

Notes forming part of the financial statements (continued)

For the year ended March 31, 2024

d. Asset liabilities management maturity pattern of certain items of asset and liabilities (at book values) as at March 31, 2024 as follow:

(Rupees in lakh)

Particulars	1 to 7 days	8 to 14 days	15 days to 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
Assets											
Advances*											
Investments**	16,513.38	5,506.87	27,452.03	30,241.37	41,737.26	29,539.34	53,737.04	1,71,346.86	1,19,003.91	59,892.33	5,54,970.39
Liabilities											
Borrowings :											
Borrowings (other than debt securities)	4,529.40	49.91	4,592.91	9,478.60	15,410.70	28,342.85	72,283.65	1,40,097.64	47,536.61	-	3,22,322.27
Debt securities	-	-	2,686.71	1,540.27	2,460.10	11,430.70	16,071.76	75,205.98	30,087.61	-	1,39,483.13
Subordinated Debt	-	-	19.13	-	-	-	-	-	-	3,500.00	3,519.13

* Impairment loss allowance of Rs 11,749.36 lakh on advances is not a part of the above disclosure.

** Impairment loss allowance of Rs 0.82 lakh on investments is not a part of the above disclosure.

Asset liabilities management maturity pattern of certain items of asset and liabilities (at book values) as at March 31, 2023 as follow :

Particulars	1 to 7 days	8 to 14 days	15 days to 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
Assets											
Advances*	10,495.73	3,542.47	17,234.03	22,353.02	26,466.63	24,592.81	38,775.37	1,27,824.46	45,309.97	72,841.71	3,89,436.20
Investments								3,311.04	2,700.48		6,011.52
Liabilities											
Borrowings :											
Borrowings (other than debt securities)	2,734.91	149.66	3,153.01	9,158.79	10,577.88	19,640.91	34,139.40	94,418.75	25,991.54	94.15	2,00,459.00
Debt securities	-	-	3,917.39	4,812.51	11,922.07	8,270.72	39,185.25	33,039.57	13,286.94	-	1,14,434.45

* Impairment loss allowance of Rs 8,799.99 lakh on advances is not a part of the above disclosure.

** Impairment loss allowance of Rs 0.83 lakh on investments is not a part of the above disclosure.



e. Exposures:

(Rupees in lakh)

Category		As at March 31, 2024	As at March 31, 2023
1	Exposure to real estate sector:		
	A. 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. Exposure would also include non-fund based (NFB) limits.	1,81,970.19	1,25,965.38
(ii)	Commercial real estate:		
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	-	-
(iii)	Investments in mortgage backed securities (MBS) and other securitised exposures:		
	a. Residential	-	-
	b. Commercial real estate	-	-
	B. Indirect exposure		
(i)	Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies	-	-
Total exposure to real estate sector		1,81,970.19	1,25,965.38

* These comprise of properties held as underlying security at gross exposure at default.

Particulars		As at March 31, 2024	As at March 31, 2023
2	Exposure to capital market:		
(i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual fund the corpus of which is not exclusively invested in corporate debt.	-	-
(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.	-	-
(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.	-	-
(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.	-	-
(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)	underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(ix)	financing to stockbrokers for margin trading	-	-
(x)	All exposures to Alternative Investment Funds:		
	(i) Category I	-	-
	(ii) Category II	-	-
	(iii) Category III	-	-
Total exposure to capital market		-	-



e. Exposures (continued) :

(Rupees in lakh)

3. Sectoral exposure

Sectors	As at March 31, 2024			As at March 31, 2023		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of NPAs to Gross total exposure in sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied activities	13,307.17	-	0.00%	5,919.17	-	0.00%
2. Industry						
i. Food Processing	32,861.82	1,190.38	3.62%	30,497.09	452.23	1.48%
ii. Textiles	39,390.44	1,402.10	3.56%	28,988.78	181.59	0.63%
iii. Wood & Wood Products	13,873.66	353.74	2.55%	11,023.11	60.66	
iv. Paper & Paper Products	14,388.36	192.58	1.34%	12,986.63	49.25	0.38%
v. Rubber, Plastic & their Products	21,881.92	504.40	2.31%	17,770.15	104.63	0.59%
vi. Chemicals & Chemical Products	8,507.40	451.19	5.30%	10,939.76	332.64	
vii. Basic Metal & Metal Product	33,398.34	543.46	1.63%	30,073.73	92.19	0.31%
viii. Vehicles, Vehicle Parts & Transport Equipment	9,044.46	850.59	9.40%	9,489.40	648.55	
ix. All Engineering	20,044.93	776.61	3.87%	31,274.15	871.79	2.79%
x. Others	2,45,365.66	3,797.06	1.55%	1,46,860.98	2,061.64	1.40%
Total of industry (i+ii+iii+iv+v+vi+vii+viii+ix+x)	4,38,756.99	10,062.11	2.29%	3,29,903.78	4,855.17	1.47%
3. Services						
i. Transport Operators	17,138.65	458.35	2.67%	6,335.11	22.11	0.35%
ii. Other Services	1,90,529.22	3,186.76	1.67%	1,23,725.47	1,438.51	1.16%
iii. Tourism, Hotel and Restaurants	33,222.60	641.87	1.93%	19,947.55	401.61	2.01%
iv. Professional Services	36,717.22	444.21	1.21%	19,056.02	177.41	0.93%
v. Wholesale Trade (other than Food Procurement)	82,683.58	1,457.82	1.76%	42,753.86	804.67	1.88%
vi. Retail Trade	83,892.12	1,587.67	1.89%	53,264.22	1,684.20	3.16%
vii. Others	8,377.36	644.00	7.69%	7,165.51	517.26	7.22%
Total of services (i+ii+iii+iv+v+vi+vii)	4,52,560.75	8,420.68	1.86%	2,72,247.74	5,045.77	1.85%
4. Personal Loans	-	-	0.00%	-	-	0.00%
5. Others	-	-	0.00%	-	-	0.00%

