133.92) | 1,122.76 | 11.16 | - | - | - | (1,133.92) | 1,122.76 | 11.16 | - | - | - |
| | Provision thereon | (58.58) | 53.00 | 5.58 | - | - | - | (58.58) | 53.00 | 5.58 | - | - | - |
| 7 | Write-offs of restructured accounts during the year ended 31 March, 2021 | | | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - | - | - |
| 8 | Restructured Accounts at 31 March, 2021 | | | | | | | | | | | | |
| | No. of borrowers | 19,451 | 1,627 | 1 | 21,079 | - | 21,079 | 19,451 | 1,627 | 1 | - | 21,079 | 21,079 |
| | Amount outstanding | 1,07,375.58 | 12,081.64 | 11.16 | 1,19,468.38 | - | 1,19,468.38 | 1,07,375.58 | 12,081.64 | 11.16 | - | 1,19,468.38 | 1,19,468.38 |
| | Provision thereon | 4,536.96 | 2,092.20 | 5.58 | 6,634.74 | - | 6,634.74 | 4,536.96 | 2,092.20 | 5.58 | - | 6,634.74 | 6,634.74 |



55. Information in respect of restructured assets in accordance with review of guidelines on restructuring of advances by NBFC (RBI/2013-14/459) DNBS. CO. PD. No. 367/03.10.01/2013-14

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring:-

| Sr. no. | Type of Restructuring Asset Classification Details | Under CDR Mechanism | | | | | Under SME Debt Restructuring Mechanism | | | | |
|---------|--|---------------------|--------------|----------|------|-------|--|--------------|----------|------|-------|
| | | Standard | Sub-Standard | Doubtful | Loss | Total | Standard | Sub-Standard | Doubtful | Loss | Total |
| 1 | Restructured Accounts at 1 April, 2019 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 2 | Movement in balance for account appearing in opening balance | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 3 | Fresh restructuring during the year ended 31 March, 2020 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 4 | Upgradations to restructured standard category during the year ended 31 March, 2020 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 5 | Restructured standard advances at 1 April, 2019, which cease to attract higher provisioning and/or additional risk weight at 31 March, 2020 and hence need not be shown as restructured standard advances at 1 April, 2020 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 6 | Downgradations of restructured accounts during the year ended 31 March, 2020 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 7 | Write-offs of restructured accounts during the year ended 31 March, 2020 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |
| 8 | Restructured Accounts at 31 March, 2020 | | | | | | | | | | |
| | No. of borrowers | - | - | - | - | - | - | - | - | - | - |
| | Amount outstanding | - | - | - | - | - | - | - | - | - | - |
| | Provision thereon | - | - | - | - | - | - | - | - | - | - |



Information in respect of restructured assets (Continued)

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring :

| Sr. no. | Type of Restructuring | Others | | | | | Total | | | | |
|---------|--|-----------|--------------|----------|------|-----------|-----------|--------------|----------|------|-----------|
| | | Standard | Sub-Standard | Doubtful | Loss | Total | Standard | Sub-Standard | Doubtful | Loss | Total |
| 1 | Restructured Accounts at 1 April, 2019 | | | | | | | | | | |
| | No. of borrowers | 1 | 38 | 1 | - | 40 | 1 | 38 | 1 | - | 40 |
| | Amount outstanding | 12,230.86 | 850.96 | 989.40 | - | 14,071.22 | 12,230.86 | 850.96 | 989.40 | - | 14,071.22 |
| | Provision thereon | 799.58 | 385.76 | 989.40 | - | 2,174.74 | 799.58 | 385.76 | 989.40 | - | 2,174.74 |
| 2 | Movement in balance for account appearing in opening balance | | | | | | | | | | |
| | No. of borrowers | - | 23 | - | - | 23 | - | 23 | - | - | 23 |
| | Amount outstanding | (0.85) | 375.52 | - | - | 374.67 | -0.85 | 375.52 | - | - | 374.67 |
| | Provision thereon | 11.11 | 26.30 | - | - | 37.41 | 11.11 | 26.30 | - | - | 37.41 |
| 3 | Fresh restructuring during the year ended 31 March, 2020 | | | | | | | | | | |
| | No. of borrowers | 68 | 35 | - | - | 103 | 68 | 35 | - | - | 103 |
| | Amount outstanding | 7,407.00 | 636.38 | - | - | 8,043.38 | 7,407.00 | 636.38 | - | - | 8,043.38 |
| | Provision thereon | 380.56 | 168.59 | - | - | 549.15 | 380.56 | 168.59 | - | - | 549.15 |
| 4 | Upgradations to restructured standard category during the year ended 31 March, 2020 | | | | | | | | | | |
| | No. of borrowers | 1 | (1) | - | - | - | 1 | (1) | - | - | - |
| | Amount outstanding | 46.52 | (46.52) | - | - | - | 46.52 | (46.52) | - | - | - |
| | Provision thereon | 11.63 | (11.63) | - | - | - | 11.63 | (11.63) | - | - | - |
| 5 | Restructured standard advances at 1 April, 2019, which cease to attract higher provisioning and/or additional risk weight at 31 March, 2020 and hence need not be shown as restructured standard advances at 1 April, 2020 | | | | | | | | | | |
| | No. of borrowers | 1 | - | - | - | 1 | 1 | - | - | - | 1 |
| | Amount outstanding | 12,230.86 | - | - | - | 12,230.86 | 12,230.86 | - | - | - | 12,230.86 |
| | Provision thereon | 799.58 | - | - | - | 799.58 | 799.58 | - | - | - | 799.58 |
| 6 | Downgradations of restructured accounts during the year ended 31 March, 2020 | | | | | | | | | | |
| | No. of borrowers | - | (2) | 2 | - | - | - | (2) | 2 | - | - |
| | Amount outstanding | - | (40.19) | 40.19 | - | - | - | (40.19) | 40.19 | - | - |
| | Provision thereon | - | (14.83) | 14.83 | - | - | - | (14.83) | 14.83 | - | - |
| 7 | Write-offs of restructured accounts during the year ended 31 March, 2020 | | | | | | | | | | |
| | No. of borrowers | - | 9 | 1 | - | 10 | - | 9 | 1 | - | 10 |
| | Amount outstanding | - | 288.01 | 989.40 | - | 1,277.41 | - | 288.01 | 989.40 | - | 1,277.41 |
| | Provision thereon | - | 288.01 | 989.40 | - | 1,277.41 | - | 288.01 | 989.40 | - | 1,277.41 |
| 8 | Restructured Accounts at 31 March, 2020 | | | | | | | | | | |
| | No. of borrowers | 69 | 38 | 2 | - | 109 | 69 | 38 | 2 | - | 109 |
| | Amount outstanding | 7,454.38 | 737.10 | 40.19 | - | 8,231.67 | 7,454.38 | 737.10 | 40.19 | - | 8,231.67 |
| | Provision thereon | 381.08 | 213.58 | 14.83 | - | 609.49 | 381.08 | 213.58 | 14.83 | - | 609.49 |

Note: Amount outstanding includes interest receivable.



Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

56 Dues to micro enterprises and small enterprises:

| Particulars | 31 March, 2021 | 31 March, 2020 |
|---|----------------|----------------|
| 1. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year; | 214.66 | 282.07 |
| 2. The amount of interest paid by the Company in terms of section 16 of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year; | - | - |
| 3. Amounts of the payment made to the suppliers beyond the appointed day during the year; the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006; | - | - |
| 4. The amount of interest accrued and remaining unpaid at the end of each accounting year; | - | - |
| 5. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006. | - | - |

The disclosure regarding micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the statutory auditors.

57 Expenditure in Foreign Currency:

| Particulars | 31 March, 2021 | 31 March, 2020 |
|-------------------------------------|------------------|-----------------|
| Finance Cost | 11,450.81 | 5,341.55 |
| Bank Charges | - | 5.27 |
| Employee Benefit Expenses | (60.85) | 59.54 |
| Information Technology Expenses | - | 17.30 |
| Intangible Assets under Development | 108.56 | 71.69 |
| Repairs and Maintenance | 8.53 | 8.71 |
| Legal and Professional Charges | 24.99 | 66.06 |
| Travelling and Conveyance | 2.18 | - |
| Miscellaneous Expenses | 1.01 | 6.26 |
| Total | 11,535.23 | 5,576.39 |

Unhedged foreign currency payable & receivable as at 31 March, 2021 & 31 March, 2020 are Nil.

58 At the meeting of the Board of Directors held on September 10, 2019, the Board had approved the Scheme of Arrangement under Section 230 – 232 and other applicable provisions of the Companies Act, 2013, for merger of Online Platform and marketing business ("transaction business") of Aditya Birla Capital Technologies Services Limited, ABCTSL (formerly known as Aditya Birla MyUniverse Limited, ABMUL) with the Company. The National Company Law Tribunal, bench at Ahmedabad (NCLT) passed an order on 13 December, 2019 approving the Scheme of Arrangement and the Transactions Business Merger Committee at its meeting held on 01 January, 2020 made Scheme effective from 01 January, 2020. Both the companies are wholly owned subsidiaries of Aditya Birla Capital Limited. The merger qualifies as a 'common control transaction' and has been accounted for using the pooling of interest method as per Appendix C to Ind AS 103 'Business Combinations'. The appointed date for this business combination was 01 April, 2018. Accordingly, the financial statements for the year ended 31 March, 2020 have been restated as if the business combination had occurred with effect from the appointed date.

59 In accordance with the instructions in the RBI circular dated April 07 2021, all lending institutions shall refund / adjust 'interest on interest' to all borrowers, irrespective of whether moratorium had been fully or partially availed, or not availed. Pursuant to these instructions, the Indian Banks Association (IBA) in consultation with other industry participants / bodies published the methodology for calculation of the amount of such 'interest on interest'. Accordingly, the Company has estimated the ₹ 16.42 crores amount and made provision for refund/ adjustment.

60 During the year, interest income, fee and other costs measured on the basis of Effective Interest Rate are aggregated and disclosed as a part of Interest Income. The figures for the corresponding previous year/periods have accordingly been restated.



61 Operating business segment results are reviewed regularly by the Company's Chief Operating Decision Maker to make decisions about resources to be allocated to the segments and assess their performance. Business segment is the primary segment comprising of 'Financing activity'. As the Company operates only in a single business segment, no segment information thereof is given as required under Ind AS 108. The Company has its operations within India and all revenue is generated within India.

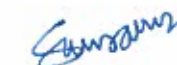
For and on behalf of the Board of Directors of
Aditya Birla Finance Limited



Ajay Srivastava
Director
(DIN - 00121181)



Rakesh Singh
Managing Director and Chief Executive Officer
(DIN - 07006067)



Sanjay Mitrani
(Chief Financial Officer)



Ankur Shah
(Company Secretary)

Place: Mumbai
Date: 13 May, 2021

Place: Mumbai
Date: 13 May, 2021





ICRA Limited

CONFIDENTIAL

Ref: ICRA/Aditya Birla Finance Limited/30012023/1
January 30, 2023

M/s Aditya Birla Finance Limited

One Indiabulls Centre, Tower 1,
18th Floor, Jupiter Mills Compound,
841, Senapati Bapat Marg, Elphinstone Road,
Mumbai - 400013

Dear Sir/Madam,

Re: ICRA Credit Rating for Rs. 23,686.40 crore NCD Programme of Aditya Birla Finance Limited (Rs. 15,259.00 crore outstanding, Rs. 8,427.40 crore unutilised)

In terms of the Rating Agreement/Statement of Work executed between your company and ICRA Limited (ICRA), ICRA is required to review the rating, on an annual basis, or as and when the circumstances so warrant.

Please note that the Rating Committee of ICRA, after due consideration of the latest development in your company, has reaffirmed the rating of your non-convertible debenture (NCD) programme at "[ICRA]AAA" (pronounced as ICRA Triple A). The outlook on the long-term rating is stable. Instruments with [ICRA]AAA rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

In any of your publicity material or other document wherever you are using above rating, it should be stated as [ICRA]AAA(stable).

This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating assigned.

ICRA reserves the right to review and/ or, revise the above rating at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the instruments issued by you.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We thank you for your kind cooperation extended during the course of the rating exercise. Please let us know if you need any clarification.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

Yours faithfully,
For ICRA Limited

ANIL GUPTA Digitally signed by ANIL GUPTA
Date: 2023.01.30 10:10:38
+05'30'

ANIL GUPTA

Senior Vice President
anilg@icraindia.com

Building No. 8, 2nd Floor, Tower A
DLF Cyber City, Phase II
Gurugram – 122002, Haryana

Tel.: +91.124 .4545300
CIN : L749999DL1991PLC042749

Website: www.icra.in
Email: info@icraindia.com
Helpdesk: +91 9354738909

Registered Office: B-710, Statesman House, 148, Barakhamba Road, New Delhi 110001. Tel. :+91.11.23357940-41

RATING • RESEARCH • INFORMATION



ICRA

ICRA Limited

Annexure

LIST OF ALL INSTRUMENT RATED (WITH AMOUNT OUTSTANDING)

| Rated Instrument | ISIN | Rated Amount (In Crores) | Amount Outstanding (In Crores) | Rating Action |
|------------------|--------------|--------------------------|--------------------------------|-------------------------------|
| NCD | INE860H07BX1 | 15.00 | 15.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07BZ6 | 500.00 | 500.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07CL4 | 10.00 | 10.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07CM2 | 10.00 | 10.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07CS9 | 5.00 | 5.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07FD4 | 5.00 | 5.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07FT0 | 51.00 | 51.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07FV6 | 15.00 | 15.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07FV6 | 145.00 | 145.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07GL5 | 70.00 | 70.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07GM3 | 15.00 | 15.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07GL5 | 81.00 | 81.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07GM3 | 69.00 | 69.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07GL5 | 16.00 | 16.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07GM3 | 38.50 | 38.50 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07GM3 | 150.00 | 150.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07GS0 | 1,500.00 | 1,500.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07GT8 | 173.00 | 173.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07GT8 | 198.00 | 198.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07GT8 | 111.60 | 111.60 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07GU6 | 29.20 | 29.20 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07GT8 | 98.70 | 98.70 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07GX0 | 1,000.00 | 1,000.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07GY8 | 205.00 | 205.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07GZ5 | 225.00 | 225.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07HA6 | 25.00 | 25.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07HC2 | 330.00 | 330.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07HD0 | 75.00 | 75.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07HE8 | 25.00 | 25.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07HF5 | 775.00 | 775.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07HG3 | 500.00 | 500.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07HH1 | 250.00 | 250.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07HI9 | 420.00 | 420.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07HJ7 | 250.00 | 250.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07HK5 | 750.00 | 750.00 | [ICRA]AAA(Stable); reaffirmed |

Building No. 8, 2nd Floor, Tower A
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Gurugram – 122002, Haryana

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Registered Office: B-710, Statesman House, 148, Barakhamba Road, New Delhi 110001. Tel. :+91.11.23357940-41

RATING • RESEARCH • INFORMATION



ICRA

ICRA Limited

| Rated Instrument | ISIN | Rated Amount (In Crores) | Amount Outstanding (In Crores) | Rating Action |
|------------------|--------------|--------------------------|--------------------------------|-------------------------------|
| NCD | INE860H07HL3 | 50.00 | 50.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07HM1 | 75.00 | 75.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07HN9 | 500.00 | 500.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07HO7 | 250.00 | 250.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07HP4 | 50.00 | 50.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07HQ2 | 115.00 | 115.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07HR0 | 500.00 | 500.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07HS8 | 350.00 | 350.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07HU4 | 110.00 | 110.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07HU4 | 250.00 | 250.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07HU4 | 250.00 | 250.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07FT0 | 300.00 | 300.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07HW0 | 325.00 | 325.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07HX8 | 400.00 | 400.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07HY6 | 136.00 | 136.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07GM3 | 25.00 | 25.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07HX8 | 465.00 | 465.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07FT0 | 25.00 | 25.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07IA4 | 510.00 | 510.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07IB2 | 50.00 | 50.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07IC0 | 597.00 | 597.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07ID8 | 200.00 | 200.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07IE6 | 305.00 | 305.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07FT0 | 25.00 | 25.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07IF3 | 50.00 | 50.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07ID8 | 400.00 | 400.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07IG1 | 410.00 | 410.00 | [ICRA]AAA(Stable); reaffirmed |
| NCD | INE860H07IH9 | 400.00 | 400.00 | [ICRA]AAA(Stable); reaffirmed |

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RATING • RESEARCH • INFORMATION



ICRA Limited

CONFIDENTIAL

Ref: ICRA/Aditya Birla Finance Limited/30012023/2
January 30, 2023

M/s Aditya Birla Finance Limited
One Indiabulls Centre, Tower 1,
18th Floor, Jupiter Mills Compound,
841, Senapati Bapat Marg, Elphinstone Road,
Mumbai - 400013

Dear Sir/Madam,

**Re: ICRA Credit Rating for Rs. 1,500.00 crore Unsecured Non-Convertible Debenture Programme of Aditya Birla Finance Limited
(Rs. 154 crore outstanding, Rs. 1,346 crore unutilised)**

In terms of the Rating Agreement/Statement of Work executed between your company and ICRA Limited (ICRA), ICRA is required to review the rating, on an annual basis, or as and when the circumstances so warrant.

Please note that the Rating Committee of ICRA, after due consideration of the latest development in your company, has reaffirmed the rating of your captioned programme at "[ICRA] AAA" (pronounced as ICRA Triple A). The outlook on the long-term rating is stable. Instruments with [ICRA]AAA rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

In any of your publicity material or other document wherever you are using above rating, it should be stated as [ICRA]AAA(stable).

This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating assigned.

ICRA reserves the right to review and/ or, revise the above rating at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the instruments issued by you.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We thank you for your kind cooperation extended during the course of the rating exercise. Please let us know if you need any clarification.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

Yours faithfully,
For ICRA Limited

ANIL GUPTA
Digitally signed by ANIL
GUPTA
Date: 2023.01.30 10:11:28
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ANIL GUPTA
Senior Vice President
anilg@icraindia.com

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RATING • RESEARCH • INFORMATION



ICRA

ICRA Limited

Annexure

LIST OF ALL INSTRUMENT RATED (WITH AMOUNT OUTSTANDING)

| Rated Instrument | ISIN | Rated Amount (In Crores) | Amount Outstanding (In Crores) | Rating Action |
|---|--------------|---------------------------------|---------------------------------------|-------------------------------|
| Unsecured Non-Convertible Debenture Programme | INE860H08EC7 | 56 | 56 | [ICRA]AAA(Stable); reaffirmed |
| Unsecured Non-Convertible Debenture Programme | INE860H08EF0 | 49 | 49 | [ICRA]AAA(Stable); reaffirmed |
| Unsecured Non-Convertible Debenture Programme | INE860H08EH6 | 49 | 49 | [ICRA]AAA(Stable); reaffirmed |



ICRA Limited

CONFIDENTIAL

Ref: ICRA/Aditya Birla Finance Limited/30012023/3
January 30, 2023

M/s Aditya Birla Finance Limited
One Indiabulls Centre, Tower 1,
18th Floor, Jupiter Mills Compound,
841, Senapati Bapat Marg, Elphinstone Road,
Mumbai - 400013

Dear Sir/Madam,

Re: ICRA Credit Rating for Rs. 2,500.00 crore Subordinate Debt Programme of Aditya Birla Finance Limited (Rs. 2,144 crore outstanding, Rs. 356 crore unutilised)

In terms of the Rating Agreement/Statement of Work executed between your company and ICRA Limited (ICRA), ICRA is required to review the rating, on an annual basis, or as and when the circumstances so warrant.

