

UGRO CAPITAL LIMITED

Notes forming part of the financial statements (continued)

For the year ended March 31, 2024

47 Disclosure relating to employee stock option scheme (continued)

Exercise pricing formula

The exercise pricing formula for CSL employee stock option scheme 2017 and UGRO Capital employee stock option scheme 2022 is as under :

The nomination and remuneration committee shall have the authority to determine the exercise price having regard to the valuation report of an independent valuer, if any. The said committee shall in its absolute discretion, have the authority to grant the options at such discount / premium as it may deem fit.

Fair value methodology :

The binomial model of valuation is more advanced and involves the use of computational techniques. In this model, the share price is projected from the date of grant to the date of exercise using upward and downward probabilities. The probabilities are estimated from the share price volatility assumption.

The key assumptions used in Binomial model for calculating fair value under CSL employee stock option scheme 2017 and UGRO Capital employee stock option scheme 2022 with respect to various grants :

Particulars	CSL employee stock option scheme 2017 - Grant XXXI	CSL employee stock option scheme 2017 - Grant XXXII	CSL employee stock option scheme 2017 - Grant XXXIII	CSL employee stock option scheme 2017 - Grant XXXIV
Risk-free interest rate	7.19%	7.07%	7.07%	7.05%
Expected volatility of share price*	44.02%	42.89%	42.70%	40.54%
Time to maturity (in years)	NA	2.26	2.25	2.12
Dividend yield	-	-	-	-
The price of equity share as on the grant date considered for valuation (in Rs.)	277.61	275.61	275.39	271.66

*Volatilities is calculated using 3-month average market data for stock prices (Volume Weighted Average Price).

Particulars	UGRO Capital employee stock option scheme 2022 - Grant II	UGRO Capital employee stock option scheme 2022 - Grant III	UGRO Capital employee stock option scheme 2022 - Grant IV	UGRO Capital employee stock option scheme 2022 - Grant V
Risk-free interest rate	7.25%	7.08%	7.07%	7.09%
Expected volatility of share price*	46.59%	43.81%	43.68%	42.94%
Time to maturity (in years)	NA	3.00	3.00	3.00
Dividend yield	-	-	-	-
The price of equity share as on grant date considered for valuation (in Rs.)	277.61	275.61	275.39	271.66

*Volatilities is calculated using 3-month average market data for stock prices (Volume Weighted Average Price).



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

48. Leases (entity as a lessee)**(Rupees in lakh)**

The Company as a lessee, recognises the right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated depreciation/ impairment losses. The Company has entered into leasing arrangements for premises. Majority of the leases are cancellable by the Company. Right-of-use asset has been included after the line "Property, Plant & Equipment" and lease liabilities has been included under "Other Financial Liabilities" in the Balance Sheet.

a. Right of use asset :

Particulars	As at March 31, 2024	As at March 31, 2023
Office Premises :		
At fair value as at the beginning of the year	5,337.03	3,896.26
Additions during the year	2,777.70	1,632.02
Deletions during the year	(243.42)	(234.47)
Remeasurement of assets	25.66	43.22
At fair value as at the end of the year	7,896.97	5,337.03
Accumulated depreciation as at the beginning of the year	1,972.95	1,357.98
Depreciation for the year	1,148.94	614.97
Accumulated depreciation as at the end of the year	3,121.89	1,972.95
Net carrying amount as at the end of the year	4,775.08	3,364.08

b. Amount recognised in Statement of Profit and loss :

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation expense on right-of-use assets	1,148.94	614.97
Interest expense on lease liabilities	516.45	504.48
Total expenses recognised in Statement of profit and loss	1,665.39	1,119.45

The total cash outflow on account of lease rentals amounting for the current year Rs. 1,270.48 lakh (previous year : Rs. 781.38 lakh).

The average lease term for the rented office premises is ranging between 3 to 5 years.

c. Lease liabilities :

Particulars	As at March 31, 2024	As at March 31, 2023
Lease liabilities	5,209.90	3,518.15
Total	5,209.90	3,518.15

d. Maturity analysis of lease liabilities :

Particulars	As at March 31, 2024	As at March 31, 2023
Not later than 1 year	1,271.48	788.96
Later than 1 year and not later than 5 years	3,885.93	2,706.62
Later than 5 years	52.49	22.57
Total	5,209.90	3,518.15

The entity has adequate liquidity for payment of lease liabilities. The Company regularly monitors and pays lease rentals on a timely manner as per the terms of the respective leave and license agreement.

The Company has the right to extend the lease term as per mutually agreed terms laid down in the respective leave and license agreement. The Company takes into account the effect of the extended lease term while recording the lease assets and lease liabilities accordingly.



49 Impact of hedging activities

(Rupees in lakh)

a) Disclosure of effects of hedge accounting on the financial position:

As at March 31, 2024

Type of hedge and risk	Nominal value		Carrying amount of hedging instrument		Maturity Date	Changes in fair value of hedging instruments	Change in the value of hedged item used as the basis for recognising hedge effectiveness	Line item in the Balance Sheet
	Assets	Liabilities	Assets	Liabilities				
Cashflow Hedge								
Currency Derivative (Cross Currency Interest Rate Swaps)	3,109.43	-	350.96	-	December 06, 2024	10.89	10.89	Borrowings (other than debt securities)
Currency Derivative (Full Currency Swap)	4,095.00	-	24.72	-	September 28, 2027	58.87	58.87	Borrowings (other than debt securities)
Currency Derivative (Full Currency Swap)	8,272.00	-	-	43.84	November 07, 2025	(154.38)	(154.38)	Borrowings (other than debt securities)
Currency Derivative (Full Currency Swap)	8,270.00	-	-	167.12	February 16, 2028	50.14	50.14	Borrowings (other than debt securities)
Currency Derivative (Full Currency Swap)	8,205.00	-	-	117.44	June 27, 2027	117.44	117.44	Borrowings (other than debt securities)
Currency Derivative (Full Currency Swap)	5,742.80	-	-	112.28	June 28, 2027	112.28	112.28	Borrowings (other than debt securities)

As at March 31, 2023

Type of hedge and risk	Nominal value		Carrying amount of hedging instrument		Maturity Date	Changes in fair value of hedging instruments	Change in the value of hedged item used as the basis for recognising hedge effectiveness	Line item in the Balance Sheet
	Assets	Liabilities	Assets	Liabilities				
Cashflow Hedge								
Currency Derivative (Cross Currency Interest Rate Swaps)	3,109.43	-	340.07	-	December 06, 2024	317.78	317.78	Borrowings (other than debt securities)
Currency Derivative (Full Currency Swap)	4,095.00	-	-	34.15	September 28, 2027	34.15	34.15	Borrowings (other than debt securities)
Currency Derivative (Full Currency Swap)	8,272.00	-	-	198.22	November 07, 2025	198.22	198.22	Borrowings (other than debt securities)
Currency Derivative (Full Currency Swap)	8,270.00	-	-	116.98	February 16, 2028	116.98	116.98	Borrowings (other than debt securities)

b) Disclosure of effects of hedge accounting on the financial performance:

As at March 31, 2024

Type of Hedge	Change in the value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in the statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit and loss	Line item affected in the statement of profit and loss because of the reclassification
Cash flow hedge				
-Foreign exchange risk and interest rate risk	(734.58)	-	-	Finance Cost

