

Notes forming part of the financial statements (continued)
For the year ended March 31, 2023

(Rupees in lakh)

y. 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.	Upgradation	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.

Restructured accounts For the year ended March 31, 2022:

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, 2021	No. of borrowers	-	-	-	-	-	5	-	-	-	5
		Amount outstanding	-	-	-	-	-	597.76	-	-	-	597.76
		Provision thereon	-	-	-	-	-	69.25	-	-	-	69.25
2.	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	3	-	-	3
		Amount outstanding	-	-	-	-	-	-	159.29	-	-	159.29
		Provision thereon	-	-	-	-	-	-	23.24	-	-	23.24
3.	Upgradation	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	-	-	-	-	-	4	-	-	-	4
		Amount outstanding	-	-	-	-	-	101.63	-	-	-	101.63
		Provision thereon	-	-	-	-	-	6.87	-	-	-	6.87
5.	Downgradation of restructured accounts during the year	No. of borrowers	-	-	-	-	-	(1)	1	-	-	-
		Amount outstanding	-	-	-	-	-	(496.13)	477.05	-	-	(19.08)
		Provision thereon	-	-	-	-	-	(62.38)	55.90	-	-	(6.48)
6.	Write-offs of restructured accounts during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-
7.	Restructured accounts as on March 31, 2022	No. of borrowers	-	-	-	-	-	-	4	-	-	4
		Amount outstanding	-	-	-	-	-	-	636.34	-	-	636.34
		Provision thereon	-	-	-	-	-	-	79.14	-	-	79.14

Notes forming part of the financial statements (continued)
For the year ended March 31, 2023

(Rupees in lakh)

z. Schedule to the Balance Sheet of a NBFC:

Particulars	As at March 31, 2023		As at March 31, 2022	
	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	85,495.83	-	54,621.07	-
ii Unsecured	661.86	-	990.29	-
(other than falling within the meaning of public deposits)				
b Deferred credits	-	-	-	-
c Term loans	196,981.07	-	107,239.38	-
d Inter - corporate loans and borrowings	-	-	-	-
e Commercial paper	12,146.52	-	11,472.03	-
f Public deposits	-	-	-	-
g Other loans	19,608.17	-	5,901.87	-
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 :				
	As at March 31, 2023		As at March 31, 2022	
3 Break - up of gross loans and advances including bills receivables (other than those included in (4) below):				
a Secured		238,378.61		155,940.59
b Unsecured		151,057.59		93,235.55
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		-		-

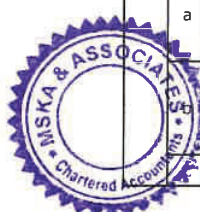


Notes forming part of the financial statements (continued)
For the year ended March 31, 2023

(Rupees in lakh)

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

Assets Side		As at March 31, 2023		As at March 31, 2022		
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	4,261.77	4,295.88		
		(iii) Units of mutual funds	-	-	-	
		(iv) Government securities	-	-	-	
		(v) Others	-	-	-	
	h	Unquoted				
		(i) Shares				
		a. Equity	-	-	-	
		b. Preference	-	-	-	
	(ii) Debentures and bonds	-	-	-		
	(iii) Units of mutual funds	-	-	-		
	(iv) Government securities	-	-	-		
	(v) Others	1,748.92	2,648.11			
6	Borrower group wise classification of assets financed in (3) and (4) above (gross):		As at March 31, 2023		As at March 31, 2022	
	Category		Amount			
			Secured	Unsecured	Secured	Unsecured
	a	Related parties **				
		i. Subsidiaries	-	-	-	-
		ii. Companies in the same group	-	-	-	-
		iii. Other related parties	-	-	-	-
	b	Other than related parties	238,378.61	151,057.59	155,940.59	93,235.55
		Total	238,378.61	151,057.59	155,940.59	93,235.55
	** 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					
	1	Related parties **				
		a. Subsidiaries	-		-	
		b. Companies in the same group	-		-	
		c. Other related parties	-		-	
	2	Other than related parties	6,010.69		6,943.99	
		Total	6,010.69		6,943.99	
	** As per accounting standard issued by ICAI.					
8	Other information					
	Particulars					
		Gross non-performing assets:	9,569.05		5,641.15	
	a	i. Related parties			-	
		ii. Other than related parties	9,569.05		5,641.15	
		Net non-performing assets:	4,988.98		4,152.32	
		i. Related parties			-	
		ii. Other than related parties	4,988.98		4,152.32	
		Assets acquired in satisfaction of debt	2,194.55		-	