Note:-

- 1) The above disclosure is prepared basis the principal outstanding of total asset under management and accordingly the comparative details of the previous year is restated.
- 2) To ensure comparability of the disclosures, details of sectors where exposure to a particular sector or industry is less than 10% of Tier 1 capital in the relevant financial year is also disclosed.

4. Intra-group exposures

The Company is a standalone entity hence there is no intra group exposure.

5. Unhedged foreign currency exposure

The Company does not have any unhedged foreign currency exposure.

6. Details of financing of parent company products:

The Company does not have any parent company hence, this clause is not applicable.

7. Details of single borrower limit (SBL)/ group borrower limit (GBL) exceeded by the Company:

Particulars	As at March 31, 2024	As at March 31, 2023
Single borrower limit (SBL)/ group borrower limit (GBL) exceeded by the Company.	-	-

8. Unsecured advances:

Details of unsecured advances the rights, licenses, authorisations, etc. charged to the applicable NBFCs as collateral in respect of projects (including infrastructure projects) financed by the Company.

Particulars	As at March 31, 2024	As at March 31, 2023
Advances against securities of intangible assets	-	-



Notes forming part of the financial statements (continued)
For the year ended March 31, 2024

f. Miscellaneous:

(Rupees in lakh)

1. Registration obtained from other financial sector regulators:

Particulars	Type	Number Reference
Insurance Regulatory And Development Authority of India	Corporate Agent	CA0733

2. Disclosure of penalties imposed by RBI and other regulators:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Securities and Exchange Board of India*	1.17	-

*the penalties were levied prima facie for instances of delayed submissions of intimations with stock exchanges about certain routine matters like CP redemption, record date intimation etc. which does not have material impact on the Company.

During the previous year, there are no penalties imposed by the RBI and other regulators.

3. Related party transactions:

Details of all material transactions with related parties has been given in note 44 of the financial statements.

4. Ratings assigned by credit rating agencies and migration of ratings for the year ended March 31, 2024:

Rating agency	Type	Rating FY 23-24	Rating FY 22-23
India Ratings & Research Private Limited	Bank loans (long term)	IND A/Stable	IND A/Stable
India Ratings & Research Private Limited	Non-Convertible Debentures	IND A/Stable	-
India Ratings & Research Private Limited	Sub-debt	IND A/Stable	-
India Ratings & Research Private Limited	Commercial Paper	IND A1	-
CRISIL Ratings Limited	Bank loans (long term)	CRISIL A/Stable	CRISIL A-/Positive
CRISIL Ratings Limited	Non-Convertible Debentures	CRISIL A/Stable	CRISIL A-/Positive
CRISIL Ratings Limited	Principal Protected Market Linked Debentures (Long Term)	CRISIL PPMLD A/Stable	CRISIL PPMLD A-/Positive
CRISIL Ratings Limited	Commercial paper	CRISIL A1	CRISIL A1
CRISIL Ratings Limited	Tier II Bond	-	CRISIL A-/Positive
Acuite Rating & Research Limited	Bank loans (long term)	-	ACUITE A/Stable
Acuite Rating & Research Limited	Commercial paper (short term)	-	ACUITE A1
Acuite Rating & Research Limited	Non- convertible debentures (long term) (Market Linked Debentures)	PP-MLD/ACUITE AA-/CE/Stable	PP-MLD/ACUITE AA-/CE/Stable
Acuite Rating & Research Limited	Non- convertible debentures (long term) (Market Linked Debentures)	PP-MLD/ACUITE A/Stable	PP-MLD/ACUITE A/Stable
Acuite Rating & Research Limited	Non- convertible debentures (long term)	ACUITE A / stable	ACUITE A / stable

5. Remuneration of directors:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Transactions with the Independent directors		
Directors' Sitting Fees	153.00	189.00

Refer Note 44 for remuneration to executive directors.