As at March 31, 2023

Type of Hedge	Change in the value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in the statement of profit and loss	Amount reclassified from cash flow hedge reserve to statement of profit and loss	Line item affected in the statement of profit and loss because of the reclassification
Cash flow hedge				
-Foreign exchange risk and interest rate risk	45.33	-	-	Finance Cost



UGRO CAPITAL LIMITED

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

50. Summarised classification of financial assets and liabilities :

(Rupees in lakh)

Particulars	As at March 31, 2024				As at March 31, 2023			
	Amortised cost	At fair value through profit and loss account	At fair value through other comprehensive income	Total	Amortised cost	At fair value through profit and loss account	At fair value through other comprehensive income	Total
Financial assets								
Cash and cash equivalents	8,835.15	-	-	8,835.15	4,014.77	-	-	4,014.77
Bank balances other than cash and cash equivalents above	36,652.91	-	-	36,652.91	17,166.14	-	-	17,166.14
Loans	5,43,221.03	-	-	5,43,221.03	3,80,636.21	-	-	3,80,636.21
Investments	4,226.47	1,692.13	-	5,918.60	4,261.77	1,748.92	-	6,010.69
Other financial assets (Refer Note 7)	2,021.19	-	-	2,021.19	2,531.23	-	-	2,531.23
Total	5,94,956.75	1,692.13	-	5,96,648.88	4,08,610.12	1,748.92	-	4,10,359.04
Financial liabilities								
Derivative financial instruments	-	-	65.00	65.00	-	-	9.27	9.27
Payables :								
(A) Trade payables								
(I) Total outstanding dues of micro enterprises and small enterprises	448.65	-	-	448.65	145.97	-	-	145.97
(II) Total outstanding dues of creditors other than micro enterprises and small enterprises	821.57	-	-	821.57	1,168.80	-	-	1,168.80
(B) Other payables								
(I) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-
(II) Total outstanding dues of creditors other than micro enterprises and small enterprises	89.85	-	-	89.85	96.78	-	-	96.78
Debt securities	1,39,483.13	-	-	1,39,483.13	1,14,434.45	-	-	1,14,434.45
Borrowings (other than debt securities)	3,22,322.27	-	-	3,22,322.27	2,00,459.00	-	-	2,00,459.00
Subordinated Liabilities	3,519.13	-	-	3,519.13	-	-	-	-
Other financial liabilities (Refer Note 22)	7,429.68	225.17	-	7,654.85	7,276.66	225.17	-	7,501.83
Total	4,74,114.28	225.17	65.00	4,74,404.45	3,23,581.66	225.17	9.27	3,23,816.10



Notes forming part of the financial statements (continued)

For the year ended March 31, 2024

51. Financial risk management

The Company has exposure to the following risks from financial instruments:

- a. Credit Risk
- b. Liquidity Risk
- c. Market Risk
- d. Operational Risk

The Company is exposed to a variety of risks such as credit risk, liquidity risk, market risk, operational risk etc. The Company has therefore, invested in talent, processes and emerging technologies for building advanced risk and underwriting capabilities. The Board of Directors has constituted a Risk Management Committee to address these risks. The Risk Management Committee's mandate includes periodic review of the risk management policy, risk management planning, implementation and monitoring of the risk management plan and mitigation of key risks. The risk owners are accountable to the Risk Committee for identification, assessment, aggregation, reporting and monitoring of risks. The board of directors are responsible for providing overall risk oversight, approving risk appetite, risk management policies and frameworks and providing adequate oversight for the decisions.

a. Credit Risk

Risk Management team is engaged in defining a framework, overseeing enterprise wide risks and building a portfolio within the risk appetite of the Company. The effective management of credit risk requires the establishment of appropriate credit risk policies and processes. The Company has comprehensive and well-defined credit policies across various businesses, products and segments, which encompass credit approval process for all businesses along with guidelines for mitigating the risks associated with them. Credit underwriting is driven by a deep understanding of the selected segments, which forms proprietary risk models and approaches. The Company believes in positive sector/sub-sector selection to source its business. The same is done primarily through analytics and survey. Further, the Company has also developed sophisticated sector/sub-sector scorecards, both statistical and expert. The proposals are appraised based on the understanding of these sector/sub-sectors. A fine balance of sector knowledge, data analytics, touch and feel and digital process is used for underwriting the proposals.

Given the dynamic nature of the market, the credit policies are regularly reviewed and amended.

Management of Credit Risk**Write-off policy:**

Financial assets are written-off either partially or in their entirety only when the Company has stopped pursuing the recovery. Any subsequent recoveries are credited to impairment on financial instruments in the Statement of profit and loss. The write-off decisions are taken by the management which would be based on suitable justification notes presented by the responsible business / collections team.

Credit quality analysis:

The Company's policies for computation of expected credit loss (ECL) are set out below:

(I) ECL on Loans and advances**ECL is computed for loans portfolio of the Company:****Loan portfolio:**

UGRO Capital Ltd is primarily engaged into SME lending and has segmented its lending portfolio based on the homogenous nature of the group of borrowers.

Definition of default:

A default shall be considered to have occurred when any of the following criteria is met:

- a) An account shall be tagged as NPA once the day end process is completed for the 91st day past due.
- b) If one facility of a borrower is NPA, all the facilities of that borrower are to be treated as NPA.

Significant increase in credit risk (SICR) criteria:

- (a) External credit rating going below investment grade rating.
- (b) Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers.
- (c) Other qualitative parameters :
 - existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant change in the borrower's ability to meet its debt obligations.
 - an actual or expected significant adverse change in the regulatory, economic, or technological environment of the sector that results in a significant change in the sector's ability to meet its debt obligations.
- (d) Any other qualitative parameter.

Definition of low credit risk:

A case which has scores above cut-off norms as set by the Company from time to time and current status is Stage 1 is termed as low credit risk.



Notes forming part of the financial statements (continued)

For the year ended March 31, 2024

51. Financial risk management (continued)

Forward looking factors:

Forward looking factors are considered while determining the significant increase in credit risk.

Staging criteria:

Following staging criteria is used for loans:

- (i) Stage 1: 0-30 DPD;
- (ii) Stage 2: 31-90 DPD and
- (iii) Stage 3: > 90 DPD

Any deviation to the above classification, except as per the RBI Circular RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22 on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances - Clarification dated November 12, 2021 shall be approved by the audit committee of the board (ACB).

Probability of default (PD%)

PDs are determined using 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%)

Loss given default (LGD) is defined as the expected/estimated amount or percentage of exposure that may not be recovered when a loan defaults.

LGD computation for secured loans is based on an internal model which factors post default recovery rates and collateral value; for unsecured loans, LGD is taken as a standard estimate in line with the Foundational-Internal Rating Based (F-IRB) approach. LGD for stage 1 & 2 assets, thus determined, is subject to a minimum floor of 20%. For Stage 3 loans, the Company determines ECL requirement based on cash flows expected over the future time period.

Exposure at default (EAD)

Exposure at default represents the outstanding balance at the reporting date taking into account expected drawdowns on committed facilities, including repayments of principal and interest, and accrued interest from missed payments.

(II) ECL on fixed deposits, investments, trade and other receivables

With respect to the fixed deposits and investments held by the Company, ECL provisioning has been computed taking guidance from the RBI's IRB approach.

The Company has followed simplified approach of ECL provisioning on its trade and other receivables.