Please note that the Rating Committee of ICRA, after due consideration of the latest development in your company, has reaffirmed the rating of your captioned programme at "[ICRA]AAA" (pronounced as ICRA Triple A). The outlook on the long-term rating is stable. Instruments with [ICRA]AAA rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

In any of your publicity material or other document wherever you are using above rating, it should be stated as [ICRA]AAA(stable).

This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating assigned.

ICRA reserves the right to review and/ or, revise the above rating at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the instruments issued by you.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We thank you for your kind cooperation extended during the course of the rating exercise. Please let us know if you need any clarification.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

Yours faithfully,
For ICRA Limited

ANIL GUPTA Digitally signed by ANIL GUPTA
Date: 2023.01.30 10:11:55
+05'30'

ANIL GUPTA
Senior Vice President
anilg@icraindia.com

Building No. 8, 2nd Floor, Tower A
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Registered Office: B-710, Statesman House, 148, Barakhamba Road, New Delhi 110001. Tel. :+91.11.23357940-41

RATING • RESEARCH • INFORMATION

Annexure
LIST OF ALL INSTRUMENT RATED (WITH AMOUNT OUTSTANDING)

| Rated Instrument | ISIN | Rated Amount (In Crores) | Amount Outstanding (In Crores) | Rating Action |
|----------------------------|--------------|-----------------------------|--------------------------------------|-------------------------------|
| Subordinate Debt Programme | INE860H08DI6 | 5.00 | 5.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08DI6 | 5.00 | 5.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08DI6 | 5.00 | 5.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08DI6 | 6.00 | 6.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08DI6 | 79.00 | 79.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08DJ4 | 45.00 | 45.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08DJ4 | 5.00 | 5.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08DK2 | 35.00 | 35.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08DK2 | 10.00 | 10.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08DL0 | 25.00 | 25.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08DM8 | 30.00 | 30.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08DN6 | 33.00 | 33.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08DP1 | 25.00 | 25.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08DQ9 | 8.00 | 8.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08DR7 | 25.50 | 25.50 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08DS5 | 52.50 | 52.50 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08DT3 | 100.00 | 100.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08DU1 | 75.00 | 75.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08DV9 | 200.00 | 200.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08DW7 | 200.00 | 200.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08DX5 | 10.00 | 10.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08DY3 | 165.00 | 165.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08EA1 | 250.00 | 250.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08EB9 | 200.00 | 200.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08EB9 | 100.00 | 100.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08EB9 | 50.00 | 50.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08ED5 | 80.00 | 80.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08EE3 | 75.00 | 75.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08EG8 | 35.00 | 35.00 | [ICRA]AAA(Stable); reaffirmed |
| Subordinate Debt Programme | INE860H08EG8 | 210.00 | 210.00 | [ICRA]AAA(Stable); reaffirmed |



ICRA Limited

CONFIDENTIAL

Ref: ICRA/Aditya Birla Finance Limited/30012023/4
January 30, 2023

M/s Aditya Birla Finance Limited
One Indiabulls Centre, Tower 1,
18th Floor, Jupiter Mills Compound,
841, Senapati Bapat Marg, Elphinstone Road,
Mumbai - 400013

Dear Sir/Madam,

Re: ICRA Credit Rating for Rs. 5,000.00 crore Retail non-convertible debenture Programme of Aditya Birla Finance Limited (Rs. 5,000 crore unutilised)

In terms of the Rating Agreement/Statement of Work executed between your company and ICRA Limited (ICRA), ICRA is required to review the rating, on an annual basis, or as and when the circumstances so warrant.

Please note that the Rating Committee of ICRA, after due consideration of the latest development in your company, has reaffirmed the rating of your captioned programme at "[ICRA] AAA" (pronounced as ICRA Triple A). The outlook on the long-term rating is stable. Instruments with [ICRA]AAA rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

In any of your publicity material or other document wherever you are using above rating, it should be stated as [ICRA]AAA(stable).

This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating assigned.

ICRA reserves the right to review and/ or, revise the above rating at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the instruments issued by you.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We thank you for your kind cooperation extended during the course of the rating exercise. Please let us know if you need any clarification.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

Yours faithfully,
For ICRA Limited

ANIL GUPTA
Digitally signed by ANIL
GUPTA
Date: 2023.01.30 10:12:25
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ANIL GUPTA
Senior Vice President
anilg@icraindia.com

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Registered Office: B-710, Statesman House, 148, Barakhamba Road, New Delhi 110001. Tel. :+91.11.23357940-41

RATING • RESEARCH • INFORMATION



ICRA

ICRA Limited

Annexure

LIST OF ALL INSTRUMENT RATED (WITH AMOUNT OUTSTANDING)

| Rated Instrument | Rated Amount (In Crores) | Amount Outstanding (In Crores) | Rating Action |
|----------------------------------|---------------------------------|---------------------------------------|-------------------------------|
| Retail non-convertible debenture | 5,000.00 | - | [ICRA]AAA(Stable); reaffirmed |



ICRA Limited

CONFIDENTIAL

Ref: ICRA/Aditya Birla Finance Limited/30012023/5
January 30, 2023

M/s Aditya Birla Finance Limited

One Indiabulls Centre, Tower 1,
18th Floor, Jupiter Mills Compound,
841, Senapati Bapat Marg, Elphinstone Road,
Mumbai - 400013

Dear Sir/Madam,

Re: ICRA Credit Rating for Rs. 700.00 crore Perpetual Debt Programme of Aditya Birla Finance Limited (Rs. 200 crore outstanding, Rs. 500 crore unutilised)

In terms of the Rating Agreement/Statement of Work executed between your company and ICRA Limited (ICRA), ICRA is required to review the rating, on an annual basis, or as and when the circumstances so warrant.

Please note that the Rating Committee of ICRA, after due consideration of the latest development in your company, has reaffirmed the rating of your captioned programme at "[ICRA]AA+" (pronounced ICRA double A plus). The outlook on the long-term rating is stable. Instruments with [ICRA]AA rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. Within this category rating modifier {"+" (plus)} can be used with the rating symbols. The modifier reflects the comparative standing within the category.

In any of your publicity material or other document wherever you are using above rating, it should be stated as [ICRA]AA+(stable).

This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating assigned.

ICRA reserves the right to review and/ or, revise the above rating at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the instruments issued by you.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We thank you for your kind cooperation extended during the course of the rating exercise. Please let us know if you need any clarification.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

Yours faithfully,
For ICRA Limited

ANIL GUPTA Digitally signed by ANIL GUPTA
Date: 2023.01.30 10:12:56
+05'30'

ANIL GUPTA

Senior Vice President
anilg@icraindia.com

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RATING • RESEARCH • INFORMATION



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ICRA Limited

Annexure

LIST OF ALL INSTRUMENT RATED (WITH AMOUNT OUTSTANDING)

| Rated Instrument | ISIN | Rated Amount (In Crores) | Amount Outstanding (In Crores) | Rating Action |
|--------------------------|--------------|---------------------------------|---------------------------------------|-------------------------------|
| Perpetual Debt Programme | INE860H08DZ0 | 200.00 | 200.00 | [ICRA]AA+(Stable); reaffirmed |



ICRA Limited

CONFIDENTIAL

Ref: ICRA/Aditya Birla Finance Limited/30012023/6
January 30, 2023

M/s Aditya Birla Finance Limited

One Indiabulls Centre, Tower 1,
18th Floor, Jupiter Mills Compound,
841, Senapati Bapat Marg, Elphinstone Road,
Mumbai - 400013

Dear Sir/ Madam,

Re: Surveillance of ICRA rating for Rs. 15,000 crore (enhanced from Rs. 12,000 crore) Commercial Paper (CP) programme of Aditya Birla Finance Limited

Please refer the Rating Agreement/Statement of Work between ICRA Limited ("ICRA") and your company, whereby, ICRA is required to review the ratings assigned to your company on an annual basis or as and when the circumstances so warrant. Further, please refer to your Rating Agreement/Statement of Work seeking rating for an enhancement of the captioned instrument of your company from Rs.12,000 crore to Rs. 15,000 crore.

Please note that the Rating Committee of ICRA, after due consideration of the latest developments in your company, has reaffirmed the rating assigned earlier to the Rs.12,000 crore CP programme at [ICRA]A1+ (pronounced as ICRA A one plus), and also assigned a rating of [ICRA]A1+ (pronounced as ICRA A1+) to the additional Rs. 3,000 crore CP programme of your company. Instruments with [ICRA] A1 rating indicate very strong degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk. Within this category rating modifier {"+" (plus)} can be used with the rating symbols. The modifier reflects the comparative standing within the category.

In any of your publicity material or other document wherever you are using the above rating, it should be stated as [ICRA]A1+. We would request if you can provide your acceptance on the above Rating(s) by sending an email or signed attached acknowledgement to us latest by February 1, 2023 as acceptance on the enhanced portion (i.e. Rs 3,000 crore) of the CP programme. In case you do not communicate your acceptance/non acceptance of the assigned credit rating, or do not appeal against the assigned rating by the aforesaid date, the rating will be treated by us as non accepted and shall be disclosed on ICRA's website accordingly. This is in accordance with requirements by the Securities and Exchange Board of India (SEBI)prescribed in the circular dated June 30, 2017

Any intimation by you about the above rating to any banker/lending agency/government authorities/stock exchange would constitute use of this rating by you and shall be deemed acceptance of the rating.

Additionally, we wish to highlight the following with respect to the rating:

- (a) If the instrument rated, as above, is not issued by you within a period of 3 months from the date of this letter, the rating would need to be revalidated before issuance;
- (b) Subject to Clause (c) below, once the instrument is issued, the rating is valid throughout the life of the captioned programme (which shall have a maximum maturity of twelve months from the date of the issuance of the instrument).
- (c) Notwithstanding anything containing in clause (b) above, ICRA reserves the right to review and/or, revise the above rating at any time on the basis of new information or unavailability of information or such circumstances, which ICRA believes, may have an impact on the aforesaid rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the Commercial Paper issued by you. The rating is restricted to your CP Programme size of Rs. 15,000 crore only. In case, you propose to enhance the size of CP Programme, the same would be required to be rated afresh. ICRA does not assume any responsibility on its

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ICRA Limited

part, for any liability, that may arise consequent to your not complying with any eligibility criteria, applicable from time to time, for issuance of CP Programme.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We thank you for your kind cooperation extended during the course of the rating exercise. Should you require any clarification, please do not hesitate to get in touch with us.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

Yours faithfully,
For ICRA Limited

ANIL GUPTA

Digitally signed by ANIL GUPTA
Date: 2023.01.30 10:13:48 +05'30'

ANIL GUPTA
Senior Vice President
anilg@icraindia.com



ICRA

ICRA Limited

Acknowledgement

(To be signed and returned to ICRA Limited)

Please refer to your rating communication letter dated January 30, 2023 I hereby unconditionally accept and acknowledge the assigned rating.

We confirm that the undersigned is legally authorized to accept the rating on behalf of Aditya Birla Finance Limited.

For Aditya Birla Finance Limited

Name:

Designation:

Date:

Note: Please return a copy of the above communication along with the acknowledgement to ICRA Limited at <address> or <email>



ICRA

ICRA Limited

CONFIDENTIAL

Ref: ICRA/Aditya Birla Finance Limited/30012023/7
January 30, 2023

M/s Aditya Birla Finance Limited

One Indiabulls Centre, Tower 1,
18th Floor, Jupiter Mills Compound,
841, Senapati Bapat Marg, Elphinstone Road,
Mumbai - 400013

Dear Sir/Madam,

Re: Withdrawal of ICRA Rating for Rs. 8,000 crore Commercial Paper programme (IPO Financing) of Aditya Birla Finance Limited

Please refer to your e-mail dated January 10, 2023 requesting us to withdraw the [ICRA]A1+ rating (pronounced as ICRA A one plus) assigned to Rs. 8,000.00 crore Commercial Paper programme (IPO Financing) of your company.

Please note that as there is no amount outstanding against the rated instrument, the outstanding rating of [ICRA]A1+ rating, stands reaffirmed and withdrawn as desired by you.

With kind regards,

Yours faithfully,
For ICRA Limited

ANIL GUPTA

Digitally signed by ANIL GUPTA
Date: 2023.01.30 10:14:22
+05'30'

ANIL GUPTA

Senior Vice President
anilg@icraindia.com

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Ref: ICRA/Aditya Birla Finance Limited/30012023/8
January 30, 2023

M/s Aditya Birla Finance Limited

One Indiabulls Centre, Tower 1,
18th Floor, Jupiter Mills Compound,
841, Senapati Bapat Marg, Elphinstone Road,
Mumbai - 400013

Dear Sir/Madam,

Re: Withdrawal of the [ICRA]AAA(stable) rating assigned to Rs. 2,854.40 crore Non-Convertible Debenture (NCD) programme of Aditya Birla Finance Limited

Please refer to your e-mail dated January 23, 2023 requesting us to withdraw the [ICRA]AAA rating (pronounced as ICRA Triple A) assigned to Rs. 2,854.40 crore NCD programme of your company.

Please note that as there is no amount outstanding against the rated instrument, the rating outstanding of [ICRA]AAA rating, with stable outlook, stands reaffirmed and withdrawn as desired by you.

With kind regards,

Yours faithfully,
For ICRA Limited

ANIL GUPTA Digitally signed by ANIL GUPTA
Date: 2023.01.30 10:14:48
+05'30'

ANIL GUPTA

Senior Vice President
anilg@icraindia.com

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ICRA Limited

CONFIDENTIAL

Ref: ICRA/Aditya Birla Finance Limited/30012023/9
January 30, 2023

M/s Aditya Birla Finance Limited

One Indiabulls Centre, Tower 1,
18th Floor, Jupiter Mills Compound,
841, Senapati Bapat Marg, Elphinstone Road,
Mumbai - 400013

Dear Sir/Madam,

Re: ICRA Credit Rating for Rs. 5,000.00 crore Non-convertible debenture Programme of Aditya Birla Finance Limited

Please refer to the Rating Agreement/ Statement of Work executed between ICRA Limited ("ICRA") and your company for carrying out the rating of the aforesaid Non-convertible debenture Programme. The Rating Committee of ICRA, after due consideration, has assigned a [ICRA]AAA (pronounced as ICRA Triple A) rating to the captioned Non-convertible debenture Programme. Instruments with [ICRA]AAA rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk. The outlook on the long-term rating is stable.

In any of your publicity material or other document wherever you are using the above assigned rating, it should be stated as [ICRA]AAA(stable).

We would request if you can provide your acceptance on the above Rating(s) by sending an email or signed attached acknowledgement to us latest by February 1, 2023 as acceptance on the assigned rating. In case you do not communicate your acceptance/non acceptance of the assigned credit rating, or do not appeal against the assigned rating by the aforesaid date, the rating will be treated by us as non accepted and shall be disclosed on ICRA's website accordingly. This is in accordance with requirements prescribed by the Securities and Exchange Board of India (SEBI) vide SEBI circular dated June 30, 2017

Any intimation by you about the above rating to any banker/lending agency/government authorities/stock exchange would constitute use of this rating by you and shall be deemed acceptance of the rating.

This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating assigned. ICRA reserves the right to review and/or, revise the above at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the bonds, debentures and/ or other instruments of like nature to be issued by you.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

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ICRA

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We thank you for your kind cooperation extended during the course of the rating exercise. Should you require any clarification, please do not hesitate to get in touch with us.

We look forward to your communication and assure you of our best services.

With kind regards,

Yours faithfully,
For ICRA Limited

ANIL GUPTA

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ICRA

ICRA Limited

Acknowledgement

(To be signed and returned to ICRA Limited)

Please refer to your rating communication letter dated January 30, 2023 I hereby unconditionally accept and acknowledge the assigned rating.

We confirm that the undersigned is legally authorized to accept the rating on behalf of Aditya Birla Finance Limited.

For Aditya Birla Finance Limited

Name:

Designation:

Date:

Note: Please return a copy of the above communication along with the acknowledgement to ICRA Limited at <address> or <email>

February 07, 2022

Aditya Birla Finance Limited: Ratings reaffirmed; rated amount enhanced

Summary of rating action

| Instrument* | Previous Rated Amount (Rs. crore) | Current Rated Amount (Rs. crore) | Rating Action |
|--|--------------------------------------|-------------------------------------|---|
| Non-convertible Debenture | - | 8,000.00 | [ICRA]AAA (Stable); assigned |
| Retail non-convertible Debenture | 5,000.00 | 5,000.00 | [ICRA]AAA (Stable); reaffirmed |
| Non-convertible Debenture | 18,540.80 | 18,540.80 | [ICRA]AAA (Stable); reaffirmed |
| Non-convertible Debenture | 2,374.40 | - | [ICRA]AAA (Stable); reaffirmed and withdrawn |
| Unsecured non-convertible Debenture | 1,500.00 | 1,500.00 | [ICRA]AAA (Stable); reaffirmed |
| Bank Lines | 26,515.37 | 30,000.00 | [ICRA]AAA (Stable)/[ICRA]A1+; assigned/reaffirmed |
| Subordinated Debt Programme | 2,500.00 | 2,500.00 | [ICRA]AAA (Stable); reaffirmed |
| Perpetual Debt Programme | 700.00 | 700.00 | [ICRA]AA+ (Stable); reaffirmed |
| Commercial Paper Programme | 12,000.00 | 12,000.00 | [ICRA]A1+; reaffirmed |
| Commercial Paper Programme (IPO financing) | 8,000.00 | 8,000.00 | [ICRA]A1+; reaffirmed |
| Total | 77,130.57 | 86,240.80 | |

*Instrument details are provided in Annexure-1

Rationale

ICRA has used the consolidated financials of Aditya Birla Capital Limited (collectively referred to as ABCL) as the basis for the ratings.

The ratings factor in the strong ultimate parentage in the form of Grasim Industries Limited (Grasim; rated [ICRA]AAA (Stable)/[ICRA]A1+) and the strategic fit and importance of the ABCL Group, which houses all the financial services entities (lending, asset management and insurance), to the Aditya Birla Group. The support from the promoter group is demonstrated by the strong capital and managerial support and the stated intent of the parent to ensure adequate capitalisation and liquidity of the ABCL Group. The ratings also consider the improving diversity in ABCL's revenue profile and the management's vast experience in the financial services domain. The ABCL Group has a diversified presence in the financial services space with a presence in various segments such as lending, life insurance, health insurance, asset management, asset reconstruction and securities broking among others. The ratings factor in the company's diversified funding profile and improving capitalisation for the current scale of operations. ABCL's capitalisation profile has been supported by internal capital generation and regular capital infusions from the parent.

The ABCL Group reported an increase in gross and net stage 3 to 3.3% and 1.9%, respectively, as on September 30, 2021 (2.5% and 1.4%, respectively, as on March 31, 2021), with the impact of the second wave of the Covid-19 pandemic. The outstanding restructured book increased to 4.6% of the assets under management (AUM) as on September 30, 2021 (2.6% as on March 31, 2021). The performance of the restructured book and the ABCL Group's ability to control slippages across segments in the current relatively subdued operating environment remain key monitorables.

Further, some of the company's business lines, like unsecured retail lending and affordable housing finance, have limited vintage. The ability to manage the asset quality in these segments, as the book seasons, is to be seen. ICRA also notes that the reported headline gross non-performing advances (NPAs) of the company could increase following the recent clarification by the Reserve Bank of India (RBI) on Income Recognition, Asset Classification (IRAC) norms, though the credit costs are likely to remain under control given the additional provisions carried by the company.

ICRA also notes the ABCL Group's moderate profitability (though improving), which has been impacted by the loss in the health insurance business that is in the growth phase. However, ICRA notes the diversification of the ABCL Group's revenue profile with income from lending, asset management, insurance and other businesses. Going forward, the company's ability to manage its asset quality indicators while maintaining its solvency, with further growth in the business in the current business environment, will remain a key rating sensitivity.