6. During the year there are no changes in the accounting policies and no prior period items (refer note no. 2A and 2B).**7. Revenue recognition:**

There is no postponement of revenue due to pending resolution of significant uncertainties.



g. Additional disclosures:

(Rupees in lakh)

1. Provisions and contingencies:

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for depreciation on investments	(0.01)	(0.01)
Provision towards NPA	3,646.18	3,091.24
Provision made towards income tax	3,647.61	2,298.62
Provision for depreciation on fixed deposits	4.30	0.18
Provision for standard assets	(696.80)	1,644.35

2. Draw down from reserves:

During the year, the Company has not drawn any amount from the reserves.

3. Concentration of deposits, advances, exposures and NPAs:

(i) Concentration of advances:

Particulars	As at March 31, 2024	As at March 31, 2023
Total advance to twenty largest borrowers	10,962.41	12,050.35
Percentage of advances to twenty largest borrowers to total advances of the Company	2.21%	3.32%

(ii) Concentration of exposures:

Particulars	As at March 31, 2024	As at March 31, 2023
Total exposure to twenty largest borrowers	11,161.21	12,079.77
Percentage of Exposures to twenty largest borrowers to Total Exposure of the Company on borrowers	2.06%	3.20%

(iii) Concentration of NPAs:

Particulars	As at March 31, 2024	As at March 31, 2023
Total exposure to top four NPA accounts	1,562.57	1,447.12

(iv). Sector-wise NPAs:

Sl. No.	Sector	Percentage of NPAs to total advances in that sector	
		As at March 31, 2024	As at March 31, 2023
1	Agriculture & allied activities	-	-
2	MSME	3.07%	2.41%
3	Corporate borrowers	100.00%	100.00%
4	Services	-	-
5	Unsecured personal loans	-	-
6	Auto loans	-	-
7	Other personal loans	-	-

Note: Sector-wise NPA for Corporate borrowers consist of one customer thus resulting in 100% NPA.



g. Additional disclosures (continued) :

(Rupees in lakh)

4. Movement of NPAs:

Particulars		As at March 31, 2024	As at March 31, 2023
(i)	Net NPAs to net advances (%)	1.64%	1.31%
(ii)	Movement of NPAs (gross)		
	(a) Opening balance	9,569.05	5,641.15
	(b) Additions during the year	14,773.16	5,720.50
	(c) Reductions during the year	7,194.30	1,792.60
	(d) Closing balance	17,147.91	9,569.05
(iii)	Movement of Net NPAs		
	(a) Opening balance	4,988.98	4,152.32
	(b) Additions during the year	7,821.47	3,530.19
	(c) Reductions during the year	3,888.79	2,693.53
	(d) Closing balance	8,921.66	4,988.98
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(a) Opening balance	4,580.07	1,488.83
	(b) Provisions made during the year	9,135.08	3,357.50
	(c) Write-off / write-back of excess provisions	5,488.90	266.26
	(d) Closing balance	8,226.25	4,580.07

5. Overseas assets (for those with joint ventures and subsidiaries abroad):

There are no overseas assets.

6. Off-Balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms):

There are no off-balance sheet SPVs sponsored by the Company which are required to be consolidated as per accounting norms.

h. Customer complaints:

Sr No.	Particulars	As at March 31, 2024	As at March 31, 2023
(a)	No. of complaints pending at the beginning of the year	5	1
(b)	No. of complaints received during the year	444	175
(c)	No. of complaints redressed during the year	430	171
(d)	No. of complaints pending at the end of the year	19	5



Notes forming part of the financial statements (continued)
For the year ended March 31, 2024

i. Disclosure of complaints

(Rupees in lakh)

a. Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman:

Particulars	As at March 31, 2024	As at March 31, 2023
Complaints received by the NBFC from its customers		
1. Number of complaints pending at beginning of the year	4	1
2. Number of complaints received during the year	344	148
3. Number of complaints disposed during the year	337	145
3.1 Of which, number of complaints rejected by the NBFC	-	-
4. Number of complaints pending at the end of the year	11	4
Maintainable complaints received by the NBFC from Office of Ombudsman		
5. Number of maintainable complaints received by the NBFC from Office of Ombudsman	100	27
5.1 Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	87	23
5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	5	3
5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6. Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

b. Top five grounds of complaints received by the NBFCs from customers.#

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Current Year					
Loans and advances	1	95	121%	-	-
Levy of charges without prior notice/ excessive charges/ foreclosure charges	1	104	108%	5	1
Difficulty in operation of accounts	-	9	125%	-	-
Recovery Agents/ Direct Sales Agents	-	43	378%	1	-
Other	3	193	180%	13	-
Total	5	444	154%	19	1
Previous Year					
Loans and advances	1	43	438%	1	1
Levy of charges without prior notice/ excessive charges/ foreclosure charges	-	50	900%	1	1
Difficulty in operation of accounts	-	4	(20%)	-	-
Recovery Agents/ Direct Sales Agents	-	9	800%	-	-
Other	-	69	527%	3	1
Total	1	175	483%	5	3

This also includes complaints raised with RBI.

j. Corporate Governance (refer Corporate Governance section in the annual report)

k. Breach of covenant

During the year ended March 31, 2024 there is no breach of covenant.