Applicable provisions for NBFCs covered under Ind AS:

The Company has prepared the financial statements in accordance with Ind AS and complied with the regulatory guidance specified by the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 issued by the Reserve Bank of India (RBI) vide their Notification No. RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023, as updated on March 21, 2024.



51. Financial risk management (continued)

(Rupees in lakh)

A. Movement of expected credit loss on advances:

Particulars	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired	Management Overlay	Total
Opening balances as at April 01, 2023	3,845.98	373.94	4,580.07	-	-	8,799.99
Changes in the loss allowance during the year:						
Transfer to Stage 1	29.72	(28.84)	(0.88)	-	-	-
Transfer to Stage 2	(334.21)	334.44	(0.23)	-	-	-
Transfer to Stage 3	(4,913.81)	(1,167.30)	6,081.11	-	-	-
New loans originated during the year	1,123.18	175.97	964.22	-	-	2,263.37
Other movements (on account of changes in EAD)	3,222.50	861.53	2,090.87	-	-	6,174.90
Amounts written off during the year	-	-	(5,488.90)	-	-	(5,488.90)
Closing balance as at March 31, 2024	2,973.36	549.74	8,226.26	-	-	11,749.36
Opening balance as at April 01, 2022	2,481.66	93.91	1,215.04	-	273.79	4,064.40
Changes in the loss allowance during the year:						
Transfer to Stage 1	5.33	(3.44)	(1.89)	-	-	-
Transfer to Stage 2	(202.42)	205.34	(2.92)	-	-	-
Transfer to Stage 3	(1,727.12)	(395.09)	2,122.21	-	-	-
New loans originated during the year	2,222.79	166.92	337.66	-	-	2,727.37
Other movements (on account of changes in EAD)	1,065.74	306.30	1,176.23	-	-	2,548.27
Amounts written off during the year	-	-	(266.26)	-	-	(266.26)
Management overlay*	-	-	-	-	(273.79)	(273.79)
Closing balance as at March 31, 2023	3,845.98	373.94	4,580.07	-	-	8,799.99

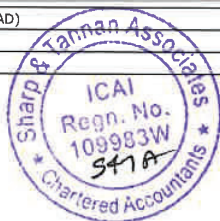
* There is no reversal on account of management overlay, the same has been incorporated in the ECL Model itself during the year ended March 31, 2023.

B. Movement of expected credit loss (ECL) on loan commitments:

Particulars	Stage 1	Stage 2	Stage 3	Total
Opening balances as at April 01, 2023	-	-	-	-
Changes in the loss allowance during the year:				
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Write off	-	-	-	-
Changes due to modifications that did not result in derecognition	-	-	-	-
New loan commitments originated during the year	-	-	-	-
Other movements (on account of changes in EAD)	-	-	-	-
Closing balance as at March 31, 2024	-	-	-	-
Opening balances as at April 01, 2022	-	-	-	-
Changes in the loss allowance during the year:				
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Write off	-	-	-	-
Changes due to modifications that did not result in derecognition	-	-	-	-
New loan commitments originated during the year	-	-	-	-
Other movements (on account of changes in EAD)	-	-	-	-
Closing balance as at March 31, 2023	-	-	-	-

C. Movement in gross carrying amount of advances:

Particulars	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired	Total
Opening balance of gross carrying amount as at April 01, 2023	3,69,419.70	10,447.45	9,569.05	-	3,89,436.20
Changes in the gross carrying amount during the year:					
Transfer to Stage 1	2,985.20	(2,883.02)	(102.18)	-	-
Transfer to Stage 2	(14,172.96)	14,184.18	(11.22)	-	-
Transfer to Stage 3	(10,351.30)	(1,867.91)	12,219.21	-	-
New loans originated during the year	3,36,057.80	12,242.49	2,524.48	-	3,50,824.77
Other movements (on account of changes in EAD)	(1,73,847.82)	(4,391.33)	(1,562.53)	-	(1,79,801.68)
Write offs during the year	-	-	(5,488.90)	-	(5,488.90)
Closing balance as at March 31, 2024	5,10,090.62	27,731.86	17,147.91	-	5,54,970.39
Opening balance of gross carrying amount as at April 01, 2022	2,40,279.65	3,255.34	5,641.15	-	2,49,176.14
Changes in the gross carrying amount during the year:					
Transfer to Stage 1	1,384.17	(1,164.23)	(219.94)	-	-
Transfer to Stage 2	(5,647.62)	5,742.82	(95.20)	-	-
Transfer to Stage 3	(4,284.81)	(715.97)	5,000.78	-	-
New loans originated during the year	2,66,582.08	4,562.11	709.85	-	2,71,854.04
Other movements (on account of changes in EAD)	(1,28,893.77)	(1,232.62)	(1,201.33)	-	(1,31,327.72)
Write offs during the year	-	-	(266.26)	-	(266.26)
Closing balance as at March 31, 2023	3,69,419.70	10,447.45	9,569.05	-	3,89,436.20



51. Financial risk management (continued)

(Rupees in lakh)

D. Movement in loan commitments:

Particulars	Stage 1	Stage 2	Stage 3	Total
Opening balance as at April 01, 2023	4,477.45	-	-	4,477.45
Changes in loan commitments during the year:				
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Changes due to modifications that did not result in derecognition	-	-	-	-
New loan commitments originated during the year	4,833.02	-	-	4,833.02
Other changes	-	-	-	-
Other movements (on account of changes in EAD)	(4,477.45)	-	-	(4,477.45)
Closing balance as at March 31, 2024	4,833.02	-	-	4,833.02
Opening balance as at April 01, 2022	882.60	-	-	882.60
Changes in loan commitments during the year:				
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Changes due to modifications that did not result in derecognition	-	-	-	-
New loan commitments originated during the year	4,477.45	-	-	4,477.45
Other changes	-	-	-	-
Other movements (on account of changes in EAD)	(882.60)	-	-	(882.60)
Closing balance as at March 31, 2023	4,477.45	-	-	4,477.45

E. Details of collaterals received against loan portfolio:

Nature of security against advances:

Underlying securities for the assets secured by tangible assets are property, machinery, plant & equipment and book debts. The value of the collaterals for the below calculation is taken at the date of inception of the loan

Advances other than credit impaired advances (LTV band-wise):

LTV ratio	As at March 31, 2024		As at March 31, 2023	
	Gross carrying amount of advances	Cumulative loss allowance	Gross carrying amount of advances	Cumulative loss allowance
Less than 50%	62,789.13	1,336.35	51,968.44	1,247.82
51% - 70%	2,854.25	8.34	740.40	2.04
71% - 90%	2,49,651.66	825.52	1,81,887.88	933.51
> 90%	-	-	-	-

Credit impaired advances (LTV band-wise):

LTV ratio	As at March 31, 2024		As at March 31, 2023	
	Gross carrying amount of advances	Cumulative loss allowance	Gross carrying amount of advances	Cumulative loss allowance
Less than 50%	3,148.24	1,130.07	2,086.38	502.21
51% - 70%	70.63	11.78	4.89	1.43
71%-90%	3,333.52	697.75	1,690.62	299.90
> 90%	-	-	-	-



51. Financial risk management (continued)

(Rupees in lakh)

b. Liquidity risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on time. Prudent liquidity risk management implies maintaining sufficient stock of cash and marketable securities and maintaining availability of standby funding through an adequate line-up of committed credit facilities. The Treasury team actively manages asset and liability positions in accordance with the overall guidelines laid down by the regulator in the Asset liability management framework. The Company continues to maintain a positive ALM.