ICRA has reaffirmed and withdrawn the rating outstanding on the non-convertible debenture programmes aggregating Rs. 2,374.40 crore, as these instruments have been redeemed in full and there are no dues outstanding against the same in accordance with ICRA's policy on the withdrawal and suspension of credit ratings.

The one notch lower rating assigned to the company's perpetual debt programme compared to the [ICRA]AAA rating for the other long-term debt programmes reflects the specific features of these instruments wherein the debt servicing is additionally linked to meeting the regulatory norms on capitalisation and reported profitability. The domestic regulatory norms include regulatory approvals from the RBI for debt servicing (including principal repayments) if the company reports a loss and is not liable to service the debt if it breaches the minimum regulatory capitalisation norms.

Key rating drivers and their description

Credit strengths

Strong ultimate parentage of Grasim; key management personnel with vast experience in financial services domain – ABCL is a subsidiary of Grasim, which held 54.19% as of December 31, 2021 while the other promoters had a 16.84% stake. It is the holding company of all the financial services entities of the Aditya Birla Group and is a prominent growth driver for the Group. Its strategic significance to the ABCL Group is reflected in the regular capital support from the parent (latest being Rs. 1,000 crore in FY2020). The ABCL Group enjoys strong financial flexibility by virtue of being a part of the Aditya Birla Group. ICRA expects Grasim to maintain a shareholding of more than 51% in the company. ICRA also takes into consideration the vast experience of ABCL's key management personnel in the financial services domain.

Diversified financial services entity – The ABCL Group is a diversified financial services entity with a presence in various segments such as lending, life insurance, health insurance, asset management, asset reconstruction and securities broking among others. ABCL's lending business is through two entities – Aditya Birla Finance Limited (ABFL; with a non-banking financial company (NBFC) licence) and Aditya Birla Housing Finance Limited (ABHFL; with a housing finance company (HFC) licence). Its consolidated lending book stood at Rs. 59,060 crore as on September 30, 2021, with corporate lending (large & mid-corporate) contributing 33%, small and medium enterprise (SME) lending contributing 24%, retail (40%) and high net worth individuals (HNI) and treasury investments accounting for the balance.

The AUM increased by 2.5% YoY as on September 30, 2021 driven by the growth in the retail and SME segments. The mix of retail loans continues to improve (40% as on September 30, 2021 compared to 34% as on March 31, 2020 and 27% as on March 31, 2019) with increased focus on loans like loan against property, unsecured loans, digital, and housing loans. Further, the concentration of the top 20 groups declined to 13% of the portfolio (60% of the adjusted net worth) as of September 30, 2021 (~16% of the loan book and 79% of the adjusted net worth as on September 30, 2020). ICRA also notes that most of the

portfolio is secured (~80% of ABFL's portfolio and 100% of ABHFL's portfolio), which helps reduce losses in the event of defaults.

Apart from lending, the ABCL Group has a prominent presence in the asset management business through Aditya Birla Sun Life Asset Management Company Limited, which is the fourth largest asset management company (AMC) in terms of the average AUM. The ABCL Group has a presence in both life insurance (through Aditya Birla Sun Life Insurance Limited) and health insurance (through Aditya Birla Health Insurance Limited). While the health insurance entity is in the initial years (albeit growing at a fast pace), the life insurance company has a market share of 4.9% (for 7M FY2022) among private life insurers (1.8% of the overall life insurance industry).

ABFL: ABFL is a wholly-owned subsidiary of ABCL. It is registered as an NBFC and provides corporate loans, project finance, mortgage loans, retail unsecured loans, real estate loans, etc. It also has a wealth management business. Its portfolio stood at Rs. 47,733 crore as on September 30, 2021, with the retail, HNI & others, SME, and large & mid-corporate segments forming 27%, 5%, 29% and 39% of the portfolio, respectively.

Capitalisation supported by demonstrated ability to raise equity – ABCL's capitalisation improved following a capital infusion of Rs. 2,100 crore in FY2020 from the promoters/promoter group and external investors. The leverage has moderated with an adjusted gearing (borrowings divided by adjusted net worth) of 3.9 times as on September 30, 2021 (4.3 times as on March 31, 2021 and 4.9 times as on March 31, 2020), given the reduction in borrowings (in line with the decline in the portfolio). ICRA takes note of the historical support through equity infusions by the parent.

ABFL: ABFL's gearing improved to 4.2 times as on September 30, 2021 from 5.4 times in March 2020 with the increase in networth and muted loan book. It is adequately capitalised with a capital adequacy ratio of 23.67% as of September 30, 2021 (21.6% as on September 30, 2020) against the regulatory minimum of 15%. ICRA takes note of the likely increase in the gearing for ~one to two weeks when the company would utilise commercial paper for initial public offering (IPO) financing. However, ABFL ensures that the regulatory capital adequacy requirements are met at all points of time.

Diversified funding profile with access to market-based instruments – As a part of the Aditya Birla Group, ABCL enjoys good financial flexibility in raising funds at competitive rates. ABCL's (lending businesses) borrowing profile remains diversified with bank term loans, debentures, commercial paper, and external commercial borrowings forming 51%, 34%, 6% and 6%, respectively, of the total borrowings as on September 30, 2021. The ABCL Group maintains adequate unutilised bank lines and has a board-approved inter-corporate deposit (ICD) line from Grasim, which can be utilised in case of a liquidity crunch.

ABFL: ABFL's borrowing profile comprised bank term loans, commercial paper, non-convertible debentures, external commercial borrowings (ECBs) and subordinated debt & others with a share of 46%, 11%, 31%, 6% and 6%, respectively, as on December 31, 2021. ICRA also notes the diversification in the borrower profile as ABFL has borrowings from corporate treasuries, banks, mutual funds, insurance companies and HNIs.

Credit challenges

Asset quality remains moderate – ABCL's reported consolidated gross and net stage 3 assets for the lending businesses stood at 3.3% and 1.9%, respectively, as on September 30, 2021 (2.5% and 1.4%, respectively, as on March 31, 2021 and 3.1% and 2.1%, respectively, as on March 31, 2020). With the second wave of the pandemic, the company witnessed an increase in delinquencies across the corporate, SME and retail segments. The ABCL Group has restructured 4.6% of its loan book under the one-time restructuring allowed by the RBI (2.6% as on March 31, 2021). The performance of the restructured book and the ABCL Group's ability to control slippages across segments in the current environment remain key monitorables. ICRA notes the reduction in the concentration of the top group exposures and in ticket sizes across segments. However, with the significant ramp-up in its retail loan book over the last few years, the company has sizeable unseasoned long-term loan assets like housing

finance and retail mortgage loans. Its ability to maintain the asset quality in these segments through business cycles is to be seen.

ABFL: ABFL's gross and net stage 3 asset levels increased to 3.6% and 2.1%, respectively, as on September 30, 2021 (2.7% and 1.5%, respectively, as on March 31, 2021). Net stage 3 assets/net worth stood at 10.4% as on September 30, 2021 (8.1% as on March 31, 2021). The company restructured loans of 3.9% as on September 30, 2021 (2.3% as on March 31, 2021) under the one-time restructuring announced by the RBI and partly under the micro, small & medium enterprise (MSME) restructuring guidelines.

High share of non-retail lending in portfolio – While the mix of retail loans continues to improve, the share of corporate lending {large & mid-corporate (33%) and SME lending (24%)} remained high at 56% as on September 30, 2021 (57% as on September 30, 2020). Higher growth in retail and SME lending and cautious lending to large and mid-corporates are expected to further improve the granularity of the portfolio in the long term.

Moderate profitability indicators with insurance in initial stage of operations – ABCL reported profit after tax (PAT; excluding minority interest)/average net worth of 8.56% in FY2021 (8.33% in FY2020), which is relatively lower compared to peers of a similar size. The muted profits from the life insurance subsidiary and losses from the health insurance subsidiary impacted the overall profitability. For H1 FY2022, the company reported a PAT of Rs. 627 crore (return on equity (RoE) of 9.64%) compared to Rs. 439 crore in H1 FY2021 (RoE of 7.22%) supported by the improvement in profitability in the lending and asset management businesses, partially offset by the impact of the second wave on the insurance business. ICRA notes the ABCL Group's diverse revenue stream with income from the lending companies, asset management business, life insurance business, etc. This will help the company tide over weak economic cycles in a better way in the long term.

ABFL: ABFL's net interest margins (NIMs) improved to 4.4% in FY2021 (~4% in FY2020) with the increase in the share of higher-yielding retail loans and lower borrowings costs. While the stage 3 assets were lower compared to the previous year, the company's credit costs were largely stable in FY2021 with the increased provision coverage on the stage 3 assets and the expected credit loss (ECL) provisions on stage 1 and stage 2. Consequently, it reported a net profit of Rs. 769 crore (return on assets (RoA) of 1.5%) in FY2021 compared to a net profit of Rs. 805 crore (RoA of 1.6%) in FY2020.

For H1 FY2022, ABFL reported a net profit of Rs. 523 crore (PAT/average total assets (ATA) of 2.1%) vis-à-vis Rs. 322 crore (PAT/ATA of 1.4%) in the previous year largely on account of higher NIMs and lower credit costs (1.3% in H1 FY2022 compared to 1.6% in the same period in the previous year). With the growth in the higher-yielding retail book, the company's margins are likely to remain elevated. However, profitability will depend on the ability to control credit costs.

Liquidity position: Strong

The ABCL Group had cash and liquid investments of Rs. 1,505 crore and unutilised bank lines of Rs. 7,877 crore as on December 31, 2021 against debt repayments of Rs. 9,163 crore due in the next six months. The liquidity profile is also supported by a board-approved ICD line from Grasim.

At the standalone level, ABFL had debt amounting to Rs. 8,221 crore as on December 31, 2021, maturing by June 2022, against which it had cash and liquid investments worth Rs. 1,013 crore and undrawn bank lines of Rs. 5,577 crore. The collections from the loan book provide further comfort.

Rating sensitivities

Positive factors – Not applicable

Negative factors – A material change in the expected level of support or a material deterioration in the credit risk profile of ABCL's parent (i.e. Grasim) could warrant a rating downgrade. Pressure on the ratings could also arise if there is a deterioration

in the ABCL Group's solvency levels (net stage 3 assets divided by net worth adjusted for net worth of insurance companies) to more than 20% on a sustained basis or if the adjusted gearing remains above 7.5 times on a sustained basis.

Analytical approach

| Analytical Approach | Comments |
|---------------------------------|--|
| Applicable Rating Methodologies | ICRA's Credit Rating Methodology for Non-Banking Finance Companies Implicit Support from Parent or Group Policy on Withdrawal of Credit Ratings |
| Parent/Group Support | Ultimate Parent/Investor: Grasim Industries Limited (Grasim; rated [ICRA]AAA (Stable)/[ICRA]A1+) ICRA factors in the strategic fit and importance of ABCL to the Aditya Birla Group, which is demonstrated in the strong capital, operational and managerial support from the parent. |
| Consolidation/Standalone | While arriving at the ratings for ABFL, ICRA has considered the consolidated performance of ABCL. <i>Details mentioned in Annexure-2.</i> |

About the company

Aditya Birla Finance Limited (ABFL) is a wholly-owned subsidiary of ABCL. It is registered as an NBFC and provides corporate loans, project finance, mortgage loans, retail unsecured loans, real estate loans, etc. It also has a wealth management business. Its portfolio stood at Rs. 47,733 crore as on September 30, 2021, with the retail, HNI & others, SME, and large & mid-corporate segments forming 27%, 5%, 29% and 39% of the portfolio, respectively.

Aditya Birla Capital Limited

Aditya Birla Capital Limited (ABCL) is a non-deposit taking systemically important core investment company (CIC-ND-SI) registered with the RBI. It is the holding company of the financial services businesses of the Aditya Birla Group. Pursuant to the merger of Aditya Birla Nuvo Limited (ABNL) and Grasim, ABCL got listed on the Bombay Stock Exchange and the National Stock Exchange in September 2017. As on December 31, 2021, the promoter group held a stake of 71.03% (of which Grasim holds 54.19%) in ABCL.

On a consolidated basis, the company posted a net profit of Rs. 1,106 crore in FY2021 on an asset base of Rs. 1,24,733 crore against a net profit of Rs. 866 crore in FY2019 on an asset base of Rs. 1,13,769 crore. For H1 FY2022, it reported a net profit of Rs. 627 crore.

Grasim Industries Limited

Incorporated in 1947, Grasim, the flagship company of the Aditya Birla Group, is a ~\$16.6-billion business conglomerate. On a standalone basis, its core businesses include chemical and textile manufacturing, apart from insulators. It is a leading global player in viscose staple fibre (with an installed production capacity of ~800 KTPA) and largest chlor-alkali producer in India (installed production capacity of 1,147 KTPA). In January 2021, Grasim announced its foray into the decorative paints business, with an initial capital expenditure of Rs. 5,000 crore to be spent over the next three years. On a consolidated basis, Grasim also has a strong presence in cement, financial services, fashion retail, telecommunications, and renewable power generation industries. Its 57.28% subsidiary, UTCL, is the largest cement producer in India. In financial services, Grasim has presence through its subsidiary, ABCL, which is among the top five financial companies in India.

Key financial indicators (audited)

| Aditya Birla Finance Limited (Rs. crore) | FY2020 | FY2021 | H1 FY2021 | H1 FY2022 |
|--|--------|--------|-----------|-----------|
| Total income | 6,208 | 5,528 | 2,806 | 2,826 |
| Profit after tax | 805 | 769 | 322 | 523 |
| Net worth | 8,078 | 8,838 | 8,380 | 9,367 |
| Total portfolio | 47,057 | 48,689 | 45,475 | 47,733 |
| Total assets | 51,975 | 50,755 | 47,950 | 49,851 |
| Return on average assets | 1.55% | 1.50% | 1.39% | 2.08% |
| Return on average equity | 10.39% | 9.09% | 7.81% | 11.49% |
| Gearing (times) | 5.37 | 4.66 | 4.63 | 4.23 |
| Gross stage 3 / Gross advances | 3.61% | 2.68% | 3.47% | 3.61% |
| Net stage 3 / Net advances | 2.43% | 1.49% | 1.92% | 2.05% |
| Net stage 3 / Net worth | 14.00% | 8.10% | 10.43% | 10.36% |
| Tier I capital ratio | 15.15% | 18.48% | 17.20% | 19.57% |
| Capital adequacy ratio | 19.08% | 22.77% | 21.60% | 23.67% |

Source: Company, ICRA Research; All ratios as per ICRA calculations

| Aditya Birla Capital Limited (consolidated; Rs. crore) | FY2020 | FY2021 | H1 FY2021 | H1 FY2022 |
|--|----------|----------|-----------|-----------|
| Total income | 16,810 | 19,274 | 8,632 | 9,906 |
| Profit after tax | 866 | 1,106 | 439 | 627 |
| Net worth (excluding minority interest) | 12,576 | 13,743 | 13,057 | 14,442 |
| Total portfolio | 58,073 | 60,557 | 57,592 | 59,060 |
| Total assets | 1,13,769 | 1,24,733 | 1,15,516 | 1,29,265 |
| Return on average assets | 0.78% | 0.93% | 0.77% | 0.99% |
| Return on average equity | 8.33% | 8.56% | 7.22% | 9.64% |
| Adjusted gearing (times) | 4.9 | 4.3 | 4.3 | 3.9 |
| Gross stage 3/ Gross advances | 3.12% | 2.51% | 3.00% | 3.35% |
| Net stage 3 / Net advances | 2.10% | 1.43% | 1.70% | 1.94% |
| Net stage 3/ Adjusted net worth | 10.9% | 6.9% | 8.3% | 8.7% |

Source: Company, ICRA Research; All ratios as per ICRA calculations

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

| | Instrument | Type | Current Rating (FY2022) | | | Chronology of Rating History for the Past 3 Years | | | |
|----|--|------------------------|--------------------------|--|--|---|--|--|-------------------------------------|
| | | | Amount Rated (Rs. crore) | Amount Outstanding as of Dec-31-21 (Rs. crore) | Date & Rating in FY2022 | Date & Rating in FY2021 | Date & Rating in FY2020 | Date & Rating in FY2019 | |
| | | | | | Feb-07-22 | Feb-23-21 Sep-30-20 | Mar-17-20 Jan-15-20 Nov-22-19 Apr-16-19 | Mar-13-19 Jan-30-19 Sep-04-18 Aug-28-18 | Jul-25-18 Jun-28-18 Apr-19-18 |
| 1 | Non-convertible Debenture | Long Term | 8,000.00 | - | [ICRA]AAA (Stable) | - | - | - | - |
| 2 | Non-convertible Debenture | Long Term | 18,540.80 | 12,030.4 | [ICRA]AAA (Stable) | [ICRA]AAA (Stable) | [ICRA]AAA (Stable) | [ICRA]AAA (Stable) | [ICRA]AA+ (Stable) |
| 3 | Non-convertible Debenture | Long Term | 2,374.40 | - | [ICRA]AAA (Stable); reaffirmed and withdrawn | [ICRA]AAA (Stable) | [ICRA]AAA (Stable) | [ICRA]AAA (Stable) | [ICRA]AA+ (Stable) |
| 4 | Unsecured Non-convertible Debenture | Long Term | 1,500.00 | 105.00 | [ICRA]AAA (Stable) | [ICRA]AAA (stable) | [ICRA]AAA (stable) | [ICRA]AAA (stable) | [ICRA]AA+ (Stable) |
| 5 | Retail Non-convertible Debenture | Long Term | 5,000.00 | 0 | [ICRA]AAA (Stable) | [ICRA]AAA (stable) | [ICRA]AAA (stable) | [ICRA]AAA (stable) | - |
| 6 | Subordinated Debt Programme | Long Term | 2,500.00 | 1,739.00 | [ICRA]AAA (Stable) | [ICRA]AAA (stable) | [ICRA]AAA (stable) | [ICRA]AAA (stable) | [ICRA]AA+ (Stable) |
| 7 | Perpetual Debt Programme | Long Term | 700.00 | 200.00 | [ICRA]AA+ (Stable) | [ICRA]AA+ (hyb) (Stable) | [ICRA]AA+ (hyb) (Stable) | [ICRA]AA+ (hyb) (Stable) | [ICRA]AA (hyb) (Stable) |
| 8 | Bank Lines | Long Term / Short Term | 30,000.00 | 24,570.52 | [ICRA]AAA (Stable)/ [ICRA]A1+ | [ICRA]AAA (Stable)/ [ICRA]A1+ | [ICRA]AAA (Stable)/ [ICRA]A1+ | [ICRA]AAA (Stable)/ [ICRA]A1+ | [ICRA]AAA (Stable)/ [ICRA]A1+ |
| 9 | Commercial Paper Programme | Short Term | 12,000.00 | 4,130.00 | [ICRA]A1+ | [ICRA]A1+ | [ICRA]A1+ | [ICRA]A1+ | [ICRA]A1+ |
| 10 | Commercial Paper Programme (IPO financing) | Short Term | 8,000.00 | 0 | [ICRA]A1+ | [ICRA]A1+ | [ICRA]A1+ | [ICRA]A1+ | [ICRA]A1+ |

Removal of (hyb) suffix from Perpetual debt instruments

In compliance with the circular issued by the Securities and Exchange Board of India (SEBI) on July 16, 2021 for standardising the rating scales used by credit rating agencies, ICRA has discontinued its practice of affixing the (hyb) suffix alongside the rating symbols for hybrid instruments. Accordingly, ICRA has removed the (hyb) suffix that was earlier being placed alongside the rating symbol for the hybrid instruments issued by ABFL. The earlier and revised denotation of the rating for various instruments can be seen in the table above. This rating action only involves the removal of the (hyb) suffix and should not be construed as a change in the credit rating.