Notes forming part of the financial statements (continued)
For the year ended March 31, 2023

(Rupees in lakh)

aa. Provision under prudential norms of income recognition, asset classification (IRAC) 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 IRAC norms	Difference between Ind AS 109 provisions and IRAC norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing assets						
Standard	Stage 1	362,278.62	3,845.98	358,432.64	1,780.62	2,065.36
	Stage 2	10,447.45	373.94	10,073.51	109.34	264.60
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	-	-	-	-	-
Loss	Stage 3	116.68	38.15	78.53	115.99	(77.84)
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 Stage 2 Stage 3	4,477.45 - -	- - -	4,477.45 - -	- - -	- - -
Total	Stage 1 Stage 2 Stage 3 Total	366,756.07 10,447.45 9,569.04 386,772.56	3,845.98 373.94 4,580.07 8,799.99	362,910.09 10,073.51 4,988.97 377,972.57	1,780.62 109.34 3,505.17 5,395.13	2,065.36 264.60 1,074.90 3,404.86

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



Notes forming part of the financial statements (continued)
For the year ended March 31, 2023

(Rupees in lakh)

aa. Provision under prudential norms of income recognition, asset classification (IRAC) as at March 31, 2022 (Continued):

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying amount as per IndAS*	Loss allowances (provisions) as required under Ind AS 109	Net carrying amount	Provisions required as per IRAC norms	Difference between Ind AS 109 provisions and IRAC norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing assets						
Standard	Stage 1	239,025.36	2,481.66	236,543.70	1,856.21	625.45
	Stage 2	3,255.34	93.91	3,161.43	50.52	43.39
Non-performing assets (NPA)						
Substandard	Stage 3	5,451.73	1,299.41	4,152.32	623.40	676.01
Doubtful - up to 1 year	Stage 3	189.42	189.42	-	184.06	5.36
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
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	882.60	-	882.60	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Total	Stage 1	239,907.96	2,481.66	237,426.30	1,856.21	625.45
	Stage 2	3,255.34	93.91	3,161.43	50.52	43.39
	Stage 3	5,641.15	1,488.83	4,152.32	807.46	681.37
	Total	248,804.45	4,064.40	244,740.05	2,714.19	1,350.21

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



Notes forming part of the financial statements (continued)
For the year ended March 31, 2023

(Rupees in lakh)

59. Disclosures as required by Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs issued by the Reserve Bank of India ("RBI") vide their Notification No. RBI/2021-22/112 DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021 and Disclosures in Financial Statements- Notes to Accounts of NBFCs vide Notification No. DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19, 2022.

A. Exposure

1 Exposure to real estate sector (Refer Note 58f)

2. Exposure to capital market

The Company does not have any capital market exposure.

3. Sectoral exposure

Sectors	As at March 31, 2023			As at March 31, 2022		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that 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	6,095.31	-	0.00%	-	-	0.00%
2. Industry						
i. Food processing	19,182.57	431.00	2.25%	8,243.71	184.24	2.23%
ii. Textiles	15,220.40	171.76	1.13%	1,317.10	-	0.00%
iii. Paper & paper products	7,612.24	49.89	0.66%	376.68	-	0.00%
iv. Rubber, plastic & their products	10,023.23	95.40	0.95%	2,208.10	102.61	4.65%
v. Basic metal & metal product	16,957.80	93.31	0.55%	681.52	1.76	0.26%
vi. All engineering	20,177.70	859.32	4.26%	35,982.95	658.76	1.83%
vii. Others	116,225.46	3,070.15	2.64%	62,745.24	2,780.61	4.43%
Total of industry (i+ii+iii+iv+v+vi+vii)	205,399.40	4,770.83	2.32%	111,555.30	3,727.98	3.34%
3. Services						
i. Tourism, hotel and restaurants	12,913.13	406.24	3.15%	5,884.55	265.92	4.52%
ii. Professional services	12,200.10	100.00	1.31%	6,604.10	46.70	0.71%
iii. Wholesale trade (other than food procurement)	26,388.21	767.44	2.91%	12,808.36	41.87	0.33%
iv. Retail trade	33,668.87	1,577.76	4.69%	44,768.92	687.01	1.53%
v. Others	85,543.64	1,886.70	2.21%	63,540.45	882.54	1.39%
Total of services (i+ii+iii+iv+v)	170,714.03	4,798.22	2.81%	133,606.46	1,924.10	1.44%