The Company's ALCO monitors asset liability mismatches to ensure that there are no imbalances or excessive concentrations on either side of the Balance Sheet. The Company continuously monitors liquidity in the market and as a part of its ALCO strategy.

Undiscounted cash flows by contractual maturities for financial assets and financial liabilities as at March 31, 2024:

Particulars	Carrying amount*	Gross nominal	Not later than one month	Later than one month and not later than three months	Later than three months and not later than one year	Later than one year and not later than five years	Later than five years
Financial assets (inflow):							
Cash and cash equivalents	8,835.15	8,835.15	8,835.15	-	-	-	-
Bank balances other than cash and cash equivalents above	36,660.25	36,660.25	572.02	14,658.79	17,849.37	3,552.38	27.69
Loans	5,54,970.39	5,47,141.36	50,001.17	75,777.07	83,267.27	2,90,350.76	47,745.09
Investments	5,919.41	5,919.41	-	-	-	5,919.41	-
Other financial assets (Refer Note 7)	2,024.35	2,021.19	-	741.09	-	1,280.10	-
Financial liabilities (outflow):							
Derivative financial instruments	65.00	65.00	-	-	-	65.00	-
Payables							
(A) Trade payables							
(I) Total outstanding dues of micro enterprises and small enterprises	448.65	448.65	-	448.65	-	-	-
(II) Total outstanding dues of creditors other than micro enterprises and small enterprises	821.57	821.57	-	821.57	-	-	-
(B) Other payables							
(I) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
(II) Total outstanding dues of creditors other than micro enterprises and small enterprises	89.85	89.85	-	89.85	-	-	-
Debt securities	1,39,483.13	1,42,303.09	2,858.80	4,330.95	28,469.08	1,06,644.26	-
Borrowings (other than debt securities)	3,22,322.27	3,28,431.20	9,360.75	25,272.27	1,02,224.64	1,91,573.54	-
Subordinated Liabilities	3,519.13	3,519.13	19.13	-	-	-	3,500.00
Other financial liabilities (Refer Note 22)	7,654.85	8,848.77	147.04	2,480.19	1,324.45	4,841.18	55.91

*Carrying amount reported above is on a gross basis.

Undiscounted cash flows by contractual maturities for financial assets and financial liabilities as at March 31, 2023:

Particulars	Carrying amount*	Gross Nominal	Not later than one month	Later than one month and not later than three months	Later than three months and not later than one year	Later than one year and not later than five years	Later than five years
Financial assets (Inflow):							
Cash and cash equivalents	4,014.77	4,014.77	4,014.77	-	-	-	-
Bank balance other than cash and cash equivalents	17,169.19	17,169.19	3,412.54	988.26	6,432.63	6,334.40	1.36
Derivative financial instruments	-	-	-	-	-	-	-
Loans	3,89,436.20	3,84,849.48	31,274.12	51,371.24	63,369.04	1,73,134.43	65,700.65
Investments	6,011.52	6,011.52	-	-	-	6,011.52	-
Other financial assets (Refer Note 7)	2,534.41	2,534.41	-	1,803.57	-	730.84	-
Financial liabilities (outflow):							
Derivative financial instruments	9.27	9.27	-	-	9.27	-	-
Payables							
(A) Trade payables							
(I) Total outstanding dues of micro enterprises and small enterprises	145.97	145.97	-	145.97	-	-	-
(II) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,168.80	1,168.80	-	1,168.80	-	-	-
(B) Other payables							
(I) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
(II) Total outstanding dues of creditors other than micro enterprises and small enterprises	96.78	96.78	-	96.78	-	-	-
Debt securities	1,14,434.45	1,16,296.98	4,134.04	17,096.13	48,270.31	46,796.50	-
Borrowings (other than debt securities)	2,00,459.00	2,03,864.05	6,151.02	20,367.12	54,704.52	1,22,546.39	95.00
Other financial liabilities (Refer Note 22)	7,501.83	8,290.98	95.20	3,877.24	859.76	3,430.89	27.89

*Carrying amount reported above is on a gross basis.



51. Financial risk management (continued)

(Rupees in lakh)

Undiscounted cash flows by contractual maturities for off-Balance Sheet items as at March 31, 2024:

Particulars	Carrying Amount	Gross Nominal	Less than one year	Between 1 - 5 years	over 5 years
Loan commitments (outflow)	-	4,833.02	4,833.02	-	-
Other commitments	-	3,827.53	3,827.53	-	-
Capital commitments (outflow)	-	517.50	317.50	200.00	-

Undiscounted cash flows by contractual maturities for off-Balance Sheet items as at March 31, 2023:

Particulars	Carrying Amount	Gross Nominal	Less than one year	Between 1 - 5 years	over 5 years
Loan commitments (outflow)	-	4,477.45	4,477.45	-	-
Other commitments	-	5,141.44	5,141.44	-	-
Capital commitments (outflow)	-	760.50	373.50	387.00	-

The Company has disclosed the below information as stated in the RBI notification no. RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 (the "Notification"), as updated from time to time, that enables the market participants to make an informed judgment about the soundness of its liquidity risk management framework and liquidity position.

(i) Funding concentration based on significant counterparty (both deposits and borrowings):

The Company is a systemically important non-deposit taking non-banking finance company (NBFC-ND-SI). The Company had not raised any public deposits. The details of the borrowings are given below:

Sr.No.	Number of Significant counterparties	Amount (₹ lakh)*	% of Total Liabilities
1	29	3,65,674.17	75.53%

* The Principal outstanding amounts as on March 31, 2024 have been considered above.

(ii) Top 20 large deposits (amount in ₹ lakh and % of total deposits):

The Company is a systemically important non-deposit taking non-banking finance company (NBFC-ND-SI). The Company had not accepted any deposits during the year.

(iii) Top 10 borrowings (amount in ₹ lakh and % of total borrowings):

Particulars	As at March 31, 2024	As at March 31, 2023
Total borrowings from ten largest lenders *	2,35,275.79	1,42,894.94
Percentage of borrowings from ten largest lenders to total borrowings of the Company	50.17%	45.34%

* The Principal outstanding amount as on March 31, 2024 and as on March 31, 2023 respectively is considered above.

(iv) Funding concentration based on significant instrument/ product:

Sr No.	Name of instrument/ product	As at March 31, 2024		As at March 31, 2023	
		Amount (₹ lakh)*	% of total liabilities	Amount (₹ lakh)*	% of total liabilities
1	Term loans facilities	2,71,939.84	56.17%	1,75,568.18	52.86%
2	Cash credit / overdraft facilities	16,374.99	3.38%	3,477.93	1.05%
3	Non-convertible debentures	1,27,914.25	26.42%	83,338.23	25.09%
4	From liabilities arising out of securitization transactions resulting into recording of borrowings	3,843.26	0.79%	16,339.99	4.92%
5	Commercial paper	7,000.00	1.45%	12,500.00	3.76%
6	External Commercial borrowing	38,456.21	7.94%	23,945.67	7.21%
7	Subordinated Debt	3,500.00	0.72%	-	-
Total		4,69,028.55	96.87%	3,15,170.00	94.89%

* The Principal outstanding amount as on March 31, 2024 and as on March 31, 2023 respectively is considered above.