Complexity level of the rated instruments

| Instrument | Complexity Indicator |
|--|----------------------|
| Commercial Paper Programme (IPO financing) | Very Simple |
| Retail Non-convertible Debenture | Very Simple/Simple |

| | |
|-------------------------------------|--------------------|
| Non-convertible Debenture | Very Simple/Simple |
| Unsecured Non-convertible Debenture | Very Simple/Simple |
| Subordinated Debt Programme | Simple |
| Perpetual Debt Programme | Moderately Complex |
| Commercial Paper Programme | Very Simple |
| Bank Lines | Simple |

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: www.icra.in

Annexure-1: Instrument details

| ISIN | Instrument Name | Date of Issuance / Sanction | Coupon Rate | Maturity Date | Amount Rated (Rs. crore) | Current Rating and Outlook |
|---------------|---------------------------|-----------------------------|-------------|--|--------------------------|----------------------------|
| INE860H07797 | Non-convertible debenture | Jan-13-15 | 9.15% | Jan-13-22 | 10 | [ICRA]AAA (Stable) |
| INE860H07BS1 | Non-convertible debenture | Sep-10-15 | 8.85% | Sep-09-22 | 20 | [ICRA]AAA (Stable) |
| INE860H07BU7 | Non-convertible debenture | Oct-07-15 | 8.77% | Oct-07-22 | 60 | [ICRA]AAA (Stable) |
| INE860H07BV5 | Non-convertible debenture | Oct-12-15 | 8.77% | Oct-12-22 | 21 | [ICRA]AAA (Stable) |
| INE860H07BX1 | Non-convertible debenture | Oct-19-15 | 8.77% | Oct-17-25 | 15 | [ICRA]AAA (Stable) |
| INE860H07BZ6 | Non-convertible debenture | Nov-03-15 | 8.71% | 50% on November 01, 2024 & 50% on October 31, 2025 | 500 | [ICRA]AAA (Stable) |
| INE860H07CL4 | Non-convertible debenture | Feb-23-16 | 8.85% | Feb-23-26 | 10 | [ICRA]AAA (stable) |
| INE860H07CM2 | Non-convertible debenture | Mar-09-16 | 8.90% | Mar-06-26 | 10 | [ICRA]AAA (stable) |
| INE860H07CS9 | Non-convertible debenture | Mar-21-16 | 8.90% | Mar-20-26 | 5 | [ICRA]AAA (stable) |
| INE860H07EN6 | Non-convertible debenture | Mar-10-17 | 8.00% | Mar-10-22 | 250 | [ICRA]AAA (stable) |
| INE860H07EO4 | Non-convertible debenture | Mar-20-17 | 8.00% | Mar-18-22 | 200 | [ICRA]AAA (stable) |
| INE860H07EP1 | Non-convertible debenture | Mar-24-17 | 8.00% | Mar-24-22 | 140 | [ICRA]AAA (stable) |
| INE860H07FD4^ | Non-convertible debenture | Jun-13-17 | 8.00% XIRR | Jun-11-27 | 5 | [ICRA]AAA (stable) |
| INE860H07FF9 | Non-convertible debenture | Jun-19-17 | 7.80% | Jun-17-22 | 50 | [ICRA]AAA (stable) |
| INE860H07FG7 | Non-convertible debenture | Jun-29-17 | 7.80% | Jun-29-22 | 200 | [ICRA]AAA (stable) |
| INE860H07FK9 | Non-convertible debenture | Aug-14-17 | 7.70% | Aug-12-22 | 50 | [ICRA]AAA (stable) |
| INE860H07FL7 | Non-convertible debenture | Aug-18-17 | 7.60% | Aug-18-22 | 100 | [ICRA]AAA (stable) |
| INE860H07FM5 | Non-convertible debenture | Aug-23-17 | 7.60% | Jul-19-22 | 150 | [ICRA]AAA (stable) |
| INE860H07FN3 | Non-convertible debenture | Sep-07-17 | 7.60% | Sep-07-22 | 325 | [ICRA]AAA (stable) |
| INE860H07FT0 | Non-convertible debenture | Jun-26-18 | 8.90% | Jun-26-25 | 51 | [ICRA]AAA (stable) |
| INE860H07FV6 | Non-convertible debenture | Jul-27-18 | 8.90% | Jul-27-23 | 15 | [ICRA]AAA (stable) |
| INE860H07GE0 | Non-convertible debenture | Oct-26-18 | Zero Coupon | Apr-08-22 | 159 | [ICRA]AAA (stable) |
| INE860H07GH3 | Non-convertible debenture | Oct-31-18 | 9.48% | Mar-18-22 | 115 | [ICRA]AAA (stable) |

| ISIN | Instrument Name | Date of Issuance / Sanction | Coupon Rate | Maturity Date | Amount Rated (Rs. crore) | Current Rating and Outlook |
|--------------|---------------------------|-----------------------------|-------------|--|--------------------------|----------------------------|
| INE860H07GE0 | Non-convertible debenture | Nov-06-18 | Zero Coupon | Apr-08-22 | 17.9 | [ICRA]AAA (stable) |
| INE860H07797 | Non-convertible debenture | Dec-11-18 | 9.15% | Jan-13-22 | 280 | [ICRA]AAA (stable) |
| INE860H07GE0 | Non-convertible debenture | Dec-11-18 | Zero Coupon | Apr-08-22 | 119 | [ICRA]AAA (stable) |
| INE860H07FV6 | Non-convertible debenture | Dec-11-18 | 8.90% | Jul-27-23 | 145 | [ICRA]AAA (stable) |
| INE860H07GL5 | Non-convertible debenture | Dec-21-18 | 9.15% | Dec-21-23 | 70 | [ICRA]AAA (stable) |
| INE860H07GM3 | Non-convertible debenture | Dec-21-18 | 9.15% | Dec-21-28 | 15 | [ICRA]AAA (stable) |
| INE860H07GE0 | Non-convertible debenture | Dec-27-18 | Zero Coupon | Apr-08-22 | 50 | [ICRA]AAA (stable) |
| INE860H07GL5 | Non-convertible debenture | Dec-27-18 | 9.10% | Dec-21-23 | 81 | [ICRA]AAA (stable) |
| INE860H07GM3 | Non-convertible debenture | Dec-27-18 | 9.10% | Dec-21-28 | 69 | [ICRA]AAA (stable) |
| INE860H07GE0 | Non-convertible debenture | Jan-07-19 | Zero Coupon | Apr-08-22 | 32 | [ICRA]AAA (stable) |
| INE860H07GL5 | Non-convertible debenture | Jan-07-19 | 9.15% | Dec-21-23 | 16 | [ICRA]AAA (stable) |
| INE860H07GE0 | Non-convertible debenture | Jan-25-19 | Zero Coupon | Apr-08-22 | 30.5 | [ICRA]AAA (stable) |
| INE860H07GM3 | Non-convertible debenture | Feb-12-19 | 9.15% | Dec-21-28 | 38.5 | [ICRA]AAA (stable) |
| INE860H07GM3 | Non-convertible debenture | Mar-29-19 | 9.15% | Dec-21-28 | 150 | [ICRA]AAA (stable) |
| INE860H07GE0 | Non-convertible debenture | Apr-25-19 | Zero Coupon | Apr-08-22 | 75 | [ICRA]AAA (stable) |
| INE860H07GS0 | Non-convertible debenture | May-20-19 | 9.00% | 50% - May 19, 2028, 50% - May 18, 2029 | 1,500.00 | [ICRA]AAA (Stable) |
| INE860H07GT8 | Non-convertible debenture | Jun-12-19 | 8.65% | Jun-12-24 | 173 | [ICRA]AAA (stable) |
| INE860H07GT8 | Non-convertible debenture | Jun-24-19 | 8.65% | Jun-12-24 | 198 | [ICRA]AAA (stable) |
| INE860H07GT8 | Non-convertible debenture | Jun-28-19 | 8.65% | Jun-12-24 | 111.6 | [ICRA]AAA (stable) |
| INE860H07GU6 | Non-convertible debenture | Jul-04-19 | 8.70% | Jul-04-29 | 29.2 | [ICRA]AAA (stable) |
| INE860H07GT8 | Non-convertible debenture | Jul-24-19 | 8.65% | Jun-12-24 | 98.7 | [ICRA]AAA (stable) |
| INE860H07GW2 | Non-convertible debenture | Dec-04-19 | 7.75% | Dec-09-22 | 150 | [ICRA]AAA (stable) |
| INE860H07GX0 | Non-convertible debenture | Jan-20-20 | 8.15% | 1. 25% at the end of 7th Year(January 20, 2027), | 1,000.00 | [ICRA]AAA (Stable) |

| ISIN | Instrument Name | Date of Issuance / Sanction | Coupon Rate | Maturity Date | Amount Rated (Rs. crore) | Current Rating and Outlook |
|--------------|---------------------------|-----------------------------|---|--|--------------------------|----------------------------|
| | | | | 2. 25% at the end of 8th Year (January 20, 2028), 3. 25% at the end of 9th Year (January 19, 2029) & 4. 25% at the end of 10th Year (January 18, 2030) | | |
| INE860H07GY8 | Non-convertible debenture | Apr-17-20 | 7.75% | May-17-23 | 205 | [ICRA]AAA (stable) |
| INE860H07GZ5 | Non-convertible debenture | Apr-28-20 | 7.57% | Jun-28-23 | 225 | [ICRA]AAA (stable) |
| INE860H07HA6 | Non-convertible debenture | Apr-28-20 | 7.69% | Apr-25-25 | 25 | [ICRA]AAA (stable) |
| INE860H07HB4 | Non-convertible debenture | Jun-26-20 | 6.78% | Apr-26-22 | 250 | [ICRA]AAA (stable) |
| INE860H07HC2 | Non-convertible debenture | Oct-22-20 | 5.90% | Dec-29-23 | 330 | [ICRA]AAA (stable) |
| INE860H07HD0 | Non-convertible debenture | Dec-23-20 | 6.25% | Dec-23-25 | 75 | [ICRA]AAA (stable) |
| INE860H07HE8 | Non-convertible debenture | Feb-18-21 | 7.2400% p.a. | Feb-18-31 | 25 | [ICRA]AAA (stable) |
| INE860H07HF5 | Non-convertible debenture | Feb-25-21 | 6.1500% p.a. | May-30-23 | 775 | [ICRA]AAA (stable) |
| INE860H07HG3 | Non-convertible debenture | Mar-16-21 | 5.7500% p.a. (Floating Coupon with Quarterly Reset, Payable Annually) | Mar-16-23 | 500 | [ICRA]AAA (Stable) |
| INE860H07HH1 | Non-convertible debenture | Mar-19-21 | 5.7500% p.a. (Floating Coupon with Quarterly Reset, Payable Annually) | Mar-17-23 | 250 | [ICRA]AAA (Stable) |
| INE860H07HI9 | Non-convertible debenture | Mar-31-21 | 6.1500% p.a. | Mar-28-24 | 420 | [ICRA]AAA (Stable) |
| INE860H07HJ7 | Non-convertible debenture | May-07-21 | 5.11% p.a. (Floating Coupon with Quarterly Reset, | May-05-23 | 250 | [ICRA]AAA (Stable) |

| ISIN | Instrument Name | Date of Issuance / Sanction | Coupon Rate | Maturity Date | Amount Rated (Rs. crore) | Current Rating and Outlook |
|--------------|----------------------------|-----------------------------|---------------------|--|--------------------------|-------------------------------|
| | | | Payable Annually) | | | |
| INE860H07HK5 | Non-convertible debenture | May-31-21 | 7.26% p.a. | 25% at the end of 7th Year (Wednesday, May 31, 2028) 25% at the end of 8th Year (Thursday, May 31, 2029) 25% at the end of 9th Year (Friday, May 31, 2030) 25% at the end of 10th Year (Friday, May 30, 2031) | 750 | [ICRA]AAA (Stable) |
| INE860H07HL3 | Non-convertible debenture | Jun-17-21 | 5.1500% p.a. | Jun-16-23 | 50 | [ICRA]AAA (Stable) |
| INE860H07HM1 | Non-convertible debenture | Jun-17-21 | Zero Coupon | Jun-14-24 | 75 | [ICRA]AAA (Stable) |
| INE860H07HN9 | Non-convertible debenture | Jul-26-21 | 6.55% | Jul-24-26 | 500 | [ICRA]AAA (Stable) |
| INE860H07HO7 | Non-convertible debenture | Aug-05-21 | 5.85% | Aug-02-24 | 250 | [ICRA]AAA (Stable) |
| INE860H07HP4 | Non-convertible debenture | Oct-04-21 | 7.10% | Oct-03-31 | 50 | [ICRA]AAA (Stable) |
| INE860H07HQ2 | Non-convertible debenture | Oct-04-21 | 6.45% | Oct-01-26 | 115 | [ICRA]AAA (Stable) |
| NA | Non-convertible debenture* | | | | 6,510.40 | [ICRA]AAA (Stable) |
| INE860H07CH2 | Non-convertible debenture | Jan-07-16 | 8.70% | Jan-07-21 | 5 | [ICRA]AAA (stable); withdrawn |
| INE860H07CG4 | Non-convertible debenture | Jan-07-16 | 8.70% on XIRR basis | Jun-10-21 | 15 | [ICRA]AAA (stable); withdrawn |
| INE860H07CI0 | Non-convertible debenture | Jan-25-16 | 8.75% | Jan-25-21 | 10 | [ICRA]AAA (stable); withdrawn |
| INE860H07CK6 | Non-convertible debenture | Feb-23-16 | 8.85% | Feb-23-21 | 5 | [ICRA]AAA (stable); withdrawn |
| INE860H07CN0 | Non-convertible debenture | Mar-09-16 | 8.90% on XIRR basis | Jul-23-21 | 3.5 | [ICRA]AAA (stable); withdrawn |
| INE860H07CO8 | Non-convertible debenture | Mar-09-16 | 8.90% on XIRR basis | Aug-23-21 | 2 | [ICRA]AAA (stable); withdrawn |
| INE860H07CP5 | Non-convertible debenture | Mar-11-16 | 8.90% | Mar-11-21 | 10 | [ICRA]AAA (stable); withdrawn |

| ISIN | Instrument Name | Date of Issuance / Sanction | Coupon Rate | Maturity Date | Amount Rated (Rs. crore) | Current Rating and Outlook |
|--------------|-------------------------------------|-----------------------------|--|---------------|--------------------------|-------------------------------|
| INE860H07CR1 | Non-convertible debenture | Mar-21-16 | 8.90% | Mar-19-21 | 20 | [ICRA]AAA (stable); withdrawn |
| INE860H07CW1 | Non-convertible debenture | Mar-29-16 | 8.90% | Mar-19-21 | 20 | [ICRA]AAA (stable); withdrawn |
| INE860H07DA5 | Non-convertible debenture | Apr-12-16 | 8.70% | Apr-09-21 | 10 | [ICRA]AAA (stable); withdrawn |
| INE860H07DF4 | Non-convertible debenture | May-06-16 | 8.75% | May-06-21 | 39 | [ICRA]AAA (stable); withdrawn |
| INE860H07DG2 | Non-convertible debenture | Jun-02-16 | 8.67% | Jun-02-21 | 5 | [ICRA]AAA (stable); withdrawn |
| INE860H07DJ6 | Non-convertible debenture | Jun-24-16 | 8.75% | Jun-24-21 | 50 | [ICRA]AAA (stable); withdrawn |
| INE860H07FP8 | Non-convertible debenture | May-18-18 | Zero Coupon | May-18-21 | 400 | [ICRA]AAA (stable); withdrawn |
| INE860H07FR4 | Non-convertible debenture | Jun-26-18 | Zero Coupon | Jun-25-21 | 450 | [ICRA]AAA (stable); withdrawn |
| INE860H07FS2 | Non-convertible debenture | Jun-26-18 | 8.90% | Sep-24-21 | 25 | [ICRA]AAA (stable); withdrawn |
| INE860H07FR4 | Non-convertible debenture | Jul-06-18 | Zero Coupon | Jun-25-21 | 18.5 | [ICRA]AAA (stable); withdrawn |
| INE860H07FS2 | Non-convertible debenture | Jul-06-18 | 8.90% | Sep-24-21 | 55 | [ICRA]AAA (stable); withdrawn |
| INE860H07FU8 | Non-convertible debenture | Jul-20-18 | 8.58% | Jul-20-21 | 260 | [ICRA]AAA (stable); withdrawn |
| INE860H07CR1 | Non-convertible debenture | May-31-19 | 8.90% | Mar-19-21 | 150 | [ICRA]AAA (stable); withdrawn |
| INE860H07DF4 | Non-convertible debenture | May-31-19 | Coupon - 8.7500% - 8.45% on XIRR Basis | May-06-21 | 150 | [ICRA]AAA (stable); withdrawn |
| INE860H07DG2 | Non-convertible debenture | Jun-12-19 | 8.67% | Jun-02-21 | 10 | [ICRA]AAA (stable); withdrawn |
| INE860H07CP5 | Non-convertible debenture | Feb-20-19 | 8.90% | Mar-11-21 | 160 | [ICRA]AAA (stable); withdrawn |
| INE860H07FS2 | Non-convertible debenture | Aug-09-18 | 8.90% | Sep-24-21 | 50 | [ICRA]AAA (stable); withdrawn |
| INE860H07FS2 | Non-convertible debenture | Sep-04-18 | 8.90% | Sep-24-21 | 200 | [ICRA]AAA (stable); withdrawn |
| INE860H07FP8 | Non-convertible debenture | Sep-07-18 | Zero Coupon | May-18-21 | 40.2 | [ICRA]AAA (stable); withdrawn |
| INE860H07GD2 | Non-convertible debenture | Oct-26-18 | Zero Coupon | Oct-12-21 | 66.2 | [ICRA]AAA (stable); withdrawn |
| INE860H07GG5 | Non-convertible debenture | Oct-31-18 | Zero Coupon | Aug-16-21 | 145 | [ICRA]AAA (stable); withdrawn |
| INE860H08EF0 | Unsecured non-convertible debenture | Aug-06-20 | 7.57% | Aug-03-35 | 105 | [ICRA]AAA (Stable) |