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.

B. Related Party (Refer Note 43 for KMP and other related parties except directors)

The Company has not granted loans or advances to promoters, directors and KMPs, either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the financial year ended March 31, 2023 and March 31, 2022.



Notes forming part of the financial statements (continued)
For the year ended March 31, 2023

(Rupees in lakh)

C. Disclosure of complaints

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

Particulars	As at March 31, 2023	As at March 31, 2022
Complaints received by the NBFC from its customers		
1. Number of complaints pending at beginning of the year	1	-
2. Number of complaints received during the year	148	24
3. Number of complaints disposed during the year	145	23
3.1 Of which, number of complaints rejected by the NBFC	-	-
4. Number of complaints pending at the end of the year	4	1
5. Number of maintainable complaints received by the NBFC from Office of Ombudsman	27	6
5.1 Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	26	6
5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	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)	-	-

1. 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	43	438.00%	1	1
Levy of charges without prior notice/ excessive charges/ foreclosure charges	-	50	900.00%	1	1
Difficulty in operation of accounts	-	4	(20.00%)	-	-
Recovery Agents/ Direct Sales Agents	-	9	800.00%	-	-
Other	-	69	527.00%	3	1
Previous Year					
Loans and advances	-	8	NA*	1	-
Levy of charges without prior notice/ excessive charges/ foreclosure charges	-	5	NA*	-	-
Difficulty in operation of accounts	-	5	NA*	-	-
Recovery Agents/ Direct Sales Agents	-	1	NA*	-	-
Other	-	11	NA*	-	-

* There were nil complaints during FY 2020-21.

This also includes complaints raised with RBI.

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

E. Breach of covenant

Breach in terms of covenant in respect of loan availed by the Company 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), 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.

F. Divergence in asset classification and provisioning

During the current year 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.

G. There is no modification of opinion expressed by the auditors.

H. There are no items of income and expenditure of exceptional nature.



Notes forming part of the financial statements (continued)
For the year ended March 31, 2023

(Rupees in lakh)

60 Events after the reporting period

Non-adjusting events after the reporting period that require disclosure are as follows:

The Company raised equity share capital through Qualified Institutional Placement (QIP) in April 2023. The issue remained open from April 10, 2023, to April 13, 2023, and Rs. 10,049.21 lakh was raised in lieu of the same. The Company issued and allotted 66,11,325 equity shares (face value of Rs. 10 per share) at a premium of Rs. 142 per share. These shares were allotted on April 13, 2023.

The Company has entered into definitive investment agreement inter alia with Danish Sustainable Development Goals Investment Fund K/S, a limited liability partnership incorporated under the laws of Denmark, represented by Investment Fund for Developing Countries, an investment fund incorporated under the laws of Kingdom of Denmark, to the tune of Rs. 24,000 lakh ('Issue'). It is a Danish Development Finance Institution (Independent Denmark government owned fund) and an impact investor which invests to support sustainable development in developing countries and contributes to the realization of the sustainable development goals (SDGs) by creating better opportunities for people in low and middle-income countries. The said issue has been approved by the Board on April 11, 2023, and the shareholders through postal ballot on May 11, 2023. The allotment of shares under the said issue will be done within 15 days from the date of passing resolution by the shareholders.

61 Total Fixed deposits stand at Rs 2,096.91 lakh as at March 31, 2023 (previous year Rs 762.29 lakh) on account of securitisation transactions.