Breach in terms of covenant in respect of loan availed by the Company for the year ended March 31, 2023 is as follows:

JM Financial Products Limited had sanctioned a Term Loan of Rs. 4,000 lakh and had stipulated to maintain a CRAR of >20.24%, which was marginally breached by 0.01%, since the CRAR of the Company stood at 20.23% as of March 31, 2023. However, the Company has raised fresh Equity in April 2023 and therefore considering the impact of this event occurring after the Balance Sheet date (Refer Note 60 of Annual Report FY 2022-2023), there is no breach of the covenant. The maturity of the term loan is due on September 29, 2023. There is no material impact on the cost or liquidity of the Company as the Company has already complied with the covenant on a post balance sheet event basis.

l. Divergence in asset classification and provisioning

During the year ended March 31, 2024 no divergence in asset classification and provisioning has been reported.

During the year ended March 31, 2023 the Company underwent routine RBI supervision for the year ended March 31, 2019, March 31, 2020 and March 31, 2021 and no divergence in asset classification and provisioning has been reported.



m. Schedule to the Balance Sheet of a NBFC:

(Rupees in lakh)

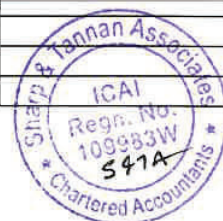
Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
Liabilities side:				
1 Loans and advances availed by the non- banking financial company inclusive of interest accrued thereon but not paid:				
a Debentures:				
i Secured	1,23,627.37	-	85,495.83	-
ii Unsecured	5,247.24	-	661.86	-
(other than falling within the meaning of public deposits)				
b Deferred credits	-	-	-	-
c Term loans	3,05,947.29	-	1,96,981.07	-
d Inter - corporate loans and borrowings	-	-	-	-
e Commercial paper	6,849.59	-	12,146.52	-
f Public deposits	-	-	-	-
g Other loans	-	-	-	-
i Liabilities arising out of securitization transactions	3,758.93	-	16,130.24	-
ii Bank overdraft	16,374.99	-	3,477.93	-
iii Subordinated Liabilities	3,519.13	-	-	-
2 Break - up of (1) (f) above (outstanding public deposits inclusive of interest accrued thereon but not paid):				
a In the form of unsecured debentures	-	-	-	-
b In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
c Other public deposits	-	-	-	-
Assets Side :				
	Amount outstanding		Amount outstanding	
3 Break - up of gross loans and advances including bills receivables (other than those included in (4) below):				
a Secured		3,21,847.43		2,38,378.61
b Unsecured		2,33,122.96		1,51,057.59
4 Break - up of leased assets and stock on hire and other assets counting towards asset financing activities:				
a Lease assets including lease rentals under sundry debtors				
i. Finance lease		NA		NA
ii. Operating lease		NA		NA
b Stock on hire including hire charges under sundry debtors				
i. Assets on hire		NA		NA
ii. Repossessed assets		NA		NA
c Other loans counting towards asset financing activities				
i. Loans where assets have been repossessed		NA		NA
ii. Loans other than (a) above		NA		NA
5 Break - up of investments:				
Current investments				
a Quoted				
(i) Shares				
a. Equity		-		-
b. Preference		-		-
(ii) Debentures and bonds		-		-
(iii) Units of mutual funds		-		-
(iv) Government securities		-		-
(v) Others		-		-



m. Schedule to the Balance Sheet of a NBFC (continued):

(Rupees in lakh)

Assets Side		As at March 31, 2024	As at March 31, 2023
		Amount outstanding	Amount outstanding
5	b	Unquoted	
		(i) Shares	
		a. Equity	-
		b. Preference	-
		(ii) Debentures and bonds	-
		(iii) Units of mutual funds	-
		(iv) Government securities	-
		(v) Others	-
		Long term investments	
	a	Quoted	
		(i) Shares	
		a. Equity	-
		b. Preference	-
		(ii) Debentures and bonds	4,226.47
		(iii) Units of mutual funds	-
		(iv) Government securities	-
		(v) Others	-
	b	Unquoted	
		(i) Shares	
		a. Equity	-
		b. Preference	-
		(ii) Debentures and bonds	-
		(iii) Units of mutual funds	-
		(iv) Government securities	-
		(v) Others	1,692.13
6	Borrower group wise classification of assets financed in (3) and (4) above (gross):		
	Category	Amount net of provisions	
		Secured	Unsecured
	a	Secured	Unsecured
	Related parties **		
	i. Subsidiaries	-	-
	ii. Companies in the same group	-	-
	iii. Other related parties	-	-
	b		
	Other than related parties	3,17,837.63	2,25,383.40
	Total	3,17,837.63	2,25,383.40
	** As per accounting standard issued by ICAI.		
7	Investor group wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):		
	Category	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	5,737.29	5,918.60
	Total	5,737.29	5,918.60
	** As per accounting standard issued by ICAI.		
8	Other information		
	Particulars	Amount	Amount
	Gross non-performing assets:	17,147.91	9,569.05
	a		
	i. Related parties	-	-
	ii. Other than related parties	17,147.91	9,569.05
	Net non-performing assets:	8,921.66	4,988.98
	b		
	i. Related parties	-	-
	ii. Other than related parties	8,921.66	4,988.98
	c		
	Assets acquired in satisfaction of debt	10,142.11	2,194.55



n. Restructured accounts for the year ended March 31, 2024:

(Rupees in lakh)

Sr.	Type of restructuring		Under CDR Mechanism/ SME Debt Restructuring Mechanism					Others				
	Asset classification		Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total
1.	Restructured accounts as on April 1, 2023	No. of borrowers	-	-	-	-	-	-	4	-	-	4
		Amount outstanding	-	-	-	-	-	-	604.03	-	-	604.03
		Provision thereon	-	-	-	-	-	-	220.79	-	-	220.79
2.	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-
3.	Upgradations to restructured standard category during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-
4.	Restructured standard advances which cease to attract higher provisioning and/or additional risk weight at the end of the year and hence need not be shown as restructured advances at the beginning of the next year	No. of borrowers	-	-	-	-	-	-	1	-	-	1
		Amount outstanding	-	-	-	-	-	-	57.87	-	-	57.87
		Provision thereon	-	-	-	-	-	-	6.45	-	-	6.45
5.	Downgradation of restructured accounts during the year	No. of borrowers	-	-	-	-	-	-	(2)	2	-	-
		Amount outstanding	-	-	-	-	-	-	(75.02)	74.52	-	(0.50)
		Provision thereon	-	-	-	-	-	-	(58.08)	57.71	-	(0.37)
6.	Write-offs of restructured accounts during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-
7.	Others*	No. of borrowers	-	-	-	-	-	-	1	-	-	1
		Amount outstanding	-	-	-	-	-	-	5.99	-	-	5.99
		Provision thereon	-	-	-	-	-	-	160.82	-	-	160.82
8.	Restructured accounts as on March 31, 2024	No. of borrowers	-	-	-	-	-	-	1	2	-	3
		Amount outstanding	-	-	-	-	-	-	477.13	74.52	-	551.65
		Provision thereon	-	-	-	-	-	-	317.08	57.71	-	374.79

* It represents change in amount outstanding on account of adjustment of unapplied receipts and increase in provision thereon.

Restructured accounts For the year ended March 31, 2023:

Sr.	Type of restructuring		Under CDR Mechanism/ SME Debt Restructuring Mechanism					Others				
	Asset classification		Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total
1.	Restructured accounts as on April 1, 2022	No. of borrowers	-	-	-	-	-	-	4	-	-	4
		Amount outstanding	-	-	-	-	-	-	636.34	-	-	636.34
		Provision thereon	-	-	-	-	-	-	79.14	-	-	79.14
2.	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-
3.	Upgradations to restructured standard category during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-
4.	Restructured standard advances which cease to attract higher provisioning and/or additional risk weight at the end of the year and hence need not be shown as restructured advances at the beginning of the next year	No. of borrowers	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-
5.	Downgradation of restructured accounts during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-
6.	Write-offs of restructured accounts during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-
7.	Others*	No. of borrowers	-	-	-	-	-	-	4	-	-	4.00
		Amount outstanding	-	-	-	-	-	-	(32.31)	-	-	(32.31)
		Provision thereon	-	-	-	-	-	-	141.65	-	-	141.65
8.	Restructured accounts as on March 31, 2023	No. of borrowers	-	-	-	-	-	-	4	-	-	4
		Amount outstanding	-	-	-	-	-	-	604.03	-	-	604.03
		Provision thereon	-	-	-	-	-	-	220.79	-	-	220.79

* It represents recovery against the existing 4 accounts and increase in provision thereon.



(Rupees in lakh)

o. Provision under prudential norms of income recognition, asset classification and provisioning (IRACP) as at March 31, 2024:

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	4,97,943.36	2,973.37	4,94,969.99	1,809.76	1,163.61
	Stage 2	27,731.86	549.74	27,182.12	190.25	359.49
Subtotal		5,25,675.22	3,523.11	5,22,152.11	2,000.01	1,523.10
Non-performing assets (NPA)						
Substandard	Stage 3	15,446.37	7,532.62	7,913.75	1,554.63	5,977.99
Doubtful - up to 1 year	Stage 3	351.28	146.19	205.09	77.48	68.71
1 to 3 years	Stage 3	1,350.26	547.44	802.82	1,288.95	(741.51)
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		1,701.54	693.63	1,007.91	1,366.43	(672.80)
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		17,147.91	8,226.25	8,921.66	2,921.06	5,305.19
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 (IRAC) norms	Stage 1	8,660.55	-	8,660.55	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Total	Stage 1	5,06,603.91	2,973.37	5,03,630.54	1,809.76	1,163.61
	Stage 2	27,731.86	549.74	27,182.12	190.25	359.49
	Stage 3	17,147.91	8,226.25	8,921.66	2,921.06	5,305.19
	Total	5,51,483.68	11,749.36	5,39,734.32	4,921.07	6,828.29

*The above numbers are reported at gross excluding effective interest rate impact on the same.