| ISIN | Instrument Name | Date of Issuance / Sanction | Coupon Rate | Maturity Date | Amount Rated (Rs. crore) | Current Rating and Outlook |
|--------------|--------------------------------------|-----------------------------|-------------|---------------|--------------------------|----------------------------|
| NA | Unsecured non-convertible debenture* | | - | - | 1,395.00 | [ICRA]AAA (Stable) |
| INE860H08DL0 | Subordinated debt programme | Jun-17-15 | 9.25% | Jun-06-25 | 25 | [ICRA]AAA (Stable) |
| INE860H08DM8 | Subordinated debt programme | Jul-14-15 | 9.25% | Jul-11-25 | 30 | [ICRA]AAA (Stable) |
| INE860H08DN6 | Subordinated debt programme | Aug-25-15 | 9.25% | Aug-22-25 | 33 | [ICRA]AAA (Stable) |
| INE860H08DP1 | Subordinated debt programme | Mar-08-16 | 9.10% | Mar-06-26 | 25 | [ICRA]AAA (Stable) |
| INE860H08DQ9 | Subordinated debt programme | Mar-10-16 | 9.10% | Mar-10-26 | 8 | [ICRA]AAA (Stable) |
| INE860H08DR7 | Subordinated debt programme | Mar-18-16 | 9.10% | Mar-10-26 | 25.5 | [ICRA]AAA (Stable) |
| INE860H08DS5 | Subordinated debt programme | Jun-23-16 | 9.10% | Jun-23-26 | 52.5 | [ICRA]AAA (Stable) |
| INE860H08DT3 | Subordinated debt programme | Jul-28-16 | 8.97% | Jul-28-26 | 100 | [ICRA]AAA (Stable) |
| INE860H08DU1 | Subordinated debt programme | Jul-28-16 | 8.95% | Jul-28-26 | 75 | [ICRA]AAA (Stable) |
| INE860H08DV9 | Subordinated debt programme | Sep-29-16 | 8.90% | Sep-29-26 | 200 | [ICRA]AAA (Stable) |
| INE860H08DW7 | Subordinated debt programme | Nov-21-16 | 8.90% | Nov-20-26 | 200 | [ICRA]AAA (Stable) |
| INE860H08DX5 | Subordinated debt programme | Mar-09-17 | 8.25% | Mar-09-27 | 10 | [ICRA]AAA (Stable) |
| INE860H08DY3 | Subordinated debt programme | May-18-17 | 8.50% | May-18-27 | 165 | [ICRA]AAA (Stable) |
| INE860H08EA1 | Subordinated debt programme | Dec-04-18 | 9.76% | Dec-04-28 | 250 | [ICRA]AAA (Stable) |
| INE860H08EB9 | Subordinated debt programme | Jun-06-19 | 8.95% | Jun-06-29 | 200 | [ICRA]AAA (Stable) |
| INE860H08EB9 | Subordinated debt programme | Dec-30-19 | 8.95% | Jun-06-29 | 100 | [ICRA]AAA (Stable) |
| INE860H08EB9 | Subordinated debt programme | Feb-13-20 | 8.95% | Jun-06-29 | 50 | [ICRA]AAA (Stable) |
| INE860H08ED5 | Subordinated debt programme | Dec-29-20 | 7.43% | Dec-27-30 | 45 | [ICRA]AAA (Stable) |
| INE860H08ED5 | Subordinated debt programme | Dec-29-20 | 7.43% | Dec-27-30 | 35 | [ICRA]AAA (Stable) |
| INE860H08EE3 | Subordinated debt programme | Jun-11-21 | 7.34% | Jun-11-31 | 75 | [ICRA]AAA (Stable) |
| INE860H08EG8 | Subordinated debt programme | Dec-06-21 | 7.43% | Dec-05-31 | 35 | [ICRA]AAA (Stable) |
| NA | Subordinated debt programme* | - | - | - | 761.00 | [ICRA]AAA (Stable) |
| INE860H08DZ0 | Perpetual debt programme | Jul-21-17 | 8.70% | - | 200 | [ICRA]AA+ (Stable) |

| ISIN | Instrument Name | Date of Issuance / Sanction | Coupon Rate | Maturity Date | Amount Rated (Rs. crore) | Current Rating and Outlook |
|--------------|---|-----------------------------|-------------|---------------|--------------------------|-------------------------------|
| NA | Perpetual debt programme* | - | - | - | 500.00 | [ICRA]AA+ (Stable) |
| NA | Bank Lines - Long term/short term – Fund based/non-fund based | - | - | - | 30,000 | [ICRA]AAA(Stable) / [ICRA]A1+ |
| INE860H14S80 | Commercial paper | Mar-24-21 | 4.70% | Mar-18-22 | 50 | [ICRA]A1+ |
| INE860H14S80 | Commercial paper | Mar-30-21 | 4.45% | Mar-18-22 | 50 | [ICRA]A1+ |
| INE860H14S80 | Commercial paper | Mar-31-21 | 4.45% | Mar-18-22 | 50 | [ICRA]A1+ |
| INE860H14T55 | Commercial paper | Jul-12-21 | 4.40% | Jul-07-22 | 50 | [ICRA]A1+ |
| INE860H14U60 | Commercial paper | Oct-25-21 | 3.90% | Jan-24-22 | 50 | [ICRA]A1+ |
| INE860H14U60 | Commercial paper | Oct-25-21 | 3.90% | Jan-24-22 | 100 | [ICRA]A1+ |
| INE860H14U78 | Commercial paper | Oct-26-21 | 4.50% | Oct-21-22 | 200 | [ICRA]A1+ |
| INE860H14U94 | Commercial paper | Nov-10-21 | 3.98% | Feb-08-22 | 200 | [ICRA]A1+ |
| INE860H14U94 | Commercial paper | Nov-11-21 | 3.98% | Feb-08-22 | 100 | [ICRA]A1+ |
| INE860H14U94 | Commercial paper | Nov-11-21 | 3.98% | Feb-08-22 | 300 | [ICRA]A1+ |
| INE860H14V36 | Commercial paper | Nov-25-21 | 3.94% | Feb-24-22 | 200 | [ICRA]A1+ |
| INE860H14V36 | Commercial paper | Nov-26-21 | 3.94% | Feb-24-22 | 250 | [ICRA]A1+ |
| INE860H14V36 | Commercial paper | Nov-30-21 | 3.94% | Feb-24-22 | 500 | [ICRA]A1+ |
| INE860H14V51 | Commercial paper | Dec-07-21 | 4.25% | Apr-08-22 | 630 | [ICRA]A1+ |
| INE860H14V77 | Commercial paper | Dec-16-21 | 4.85% | Dec-12-22 | 150 | [ICRA]A1+ |
| INE860H14V93 | Commercial paper | Dec-27-21 | 4.18% | Mar-15-22 | 1,000 | [ICRA]A1+ |
| INE860H14V93 | Commercial paper | Dec-27-21 | 4.18% | Mar-15-22 | 250 | [ICRA]A1+ |
| NA | Commercial paper^ | - | - | 7-365 days | 7,870.00 | [ICRA]A1+ |
| NA | Commercial paper (IPO financing)^ | - | - | 7-30 days | 8,000.00 | [ICRA]A1+ |
| NA | Retail non-convertible debenture programme* | - | - | - | 5,000.00 | [ICRA]AAA (Stable) |
| NA | Non-convertible debenture programme* | - | - | - | 8,000.00 | [ICRA]AAA (Stable) |

Source: Company; *Yet to be placed ^Unutilised

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure-2: List of entities considered for consolidated analysis

| Company Name | Ownership | Consolidation Approach |
|--|-----------|------------------------|
| Aditya Birla PE Advisors Private Limited | 100% | Full consolidation |
| Aditya Birla Capital Technology Services Limited | 100% | Full consolidation |
| Aditya Birla Trustee Company Private Limited | 100% | Full consolidation |
| ABCAP Trustee Company Private Limited | 100% | Full consolidation |
| Aditya Birla Money Limited | 73.70% | Full consolidation |
| Aditya Birla Financial Shared Services Limited | 100% | Full consolidation |
| Aditya Birla Finance Limited | 100% | Full consolidation |
| Aditya Birla Housing Finance Limited | 100% | Full consolidation |
| Aditya Birla Health Insurance Company Limited | 51% | Full consolidation |
| Aditya Birla Sun Life Insurance Company Limited | 51% | Full consolidation |

| Company Name | Ownership | Consolidation Approach |
|---|-----------|------------------------|
| Aditya Birla Sun Life Pension Management Limited | 51% | Full consolidation |
| Aditya Birla Insurance Brokers Limited | 50.002% | Full consolidation |
| Aditya Birla Money Mart Limited | 100% | Full consolidation |
| Aditya Birla Money Insurance Advisory Services Limited | 100% | Full consolidation |
| Aditya Birla ARC Limited | 100% | Full consolidation |
| Aditya Birla Stressed Asset AMC Private Limited | 100% | Full consolidation |
| Aditya Birla Special Situation Fund 01 | 100% | Full consolidation |
| ABARC-ARC-001-Trust | 100% | Full consolidation |
| ABARC-ARC-008-Trust | 100% | Full consolidation |
| Aditya Birla Sun Life Trustee Private Limited | 50.85% | Equity method |
| Aditya Birla Wellness Private Limited | 51% | Equity method |
| Aditya Birla Sun Life AMC Company Limited | 50.01% | Equity method |
| Aditya Birla Sun Life AMC (Mauritius) Ltd. | 50.01% | Equity method |
| Aditya Birla Sun Life Asset Management Company Ltd., Dubai | 50.01% | Equity method |
| Aditya Birla Sun Life Asset Management Company Pte. Ltd., Singapore | 50.01% | Equity method |

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January 12, 2023

Dear Sir/Madam,

Re: Rating Letter for non-convertible debenture (NCD) programme of Aditya Birla Finance Limited

India Ratings and Research (Ind-Ra) is pleased to communicate the rating of
INR 50 billion Long-term Non-Convertible Debentures [public issue]: 'IND AAA'; Outlook Stable (The rated limit is interchangeable with unsecured subordinated redeemable NCDs, limit stands unutilized)
INR159.066billion Long-term Non-Convertible Debentures: 'IND AAA'; Outlook Stable
INR7billion Perpetual debt: 'IND AA+' ;Outlook Stable
INRINR5.233billion Principal Protected Market linked debentures: 'IND PP-MLD AAA emr'; Outlook Stable
INR21.5 billion Lower tier 2 Subordinated debt: 'IND AAA'; Outlook Stable
(Out of the above ABFL has issued INR 152.59billion of NCD, INR1.72billion of Principal Protected Market linked debentures, INR 19.49billion of Lower tier 2 Subordinated debt and INR 2 billion of Perpetual debt)

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors

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It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

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In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings

Prakash Agarwal

Prakash Agarwal
Director

K Gupta
Karan Gupta
Director

Annexure: ISIN

| Instrument | ISIN | Date of Issuance | Coupon Rate | Maturity Date | Ratings | Outstanding/Rated Amount(INR million) |
|------------|--------------|------------------|-------------|---------------|-------------------|---------------------------------------|
| NCDs | INE860H07BS1 | 10/09/2015 | 8.85% | 09/09/2022 | WD | 200 |
| NCDs | INE860H07BU7 | 07/10/2015 | 8.77% p.a | 07/10/2022 | WD | 600 |
| NCDs | INE860H07BV5 | 12/10/2015 | 8.77% p.a | 12/10/2022 | WD | 210 |
| NCDs | INE860H07BX1 | 19/10/2015 | 8.77% p.a | 17/10/2025 | IND AAA/Stable | 150 |
| NCDs | INE860H07BZ6 | 03/11/2015 | 8.71% p.a | 31/10/2025 | IND AAA/Stable | 5000 |
| NCDs | INE860H07CL4 | 23/02/2016 | 8.8500% p.a | 23/02/2026 | IND AAA/Stable | 100 |

| | | | | | | |
|------|--------------|------------|--|------------|-------------------|-------|
| NCDs | INE860H07CM2 | 09/03/2016 | 8.9000% p.a. | 06/03/2026 | IND AAA/Stable | 100 |
| NCDs | INE860H07CS9 | 21/03/2016 | 8.9000% p.a. | 20/03/2026 | IND AAA/Stable | 50 |
| NCDs | INE860H07FD4 | 13/06/2017 | 8.0000% XIRR | 11/06/2027 | IND AAA/Stable | 50 |
| NCDs | INE860H07FF9 | 19/06/2017 | 7.80% p.a. | 17/06/2022 | WD | 500 |
| NCDs | INE860H07FG7 | 29/06/2017 | 7.80% p.a. | 29/06/2022 | WD | 2000 |
| NCDs | INE860H07FK9 | 14/08/2017 | 7.70% p.a. | 12/08/2022 | WD | 500 |
| NCDs | INE860H07FL7 | 18/08/2017 | 7.60% p.a. | 18/08/2022 | WD | 1000 |
| NCDs | INE860H07FM5 | 23/08/2017 | 7.60% p.a. | 19/07/2022 | WD | 1500 |
| NCDs | INE860H07FK9 | 23/08/2017 | 7.60% p.a. | 12/08/2022 | WD | 500 |
| NCDs | INE860H07FN3 | 07/09/2017 | 7.60% p.a. | 07/09/2022 | WD | 3250 |
| NCDs | INE860H07FT0 | 26/06/2018 | 8.90% p.a. | 26/06/2025 | IND AAA/Stable | 510 |
| NCDs | INE860H07FV6 | 27/07/2018 | 8.9000% p.a. | 27/07/2023 | IND AAA/Stable | 150 |
| NCDs | INE860H07GE0 | 26/10/2018 | Zero Coupon | 08/04/2022 | WD | 1590 |
| NCDs | INE860H07GE0 | 06/11/2018 | Zero Coupon | 08/04/2022 | WD | 179 |
| NCDs | INE860H07FV6 | 11/12/2018 | 8.9000% p.a (yield 9.4000% On XIRR Basis) | 27/07/2023 | IND AAA/Stable | 1450 |
| NCDs | INE860H07GE0 | 11/12/2018 | Zero Coupon (yield 9.3500% On XIRR Basis) | 08/04/2022 | WD | 1450 |
| NCDs | INE860H07GL5 | 21/12/2018 | 9.1500% p.a. | 21/12/2023 | IND AAA/Stable | 700 |
| NCDs | INE860H07GM3 | 21/12/2018 | 9.1500% p.a. | 21/12/2028 | IND AAA/Stable | 150 |
| NCDs | INE860H07GL5 | 27/12/2018 | 9.1000% p.a. | 21/12/2023 | IND AAA/Stable | 810 |
| NCDs | INE860H07GM3 | 27/12/2018 | 9.1000% p.a. | 21/12/2028 | IND AAA/Stable | 690 |
| NCDs | INE860H07GE0 | 27/12/2018 | Zero Coupon | 08/04/2022 | WD | 500 |
| NCDs | INE860H07GE0 | 07/01/2019 | Zero Coupon - 8.9000% XIRR | 08/04/2022 | WD | 320 |
| NCDs | INE860H07GL5 | 07/01/2019 | Coupon 9.1500% - 9.0000% XIRR | 21/12/2023 | IND AAA/Stable | 160 |
| NCDs | INE860H07GE0 | 25/01/2019 | Zero Coupon - 8.9000% XIRR | 08/04/2022 | WD | 305 |
| NCDs | INE860H07GM3 | 12/02/2019 | Coupon 9.1500% - 9.0500% XIRR | 21/12/2028 | IND AAA/Stable | 385 |
| NCDs | INE860H07GM3 | 29/03/2019 | Coupon 9.1500% - 8.6500% XIRR | 21/12/2028 | IND AAA/Stable | 1500 |
| NCDs | INE860H07GE0 | 25/04/2019 | Zero Coupon - 8.9000% XIRR | 08/04/2022 | WD | 750 |
| NCDs | INE860H07GS0 | 20/05/2019 | 9.0000% p.a. | 18/05/2029 | IND AAA/Stable | 15000 |
| NCDs | INE860H07GT8 | 12/06/2019 | 8.65% p.a. | 12/06/2024 | IND AAA/Stable | 1730 |
| NCDs | INE860H07GT8 | 24/06/2019 | Coupon 8.65% p.a. - 8.6500% on XIRR Basis | 12/06/2024 | IND AAA/Stable | 1980 |

| | | | | | | |
|------|--------------|------------|---|------------|-------------------|-------|
| NCDs | INE860H07GT8 | 28/06/2019 | Coupon 8.65% p.a. - 8.6500% on XIRR Basis | 12/06/2024 | IND AAA/Stable | 1116 |
| NCDs | INE860H07GU6 | 04/07/2019 | Coupon 8.70% p.a. | 04/07/2029 | IND AAA/Stable | 292 |
| NCDs | INE860H07GT8 | 24/07/2019 | Coupon 8.65% p.a. - 8.500% on XIRR Basis | 12/06/2024 | IND AAA/Stable | 987 |
| NCDs | INE860H07GW2 | 04/12/2019 | Coupon 7.75% p.a. | 09/12/2022 | WD | 1500 |
| NCDs | INE860H07GX0 | 20/01/2020 | Coupon 8.15% p.a. | 18/01/2030 | IND AAA/Stable | 10000 |
| NCDs | INE860H07GY8 | 17/04/2020 | 7.75% p.a. | 17/05/2023 | IND AAA/Stable | 2050 |
| NCDs | INE860H07GZ5 | 28/04/2020 | 7.57% p.a. | 28/06/2023 | IND AAA/Stable | 2250 |
| NCDs | INE860H07HA6 | 28/04/2020 | 7.69% p.a. | 25/04/2025 | IND AAA/Stable | 250 |
| NCDs | INE860H07HB4 | 26/06/2020 | 6.7834% p.a. | 26/04/2022 | WD | 2500 |
| NCDs | INE860H08HC2 | 22/10/2020 | 5.90% | 29/12/2023 | IND AAA/Stable | 3300 |
| NCDs | INE860H07HD0 | 23/12/2020 | 6.25%pa | 23/12/2025 | IND AAA/Stable | 750 |
| NCDs | INE860H07HE8 | 18/02/2021 | 7.24% | 18/02/1931 | IND AAA/Stable | 250 |
| NCDs | INE860H07HF5 | 25/02/2021 | 6.15% | 30/05/2023 | IND AAA/Stable | 7750 |
| NCDs | INE860H07HG3 | 16/03/2021 | 5.75% p.a. (Floating coupon with quarterly reset, payable annually) | 16/03/2023 | IND AAA/Stable | 5000 |
| NCDs | INE860H07HH1 | 19/03/2021 | 5.75% p.a. (Floating coupon with quarterly reset, payable annually) | 17/03/2023 | IND AAA/Stable | 2500 |
| NCDs | INE860H07HI9 | 31/03/2021 | Coupon 6.15% p.a. | 28/03/2024 | IND AAA/Stable | 4200 |
| NCDs | INE860H07HJ7 | 07/05/2021 | 5.11% p.a. (Floating coupon with quarterly reset, payable annually) | 05/05/2023 | IND AAA/Stable | 2500 |
| NCDs | INE860H07HK5 | 31/05/2021 | 7.2600% P.a. | 30/05/1931 | IND AAA/Stable | 7500 |
| NCDs | INE860H07HL3 | 17/06/2021 | 5.1500% p.a. | 16/06/2023 | IND AAA/Stable | 500 |
| NCDs | INE860H07HM1 | 17/06/2021 | Zero coupon | 14/06/2024 | IND AAA/Stable | 750 |
| NCDs | INE860H07HN9 | 26/07/2021 | 6.55% p.a. | 24/07/2026 | IND AAA/Stable | 5000 |
| NCDs | INE860H07HO7 | 05/08/2021 | 5.85% p.a. | 02/08/2024 | IND AAA/Stable | 2500 |
| NCDs | INE860H07HP4 | 04/10/2021 | 7.10% | 03/10/1931 | IND AAA/Stable | 500 |
| NCDs | INE860H07HQ2 | 04/10/2021 | 6.45% | 01/10/2026 | IND AAA/Stable | 1150 |
| NCDs | INE860H07HR0 | 21/01/2022 | 5.22%, 3 month T bill as on 21 January 2022 + Spread 165bp | 21/01/2025 | IND AAA/Stable | 5000 |
| NCDs | INE860H07HS8 | 21/01/2022 | 6.40% | 21/07/2025 | IND | 3500 |

| | | | | | | |
|----------------------|--------------|------------|----------------------------|------------|-------------------|-------|
| | | | | | AAA/Stable | |
| NCDs | INE860H07HU4 | 08/06/2022 | 7.60% | 06/06/2025 | IND AAA/Stable | 1100 |
| NCDs | INE860H07HU4 | 14/06/2022 | 7.60% | 06/06/2025 | IND AAA/Stable | 2500 |
| NCDs | INE860H07HU4 | 01/07/2022 | 7.60% | 06/06/2025 | IND AAA/Stable | 2500 |
| NCDs | INE860H07FT0 | 12/07/2022 | 7.8000% p.a. on XIRR basis | 26/06/2025 | IND AAA/Stable | 3000 |
| NCDs | INE860H07HW0 | 12/07/2022 | Zero Coupon | 11/07/2025 | IND AAA/Stable | 3250 |
| NCDs | INE860H07HX8 | 18/08/2022 | 7.50% | 18/08/2025 | IND AAA/Stable | 4000 |
| NCDs | INE860H07HY6 | 24/08/2022 | Zero coupon | 23/08/2024 | IND AAA/Stable | 1360 |
| NCDs | INE860H07HX8 | 27/12/2018 | 7.50% | 18/08/2025 | IND AAA/Stable | 4650 |
| NCDs | INE860H07FT0 | 27/12/2018 | 7.5700% p.a. on XIRR basis | 26/06/2025 | IND AAA/Stable | 250 |
| NCDs | INE860H07IA4 | 14/10/2022 | 7.90% | 19/09/2025 | IND AAA/Stable | 5100 |
| NCDs | INE860H07IB2 | 18/11/2022 | 7.92% | 28/11/2024 | IND AAA/Stable | 500 |
| NCDs | INE860H07IC0 | 18/11/2022 | 7.95% | 18/03/2026 | IND AAA/Stable | 5970 |
| NCDs | INE860H07ID8 | 18/11/2022 | 8.12% | 18/11/1932 | IND AAA/Stable | 2000 |
| NCDs | INE860H07IE6 | 29/11/2022 | 7.93% | 15/01/2026 | IND AAA/Stable | 3050 |
| NCDs | INE860H07FT0 | 29/11/2022 | 8.90% | 26/06/2025 | IND AAA/Stable | 250 |
| NCDs | INE860H07IF3 | 05/12/2022 | 7.95% | 03/12/2027 | IND AAA/Stable | 500 |
| NCDs | INE860H07ID8 | 21/12/2022 | 8.12% | 18/11/1932 | IND AAA/Stable | 4000 |
| NCDs | INE860H07IG1 | 27/12/2022 | 7.92% | 27/12/2027 | IND AAA/Stable | 4100 |
| NCDs | INE860H07IH9 | 30/12/2022 | 7.88% | 12/02/2026 | IND AAA/Stable | 4000 |
| NCDs (Unutilised) | | | | | IND AAA/Stable | 56476 |
| Subordinated debt | INE860H08DL0 | 17/06/2015 | 9.25 | 06/06/2025 | IND AAA/Stable | 250 |
| Subordinated debt | INE860H08DM8 | 14/07/2015 | 9.25 | 11/07/2025 | IND AAA/Stable | 300 |
| Subordinated debt | INE860H08DN6 | 25/08/2015 | 9.25 | 22/08/2025 | IND AAA/Stable | 330 |
| Subordinated debt | INE860H08DP1 | 08/03/2016 | 9.1 | 06/03/2026 | IND AAA/Stable | 250 |
| | | | | | | |