62 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, 2023	For the year ended March 31, 2022
Number of Frauds	-	1
Amount involved (Rs. in Lakh)	-	400.14

63 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 2022-23 in terms of guidelines issued by RBI circular number DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021. Further, the Company has also not sold any credit impaired financial asset to institutions other than to securitization/reconstruction company (SC/RC).

64 Title deeds of immovable property not held in the name of the Company as at March 31, 2023:

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company*
PPE	Land	-	-	-	-	-
PPE	Building	-	-	-	-	-
Investment property	Land	-	-	-	-	-
Investment property	Building	-	-	-	-	-
Non-current assets held for sale	Land	348.88	Borrower	No	-	-
Non-current assets held for sale	Building	1,782.95	Borrower	No	-	-
Others	-	-	-	-	-	-

*The Borrowers had mortgaged the immovable properties with the Company to secure the loan facility. Consequent to default in repayment of secured loan upon classification of the account as Non-Performing Asset ("NPA"), the proceedings under the provisions of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("The SARFAESI Act, 2002") are initiated, whereby the immovable property mortgaged by the Borrower, is taken into possession of the Company with or without intervention of Court. The said properties will be sold to the prospective buyer(s) and the sale proceeds shall be appropriated towards the dues in the respective loan account. Meanwhile, if the borrower/co-borrower approaches to settle the dues and closes the loan account, the property may be released to them.

65 During the year ended March 31, 2023, there was one company with whom the Company had a transaction whose status is reflected as "struck-off" as at March 31, 2023 as shown below under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956. Further the Company did not have any such transactions during the year ended March 31, 2022.

Name of struck-off company with whom Company had transaction during FY 2022-23

Name of the Company	Northern Aircool Private Limited*
Nature of transaction	Loan Disbursement
Balance outstanding as at March 31, 2023	Nil
Relation with struck-off company	Customer

*The Company had transaction with the above Company before the Company was struck-off as per the ROC records.

66 No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at March 31, 2023 and March 31, 2022.

67 The Company is not declared wilful defaulter by any bank or financial institution or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India during the year ended March 31, 2023 and March 31, 2022.

68 a. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

b. Instances of delayed filing of registration of charges or satisfaction with Registrar of Companies (ROC) during the year ended March 31, 2023.

Brief description of charge	Location of registrar	Period by which charge has been registered	Reason for delay
CHG-1 Nabsamruddhi Term Loan- Rs. 15,00,00,000/- Charge ID 100603629 DOH Date-05.08.2022	Mumbai	06.09.2022 (Form Filed with MCA) 13.09.2022 (Charge Certificate Date)	The form could not be filed within the prescribed timelines due to technical and operational issues on newly introduced MCA V3 portal.



Notes forming part of the financial statements (continued)
For the year ended March 31, 2023

(Rupees in lakh)			
CHG-4 Beacon Trusteeship Limited Charge ID-100493809 NOC Date-02.08.2022	Mumbai	23.09.2022 (Form Filed with MCA) 27.09.2022 (Charge Certificate Date)	The form could not be filed within the prescribed timelines due to technical and operational issues on newly introduced MCA V3 portal.
CHG-1 Catalyst Trusteeship Limited- Rs.31,09,00,000/- Charge ID:100518344 List of Receivables Date-31.12.2022	Mumbai	02.02.2023 (Form filed with MCA) 06.02.2023 (Charge Certificate Date)	The form could not be filed within the prescribed timelines due to technical and operational issues on newly introduced MCA V3 portal.
CHG-1 Catalyst Trusteeship Limited- Rs.12,40,80,000/- Charge ID:100628374 List of Receivables Date-31.12.2022	Mumbai	01.02.2023 (Form filed with MCA) 06.02.2023 (Charge Certificate Date)	The form could not be filed within the prescribed timelines due to technical and operational issues on newly introduced MCA V3 portal.
CHG-1 Catalyst Trusteeship Limited- Rs.14,48,00,000/- Charge ID: 100628373 List of receivables:31.12.2022	Mumbai	02.02.2023 (Form filed with MCA) 06.02.2023 (Charge Certificate Date)	The form could not be filed within the prescribed timelines due to technical and operational issues on newly introduced MCA V3 portal.
CHG-1 Catalyst Trusteeship Limited- Rs. 82,70,00,000/- Charge ID: 100688034 Resubmission Date- 10-02-2023	Mumbai	21.03.2023 (Form filed with MCA) 22.03.2023 (Charge Certificate Date)	The form could not be filed within the prescribed timelines due to technical and operational issues on newly introduced MCA V3 portal.
CHG-1 Canara Bank Term Loan- Rs. 75,00,00,000/- Charge ID-100684349 DOH Date-21.01.2023	Mumbai	10.03.2023 (Form filed with MCA) 15.03.2023 (Charge Certificate Date)	The form could not be filed within the prescribed timelines due to technical and operational issues on newly introduced MCA V3 portal.
CHG-1 IDFC First Bank Term Loan- Rs. 100,00,00,000/- Charge ID-100692382 DOH Date-30.01.2023	Mumbai	24.03.2023 (Form filed with MCA) 30.03.2023 (Charge Certification Date)	The form could not be filed within the prescribed timelines due to technical and operational issues on newly introduced MCA V3 portal.