(v) Stock Ratios:**(a) Commercial papers as a % of total public funds, total liabilities and total assets:**

Particulars	As at March 31, 2024			As at March 31, 2023		
	% of total public funds	% of total liabilities	% of total assets	% of total public funds	% of total liabilities	% of total assets
Commercial papers	1.49%	1.45%	1.11%	3.97%	3.76%	2.90%

(b) Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets :

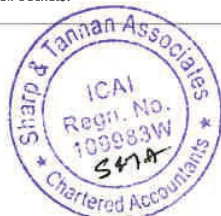
The Company does not have borrowings through non-convertible debentures with original maturity of less than one year in the current and previous year.

(c) Other short term borrowings, if any as a % of total public funds, total liabilities and total assets:

Particulars	As at March 31, 2024			As at March 31, 2023		
	% of total public funds	% of total liabilities	% of total assets	% of total public funds	% of total liabilities	% of total assets
Cash credit/ overdraft facilities	3.49%	3.38%	2.61%	1.10%	1.05%	0.81%
Working capital	1.74%	1.68%	1.30%	1.89%	1.79%	1.38%

(vi) Institutional set-up for liquidity risk management:

The Company has an asset liability management committee (ALCO) that is formed in accordance with the Directions issued by the Reserve Bank of India. The asset liability committee takes into account interest rate forecasts and spreads, the internal cost of funds, operating results, projected funding needs, projected loan disbursements, liquidity position, loan loss reserves to outstanding loans, funding strategies. This committee reviews the fund position, asset liability maturity profile, variance between forecast and actuals of the concluded quarter, analysis of sensitivity of interest rates variation in various buckets, what if scenario analysis, etc. The Company maintains a positive cumulative mismatch in all buckets.



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

51. Financial risk management (continued)

(Rupees in lakh)

The Company has disclosed the below information as stated in the RBI notification no. RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 (the "Notification"), as updated from time to time, that enables the market participants to make an informed judgment about the soundness of its liquidity risk management framework and liquidity position.

Liquidity Coverage Ratio (LCR)

(A) Quantitative Disclosure

Sr. No.	Particulars	Quarter ended March 31, 2024		Quarter ended December 31, 2023	
		Total Unweighted Value (average) (refer note 2 below)	Total Weighted Value (average) (refer note 3 below)	Total Unweighted Value (average) (refer note 2 below)	Total Weighted Value (average) (refer note 3 below)
High Quality Liquid Assets					
1	Total High Quality Liquid Assets (HQLA)	8,835.15	8,835.15	21,466.65	21,466.65
Cash Outflows					
2	Deposits (for deposit taking companies)	N.A.	N.A.	N.A.	N.A.
3	Unsecured wholesale funding	2,848.44	3,275.71	3,290.07	3,783.58
4	Secured wholesale funding	10,832.23	12,457.07	26,081.04	29,993.19
5	Additional requirements, of which	-	-	-	-
(i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-
(ii)	Outflows related to loss of funding on debt products	-	-	-	-
(iii)	Credit and liquidity facilities	4,833.02	5,557.97	5,580.43	6,417.49
6	Other contractual funding obligations	6,231.86	7,166.63	6,946.15	7,988.07
7	Other contingent funding obligations	1,224.28	1,407.92	781.76	899.03
8	TOTAL CASH OUTFLOWS	25,969.83	29,865.30	42,679.45	49,081.36
Cash Inflows					
9	Secured lending	-	-	-	-
10	Inflows from fully performing exposures	33,486.04	25,114.53	32,638.30	24,478.72
11	Other cash inflows	22,330.68	16,748.01	20,608.78	15,456.59
12	TOTAL CASH INFLOWS	55,816.72	41,862.54	53,247.08	39,935.31
13	TOTAL HQLA		8,835.15		21,466.65
14	TOTAL NET CASH OUTFLOWS = Stressed Outflows - Minimum (stressed inflows; 75% of stressed outflows)		7,466.33		12,270.34
15	LIQUIDITY COVERAGE RATIO (%)		118.33%		174.95%

Notes:

- In Computing the above information, certain estimates/assumptions have been used by the Company's management.
- Unweighted values have been calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).
- Weighted values have been calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.
 - Stressed Cash Outflows is calculated as unweighted values*115%
 - Stressed Cash Inflows is calculated as unweighted values*75%

(B) Qualitative Disclosure

- (a) **The main drivers of the LCR results and the evolution of the contribution of inputs to the LCR's calculation over time :** RBI had introduced the liquidity coverage ratio (LCR) to ensure that NBFC has an adequate stock of unencumbered high-quality liquid assets (HQLA) to survive a significant liquidity stress lasting for a period of 30 days. LCR is defined as a ratio of HQLA to the total net cash outflows estimated for the next 30 calendar days. At March 31, 2024, the applicable minimum LCR required to be maintained by NBFC is 85%.

- (b) **Intra-period changes as well as changes over time :** The details for the two quarter ended March 31, 2024 and December 31, 2023 are disclosed above. Liquidity coverage ratio was not applicable to the Company before December 31, 2023.

(c) The composition of HQLAs

	Quarter ended March 31, 2024		Quarter ended December 31, 2023	
	Unweighted amount	Weighted amount	Unweighted amount	Weighted amount
High Quality Liquid Assets				
-Cash and Cash Equivalent	8,835.15	8,835.15	5,954.44	5,954.44
-Demand deposits with Scheduled Commercial Banks	-	-	15,512.21	15,512.21
Total High Quality Liquid Assets	8,835.15	8,835.15	21,466.65	21,466.65

- (d) **Currency mismatch in the LCR :** The Company has taken foreign currency borrowings. The Company has entered into cross currency interest rate swap and full currency swap to hedge the foreign currency risk on such borrowing.

- (e) **Other inflows and outflows in the LCR calculation that are not captured in the LCR common template but which the institution considers to be relevant for its liquidity profile :** All inflows/ outflows considered relevant has been considered for LCR calculation.



51. Financial risk management (continued)

(Rupees in lakh)

c. Market risk:

Market risk is the risk that the fair value of the future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates.

The Company primarily deploys funds in bank deposits and liquid debt securities as a part of its liquidity management approach. The Company regularly reviews its average borrowing/ lending cost including proportion of fixed and floating rate borrowings/ loans so as to manage the impact of changes in interest rates.

Exposure to price risk:

The Company's exposure to price risk arises from investments held by the Company and is classified in the Balance Sheet through fair value through statement of Profit and Loss.

Interest rate risk:

Interest rate risk is the risk where changes in market interest rates might adversely affect the Company's financial conditions. The interest rate risk can be viewed from the two perspectives as mentioned below:

- Earnings perspective – change in net interest income (NII) or net interest margin (NIM) due to change in interest rates.
- Economic value perspective – change in market value of the company due to change in the company's assets, liabilities and off-balance sheet positions due to variation in interest rates.

The board has established limits on the interest rate gaps for stipulated periods. The management monitors these gaps on a regular basis to ensure that the positions are maintained within the established limits.

The exposure of the Company's borrowings to interest rate changes as at the end of the reporting period are as follows:

Particulars	As at March 31, 2024*	As at March 31, 2023*
Variable rate borrowings	2,41,834.86	1,65,035.27
Fixed rate borrowings	2,27,193.69	1,50,134.73
Total borrowings	4,69,028.55	3,15,170.00

* The Principal outstanding amount as on March 31, 2024 and as on March 31, 2023 respectively is considered above.