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|--------------------------------|--------------|------------|--|------------|---------------------------|-------|
| Subordinated debt | INE860H08DQ9 | 10/03/2016 | 9.1 | 10/03/2026 | IND AAA/Stable | 80 |
| Subordinated debt | INE860H08DR7 | 18/03/2016 | 9.1 | 10/03/2026 | IND AAA/Stable | 255 |
| Subordinated -debt | INE860H08DS5 | 23/06/2016 | 9.1 | 23/06/2026 | IND AAA/Stable | 525 |
| Subordinated debt | INE860H08DT3 | 28/07/2016 | 8.97 | 28/07/2026 | IND AAA/Stable | 1000 |
| Subordinated debt | INE860H08DU1 | 28/07/2016 | 8.95 | 28/07/2026 | IND AAA/Stable | 750 |
| Subordinated debt | INE860H08DV9 | 29/09/2016 | 8.9 | 29/09/2026 | IND AAA/Stable | 2000 |
| Subordinated Debt | INE860H08DW7 | 21/11/2016 | 8.9 | 20/11/2026 | IND AAA/Stable | 2000 |
| Subordinated debt | INE860H08DX5 | 09/03/2017 | 8.25 | 09/03/2027 | IND AAA/Stable | 100 |
| Subordinated debt | INE860H08DY3 | 18/05/2017 | 8.5 | 18/05/2027 | IND AAA/Stable | 1650 |
| Subordinated debt | INE860H08EA1 | 04/12/2018 | 9.76 | 04/12/2028 | IND AAA/Stable | 2500 |
| Subordinated debt | INE860H08EB9 | 12/06/2019 | 8.95 | 06/06/2029 | IND AAA/Stable | 2000 |
| Subordinated debt | INE860H08EB9 | 30/12/2019 | Coupon -8.95% p.a; XIRR - 8.67% | 06/06/2029 | IND AAA/Stable | 1000 |
| Subordinated debt | INE860H08EB9 | 13/02/2020 | Coupon -8.95% p.a; XIRR - 8.25% | 06/06/2029 | IND AAA/Stable | 500 |
| Subordinated debt | INE860H08ED5 | 30/12/2020 | 7.43 | 27/12/1930 | IND AAA/Stable | 800 |
| Subordinated debt | INE860H08EE3 | 14/06/2021 | 7.34 | 11/07/1931 | IND AAA/Stable | 750 |
| Subordinated debt | INE860H08EG8 | 06/12/2021 | 7.43 | 05/12/1931 | IND AAA/Stable | 350 |
| Subordinated debt | INE860H08EG8 | 28/02/2022 | 7.43% p.a. (XIRR - 7.65%) | 05/12/1931 | IND AAA/Stable | 2100 |
| Subordinated debt (unutilised) | | | | | IND AAA/Stable | 2010 |
| NCDs | INE860H07GR2 | 08/05/2019 | 1 greater than 50% of digital level; 8.6819% p.a. (8.70% XIRR (annualised yield)); 2 Less than or equal to 50% of digital level 0 % | 25/05/2022 | WD | 379.1 |
| NCDs | INE860H07HT6 | 04/05/2022 | Coupon linked to performance of underlying / reference index Scenario If performance of underlying on final fixing date coupon1 Greater than 50% of digital level 6.0082% p.a. (6.0000% XIRR (Annualized yield))2 Less than or equal to 50% of digital level | 03/05/2024 | IND PP-MLD AAA emr/Stable | 451 |
| NCDs | INE860H07HV2 | 28/06/2022 | Coupon linked to performance of underlying / reference index Scenario If performance of underlying on final fixing date coupon1 Greater than 50% of digital Level 7.3400% p.a. (7.3300% XIRR (Annualised yield))2 Less than or equal to 50% of digital level | 27/06/2024 | IND PP-MLD AAA emr/Stable | 250 |
| NCDs | INE860H07HZ3 | 26/08/2022 | Principal protected (10 year G-Sec price linked) secured rated listed redeemable NCDs. ABFL NCD series PPMLD E3 FY22-FY23 – date of maturity 9 April 2025 | 09/04/2025 | IND PP-MLD AAA emr/Stable | 1022 |
| NCDs | | | | | IND PP- | 3510 |

| | | | | | | |
|-----------------------------------|--------------|------------|-------|--|-----------------------|------|
| (Unutilised) | | | | | MLD AAA emr/Stable | |
| Perpetual debt | INE860H08DZ0 | 21/07/2017 | 8.70% | | IND AAA/Stable | 2000 |
| Perpetual debt (Unutilised) | | | | | IND AAA/Stable | 5000 |

India Ratings Affirms Aditya Birla Finance at 'IND AAA/ Stable

Apr 04, 2022 | Financial Services

India Ratings and Research (Ind-Ra) has affirmed Aditya Birla Finance Limited's (ABFL) Long-Term Issuer Rating at 'IND AAA' and Short-Term Issuer Rating at 'IND A1+'. The Outlook is Stable. The instrument-wise rating actions are as follows:

| Instrument Type | Date of Issuance | Coupon Rate | Maturity Date | Size of Issue (million) | Rating/Outlook | Rating Action |
|--|------------------|-------------|---------------|---|---------------------------|---------------|
| Principal protected market-linked debenture (PP-MLD)^* | - | - | - | INR5,223 | IND PP-MLD AAA emr/Stable | Affirmed |
| Lower tier-2 subordinated debt* | - | - | - | INR21,500 | IND AAA/Stable | Affirmed |
| Perpetual debt* | - | - | - | INR7,000 | IND AA+/Stable | Affirmed |
| Bank loan | - | - | - | INR350,000 | IND AAA/Stable | Affirmed |
| Commercial paper (CP)* | - | - | - | INR200,000 (of which, INR80,000 is for initial public offering (IPO) financing) | IND A1+ | Affirmed |
| Non-convertible debentures (NCDs)* | - | - | - | INR159,066 | IND AAA/Stable | Affirmed |
| NCDs (public issue)* | - | - | - | INR50,000 | IND AAA/Stable | Affirmed |

*The rated limit is interchangeable with unsecured subordinated redeemable NCDs; Details in annexure

^ The suffix emr denotes the exclusion of the embedded market risk from the rating. The rating of the market linked debentures is an ordinal assessment of the underlying credit risk of the instrument and does not factor in the market risk that investors in such instruments will assume. This market risk stems from the fact that coupon payment on the instrument will be based on the performance of a reference index or equity share (detailed in the information memorandum of the issue). PP-MLD refers to full principal protection in the equity-linked notes, wherein the issuer is obligated to pay the full principal upon maturity.

Analytical Approach: The ratings continue to reflect the credit profile of Grasim Industries Limited ('IND AAA/Stable' (<https://www.indiaratings.co.in/PressRelease?pressReleaseID=36415&title=India-Ratings-Affirms-Grasim-Industries-at-%E2%80%98IND-AAA%E2%80%99%E2%80%992FStable>)), which is the ultimate parent of ABFL through Grasim Industries' ownership (54.18% stake) in Aditya Birla Capital Ltd (ABFL's parent). The ratings factor in Ind-Ra's expectation that the financial services segment would continue to be highly important for Grasim Industries and the larger Aditya Birla group (AB group) franchise from a long-term perspective.

Ind-Ra understands that the financial services business remains a key focus area for the AB group, and it has a close oversight from the group's top management, though its share in the consolidated balance sheet and profitability of the ultimate parent and the group is modest. In addition, Grasim Industries' management has stated that the financial services business continues to be among the core businesses for them, and Grasim Industries will maintain its majority ownership in the financial services business, and as such, intends to provide all the required support to the business. On a standalone basis, ABFL has created a sizeable franchise in the non-banking financial services domain, with a fairly diversified portfolio across segments.

Key Rating Drivers

Strong Parent with High Propensity and Ability to Support: Ind-Ra expects ABFL to receive timely financial support from Grasim Industries. The AB group considers ABFL's lending business to be critical to its long-term growth prospects. ABFL has received regular equity infusions (INR37.47 billion over FY13-9MFY22) from its erstwhile parent, Aditya Birla Nuvo Ltd, and subsequently, from Aditya Birla Capital. Grasim Industries has a strong operating profile, with adequate resources in terms of on-book liquidity and investments to support ABFL's requirements. The AB group has stated that there is close co-ordination between the management of Grasim Industries and the financial services business, and Grasim Industries' intention and interest is to ensure a smooth flow of resources from itself to the financial services segment at all times. There also exist a board overlap between Grasim Industries and the financial services arm Aditya Birla Capital which has ABFL as its subsidiary.

Established Franchise with Spread out Portfolio: ABFL has a diversified book across segments (3QFY22: loan book: INR488 billion, equity: INR96.6 billion) and is a significant player in the non-banking finance segment. ABFL's assets under management (AUM) expanded at a CAGR of 15.2% over FY15-9MFY21. However, the loan book declined at a CAGR of 3.69% over FY19-9MFY22. ABFL's earlier portfolio mainly consisted of capital market business (FY12: 44% of book; 9MFY22: 5.5%). During FY12-FY13, it also entered into other businesses across semi-wholesale/wholesale business segments such as loan against property/small and medium-sized enterprises (SME), project finance and corporate lending. However, ABFL plans to increasingly focus on granular loans and increase the retail proportion in the loan book through growing the SME/MSME loan segment, with product facilities focussed on term loan/working capital debt loans, loans against property and lease rental discounting, business loans /personal loans along with supply chain finance compared to the wholesale book (project finance, structured finance). Incrementally, the company has entered into new retail segments such as business, personal and digital loans, to improve its blended margins, bolster growth and enhance its diversification. These segments are characterised by high levels of competition from both banks and non-banking finance companies. The share of retail and SME book stood at 62.3% in overall AUM mix at end-9MFY22.

The growth witnessed in disbursement during 9MFY22 was negated due to higher repayments thereby leading to muted book growth of 2.3% on a year-to-date basis. Ind-Ra believes the segments in which ABFL operates face high competition from small finance banks, private banks and larger non-banking financial companies and could face retention pressure over the medium term till the time the demand across the economy picks up. ABFL plans to expand its franchise by increasing its branches to over 300 (from current 130-140) over the next two years largely in the tier 2 and 3 cities, scaling the retail and SME book.

Weakened Asset Quality, but Impact could be Moderated through Resolution: ABFL's asset quality has faced headwinds post September 2018, with an increase in delinquencies, partly because of the slowdown in the broader economy. The gross non-performing stage 3 assets (GS3) ratio increased to 3.9% during 9MFY22 (FY21: 2.68%, FY19: 1.5%) along with a restructured book of 3.9% (FY21: 2.3%) during the same period. The existing non-performing assets have largely stemmed from the large and mid-corporate segments, particularly from the corporate finance, structured finance and project finance book. However, an incremental rise in delinquencies could be driven by the other segments such as SME, semi-wholesale and retail segment, as business momentum and the cash flows of borrowers would be affected by the pandemic and recovery could take time.. However, deleveraging through asset sales across SME borrowers could drive resolution in near term. ABFL has also disbursed around INR15.2 billion under the Emergency Credit Linked Guaranteed Scheme till 3QFY22, thereby benefitting 15.6% of the overall AUM. The entity has been carrying a provision of 30bp for COVID-19-related issues, with the overall likely credit loss provision of 2.3% in 9MFY22 (9MFY21: 1.5%). The provision coverage stood at 41.9% during 9MFY22 against 38.5% during 9MFY21. The company witnessed a significant resolution of around INR5 billion during 3QFY21 and expects a further resolution of INR3.5 billion-3.75 billion in the subsequent quarters from the existing stress assets. However, unsecured book, which remains to be seasoned, could witness higher delinquencies in the event of a rising pressure on borrower cashflows due to volatile operating environment. Ind-Ra will monitor the overall delinquencies for ABFL over the medium term and will assess its impact on the overall profitability and capital buffers.

The company's credit costs as % of average lending book reduced to 145bp during 9MFY22 as against 160bp during 9MFY21. ABFL's collateral adequately covers 1.8x of its net stage 3 book provides buffer against haircuts during resolution, leading to lower loss given default risk. ABFL's exposures under project finance are diversified across infra assets (roads and power -transmission, distribution and renewables), hospitality, healthcare and others, with a focus on better-rated corporates with strong sponsors; however, the impact of the COVID-19 outbreak on certain sectors needs to be monitored.

Diversified Funding: ABFL's funding profile remains comfortable, diversified across banks, financial institutions and capital markets. Post September 2018, the company has reduced its share of CPs (9MFY22:10.5% of the total funding mix; FY18: 25%). ABFL plans to cap its share of CP funding in the overall liabilities in range of 10%-15% over the medium term. Furthermore, the share of bank funding in the overall funding mix increased to 45.9% in 9MFY22 (FY18: 40.2%). External commercial borrowings accounted for 6.3% of the total borrowing as of 9MFY22 for ABFL. Also, the cost of funding seems to have bottomed out, and it could move in tandem with the overall interest rate regime, where the ability of ABFL to pass this rise in funding cost across its product segment and still meaningfully grow its the loan book remains monitorable.

Liquidity Indicator - Adequate: In terms of asset liability management, ABFL's contractual structural liquidity statement at end-December 2021 had minor cumulative mismatches in the time buckets of up-to-one-year. However, the peak cumulative gap arising in the less-than-one-year time bucket is more than covered by its unutilised bank lines and the entity can also access the liquidity of the ultimate parent, if required. ABFL had unutilised bank lines of INR55.7 billion at end-December 2021. Incrementally, ABFL will match the proportion of short-term borrowings in its liabilities to the extent of short-term asset in the overall assets under management. The company has a diversified funding profile, with adequate access to banks and capital markets and has been able to raise funds at competitive rates. Moreover, considering that ABFL is a part of the AB group, Ind-Ra expects the ultimate parent to support to ABFL during times of stress.

Profitability Buffers Stable: ABFL's return on assets, which was 1.8%-2.0% during FY17-FY19, moderated to 1.5% in FY20 and FY21. However, a change in the product mix more towards retail and SME, along with an unsecured book of around 20%, has helped improve the lending yield. It has also improved the cost of funds, driving an improvement in the return on asset which stood at 2.3% at end-9MFY22. However, a retail and SME- focussed product mix will attract higher operating cost which, to a certain extent, could be compensated with an improvement in lending yields. The moderation in the funding cost along with maintaining of lending yield has helped ABFL navigate the pandemic impact with higher credit cost than past averages, thereby sustaining profitability. The company's ability to manage its credit costs and pass on the impact of any rise in interest rates to end-customers will remain a key monitorable.

Adequate Capitalisation: ABFL’s equity-to-assets ratio increased to 18.7% during 9MFY22 (FY21: 17.4%). Ind-Ra expects the company to maintain a stable state debt-to-equity ratio (gross leverage) of around 6x over the medium-to-long term (9MFY22: 4.26x). Furthermore, the agency expects ABFL to maintain above-average equity and liquidity buffers to absorb the possible shocks from the prevailing situation. As per Ind-Ra’s estimates, for loan growth of less than 12%, there would be minimal capital consumption; the current level of capital buffers could cater to the growth needs of two years.

Rating Sensitivities

Negative: Dilution of support expectations, which could be on account of weakened commercial prospects, weak operating/financial performance or otherwise, could result in a negative rating action. ABFL’s sustained below-average operating performance, inability to manage the asset quality as the book seasons out over the medium term, resulting in higher-than-expected losses, weakened liability or liquidity profile, or diminished business prospects, or any other adverse impact could lead to a downgrade.

Lack of timely support in terms of equity capital or liquidity, if required, would also lead to a negative rating action. Any material deterioration in the standalone profile of ABFL or in the credit profile of Grasim Industries would have an impact on the rating. ABFL’s gross leverage remaining above 6x on a sustained basis with the existing loan portfolio can also lead to negative rating action.

ESG Issues

ESG Factors Minimally Relevant to Rating: Unless otherwise disclosed in this section, the ESG issues are credit neutral or have only a minimal credit impact on Aditya Birla Finance limited, either due to their nature or the way in which they are being managed by the entity. For more information on Ind-Ra’s ESG Relevance Disclosures, please click [here](https://www.indiaratings.co.in/PressRelease?pressReleaseID=56916&title=India%20Ratings%20Launches%20ESG%20Relevance%20Disclosure%20to%20Show%20Impact%20of%20ESG%20on%20Credit) (https://www.indiaratings.co.in/PressRelease?pressReleaseID=56916&title=India%20Ratings%20Launches%20ESG%20Relevance%20Disclosure%20to%20Show%20Impact%20of%20ESG%20on%20Credit). For answers to frequently asked questions regarding ESG Relevance Disclosures and their impact on ratings, please click [here](https://www.indiaratings.co.in/PressRelease?pressReleaseID=57016) (https://www.indiaratings.co.in/PressRelease?pressReleaseID=57016).

Company Profile

Formed in 1991, ABFL was formerly known as Birla Global Finance. It is now a subsidiary of the listed Aditya Birla Capital. ABFL was previously largely engaged in the short-term finance segment. However, it entered into project finance, corporate lending and mortgage financing businesses in FY12. Moreover, the company is engaged in the debt and syndication advisory business.