69 There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended 31 March 2023 and 31 March 2022 in tax assessments under the Income tax act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of accounts during the year ended March 31, 2023 and March 31, 2022.

70 The Company has not traded or invested in crypto currency or virtual currency during the year ended March 31, 2023 and March 31, 2022.

71 Disclosure under rule 11(e) of the Companies (Audit and Auditors) Rules, 2014:

(a) - The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to 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 to or on behalf of ultimate beneficiaries;

(b) - The company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) 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 Company (ultimate beneficiaries) or
- provide any guarantee, security or the like to or on behalf of ultimate beneficiaries;



Notes forming part of the financial statements (continued)
For the year ended March 31, 2023

(Rupees in lakh)

72 Gold Loans

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

73 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, 2023	March 31, 2022
1	Aggregate amount	14.59	54.71
2	Refunded/adjusted	-	40.12
3	Outstanding balance	14.59	14.59

74 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")

a. Details of transfer through Assignment in respect of loans not in default during the year ended March 31, 2023*

Sr. No	Particulars	To Banks/ NBFCs
1	Aggregate principal outstanding of loans transferred through assignment (Rs. in lakh)	47,746.89
2	Aggregate consideration received (Rs. in lakh)	47,746.89
3	Weighted average Maturity of Loans (in years)	7.95
4	Weighted average Holding period of Loans (in years)	1.03
5	Retention of Beneficial economic interest (in %)	11.16%
6	Coverage of Tangible security (in %) **	228.90%
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, 2023.

c. The Company has neither transferred nor acquired any stressed loans during the year ended March 31, 2023.

d. The rating wise distribution of Security Receipts (SRs) held by the Company as on March 31, 2023 is given below:

Ratings	Rating Agency	Amount (in Lakh)
IVR RR1	Infomerics Valuation and Ratings Private Limited	943.48
BW RR3	Brick Works Rating India Private Limited	805.44



Notes forming part of the financial statements (continued)
For the year ended March 31, 2023

(Rupees in lakh)

- 75 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, 2022 (A)	Of (A), aggregate debt that slipped into NPA during the half year ended March 31, 2023	Of (A), amount written off during the half year ended March 31, 2023	Of (A), amount paid by the borrowers during the half year ended March 31, 2023	Exposure to accounts classified as Standard consequent to Implementation of resolution plan - Position as at March 31, 2023*
Personal loans	-	-	-	-	-
Corporate persons	-	-	-	-	-
Of which, MSMEs	5,646.45	39.77	-	1,465.73	4,140.95
Others	-	-	-	-	-
Total	5,646.45	39.77	-	1,465.73	4,140.95

* Total ECL Provision for the above loans as on March 31, 2023 is Rs 414.09 Lakh.

