

**INNOVATIVE AND
SIMPLIFIED SOLUTIONS FOR
INDIA'S**

MNO



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NEEDS





Corporate Information

BOARD OF DIRECTORS

Ms. Vishakha Mulye
Non-executive Director

Mr. Subhash Chandra Bhargava
Independent Director

Mr. Nagesh Pinge
Independent Director

Mr. Rajat Jain
Independent Director

Mr. Sunil Srivastav
Independent Director

Mr. Rakesh Singh
Managing Director and
Chief Executive Officer

COMMITTEES OF THE BOARD

Audit

- Mr. Nagesh Pinge
- Mr. Rajat Jain
- Mr. Subhash Chandra Bhargava
- Ms. Vishakha Mulye

Nomination and Remuneration

- Mr. Subhash Chandra Bhargava
- Mr. Nagesh Pinge
- Ms. Vishakha Mulye

Corporate Social Responsibility

- Mr. Rajat Jain
- Ms. Vishakha Mulye
- Mr. Rakesh Singh

Stakeholders' Relationship

- Mr. Subhash Chandra Bhargava
- Ms. Vishakha Mulye
- Mr. Rakesh Singh

KEY MANAGERIAL PERSONNEL

Mr. Rakesh Singh
Managing Director &
Chief Executive Officer

Mr. Tushar Shah
Chief Executive Officer – PSFG & KMP

Mr. Pradeep Agrawal
Chief Financial Officer

Mr. Ankur Shah
Company Secretary

JOINT STATUTORY AUDITORS

M/s. MSKA & Associates
Chartered Accountants

M/s. Singhi & Co.
Chartered Accountants

SECRETARIAL AUDITORS

M/s. N L Bhatia & Associates
Practising Company Secretaries

DEBENTURES TRUSTEES

Vistra ITCL (India) Ltd.
The IL&FS Financial Centre
Plot C-22, G- Block, 6th Floor
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 052
Tel: +91 22 2850 0028
Fax no: +91 22 2850 0029
E-mail Id: mumbai@vistra.com

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited
C 101, 247 Park , L B S Marg,
Vikhroli West, Mumbai - 400 083,
Tel: +91 22 4918 6000
Email: isrl@intimespectrum.com

REGISTERED OFFICE

Indian Rayon Compound,
Veraval - 362 266
Gujarat
Tel: +91 2876 243257
Fax no: +91 2876 243220
CIN: U65990GJ1991PLC064603
Email: ankur.shah@adityabirlacapital.com
Website: <https://finance.adityabirlacapital.com>

CORPORATE OFFICE

One World Centre,
Tower-1 C, 18th Floor,
Jupiter Mill Compound,
841, Senapati Bapat Marg,
Elphinstone Road,
Mumbai - 400 013
Tel: +91 22 4356 7100

Management Discussion & Analysis

Aditya Birla Finance Ltd. (ABFL) is a wholly owned subsidiary of Aditya Birla Capital Ltd. It is a non-deposit-taking, systemically important Non-Banking Financial Company (NBFC-ND-SI) registered with the Reserve Bank of India (RBI). ABFL was incorporated in 1991 and obtained a certificate of registration in 1999 to carry on the business of non-banking financial institutions without accepting public deposits under Section 45IA of the RBI Act, 1934. ABFL has been categorised as an 'Upper Layer' NBFC under the scale-based regulatory framework for NBFCs introduced by the RBI, effective from 30th September, 2022. ABFL is one of the fastest-growing NBFCs in India and is amongst the top 5 diversified private sector NBFCs in India (in terms of AUM). ABFL has pan-India network with 412 branches as of 31st March, 2024, focusing on Tier III and IV cities.

INDUSTRY OVERVIEW

NBFCs cater to the diverse needs of the borrowers in an efficient manner, considering geographical scope and understanding of various financial requirements of the borrowers.

The last few years have transformed the Indian financial services landscape. The increasing penetration of neo-banking, digital authentication, and the rise of UPI along with mobile banking has resulted in the modularisation of financial services. The NBFC sector has benefited from this and has shown resilience with sound capital position, improved asset quality, adequate provisioning and higher profitability.

The sector has leveraged digitisation to offer alternative financing options, especially to the MSMEs and retail borrowers, who face challenges in obtaining loans from traditional banks. Demand for credit is likely to remain strong in India, especially among micro, small and medium enterprises (MSMEs) and retail. The Government of India has introduced a series of reforms and initiatives to bolster the MSME and retail credit sectors. These reforms include the Pradhan Mantri Mudra Yojana (PMMY), Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), various digitisation initiatives for easier business registration, ONDC and National Infrastructure Pipeline under the Gati Shakti programme.