ABFL is an indirect subsidiary of Grasim Industries, which holds a 54.18% stake in Aditya Birla Capital, which holds 100% stake in ABFL; the promoters hold an additional 16.84%, and the public holds 28.98% in Aditya Birla Capital.

FINANCIAL SUMMARY

| Particulars | 9MFY22 | FY21 | FY20 |
|------------------------------|--------|-------|-------|
| Total assets (INR billion) | 517.9 | 507.5 | 519.7 |
| Total equity (INR billion) | 96.6 | 88.3 | 80.7 |
| Net profit (INR billion) | 8.1 | 7.7 | 8.5 |
| Return on average assets (%) | 2.3 | 1.5 | 1.5 |
| Equity/assets (%) | 18.7 | 17.4 | 15.5 |
| Tier capital (%) | 23.1 | 22.7 | 19.0 |
| Source: ABFL | | | |

Solicitation Disclosures

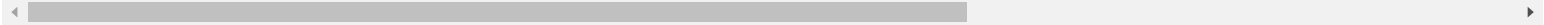
Additional information is available at www.indiaratings.co.in. The ratings above were solicited by, or on behalf of, the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer.

Rating History

| Instrument Type | Current Rating/Outlook | | | Historical R | | | |
|-----------------|------------------------|------------------------|----------------|--------------|--------------|---------------|----------------|
| | Rating Type | Rated Limits (million) | Rating/Outlook | 5 April 2021 | 8 April 2020 | 12 March 2019 | 8 January 2019 |

| | | | | | | | |
|--------------------------------|----------------------|------------|---------------------------|------------------------------|------------------------------|---------------------------|------------------------------|
| Issuer rating | Long term/Short term | | IND AAA/Stable/IND A1+ | IND AAA/Stable/IND A1+ | IND AAA/Stable/IND A1+ | IND AAA/Stable/IND A1+ | IND AAA/Stable/IND A1+ |
| NCDs | Long-term | INR209,066 | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable |
| Lower tier 2 Subordinated debt | Long-term | INR21,500 | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable |
| Perpetual debt | Long-term | INR7,000 | IND AA+/Stable | IND AA+/Stable | IND AA+/Stable | IND AA+/Stable | IND AA+/Stable |
| CP* | Short term | INR200,000 | IND A1+ | IND A1+ | IND A1+ | IND A1+ | IND A1+ |
| Bank loan | Long-term | INR350,000 | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable | IND AAA/Stable |
| PP-MLD | Long-term | INR5,223 | IND PP-MLD AAA emr/Stable | IND PP-MLD AAA emr/Stable | IND PP-MLD AAA emr/Stable | IND PP-MLD AAA emr/Stable | IND PP-MLD AAA emr/Stable |



Annexure

| Instrument | ISIN | Date of Issuance | Coupon Rate (%) | Maturity Date | Size of Issue (million) | Rating/ Outlook |
|------------|--------------|-------------------|--------------------------|----------------------------|----------------------------|------------------|
| NCDs | INE860H07BS1 | 10 September 2015 | 8.85% | 9 September 2022 | 200 | IND AAA/Stable |
| NCDs | INE860H07BU7 | 07 October 2015 | 8.77% p.a | 7 October 2022 | 600 | IND AAA/Stable |
| NCDs | INE860H07BV5 | 12 October 2015 | 8.77% p.a | 12 October 2022 | 210 | IND AAA/Stable |
| NCDs | INE860H07BX1 | 19 October 2015 | 8.77% p.a | 17 October 2025 | 150 | IND AAA/Stable |
| NCDs | INE860H07BZ6 | 03 November 2015 | 8.71% p.a | 50% on 1 November 2024 and | 5000 | IND AAA/Stable |
| | | | | 50% on 31 October 2025 | | |
| NCDs | INE860H07CG4 | 07 January 2016 | 8.7000% on XIRR basis | 10 June 2021 | 150 | WD(Paid in Full) |
| NCDs | INE860H07CL4 | 23 February 2016 | 8.8500% p.a | 23 February 2026 | 100 | IND AAA/Stable |
| NCDs | INE860H07CM2 | 09 March 2016 | 8.9000% p.a. | 06 March 2026 | 100 | IND AAA/Stable |

| | | | | | | |
|------|--------------|----------------|-----------------------|----------------|------|------------------|
| NCDs | INE860H07CN0 | 09 March 2016 | 8.9000% on XIRR basis | 23 July 2021 | 35 | WD(Paid in Full) |
| NCDs | INE860H07CO8 | 09 March 2016 | 8.9000% on XIRR basis | 23 August 2021 | 20 | WD(Paid in Full) |
| NCDs | INE860H07CS9 | 21 March 2016 | 8.9000% p.a. | 20 March 2026 | 50 | IND AAA/Stable |
| NCDs | INE860H07DA5 | 12 April 2016 | 8.7000% p.a. | 09 April 2021 | 100 | WD(Paid in Full) |
| NCDs | INE860H07DF4 | 06 May 2016 | 8.7500% p.a. | 06 May 2021 | 390 | WD(Paid in Full) |
| NCDs | INE860H07DG2 | 02 June 2016 | 8.6700% p.a. | 02 June 2021 | 50 | WD(Paid in Full) |
| NCDs | INE860H07DJ6 | 24 June 2016 | 8.7500% p.a. | 24 June 2021 | 500 | WD(Paid in Full) |
| NCDs | INE860H07EN6 | 10 March 2017 | 8.00% p.a | 10 March 2022 | 2500 | WD(Paid in Full) |
| NCDs | INE860H07EO4 | 20 March 2017 | 8.00% p.a | 18 March 2022 | 2000 | WD(Paid in Full) |
| NCDs | INE860H07EP1 | 24 March 2017 | 8.00% p.a | 24 March 2022 | 1400 | WD(Paid in Full) |
| NCDs | INE860H07FD4 | 13 June 2017 | 8.0000% XIRR | 11 June 2027 | 7000 | IND AAA/Stable |
| NCDs | INE860H07FF9 | 19 June 2017 | 7.80% p.a | 17 June 2022 | 500 | IND AAA/Stable |
| NCDs | INE860H07FG7 | 29 June 2017 | 7.80% p.a | 29 June 2022 | 2000 | IND AAA/Stable |
| NCDs | INE860H07FK9 | 14 August 2017 | 7.70% p.a | 12 August 2022 | 500 | IND AAA/Stable |

| | | | | | | |
|------|--------------|-------------------|-----------------|-------------------|------|------------------|
| NCDs | INE860H07FL7 | 18 August 2017 | 7.60% p.a | 18 August 2022 | 1000 | IND AAA/Stable |
| NCDs | INE860H07FM5 | 23 August 2017 | 7.60%p.a | 19 July 2022 | 1500 | IND AAA/Stable |
| NCDs | INE860H07FK9 | 23 August 2017 | 7.60% p.a | 12 August 2022 | 500 | IND AAA/Stable |
| NCDs | INE860H07FN3 | 07 September 2017 | 7.60% p.a | 07 September 2022 | 3250 | IND AAA/Stable |
| NCDs | INE860H07FO1 | 28 December 2017 | 7.79% | 28 February 2022 | 2500 | WD(Paid in Full) |
| NCDs | INE860H07FP8 | 18 May 2018 | Zero Coupon | 18 May 2021 | 4000 | WD(Paid in Full) |
| NCDs | INE860H07FR4 | 26 June 2018 | Zero Coupon | 25 June 2021 | 4500 | WD(Paid in Full) |
| NCDs | INE860H07FS2 | 26 June 2018 | 8.90% p.a | 24 September 2021 | 250 | WD(Paid in Full) |
| NCDs | INE860H07FT0 | 26 June 2018 | 8.90% p.a | 26 June 2025 | 510 | IND AAA/Stable |
| NCDs | INE860H07FR4 | 06 July 2018 | Zero Coupon | 25 June 2021 | 185 | WD(Paid in Full) |
| NCDs | INE860H07FS2 | 06 July 2018 | 8.90% p.a | 24 September 2021 | 550 | WD(Paid in Full) |
| NCDs | INE860H07FU8 | 20 July 2018 | 8.58% p.a | 20 July 2021 | 2600 | WD(Paid in Full) |
| NCDs | INE860H07FV6 | 27 July 2018 | 8.9000% p.a | 27 July 2023 | 150 | IND AAA/Stable |
| NCDs | INE860H07FW4 | 03 August 2018 | 8.8100% on XIRR | 26 July 2021 | 760 | WD(Paid in Full) |

| | | | | | | |
|------|--------------|-------------------|--------------------------------|-------------------|------|------------------|
| NCDs | INE860H07FS2 | 09 August 2018 | 8.90 % p.a | 24 September 2021 | 500 | WD(Paid in Full) |
| NCDs | INE860H07FS2 | 04 September 2018 | 8.90 % p.a | 24 September 2021 | 2000 | WD(Paid in Full) |
| NCDs | INE860H07FP8 | 07 September 2018 | Zero Coupon | 18 May 2021 | 402 | WD(Paid in Full) |
| NCDs | INE860H07GD2 | 26 October 2018 | Zero Coupon | 12 October 2021 | 662 | WD(Paid in Full) |
| NCDs | INE860H07GE0 | 26 October 2018 | Zero Coupon | 08 April 2022 | 1590 | IND AAA/Stable |
| NCDs | INE860H07GG5 | 31 October 2018 | Zero Coupon | 16 August 2021 | 1450 | WD(Paid in Full) |
| NCDs | INE860H07GH3 | 31 October 2018 | 9.4750% p.a | 18 March 2022 | 1150 | WD(Paid in Full) |
| NCDs | INE860H07GE0 | 06 November 2018 | Zero Coupon | 08 April 2022 | 179 | IND AAA/Stable |
| NCDs | INE860H07797 | 11 December 2018 | 9.15 % p.a | 13 January 2022 | 900 | WD(Paid in Full) |
| | | | (yield 9.4000% On XIRR Basis) | | | |
| NCDs | INE860H07FV6 | 11 December 2018 | 8.9000% p.a | 27 July 2023 | 1100 | IND AAA/Stable |
| | | | (yield 9.4000% On XIRR Basis) | | | |
| NCDs | INE860H07GE0 | 11 December 2018 | Zero Coupon | 08 April 2022 | 1450 | IND AAA/Stable |
| | | | (yield 9.3500% On XIRR Basis) | | | |

| | | | | | | |
|------|--------------|------------------|----------------------------------|------------------|------|----------------|
| NCDs | INE860H07GL5 | 21 December 2018 | 9.1500% p.a | 21 December 2023 | 700 | IND AAA/Stable |
| NCDs | INE860H07GM3 | 21 December 2018 | 9.1500% p.a | 21 December 2028 | 150 | IND AAA/Stable |
| NCDs | INE860H07GL5 | 27 December 2018 | 9.1000% p.a | 21 December 2023 | 810 | IND AAA/Stable |
| NCDs | INE860H07GM3 | 27 December 2018 | 9.1000% p.a | 21 December 2028 | 690 | IND AAA/Stable |
| NCDs | INE860H07GE0 | 27 December 2018 | Zero Coupon | 08 April 2022 | 500 | IND AAA/Stable |
| NCDs | INE860H07GE0 | 07 January 2019 | Zero Coupon - 8.9000% | 08 April 2022 | 320 | IND AAA/Stable |
| | | | XIRR | | | |
| NCDs | INE860H07GL5 | 07 January 2019 | Coupon 9.1500% - 9.0000% | 21 December 2023 | 160 | IND AAA/Stable |
| | | | XIRR | | | |
| NCDs | INE860H07GE0 | 25 January 2019 | Zero Coupon - 8.9000% | 08 April 2022 | 305 | IND AAA/Stable |
| | | | XIRR | | | |
| NCDs | INE860H07GM3 | 12 February 2019 | Coupon 9.1500% - 9.0500% | 21 December 2028 | 385 | IND AAA/Stable |
| | | | XIRR | | | |
| NCDs | INE860H07GM3 | 29 March 2019 | Coupon 9.1500% - 8.6500% XIRR | 21 December 2028 | 1500 | IND AAA/Stable |

| | | | | | | |
|------|--------------|------------------|---|--------------------------------|-------|------------------|
| NCDs | INE860H07GE0 | 25 April 2019 | Zero Coupon - 8.9000% XIRR | 08 April 2022 | 750 | IND AAA/Stable |
| NCDs | INE860H07GS0 | 20 May 2019 | 9.0000% p.a. | 50% - 19 May, 2028 | 15000 | IND AAA/Stable |
| | | | | 50% - 18 May, 2029 | | |
| NCDs | INE860H07DF4 | 31 May 2019 | Coupon - 8.7500% p.a. - 8.45% on XIRR Basis | 06 May 2021 | 1500 | WD(Paid in Full) |
| NCDs | INE860H07DG2 | 12 June 2019 | Coupon - 8.6700% p.a - 8.65% on XIRR basis | 02 June 2021 | 100 | WD(Paid in Full) |
| NCDs | INE860H07GT8 | 12 June 2019 | 8.65% p.a. | 12 June 2024 | 1730 | IND AAA/Stable |
| NCDs | INE860H07GT8 | 24 June 2019 | Coupon 8.65% p.a. - 8.6500% on XIRR Basis | 12 June 2024 | 1980 | IND AAA/Stable |
| NCDs | INE860H07GT8 | 28 June 2019 | Coupon 8.65% p.a. - 8.6500% on XIRR Basis | 12 June 2024 | 1116 | IND AAA/Stable |
| NCDs | INE860H07GU6 | 04 July 2019 | Coupon 8.70% p.a | 04 July 2029 | 292 | IND AAA/Stable |
| NCDs | INE860H07GT8 | 24 July 2019 | Coupon 8.65% p.a. - 8.500% on XIRR Basis | 12 June 2024 | 987 | IND AAA/Stable |
| NCDs | INE860H07GW2 | 04 December 2019 | Coupon 7.75% p.a. | 09 December 2022 | 1500 | IND AAA/Stable |
| NCDs | INE860H07GX0 | 20 January 2020 | Coupon 8.15% p.a | 1. 25% at the end of 7th Year | 10000 | IND AAA/Stable |
| | | | | (Wednesday, 20 January, 2027), | | |
| | | | | 2. 25% at the end of 8th Year | | |

| | | | | | | |
|------|--------------|------------------|--------------|--------------------------------|-------|----------------|
| | | | | (Thursday, 20 January , 2028), | | |
| | | | | 3. 25% at the end of 9th Year | | |
| | | | | (Friday, 19 January, 2029) & | | |
| | | | | 4. 25% at the end of 10th Year | | |
| | | | | (Friday, 18 January, 2030 | | |
| NCDs | INE860H07GY8 | 17 April 2020 | 7.75% p.a | 17 May 2023 | 2050 | IND AAA/Stable |
| NCDs | INE860H07GZ5 | 28 April 2020 | 7.57% p,a | 28 Jun 2023 | 2250 | IND AAA/Stable |
| NCDs | INE860H07HA6 | 28 April 2020 | 7.69% p,a | 25 Apr 2025 | 250 | IND AAA/Stable |
| NCDs | INE860H07GS0 | 20 May 2019 | 9.00% p.a. | 50% - 19 May 2028 | 15000 | IND AAA/Stable |
| | | | | 50% - 18 May 2029 | | |
| NCDs | INE860H07HB4 | 26 June 2020 | 6.7834% p.a. | 26 April 2022 | 2500 | IND AAA/Stable |
| | | | | | | |
| NCDs | INE860H08HC2 | 22 October 2020 | 5.90% | 29 December 2023 | 3300 | IND AAA/Stable |
| NCDs | INE860H07BZ6 | 03 November 2015 | 8.71% p.a | 50% on 1 November 2024 & | 5000 | IND AAA/Stable |

| | | | | | | |
|------|--------------|------------------|---|--|------|----------------|
| | | | | 50% on 31 October, 2025 | | |
| NCDs | INE860H07HD0 | 23 December 2020 | 6.25%pa | 23 December 2025 | 750 | IND AAA/Stable |
| NCDs | INE860H07HE8 | 18 February 2021 | 7.24% | 18 February 2031 | 250 | IND AAA/Stable |
| NCDs | INE860H07HF5 | 25 February 2021 | 6.15% | 30 May 2023 | 7750 | IND AAA/Stable |
| NCDs | INE860H07HG3 | 16 March 2021 | 5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually) | 16 March 2023 | 5000 | IND AAA/Stable |
| NCDs | INE860H07HH1 | 19 March 2021 | 5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually) | 17 March 2023 | 2500 | IND AAA/Stable |
| NCDs | INE860H07HI9 | 31 March 2021 | Coupon 6.15% p.a. | 28 March 2024 | 4200 | IND AAA/Stable |
| NCDs | INE860H07HJ7 | 07 May 2021 | 5.11% p.a. (Floating Coupon with Quarterly Reset, Payable Annually) | 05 May 2023 | 2500 | IND AAA/Stable |
| NCDs | INE860H07HK5 | 31 May 2021 | 7.2600%. | 1-25% at the end of 7th Year (May 31, 2028) | 7500 | IND AAA/Stable |
| | | | p.a | 2-25% at the end of 8th Year (May 31, 2029) | | |
| | | | | 3-25% at the end of 9th Year (May 31, 2030) | | |
| | | | | 4-25% at the end of 10th Year (May 30, 2031) | | |
| NCDs | INE860H07HL3 | 17 June 2021 | 5.1500% p.a | 16 June 2023 | 500 | IND AAA/Stable |
| NCDs | INE860H07HM1 | 17 June 2021 | Zero Coupon | 14 June 2024 | 750 | IND AAA/Stable |

| | | | | | | |
|------|--------------|-----------------|---|-----------------|---------|----------------|
| NCDs | INE860H07HN9 | 26 July 2021 | 6.55% p.a. | 24 July 2026 | 5000 | IND AAA/Stable |
| NCDs | INE860H07HO7 | 05 August 2021 | 5.85%p.a | 02 August 2024 | 2500 | IND AAA/Stable |
| NCDs | INE860H07HP4 | 04 October 2021 | 7.10% | 03 October 2031 | 500 | IND AAA/Stable |
| NCDs | INE860H07HQ2 | 04 October 2021 | 6.45% | 01 October 2026 | 1150 | IND AAA/Stable |
| NCDs | INE860H07HR0 | 21 January 2022 | 5.22%, 3Month T bill as on 21st Jan, 2022 + Spread 165 bp | 21 January 2025 | 5000 | IND AAA/Stable |
| NCDs | INE860H07HS8 | 21 January 2022 | 6.40% | 21 July 2025 | 3500 | IND AAA/Stable |
| | | | | Utilised | 146,214 | |
| | | | | limit | | |
| | | | | Unutilised | 62,852 | |
| | | | | limit | | |
| | | | | Total | 209,066 | |

| Instrument | ISIN | Date of Issuance | Coupon Rate (%) | Maturity Date | Size of Issue (million) | Rating/ Outlook |
|-------------------|--------------|------------------|-----------------|----------------|-------------------------|-----------------|
| Subordinated Debt | INE860H08DL0 | 17 June 2015 | 9.250 | 6 June 2025 | INR250 | IND AAA/Stable |
| Subordinated Debt | INE860H08DM8 | 14 July 2015 | 9.250 | 11 July 2025 | INR300 | IND AAA/Stable |
| Subordinated Debt | INE860H08DN6 | 25 August 2015 | 9.250 | 22 August 2025 | INR330 | IND AAA/Stable |
| Subordinated Debt | INE860H08DP1 | 8 March 2016 | 9.100 | 6 March 2026 | INR250 | IND AAA/Stable |
| Subordinated Debt | INE860H08DQ9 | 10 March 2016 | 9.100 | 10 March 2026 | INR80 | IND AAA/Stable |