Provision under prudential norms of income recognition, asset classification and provisioning (IRACP) as at March 31, 2023:

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	3,62,278.62	3,845.98	3,58,432.64	1,780.62	2,065.36
	Stage 2	10,447.45	373.94	10,073.51	109.34	264.60
Subtotal		3,72,726.07	4,219.92	3,68,506.15	1,889.96	2,329.96
Non-performing assets (NPA)						
Substandard	Stage 3	6,740.56	2,893.34	3,847.22	715.05	2,178.29
Doubtful - up to 1 year	Stage 3	2,711.80	1,648.58	1,063.22	2,674.13	(1,025.55)
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		2,711.80	1,648.58	1,063.22	2,674.13	(1,025.55)
Loss	Stage 3	116.68	38.15	78.53	115.99	(77.84)
Subtotal for NPA		9,569.04	4,580.07	4,988.97	3,505.17	1,074.90
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 (IRAC) norms	Stage 1	9,618.89	-	9,618.89	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Total	Stage 1	3,71,897.51	3,845.98	3,68,051.53	1,780.62	2,065.36
	Stage 2	10,447.45	373.94	10,073.51	109.34	264.60
	Stage 3	9,569.04	4,580.07	4,988.97	3,505.17	1,074.90
	Total	3,91,914.00	8,799.99	3,83,114.01	5,395.13	3,404.86

*The above numbers are reported at gross excluding effective interest rate impact on the same.

p. Liquidity Risk Management: Refer Note no. 51(b). Liquidity Risk.

q. Loans to Directors, Senior Officers and Relatives of Directors

Particulars	As at March 31, 2024	As at March 31, 2023
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives*	-	60.00

*This represents aggregate amount of sanctioned loans and advances during the said period.



61. Disclosures as required by the Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 issued by the Reserve Bank of India ("RBI") vide their Notification No. RBI/DOR/2021-22/85 DOR.STR.REC.53/21.04.177/2021-22 dated September 24, 2021 (the "Notification"), as updated from time to time.

Details of securitization:

Sr No.	Particulars	As at March 31, 2024	As at March 31, 2023
1	No of SPEs holding assets for securitisation transactions originated by the originator*	10.00	10.00
2	Total amount of securitized assets as per books of the SPEs	6,846.81	18,252.35
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
	a. Off - Balance Sheet exposures		
	First loss	-	-
	Others	-	-
	b. On - balance sheet exposures		
	First loss	2,306.96	2,306.96
	Others	-	-
4	Amount of exposures to securitization transactions other than MRR		
	a. Off - balance sheet exposures		
	i) Exposure to own securitizations		
	First loss	-	-
	Others	-	-
	ii) Exposure to third party securitization		
	First loss	-	-
	Others	-	-
	b. On - balance sheet exposures		
	i) Exposure to own securitizations		
	First loss	2,126.73	2,096.91
	Others	-	-
	ii) Exposure to third party securitization		
	First loss	-	-
	Others	-	-
5	Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation		
	a. Sale consideration received for the securitised assets		21,113.89
	b. Gain/loss on sale on account of securitisation		-
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc		
7	Performance of facility provided.		
	a. Cash Collateral (CC)		
	i) Amount paid	2,050.37	2,050.37
	ii) Repayment received	-	-
	iii) Outstanding amount	2,050.37	2,050.37
	b. Over-Collateralization (OC)		
	i) Amount paid	2,306.96	2,306.96
	ii) Repayment received	-	-
	iii) Outstanding amount	2,306.96	2,306.96
	c. Equity		
	i) Amount paid	515.00	515.00
	ii) Repayment received	-	-
	iii) Outstanding amount	515.00	515.00
8	Average default rate of portfolios observed in the past.	-	-
9	Amount and number of additional/top up loan given on same underlying asset.	-	-
10	Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding		

*Only the SPVs relating to outstanding securitization transactions.



(Rupees in lakh)

62 The Company has neither purchased any credit impaired financial assets nor has the company transferred any credit impaired assets to the Asset Reconstruction Company during the financial year 2023-2024 and 2022-2023 in terms of guidelines issued by RBI circular number RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021 as updated from time to time. Further, the Company has also not sold any credit impaired financial asset to institutions other than to securitization/reconstruction company (SC/RC).

63 Gold Loans

The Company does not provide any loans on collateral of gold and gold jewellery.