- 76 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, 2023	144	4,121.34
	As at March 31, 2022	184	6,623.10

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

As per our report of even date attached

For **M S K A & Associates**
Chartered Accountants
Firm's Registration Number : 105047W

Swapnil Kale
Swapnil Kale
Partner

Membership Number : 117812
Place : Mumbai
Date : May 15, 2023



For and on behalf of the Board of Directors of
UGRO CAPITAL LIMITED

Shachindra Nath
Shachindra Nath
Vice Chairman &
Managing Director
DIN : 00510618
Mumbai
May 15, 2023

Abhijit Sen

Abhijit Sen
Independent Director &
Chairman - Audit Committee
DIN : 00002593
Mumbai
May 15, 2023

Kishore Kumar Lodha

Kishore Kumar Lodha
Chief Financial Officer
Mumbai
May 15, 2023

Namrata Sajani

Namrata Sajani
Company Secretary
Mumbai
May 15, 2023



INDEPENDENT AUDITOR'S REPORT

To the Members of **UGRO Capital Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of UGRO Capital Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 ("the Ind AS") prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended March 31, 2022. 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	<u>Impairment of loans including Expected Credit Losses</u> Total Loans as at March 31, 2022: Rs 2,450.48 Crores Impairment Provision as at March 31, 2022: Rs. 40.64 Crores (Refer Note 6 of the Ind AS financial statements)	In view of the significance of the matter, our audit procedures performed included, but not limited to the following: 1. Understood the Company's accounting policies for impairment of loan and other receivables and evaluate the appropriateness of the same with the principle of Ind AS 109 - 'Financial Instruments'.



Sr. No.	Key Audit Matter	How the Key Audit Matter was addressed in our audit
	<p>Ind AS 109 - 'Financial Instruments', requires the Company to provide for impairment of its financial assets using the expected credit loss (the "ECL") approach involving 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 Company's loans and advances.</p> <p>In the process, a significant degree of judgement has been applied by the management including but not limited to the following matters:</p> <p>a) Qualitative and quantitative factors used in staging the loan assets;</p> <p>b) Basis used for estimating Probabilities of Default ("PD") and Loss Given Default ("LGD"); and</p> <p>c) Staging of loans and estimation of behavioural life.</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>The Company has developed models that derive key assumptions used within the provision calculation such as probability of default and loss given default.</p> <p>The output of these models is then applied to the provision calculation with other information including the exposure at default (the "EAD").</p> <p>Given the high degree of management's judgement involved in estimation of ECL, it is a key audit matter.</p>	<p>2. Verified the assumptions used by the Company for grouping and staging of loan portfolio into various categories according to the internal rating grade, size and geography of the loan and then determining the probability of default and loss given default rates.</p> <p>3. Obtained an understanding of Management's process of ECL computation and verified the design and effectiveness of internal controls over the:</p> <ul style="list-style-type: none"> ▪ completeness and accuracy of the Exposure at Default 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. ▪ scorecards developed by the Company using Probability of Default rates sent by the external credit rating agencies. <p>4. Verified on a test check basis underlying data related to estimates and judgements:</p> <ul style="list-style-type: none"> ▪ completeness and accuracy of information used in the estimation of the ECL for the different stages depending on the nature of the portfolio. ▪ PD is as per the scorecards provided by the External Credit Rating agency. ▪ Loss Given Default is as per the Foundational-Internal Rating Based (F-IRB) approach, including the appropriateness of the use of collateral and the resultant arithmetical calculations. ▪ Exposures determined to be individually impaired, examined management's estimate of future cash flows, assessed their reasonableness and checked the resultant provision calculations. ▪ Verified the computation of ECL to ensure arithmetical accuracy. ▪ Reconciled the total financial assets considered for ECL estimation with the books of account to ensure the completeness. <p>5. Verified, on test check basis, whether appropriate staging of assets have been performed basis their days past due.</p>



Sr. No.	Key Audit Matter	How the Key Audit Matter was addressed in our audit
		<p>6. Verified the adequacy of the adjustment including management's assessment of additional provision on stressed loan.</p> <p>7. Performed inquiries with the Company's management and its risk management function to assess the impact of Covid-19 including the fourth wave on the business activities of the Company.</p> <p>8. Verified the ECL provision on restructured cases pursuant to the Reserve Bank of India ("the RBI") circular on a sample basis.</p> <p>9. Assessed the adequacy and appropriateness of the related presentation disclosures in accordance with the requirements of applicable Ind AS.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

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

Our opinion on the 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 Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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 Ind AS 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 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, 2022 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, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015.
 - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 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 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.
 - 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 55 (p) to the financial statements; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



MSKA & Associates

Chartered Accountants

iv.