The Company had the following variable rate borrowings outstanding:

Particulars	As at March 31, 2024	As at March 31, 2023
Weighted average cost	10.70%	10.60%
Outstanding balance*	2,41,834.86	1,65,035.27
% of total borrowings	51.56%	52.36%
Sensitivity :	Impact on profit or loss	
Particulars	As at March 31, 2024	As at March 31, 2023
Interest rate - increase by 1%**	(2,055.06)	(1,166.67)
Interest rate - decrease by 1%**	2,055.06	1,166.67

* The Principal outstanding amount as on March 31, 2024 and as on March 31, 2023 respectively is considered above.

** Impact on Statement of Profit and Loss up to 1 year, holding all other variables constant.

Foreign Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk for the Company arises mainly on account of the foreign currency borrowings. The Company manages this foreign currency risk by entering into cross-currency interest rate swaps/ full currency swaps and forward contracts. When a derivative is entered into for the purpose of being as hedge, the company negotiates the terms of those derivatives to match with the terms of the hedge exposure. The Company's policy is to fully hedge its foreign currency borrowings at the time of drawdown and remain so till repayment.

The Company holds the derivative financial instruments such as cross-currency interest rate swaps, full currency swaps to mitigate the risk of changes in exchange rate in foreign currency and floating interest rate. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on the quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the market place.

d. Operational Risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or may lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include maker-checker controls, effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

Capital Management:

The Company's capital management objective is primarily to safeguard the business continuity. The Company's capital raising policy is aligned to the macro-economic situations and incidental risk factors. The Company's cashflows are regularly monitored in sync with the annual operating plans and the long-term and other strategic investment plans. The operational funding requirements are met through debt and operating cash flows generated. The company believes that this approach would create shareholder value in the long run. Also, the company has adopted a conservative approach for ALM management with primacy to adequate liquidity. At present, a large portion of the company's resource base is equity. Therefore, the company enjoys a low gearing.

The Company maintains its capital structure in line with the economic conditions and the risk characteristics of its activities and the board reviews the capital position on a regular basis.

Gearing ratio:

Particulars	As at March 31, 2024	As at March 31, 2023
The gearing ratio at each date were as follows:		
Debt securities	1,39,483.13	1,14,434.45
Borrowings (other than debt securities)	3,22,322.27	2,00,459.00
Subordinated liabilities	3,519.13	-
Total debt	4,65,324.53	3,14,893.45
Total equity*	1,43,836.17	98,404.31
Debt to equity ratio	3.23	3.20

*Total equity = Equity share capital + Other equity



Notes forming part of the financial statements (continued)

For the year ended March 31, 2024

52.Details of all collaterals used as security for liabilities

(Rupees in lakh)

Particulars	Carrying amount of financial assets pledged	
	As at March 31, 2024	As at March 31, 2023
Assets type:		
1. Loans receivable as collateral under lending agreements	4,79,257.00	3,42,953.54
2. Loans receivable as collateral under PTC agreements	2,306.96	2,306.96
3. Fixed deposits with original maturity of less than 3 months as collateral under lending agreements	100.41	-
4. Fixed deposits as collateral under lending agreements (apart from point no. 3 above and 5 below)	23,160.36	9,124.95
5. Fixed deposits as collateral for liabilities arising out of securitization transactions resulting into recording of borrowings	2,126.73	2,096.91



53. Income tax

(Rupees in lakh)

a. The major components of tax expense for the year ended March 31, 2024 and March 31, 2023:

Sr.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	Statement of profit and loss: Profit and loss section: Current income tax: Tax for current year as per minimum alternate tax Deferred tax : Tax expense on origination and reversal of temporary differences Excess/ short provision of tax of earlier years: Tax expense for earlier years as per minimum alternate tax	3,647.61 2,477.20 (183.04)	2,298.62 1,828.08 278.50
	Income tax expense reported in the Statement of profit and loss	5,941.77	4,405.20
2	Other comprehensive income (OCI) section: Deferred tax: Net (loss)/ gain on remeasurement of defined benefit obligations The effective portion of gains and loss on hedging instrument in a cash flow hedge	(11.85) (213.91)	(7.00) 13.20
	Income tax expense/(gain) reported in the OCI section	(225.76)	6.20

b. Reconciliation of effective tax rate:

Sr.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	Profit before tax as per books	17,876.25	8,382.84
2	Book profit as per MAT	3,000.63	13,156.03
3	Applicable income tax rate	29.12%	29.12%
4	Tax rate as per MAT	17.47%	17.47%
5	Tax at the applicable income tax rate on profit before tax (A)	5,205.56	2,441.08
6	<u>Tax effect of amounts not deductible/not taxable while calculating taxable income</u> -Corporate social responsibility -Interest /penalty on TDS -Other adjustments -Impact on account of brought forward losses Total of adjustments (B)	10.32 2.83 32.07 690.99 736.21	15.29 - 59.21 1,889.62 1,964.12
7	Total tax impact (excl. MAT related adjustments) (C) = (A) - (B)	5,941.77	4,405.20
8	Tax under MAT (Current Tax)	3,464.57	2,577.12
9	Less: MAT credit entitlement (D)	(3,464.57)	(2,577.12)
10	Total Deferred tax (E) = (D) - (C)	2,477.20	1,828.08
11	Total Tax expense/(refund)	5,941.77	4,405.20

* The applicable tax rate is the rate prescribed under the Income tax act, 1961.



53. Income tax (continued)

(Rupees in lakh)

c. Components of deferred tax assets and liabilities recognised in the Balance Sheet and Statement of profit and loss:

Sr.	Particulars	Balance sheet		Statement of profit and loss and other comprehensive income	
		As at March 31, 2024	As at March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
A	Deferred tax assets (DTA)				
1	Provision for compensated absences	256.77	175.91	80.86	92.19
2	Provision for gratuity	88.91	50.04	38.87	25.68
3	Deferred revenue income - processing fees allowed upfront in income tax	707.18	1,740.14	(1,032.96)	903.77
4	Provision for impairment losses on financial instruments	3,488.29	2,628.18	860.11	1,379.06
5	Lease rentals expense under Ind AS 116	176.50	93.63	82.87	(6.62)
6	Preliminary expenses	-	7.13	(7.13)	(62.69)
7	Disallowance on account of Employee stock options scheme outstanding	217.44	217.44	-	(0.00)
8	Unutilised minimum alternate tax credit entitlement	7,537.88	4,105.37	3,432.51	2,518.03
9	Income tax losses carried forward	5,905.96	3,025.64	2,880.32	169.13
10	Provision for bonus	174.72	349.44	(174.72)	145.60
11	Provision for long term incentive plan	176.66	67.86	108.80	67.86
12	Others	200.73	-	200.73	(1.36)
13	Total (A)	18,931.04	12,460.78	6,470.26	5,230.65
B	Deferred tax liabilities (DTL)				
1	Difference in written down value of property, plant and equipment and intangible assets	569.59	342.76	226.83	123.92
2	Receivables on EIS Direct assignment and Co-lending transactions	11,215.41	4,200.47	7,014.94	3,752.72
3	Unrealised gain/ (loss) on investments	-	-	-	0.00
4	Prepaid fees/ charges on debt securities allowed upfront in income tax	821.18	542.37	278.81	194.17
5	Prepaid fees/ charges on borrowings allowed upfront in income tax	1,778.92	991.55	787.37	366.97
6	Deferred loan sourcing cost allowed upfront in income tax	4,244.46	3,819.62	424.84	2,610.51
7	Others	5.54	16.65	(11.11)	16.65
8	Total (B)	18,635.10	9,913.42	8,721.68	7,064.94
C	Deferred tax asset/ (liability)	295.94	2,547.36	-	-
D	Deferred tax expense/ (benefit)	-	-	2,251.42	1,834.29

d. Unrecognised deductible temporary differences, unused tax losses and unused tax credits :

There are no deductible temporary differences, unused tax losses and unused tax credits for which deferred tax assets have not been recognised.