64 RBI circular RBI/2021-22/17 DOR.STR.REC.4/21.04.048/2021-22 dated April 07, 2021.

Under the Circular all the lending institutions were required to refund/adjust the "interest on interest" charged to the borrower during the moratorium period i.e. March 1, 2020 to August 31, 2020 in conformity with the Supreme Court judgement. The status of the same is mentioned in below table.

Sr. No	Particulars	March 31, 2024	March 31, 2023
1	Aggregate amount	14.59	14.59
2	Refunded/adjusted	-	-
3	Outstanding balance	14.59	14.59

65 Disclosures pursuant to Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 issued by the Reserve Bank of India ("RBI") vide their Notification No. RBI/DOR/2021-22/86 Master Direction DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021 (the "Notification") as updated from time to time.

a. Details of transfer through Assignment in respect of loans not in default during the year ended March 31, 2024*:

Sr. No	Particulars	To Banks/ NBFCs
1	Aggregate principal outstanding of loans transferred through assignment (Rs. in lakh)	64,076.75
2	Aggregate consideration received (Rs. in lakh)	64,076.75
3	Weighted average Maturity of Loans (in years)	7.79
4	Weighted average Holding period of Loans (in years)	0.91
5	Retention of Beneficial economic interest (in %)	13.32%
6	Coverage of Tangible security (in %) **	230.21%
7	Rating- wise distribution of rated loans	Non-Rated

Note

* The above table does not include loans transferred by the Company through Co-Lending arrangements.

** For computation of coverage of Tangible Security coverage ratio, the Company has considered only the secured loans

b. The Company has not acquired loans not in default during the year ended March 31, 2024, under the said Notification.

c. The Company has neither transferred nor acquired any stressed loans during the year ended March 31, 2024, under the said Notification.

d. The rating wise distribution of Security Receipts (SRs) held by the Company as on March 31, 2024 is given below:

Ratings	Recovery Rating*	Rating Agency	Amount (in Lakh)
IVR RR1	100% - 150%	Infomerics Valuation and Ratings Private Limited	887.15
BW RR3	100% - 150%	Infomerics Valuation and Ratings Private Limited	804.98

*It indicates the present value of expected recoveries in the specified range of the face value of outstanding SRs.

66 During the year ended March 31, 2024, the Company has transferred loans amounting to Rs. 1,83,265.07 lakh through Co-lending arrangements to the respective participating banks under circular no. RBI/2020-21/63 FIDD.CO.Plan.BC.No.8/04.09.01/2020-21, dated November 05, 2020 pertaining to Co-Lending by Banks and NBFCs to Priority Sector which are akin to Direct assignment transaction.

67 Disclosure on frauds pursuant to the RBI Master Direction- Monitoring of Frauds in NBFCs, Master Direction DNBS. PPD.01/66.15.001/2016-17 dated September 29, 2016 detected and reported to RBI:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Number of Frauds	3.00	-
Amount involved (Rs. in Lakh)	122.90	-



(Rupees in lakh)

- 68 Disclosure pursuant to Reserve Bank of India RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 06, 2020 pertaining to Resolution Framework for COVID-19 related stress read with RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 dated May 5, 2021 pursuant to Resolution Framework 2.0 - Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs) and disclosure pursuant to Reserve Bank of India Circular RBI/2021-22/31 DOR.STR.REC. 11/21.04.048/2021-22 dated May 5, 2021, pertaining to Resolution Framework - 2.0: Resolution of Covid-19 related stress of individuals and Small Businesses.

Type of borrower	Exposure to accounts classified as Standard consequent to Implementation of resolution plan - Position as at September 30, 2023 (A)	Of (A), aggregate debt that slipped into NPA during the half year ended March 31, 2024	Of (A), amount written off during the half year ended March 31, 2024	Of (A), amount paid by the borrowers during the half year ended March 31, 2024	Exposure to accounts classified as Standard consequent to Implementation of resolution plan - Position as at March 31, 2024*
Personal loans	-	-	-	-	-
Corporate persons	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	2,907.62	5.89	-	1,566.97	1,334.76
Total	2,907.62	5.89	-	1,566.97	1,334.76

* Total ECL Provision for the above loans as on March 31, 2024 is Rs 133.48 Lakh.

- 69 Disclosure as per the format prescribed as per the notification no. RBI/2020-21/17 DOR.NO.BP BC/4/21.04.048/2020-21 dated August 06, 2020 and RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 dated May 5, 2021 on "Resolution Framework 2.0 - Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs)":

Type of borrower	Year	No. of accounts restructured	Amount outstanding
MSMEs	As at March 31, 2024	47	2,130.50
	As at March 31, 2023	144	4,121.34

- 70 Previous year figures have been reclassified/ regrouped wherever necessary to conform to/ with the current year classification/ disclosure.

The accompanying notes are an integral part of the financial statements.