| | | | | | | |
|-------------------------|--------------|-------------------|---------------------------------|-------------------|------------------|----------------|
| Subordinated Debt | INE860H08DR7 | 18 March 2016 | 9.100 | 10 March 2026 | INR255 | IND AAA/Stable |
| Subordinated Debt | INE860H08DS5 | 23 June 2016 | 9.100 | 23 June 2026 | INR525 | IND AAA/Stable |
| Subordinated Debt | INE860H08DT3 | 28 July 2016 | 8.970 | 28 July 2026 | INR1,000 | IND AAA/Stable |
| Subordinated Debt | INE860H08DU1 | 28 July 2016 | 8.950 | 28 July 2026 | INR750 | IND AAA/Stable |
| Subordinated Debt | INE860H08DV9 | 29 September 2016 | 8.900 | 29 September 2026 | INR2,000 | IND AAA/Stable |
| Subordinated Debt | INE860H08DW7 | 21 November 2016 | 8.900 | 20 November 2026 | INR2,000 | IND AAA/Stable |
| Subordinated Debt | INE860H08DX5 | 9 March 2017 | 8.250 | 9 March 2027 | INR100 | IND AAA/Stable |
| Subordinated Debt | INE860H08DY3 | 18 May 2017 | 8.500 | 18 May 2027 | INR1,650 | IND AAA/Stable |
| Subordinated Debt | INE860H08EA1 | 4 December 2018 | 9.760 | 4 December 2028 | INR2,500 | IND AAA/Stable |
| Subordinated Debt | INE860H08EB9 | 12 June 2019 | 8.950 | 6 June 2029 | INR2000 | IND AAA/Stable |
| Subordinated Debt | INE860H08EB9 | 30 December 2019 | Coupon -8.95% p.a; XIRR - 8.67% | 6 June 2029 | INR1000 | IND AAA/Stable |
| Subordinated Debt | INE860H08EB9 | 13 February 2020 | Coupon -8.95% p.a; XIRR - 8.25% | 6 June 2029 | INR500 | IND AAA/Stable |
| Subordinated Debt | INE860H08ED5 | 30 December 2020 | 7.430 | 27 December 2030 | INR800 | IND AAA/Stable |
| Subordinated Debt | INE860H08EE3 | 14 June 2021 | 7.34 | 11 July 2031 | INR750 | IND AAA/Stable |
| Subordinated Debt | INE860H08EG8 | 6 December 2021 | 7.43 | 5 December 2031 | INR350 | IND AAA/Stable |
| Utilised limit | | | | | INR17,390 | |
| Unutilised limit | | | | | INR4110 | |

| Instrument | ISIN | Date of Issuance | Coupon Rate (%) | Maturity Date | Size of Issue (million) | Rating/ Outlook |
|------------------|--------------|------------------|--|---------------|-------------------------|---------------------------|
| NCDs | INE860H07GQ4 | 14 February 2019 | Coupon -8.6819% p.a. - 8.70% XIRR | 4 May 2021 | INR500 | WD(Paid in Full) |
| NCDs | INE860H07GQ4 | 26 April, 2019 | Scenario If performance of underlying on final fixing date Coupon,1 Greater than 50% of Digital Level 8.6819% p.a. (8.70% XIRR (Annualized yield));2 Less than or equal to 50% of Digital Level 0 % | 4 May 2021 | INR380 | WD(Paid in Full) |
| NCDs | INE860H07GQ4 | 16 May 2019 | 1 Greater than 50%of Digital Level 8.6819% p.a. | 4 May 2021 | INR241 | WD(Paid in Full) |
| NCDs | INE860H07GR2 | 8 May 2019 | 1 Greater than 50% of Digital Level;8.6819% p.a. (8.70%XIRR (Annualised yield));2 Less than or equal to 50% of Digital Level 0 % | 25 May 2022 | INR379.1 | IND PP-MLD AAA emr/Stable |
| Utilised limit | | | | | INR379.1 | IND PP-MLD AAA emr/Stable |
| Unutilised limit | | | | | INR4853.9 | IND PP-MLD AAA emr/Stable |
| Total | | | | | INR5223 | |

| Instrument | ISIN | Date of Issuance | Coupon Rate (%) | Maturity Date | Size of Issue (INR million) | Rating/ Outlook |
|----------------|--------------|------------------|-----------------|---------------|-----------------------------|-----------------|
| Perpetual debt | INE860H08DZ0 | 21 July 2017 | 8.70 | Perpetual | INR2,000 | IND AA+/Stable |
| | | | | Utilised | INR2,000 | |
| | | | | Unutilised | INR5,000 | IND AA+/Stable |

| Instrument | ISIN | Date of Issuance | Coupon Rate (%) | Maturity Date | Size of Issue (INR million) | Rating |
|--------------------|------|------------------|-----------------|---------------|-----------------------------|---------|
| CP | | | | 7-365days | INR120,000 | IND A1+ |
| CP (IPO Financing) | | | | 7-365days | INR80,000 | IND A1+ |

Bank wise Facilities Details

Click here to see the details (/racbankwisefacility/58003)

Complexity Level of Instruments

| Instrument Type | Complexity |
|-------------------|------------|
| Bank loan | Low |
| NCDs | Low |
| Subordinated debt | Low |
| CP | Low |
| Perpetual debt | High |
| PP-MLD | High |

For details on the complexity level of the instruments, please visit <https://www.indiaratings.co.in/complexity-indicators> (<https://www.indiaratings.co.in/complexity-indicators>).

Contact

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September 06, 2022

Aditya Birla Finance Limited (Company)

Indian Rayon Compound,
Veraval, Gujarat - 362266

Sub: Consent to act as Debenture Trustee for Issue of 50000 Secured, Listed, Redeemable, Non-Convertible, Debentures (NCDs) of face value of Rs. 10,00,000 (Rupees Ten Lacs each) aggregating to Rs. 5000,00,00,000 (Rupees Five Thousand Crores Only) in dematerialised form on private placement basis to be issued by the Company

Dear Sir,

This is with reference to our discussion regarding appointment of Vistra ITCL (India) Limited as Debenture Trustee for the Issue of 50000 Secured, Listed, Redeemable, Non-Convertible, Debentures (NCDs) of face value of Rs. 10,00,000 (Rupees Ten Lacs each) aggregating to Rs. 5000,00,00,000 (Rupees Five Thousand Crores Only) in dematerialised form on private placement basis to be issued by the Company. In this regard, we do hereby give our consent to act as the Debenture Trustee subject to the Company agreeing to the following conditions

1. The Company agrees and undertakes to create charge on the security in our favour as defined under the Debenture Trustee Appointment Agreement dated September 06, 2022 for the above referred issue. The said security shall be created on such terms and conditions as disclosed in the Debenture Trustee Appointment Agreement and execute necessary documents as agreed upon by the Company under the Debenture Trustee Appointment Agreement.
2. The Company agrees & undertakes to pay Debenture Trustees so long as they hold the office of the Debenture Trustee, remuneration as stated in appointment letter for the services as Debenture Trustee in addition to all legal, travelling and other costs, charges and expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Debenture Trust Deed and all other documents affecting the Security till the monies in respect of the Debentures have been fully paid-off and the requisite formalities for satisfaction of charge in all respects, have been complied with.
3. The Company shall comply with the provisions of SEBI (Debenture Trustees) Regulations, 1993, , SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations 2021 and other applicable provisions as amended from time to time and agrees to furnish to Trustee such information in terms of the same on regular basis.

**Sincerely,
For Vistra ITCL (India) Limited**



Authorized Signatory



Registered office:

The IL&FS Financial Centre,
Plot C- 22, G Block, 7th Floor
Bandra Kurla Complex, Bandra (East),
Mumbai 400051

Tel +91 22 2659 3535
Fax: +912226533297
Email: mumbai@vistra.com
www.vistraitcl.com

Vistra ITCL (India) Limited

Corporate Identity Number (CIN):U66020MH1995PLC095507

To,

National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra Kurla Complex
Bandra (E) Mumbai - 400 051

BSE Limited
14th Floor, BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001

Dear Sir / Madam,

Sub.: Issue by Aditya Birla Finance Limited (“Company” or “Issuer”) of 3000 Secured, Rated, Listed, Taxable, Redeemable, Non- Convertible Debentures (the “NCDs”) of face value of Rs. 10,00,000 each up to Rs. 300 crores (Rs. Three Hundred Crores only) (Base issue) with a green shoe option of Rs. 1288 crores (Rs. One Thousand Two Hundred and Eighty Eight Crores only) aggregating to Rs. 1588 crores (Rs. One Thousand Five Hundred and Eighty Eight Crores Only) to be issued on a private placement basis (the “Issue”) to be listed on the Wholesale Debt Market segment of the National Stock Exchange of India Limited and BSE Limited (“Stock exchanges”).

We, Vistra ITCL (India) Limited (herein after referred to as “**Debenture Trustee**”), the Debenture Trustee to the above-mentioned forthcoming issue, state as follows as on date:

- 1) We have examined documents pertaining to the said Issue and other such relevant documents, reports and certifications as provided to us.
- 2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications as provided to us, WE CONFIRM that as on date:
 - a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued.
 - b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies).
 - c) The Issuer has made all the relevant disclosures about the security and also its continued obligations towards the holders of debt securities to the best of our knowledge basis the information provided to us.
 - d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in ~~offer document or~~ private placement memorandum/ information memorandum and all disclosures made in the ~~offer document or~~ private placement memorandum/ information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement.
 - e) Issuer has disclosed all covenants which are included in debenture trust deed (including any side letter, accelerated payment clause etc.) ~~offer document or~~ private placement memorandum/ information memorandum and has given an undertaking that debenture trust deed is executed before filing of listing application.
 - f) Issuer has given an undertaking that the charge is created in favour of Debenture Trustee as per terms of issue before the issuance.

- g) All disclosures made in the draft ~~offer document~~ or private placement memorandum/ information memorandum with respect to the debt securities are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed issue.

We have satisfied ourselves about the ability of the Issuer to service the debt securities as on date, basis the information/documents shared with us as on date.

For Vistra ITCL (India) Limited



Jatin Chonani
Compliance Officer

Place: Mumbai
Date: January 25, 2023

Registered office:

The IL&FS Financial Centre,
Plot No. C- 22, G Block, 6th Floor
Bandra Kurla Complex, Bandra (East),
Mumbai 400051, India

Corporate office :

The Qube, 6th floor, 602
A wing Hasan pada road ,
Mittal industrial estate Marol ,
Andheri (East) Mumbai 400059

Tel : +91 22 2850 0028

Fax : +9122 2850 0029

Email: mumbai@vistra.com

www.vistraitcl.com

Vistra ITCL (India) Limited

Corporate Identity Number (CIN):U66020MH1995PLC095507

To,
National Stock Exchange of India Ltd.
The listing compliance department,
Exchange Plaza, Plot no. C/1, G Block,
Bandra Kurla Complex
Bandra (E) Mumbai - 400 051

BSE Limited
14th Floor, BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001

Dear Sir / Madam,

Sub.: Issue by Aditya Birla Finance Limited (“Company” or “Issuer”) of 3000 Secured, Rated, Listed, Taxable, Redeemable, Non- Convertible Debentures (the “NCDs”) of face value of Rs. 10,00,000 each up to Rs. 300 crores (Rs. Three Hundred Crores only) (Base issue) with a green shoe option of Rs. 1288 crores (Rs. One Thousand Two Hundred and Eighty Eight Crores only) aggregating to Rs. 1588 crores (Rs. One Thousand Five Hundred and Eighty Eight Crores Only) to be issued on a private placement basis (the “Issue”) to be listed on the Wholesale Debt Market segment of the National Stock Exchange of India Limited and BSE Limited (“Stock exchanges”).

We, Vistra ITCL (India) Limited (herein after referred to as “Debenture Trustee”), the debenture trustee to the above-mentioned forthcoming issue state the following as on date:

- 1) We have examined documents provided to us as on date pertaining to the creation of charge over assets of Issuer.
- 2) On the basis of such examination of the information provided to us and of the discussions with the Issuer, its directors and other officers, other agencies and of independent verification of the various relevant documents, WE CONFIRM that as on date:
 - a) The Issuer has created charge over its assets in favour of debenture trustee as per terms of ~~offer document~~ or private placement memorandum/ information memorandum and debenture trustee agreement.
 - b) Issuer has executed the debenture trust deed as per terms of ~~offer document~~ or private placement memorandum/ information memorandum and debenture trustee agreement.
 - c) The Issuer has given an undertaking that the charge is registered with Sub-registrar, Registrar of Companies, Central Registry of Securitization Asset Reconstruction and Security Interest (CERSAI) as applicable within 30 days of creation of charge.

We have satisfied ourselves about the ability of the Issuer to service the debt securities basis the review of the `document provided to us as on date.

For Vistra ITCL (India) Limited



Jatin Chonani
Compliance Officer

Place: Mumbai
Date: February 03, 2023

Registered office:
The IL&FS Financial Centre,
Plot No. C- 22, G Block, 6th Floor
Bandra Kurla Complex, Bandra (East),
Mumbai 400051, India

Corporate office :
The Qube, 6th floor, 602
A wing Hasan pada road ,
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Tel : +91 22 2850 0028
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Vistra ITCL (India) Limited
Corporate Identity Number (CIN):U66020MH1995PLC095507

ADITYA BIRLA FINANCE LIMITED

Registered Office: India Rayon Compound, Veraval, Gujarat – 362266
Corporate Office: One World Center, Tower 1, 18th Floor, Jupiter Mill Compound
841 Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013
Phone: (022) 43567100 **Fax:** (022) 43567266
Corporate Identity Number (CIN) U65990GJ1991PLC064603

Application Form for Private Placement of Secured, Rated, Listed, Redeemable, Non-Convertible Debentures (NCDs) under the Disclosure Document dated January 30, 2023

Application No: - ABFL/I3/NCD/22-23/January

Date:

To,
Board of Directors

Dear Sirs,

Sub: Issue of 3000 Secured, Rated, Listed, Taxable, Redeemable, Non- Convertible Debentures (The “NCDs”) of face value of Rs. 10,00,000 each up to Rs. Three Hundred crores with a green shoe option up to Rs. One Thousand Two Hundred and Eighty-Eight Crore aggregating to Rs. One Thousand Five Hundred and Eighty Eight crores under series Further Issuance (I) ABFL NCD Series I3 FY 2022-23’, on a private placement basis (The “Issue”).

Having read and understood the contents of the Disclosure Document dated **January 30, 2023**, attached, we apply for allotment to me/us of the NCDs. The amount payable on application as shown below is remitted herewith. On allotment, please place my/ our name(s) on the Register of Debenture holder(s). We bind ourselves to the terms and conditions as mentioned in the Disclosure Document dated **January 30, 2023**

(Please read carefully the instructions on the next page before filling up this form)

| Debenture Series | Further Issuance (I) ABFL NCD Series I3 FY22-23 | |
|---|---|-------------------------|
| Number of debentures applied for | No. in figures | No. in words |
| Further Issuance (I) ABFL NCD Series I3 FY22-23 (12 th February 2026) | | |
| Total | | |
| Amount (Rs.) in figures | | |
| Amount (Rs.) in words | | |
| Cheque / Demand Draft No. / RTGS UTR No. | Date | Cheque / Draft drawn on |
| | | |

Applicant’s Name and Address in full (in capital letters):

| | | |
|------|------|----------|
| | | |
| | | |
| | | |
| | | |
| | | Pin Code |
| Tel: | Fax: | Email: |

Status:

☐ Company
 ☐ Mutual Fund
 ☐ Financial Institution
☐ Insurance Company
 ☐ Bank
 ☐ Others_____ (please specify)

Details of Bank Account

| | |
|-------------------------|-------------|
| Bank Name and Branch | |
| Nature of Account | Account No. |
| Branch RTGS code (IFSC) | |

Depository Details

| | |
|---------|-----------|
| DP Name | |
| DP ID | Client ID |

We understand that in case of allotment of debentures to us/our Beneficiary Account as mentioned above would be credited to the extent of debentures allotted.

We confirm that we have not been debarred from accessing the capital market or have not been restrained by any regulatory authority from directly or indirectly acquiring the said securities

Tax Details

PAN / GIR No.
Circle / Ward / District

| | | | |
|-----------------------------|---------------------------------------|---|-----------------------------|
| Tax Deduction Status | <input type="checkbox"/> Fully Exempt | <input type="checkbox"/> Tax to be deducted at source | |
| | | <input type="checkbox"/> Yes | <input type="checkbox"/> NO |

Copies of tax exemption certificate / PAN Card / Declarations attached

| Name of authorized signatory | Designation | Signature |
|------------------------------|-------------|-----------|
| | | |
| | | |
| | | |
| | | |

ADITYA BIRLA FINANCE LIMITED**Registered Office:** India Rayon Compound, Veraval, Gujarat – 362266**Corporate Office:** One World Center, Tower 1, 18th Floor, Jupiter Mill
Compound, 841 Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013**Phone:** (022) 43567100 **Fax:** (022) 43567266**ACKNOWLEDGEMENT SLIP****Application No: - ABFL/I3/NCD/22-23/January/****Date:**

Received from _____

Rs. _____ /- by Cheque / Demand Draft No. _____

drawn on _____ towards application for _____

Debentures.

(Cheques / Demand Drafts are subject to realization)

INSTRUCTIONS

1. Application Form must be completed in full in **BLOCK LETTERS IN ENGLISH**. A blank space must be left between two or more parts of the name. Signatures should be made in English or in any of the Indian languages. Signature in a language other than English must be attested by an authorized official of a Bank or by a magistrate / notary public under his / her official seal.
2. The full amount of Debenture has to be paid along with the application form.
3. Application form duly completed in all respects together with KYC documents mentioned elsewhere in this disclosure documents provided and must be submitted to the Corporate Office of the Company at **Aditya Birla Finance Ltd, One World Center, Tower 1, 18th Floor, Jupiter Mill Compound, 841 Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013.**
4. The participants must ensure to do the funds pay-in from their same bank account which is updated by them on the BSE BOND (EBP) platform while placing the bids.
The Designated Bank Accounts are as under:

| | ICICI BANK | YES BANK | HDFC BANK |
|------------------|---------------------------------|---------------------------------|-------------------------------------|
| Beneficiary Name | INDIAN CLEARING CORPORATION LTD | INDIAN CLEARING CORPORATION LTD | INDIAN CLEARING CORPORATION LIMITED |
| Account Number | ICCLEB | ICCLEB | ICCLEB |
| IFSC Code | ICIC0000106 | YESBOCMSNOC | HDFC0000060 |
| Mode | NEFT/RTGS | NEFT/RTGS | NEFT/RTGS |

5. Applications made by categories of investors other than individuals must be accompanied by certified copies of Memorandum and Articles of Association, Board Resolution / Power of Attorney for investment, authority to authorized signatories in case of limited companies or corporate bodies.
6. Please mention your Permanent Account Number or the GIR number allotted under Income Tax Act, 1961 and the Income Tax Circle/Ward/District. In case where neither the PAN nor GIR number has been allotted, the fact of non-allotment should be mentioned in the application form in space provided.
7. Receipt of application will be acknowledged in the “Acknowledgement Slip” appearing below the Application Form. No separate receipt will be issued.
8. The application would be accepted as per the terms of the issue outlined in the Disclosure Document dated **January 30, 2023.**

Annexure VI - Allotment Details

| | |
|----------------------------|---|
| Amount Raised (Face Value) | Rs. 301.70 crs |
| Issue Price per Debenture | For Rs. 150 crs - Rs. 10,03,506 For Rs. 151.70 crs - Rs. 10,03,507 |