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

54. Fair value of financial instruments :

(Rupees in lakh)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using a valuation technique.

Ind AS 107, 'Financial Instruments - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the Balance sheet using a three-level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair-value-hierarchy under Ind AS 107 are described below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and place limited reliance on the entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

a. Fair value hierarchy of financial instruments classified in amortised cost category:

Particulars	Fair value as on March 31, 2024			Carrying value as on March 31, 2024	Fair Value as on March 31, 2023			Carrying value as on March 31, 2023
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
Assets								
Loans	-	-	5,35,641.89	5,54,970.39	-	-	3,80,707.90	3,89,436.20
Investments	4,045.16	-	-	4,227.29	4,069.86	-	-	4,262.60
Other financial assets (Refer Note 7)	-	-	2,024.35	2,024.35	-	-	2,534.41	2,534.41
Total	4,045.16	-	5,37,666.24	5,61,222.03	4,069.86	-	3,83,242.31	3,96,233.21
Liabilities								
Debt securities	-	1,40,328.80	-	1,39,483.13	-	1,13,013.35	-	1,14,434.45
Borrowings (other than debt securities)	-	3,26,648.21	-	3,22,322.27	-	2,04,193.98	-	2,00,459.00
Subordinated Liabilities	-	3,698.41	-	3,519.13	-	-	-	-
Other financial liabilities (Refer Note 22)	-	-	7,654.85	7,654.85	-	-	7,501.83	7,501.83
Total	-	4,70,675.42	7,654.85	4,72,979.38	-	3,17,207.33	7,501.83	3,22,395.28

There were no transfers between Level 1 and Level 2 during the year.

Valuation methodologies of financial instruments not measured at fair value:**Short-term financial assets and liabilities:**

For financial assets and financial liabilities that are of short-term nature, the carrying amount itself is considered as its fair value. Such instruments include: other financial assets and other financial liabilities.

Loans and advances to customers:

The fair values of loans and receivables are calculated using a portfolio-based approach, grouping loans as far as possible into homogenous groups based on similar characteristics. The fair value is then extrapolated to the portfolio using discounted cash flow models that incorporate interest rate estimates considering all significant characteristics of the loans. For loans having contractual residual maturity less than one year, the carrying value has been considered as fair value.

Impairment loss allowance and adjustments related to effective interest rate are not part of above disclosure.

Debt securities and Borrowings:

The fair values of these instruments are estimated by determining the price of the instrument taking into consideration the origination date, maturity date, coupon rate, actual or approximation of frequency of interest payments and incorporating the actual or estimated/ proxy yields of identical or similar instruments through the discounting factor. For instruments, having contractual residual maturity less than one year, the carrying value has been considered as fair value.

b. Fair value hierarchy of financial instruments classified in fair value through profit or loss (FVTPL) category:

Particulars	Fair value as on March 31, 2024			Carrying value as on March 31, 2024	Fair Value as on March 31, 2023			Carrying value as on March 31, 2023
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
Assets								
Investments in mutual funds	-	-	-	-	-	-	-	-
Investments in security receipts	-	1,692.13	-	1,692.13	-	1,748.92	-	1,748.92
Total	-	1,692.13	-	1,692.13	-	1,748.92	-	1,748.92

There were no transfers between Level 1 and Level 2 during the year.

c. Fair value hierarchy of financial instruments classified in fair value through other comprehensive income (FVTOCI) category:

Particulars	Fair value as on March 31, 2024			Carrying value as on March 31, 2024	Fair Value as on March 31, 2023			Carrying value as on March 31, 2023
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
Liabilities								
Derivative financial instruments	-	65.00	-	65.00	-	9.27	-	9.27
Total	-	65.00	-	65.00	-	9.27	-	9.27

There were no transfers between Level 1 and Level 2 during the year.



55. Maturity profile of assets and liabilities:

(Rupees in lakh)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets:						
Financial assets:						
Cash and cash equivalents	8,835.15	-	8,835.15	4,014.77	-	4,014.77
Bank balances other than cash and cash equivalents above	33,073.54	3,579.37	36,652.91	10,831.75	6,334.39	17,166.14
Loans	2,04,727.29	3,38,493.74	5,43,221.03	1,43,460.05	2,37,176.16	3,80,636.21
Investments	-	5,918.60	5,918.60	-	6,010.69	6,010.69
Other financial assets (Refer Note 7)	741.09	1,280.10	2,021.19	1,800.39	730.84	2,531.23
Non-financial assets:						
Current tax assets (net)	275.18	-	275.18	203.78	-	203.78
Deferred tax asset (net)	-	295.94	295.94	-	2,547.36	2,547.36
Property, plant and equipment	-	449.60	449.60	-	379.30	379.30
Non-current assets held for sale	10,142.11	-	10,142.11	2,194.55	-	2,194.55
Right of use asset	1,296.02	3,479.06	4,775.08	922.46	2,441.62	3,364.08
Capital work in progress	-	-	-	2.82	-	2.82
Intangible assets under development	-	-	-	1,431.41	-	1,431.41
Other intangible assets	-	7,760.87	7,760.87	-	4,741.53	4,741.53
Other non-financial assets (Refer Note 16)	6,374.84	1,275.45	7,650.29	4,721.27	613.54	5,334.81
Total	2,65,465.22	3,62,532.73	6,27,997.95	1,69,583.25	2,60,975.43	4,30,558.68
Liabilities:						
Financial liabilities:						
Derivative financial instruments	-	65.00	65.00	9.27	-	9.27
(A) Trade payables	-	-	-	-	-	-
(i) Total outstanding dues of micro enterprises and small enterprises	448.65	-	448.65	145.97	-	145.97
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	821.57	-	821.57	1,168.80	-	1,168.80
(B) Other payables	-	-	-	-	-	-
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	89.85	-	89.85	96.78	-	96.78
Debt securities	34,189.54	1,05,293.59	1,39,483.13	68,107.94	46,326.51	1,14,434.45
Borrowings (other than debt securities)	1,34,688.02	1,87,634.25	3,22,322.27	79,954.55	1,20,504.45	2,00,459.00
Subordinated Liabilities	19.13	3,500.00	3,519.13	-	-	-
Other financial liabilities (Refer Note 22)	3,491.25	4,163.60	7,654.85	4,523.66	2,978.17	7,501.83
Non-financial liabilities:						
Current tax liabilities (net)	2,895.67	-	2,895.67	1,567.77	-	1,567.77
Provisions	4,800.08	1,187.09	5,987.17	5,233.81	775.92	6,009.73
Other non-financial liabilities (Refer Note 25)	874.49	-	874.49	760.77	-	760.77
Total	1,82,318.25	3,01,843.53	4,84,161.78	1,61,569.32	1,70,585.05	3,32,154.37



Notes forming part of the financial statements (continued)

For the year ended March 31, 2024

56. Changes in liabilities arising from financing activities:

(Rupees in lakh)

Disclosure pursuant to Ind AS 7, Statement of Cash Flows - changes in liabilities arising from financing activities:

Particulars	As at April 01, 2023	Cash inflow/ (outflow)	Creation of right of use assets*	As at March 31, 2024
Debt securities	1,14,434.45	25,048.68	-	1,39,483.13
Borrowings (other than debt securities)	2,00,459.00	1,21,863.27	-	3,22,322.27
Subordinated Liabilities	-	3,519.13	-	3,519.13
Other financial liabilities				
Lease liabilities	3,518.15	(1,270.48)	2,962.23	5,209.90

*The figures represent net of creation, remeasurement and deletion of right of use assets.