For **Sharp & Tannan Associates**

Chartered Accountants

Firm's Registration Number : 109983W


Tirtharaj Khot
 Partner

Membership No : (F) 037457



For and on behalf of the Board of Directors of

UGRO CAPITAL LIMITED


Shachindra Nath

Vice Chairman &

Managing Director

DIN : 00510618


Hemant Bhargava

Independent Director &

Chairman - Audit Committee

DIN : 01922717


Kishore Kumar Lodha

Chief Financial Officer

Place : Mumbai

Date : May 02, 2024


Satish Kumar Chelladurai

Company Secretary

Place : Mumbai

Date : May 02, 2024



INDEPENDENT AUDITOR'S REPORT

To the Members of **UGRO Capital Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of UGRO Capital Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (Including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us the aforesaid 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 Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended March 31, 2023. 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.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1.	<p>Impairment of loans including Expected Credit Losses</p> <p>Total Loans as at March 31, 2023: Rs 3806.36 crores (net of ECL)</p> <p>Impairment Provision as at March 31, 2023: Rs. 87.99 crores (Refer Note 6 of the Ind AS financial statements)</p> <p>Ind AS 109 requires the Company to provide for impairment of its financial</p>	<p>In view of the significance of the matter, our audit procedures performed included and not limited to the following:</p> <p>Process understanding and Test of Controls:</p> <ol style="list-style-type: none"> 1. Read the Company's Board approved ECL Policy and accounting policies for estimation of expected credit loss on financial assets as explained in Note 1 Para (20.4) and evaluated the appropriateness of the same with the principles of Ind AS 109 - 'Financial Instruments' and prudential norms laid down by Reserve Bank of India ("RBI").



Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
	<p>assets using the expected credit loss (ECL) approach.</p> <p>The Company has Board approved policy on ECL to ensure the compliance with Ind AS 109 requirements and the basis of all assumptions for underlying inputs to ECL model.</p> <p>ECL model involves an estimation of probability of loss on financial assets 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 loans and advances.</p> <p>In the process, a significant degree of judgement has been applied by the Management of the Company including but not limited to the following matters:</p> <ol style="list-style-type: none"> Grouping of loan portfolio under various categories on the basis of homogeneity and thereby expected to demonstrate similar credit characteristics; Estimation of losses in respect of groups of loans which had no/ minimal defaults in the past; Staging of loans and estimation of behavioural life; Models developed by the Company that derive key assumptions used within the provision calculation such as probability of default (PD) and loss given default (LGD). <p>Since the impairment of loans including ECL requires a significant level of estimation and given its significance to the overall audit, we have ascertained impairment of loans including ECL as a key audit matter.</p>	<ol style="list-style-type: none"> Tested the design and effectiveness of internal controls over the 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. <p>Test of details:</p> <ol style="list-style-type: none"> Performed, on test check basis, procedures for testing of ECL model and computation of ECL amount including and not limited to the following: <ol style="list-style-type: none"> Evaluated underlying data related to estimates and judgements used for developing ECL models. Verified that PD is computed as per the internally developed model, which is a dynamic evaluation based on repayment history, corporate ratings, specific market estimates as applicable to the respective portfolio segments from time to time. Loss Given Default (LGD) is as per the Foundational-Internal Rating Based (F-IRB) approach and an internal model which factors post default recovery rates and collateral value in case of secured loans. Verified whether appropriate staging of assets have been performed basis their days past due. Ensured the assumptions used by the Company for grouping and staging of loan portfolio into various categories and default buckets for determining the probability of default ("PD") and loss given default ("LGD") rates. Verified the impairment provision for Stage 3 exposures considering the Management's estimate of future cash flows for those exposures and checked the resultant provision. Verified the adequacy of the adjustment including Management's assessment of additional provision on stressed loan. Verified the ECL provision on restructured cases pursuant to the RBI circular on a sample basis. Verified the computation of ECL by using PD and LGD and other qualitative factors to ensure arithmetical accuracy.



Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
		<p>h. Verified the impairment provision under Ind AS 109 and the provisioning required under Income Recognition, Asset Classification and Provisioning norms (IRACP) (including standard asset provisioning) to determine the need to create an Impairment Reserve.</p> <p>i. Reconciled the total financial assets considered for ECL estimation with the books of accounts to ensure the completeness.</p> <p>j. Assessed the adequacy and appropriateness of the presentation and disclosures in compliance with the applicable Ind AS.</p>

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 Annual Report but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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, the Board of Directors 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 the Board of Directors 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 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 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 financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 for the year ended March 31, 2023 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 the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position - Refer Note 40 of the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 58 (p) to the financial statements;
 - 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, other than as disclosed in Note 71(a) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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;




MSKA & Associates

Chartered Accountants

- B. The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in Note 71(b) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, 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 performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard 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 (1) and (2) above, contain any material mis-statement.
- v. The Company has neither declared nor paid any dividend during the year.
- vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable during the year.
3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number: 105047W


Swapnil Kale
Partner
Membership Number: 117812
UDIN: 23117812BGXQVA6117



Mumbai
May 15, 2023