- (1) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or 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 - Refer Note 68 (a) to the financial statements;
- (2) The Management has represented that, to the best of its knowledge and belief, 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 - Refer Note 68(b) the financial statements; and
- (3) Based on the audit procedures which we have 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 misstatement.

v. The Company has neither declared nor paid any dividend during the year.

3. As required by the Companies (Amendment) Act, 2017, in our opinion, according to information and 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: 22117812AJMCIV7951



Mumbai
May 24, 2022

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF UGRO CAPITAL LIMITED FOR THE YEAR ENDED MARCH 31, 2022

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report]

- i.
 - (a)
 - A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
 - B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company is in the process of conducting the physical verification of all the Property, Plant and Equipment of the Company as on the date of this report. Accordingly, material discrepancies, if any, could not be ascertained and therefore, we are unable to comment on whether such material discrepancies have been properly dealt with in the books of account.
 - (c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
 - (d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) and its intangible assets. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
 - (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i)(e) of the Order are not applicable to the Company.
- ii.
 - (a) The Company is involved in the business of rendering services. Accordingly, the provisions stated in paragraph 3(ii)(a) of the Order are not applicable to the Company.
 - (b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from banks on the basis of security of loans. Quarterly returns / statements are filed with such banks/ financial institutions are in agreement with the books of account.
- iii.
 - (a) Since the Company's principle business is to give loans, the provisions stated in paragraph 3(iii)(a) of the Order are not applicable to the Company.
 - (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made, guarantees provided, securities given and the terms and conditions of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the interest of the Company.
 - (c) The Company, being a Non-Banking Financial Company, is registered under provisions of the RBI Act, 1934, in pursuance of its compliance with provisions of the said Act, particularly, the Income Recognition, Asset Classification and Provisioning Norms and generally accepted business practices by the lending institutions, repayments scheduled are stipulated basis the nature of the loan products. The repayment of the principal and the payment of interest by the borrower's are as per the stipulated repayment schedule except in case of default cases.



- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the details of amount overdue for more than ninety days are as follows:

No. of Cases *	Total overdue (Rs. In lakh)	Remarks (specify whether reasonable steps have been taken by the Company for recovery of principal amount and interest)
606	5641.15	Yes [#]

* Amount overdue classified under stage 3 - Refer Note 48 (a) C to the financial statements.

The Company has taken all reasonable steps including legal actions to ensure recovery of the principal and interest.

- (e) Since the Company's principle business is to give loans, the provisions stated in paragraph 3(ii)(e) of the order are not applicable to the Company.
- (f) According to the information and explanations provided to us, the Company has not granted any loans and / or advances in the nature of loans which are either repayable on demand or without specifying any terms or period of repayment. Hence, the requirements under paragraph 3(iii)(f) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under. Hence, the provision stated in paragraph 3(v) of the Order are not applicable to the Company.
- vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.
- vii.
- (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax and cess have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, goods and service tax, cess and any other statutory dues which have not been deposited on account of any dispute. Refer Note 37(a) to the financial statements.
- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.



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Chartered Accountants

ix.

- (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, the provisions stated in paragraph 3(ix)(e) of the Order are not applicable to the Company.
- (f) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, the provisions stated in paragraph 3(ix)(f) of the Order are not applicable to the Company.

x.

- (a) In our opinion, according to the information and explanations provided to us, money raised by way of initial public offer or further public offer (including debt instruments) during the year have been applied for the purpose for which they were raised. Hence there are no such instances.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly or optionally convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.

xi.

- (a) During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company nor on the Company.
- (b) In our opinion and according to the information and explanations given to us, no report under section 143(12) of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the course of audit. Accordingly, the provisions stated in paragraph 3(xi)(c) of the Order is not applicable to company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.

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



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