Particulars	As at April 01, 2022	Cash inflow/ (outflow)	Creation of right of use assets*	As at March 31, 2023
Debt securities	70,376.77	44,057.68	-	1,14,434.45
Borrowings (other than debt securities)	1,09,807.09	90,651.91	-	2,00,459.00
Other financial liabilities				
Lease liabilities	2,858.76	(781.38)	1,440.77	3,518.15

*The figures represent net of creation, remeasurement and deletion of right of use assets.

57. Financial assets are transferred but not derecognised in their entirety:

a. Securitisation

Particulars	As at March 31, 2024		As at March 31, 2023	
	Financial assets at amortised cost	Financial assets at FVTPL	Financial assets at amortised cost	Financial assets at FVTPL
Carrying amount of assets*	6,846.81	-	18,252.35	-
Carrying amount of associated Liabilities*	3,843.26	-	16,339.99	-
For those liabilities that have recourse only to the transferred financial assets				
Fair value of assets (A)	6,827.36	-	18,348.09	-
Fair value of associated liabilities (B)	3,842.74	-	16,385.17	-
Net position (C) = (A - B)	2,984.62	-	1,962.92	-

* The amount disclosed above represent the principal outstanding as on March 31, 2024 and as on March 31, 2023 respectively.

b. Assignment and Colending

The Company has sold some loans (measured at amortised cost) by way of direct bilateral assignment and co-lending, as a source of finance.

As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been de-recognised from the Company's balance sheet.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/ (loss) on derecognition, per type of asset.

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amount of de-recognised financial asset	2,47,341.82	1,44,807.71
Carrying amount of retained asset at amortised cost	58,926.10	31,866.75
Net gain on sale of the de-recognised financial asset*	30,746.33	15,407.22

*It represents net gain on derecognition of financial asset for the year ended March 31, 2024 and March 31, 2023.

58. Events after the reporting period

There have been no events after the reporting date that require adjustments or disclosure in these financial statements.



(Rupees in lakh)

59. Disclosure under Regulation 34(3) and 53(f) of the Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015:

Particulars	As at March 31, 2024	As at March 31, 2023
a) Loans and advances in the nature of loans to Subsidiaries		
Name of the Company	Not Applicable	Not Applicable
Amount	-	-
b) Loans and advances in the nature of loans to Associates		
Name of the Company	Not Applicable	Not Applicable
Amount	-	-
c) Loans and advances in the nature of loans to Firms/Companies in which directors are interested		
Name of the Company	Not Applicable	Not Applicable
Amount	-	-
d) Investments by the loanee in the shares of parent Company and subsidiary Company, when the Company has made a loan or advance in the nature of loan.	Not Applicable	Not Applicable

60. Disclosures as required by the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 issued by the Reserve Bank of India ("RBI") vide their Notification No. RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 (the "Notification"), as updated from time to time.**a. Capital to risk assets ratio (CRAR)**

Particulars	As at March 31, 2024	As at March 31, 2023
i) CRAR (%)	20.75	20.23
ii) CRAR - Tier I capital (%)	19.50	19.63
iii) CRAR - Tier II capital (%)	1.25	0.60
iv) Amount of subordinated debt raised as Tier-II capital	3,500	-
v) Amount raised by issue of perpetual debt instruments	-	-

b. Investments

Particulars	As at March 31, 2024	As at March 31, 2023
(1) Value of investments		
i. Gross value of investments		
(a) In India	5,919.47	6,011.52
(b) Outside India,	-	-
ii. Provision for depreciation		
(a) In India	0.82	0.83
(b) Outside India,	-	-
iii. Net value of investments		
(a) In India	5,918.60	6,010.69
(b) Outside India,	-	-
(2) Movement of provisions held towards depreciation on investments.		
Opening balance	0.83	0.84
Add : provisions made during the year	-	-
Less : Write-off/ write-back of excess provisions during the year	0.01	0.01
Closing balance	0.82	0.83



c. Derivatives

1. Forward Rate Agreement (FRA)/ Interest Rate Swap (IRS)

Sr No.	Particulars	As at March 31, 2024	As at March 31, 2023
I	The Notional principal of swap agreement	37,694.23	23,746.43
II	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreement	-	-
III	Collateral required by the Company upon entering into swaps	-	-
IV	Concentration of credit risk arising from the swaps	-	-
V	The fair value of the swap book (Asset/(liability))	(65.00)	(9.27)

2. Exchange traded interest rate (IR) derivatives

The Company has not entered into any exchange traded derivative.

3. Disclosures on risk exposure in derivatives

Qualitative disclosures

I. The Company undertakes the derivative transactions to prudently hedge the risk in context of a particular borrowing or diversify sources of borrowing and to maintain fixed and floating borrowing mix. The Company does not indulge into any derivative trading transaction. The Company reviews the proposed transaction and outlines any consideration associated with the transaction, including identification of the benefits and potential risks (worst case scenario) ; an independent analysis of potential savings from the proposed transaction. The Company evaluates all the risks inherent in the transaction viz , counter party risk , market risk, operational risk, basis risk etc.

II. Credit risk is controlled by restricting the counter parties that the Company deals with, to those who either have banking relationship with the Company or are internationally renowned or can provide sufficient information. Market/ price risk arising from the fluctuation of interest rates and foreign exchange rates or from other factors shall be closely monitored and controlled. Normally transaction entered for hedging, will run over the life of the underlying instrument, irrespective of profit or loss. Liquidity risk is controlled by restricting counter parties to those who have adequate facility, sufficient information and sizable trading capacity and capability to enter into transactions in any market around the world.

III. The respective functions of trading, confirmation and settlement should be performed by different personnel. The front-office and the back-office roles are well defined and segregated. All the derivative transactions are quarterly monitored and reviewed. All the derivative transactions have to be reported to the Board of Directors on every quarterly board meetings including their financial positions.

IV. Accounting policy - Refer Note No. 2B(15)

Quantitative Disclosures

Sr. No.	Particulars	As at March 31, 2024		As at March 31, 2023	
		Currency Derivatives*	Interest Rate Derivatives	Currency Derivatives*	Interest Rate Derivatives
I	Derivative (Notional Principal Amount) - For Hedging	37,694.23	-	23,746.43	-
II	Marked to market position				
	(a) Asset [+] Estimated Gain	-	-	-	-
	(b) Liability [-] Estimated Loss	(65.00)	-	(9.27)	-
III	Credit Exposure	37,629.23	-	23,737.16	-
IV	Unhedged exposures	-	-	-	-

* Cross-currency interest rate swap and full currency swap