The RBI has kept liquidity tight in recent months and this trend is likely to continue till later part of 2024. On 16th November, 2023, RBI announced higher risk weights for unsecured consumer credit, and bank lending to NBFCs to recalibrate the risk associated with unsecured lending and exponential growth in this sector.

BUSINESS OVERVIEW

ABFL has achieved a significant milestone of crossing ₹ 1 Lakh Crore AUM in FY24. The AUM stood at ₹ 1,05,639 Crore as on 31st

March, 2024, with a growth of 31% over 31st March, 2023, nearly doubling the AUM over ₹ 55,180 Crore in FY22. Our disbursements grew by 31% year-on-year to ₹ 64,387 Crore for FY24. Loans to retail, SME and HNI customers comprise ~67% of the portfolio. Our key customer segments are secured business, unsecured business, personal and consumer and corporate/Mid-Market. Below is a brief description of each of our customer segment:

- 1. Secured business:** Our secured business loan portfolio increased by 42% year-on-year to ₹ 45,256 Crore as on 31st March, 2024, and disbursements grew by 42% year-on-year to ₹ 23,842 Crore for FY24. This segment contributes 43% to total AUM of the Company as on 31st March, 2024. The average ticket size of this segment was ₹ 1.6 Crore as of 31st March, 2024. We provide solutions in the form of loan against property (LAP), Lease Rental Discounting (LRD), working capital loans, loan against securities (LAS), Micro-LAP and other secured term loans enabling our customers to raise funds quickly. Our LRD product enables clients to finance business expansion and asset creation by monetising and unlocking value of their property. We source customers in this segment through our pan-India network of branches and direct sourcing agents (DSAs).
- 2. Unsecured business:** Our unsecured business loan portfolio increased by 31% year-on-year to ₹ 10,979 Crore as on 31st March, 2024 and disbursements grew by 22% year-on-year to ₹ 5,437 Crore for FY24. The average ticket size of this segment was ₹ 10.4 lakh. The contribution of this segment to the overall portfolio was 10%. This segment comprises overdraft, working capital, term loans to small businesses and supply chain financing. Keeping in mind the largely evolving digital landscape and the diverse needs of our customers, we have created various digital offerings in this segment. Our comprehensive B2B platform for MSMEs, Udyog Plus, offers paperless digital journeys for small ticket loans along with various value-added services. We have integrated Udyog Plus with several government and private ecommerce websites via OCEN to provide various credit facilities to sellers on these platforms. We have started integrating Udyog Plus with ABG ecosystem to provide channel financing to dealers.
- 3. Personal and consumer:** The personal and consumer loan portfolio grew by 13% year-on-year in FY24 to ₹ 17,434 Crore, and disbursements grew by 19% year-on-year to ₹ 18,089 Crore for FY24. This segment's contribution to the overall portfolio was 17% on 31st March, 2024. We cater to salaried professionals and other individuals with focus on emerging income segment. Our product offerings include personal loans, checkout financing and co-branded credit cards. We source customers in this segment through our







Management Discussion & Analysis (Contd.)

pan-India network of branches, direct sourcing agents (DSAs) and digital partnerships. We follow prudent risk management practices with a strong emphasis on return of capital. We have strengthened the underwriting in the smaller ticket size personal and consumer loans by calibrating our credit filters and scorecards. All our digital sourcing journeys are designed for end-to-end control from underwriting to collections with minimal dependency on channel partners, giving us complete ownership of customers.

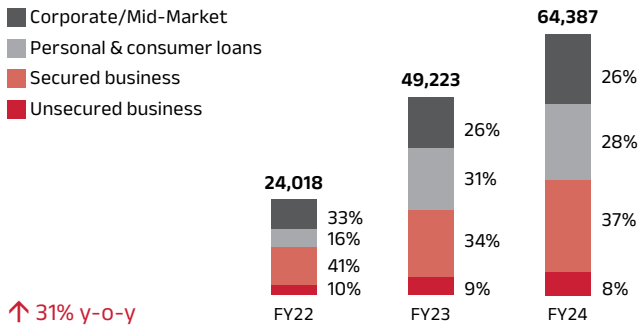
4. **Corporate and Mid-Market:** The corporate/Mid-Market segment grew by 29% year-on-year to ₹ 31,970 Crore, and disbursements grew by 34% year-on-year to ₹ 17,019 Crore for FY24. The average ticket size was ₹ 63 Crore as of 31st March, 2024. This portfolio constitutes 30% of the overall AUM in March 2024. We serve pedigreed corporate groups across sectors such as renewable energy, roads and transport, pharmaceuticals, FMCG, automotive, education, speciality chemicals, etc. We cater to these segments with term loans, project finance, and structured finance. In select markets, we also provide developer finance to category A/ A+ developers.

Diversified products offerings

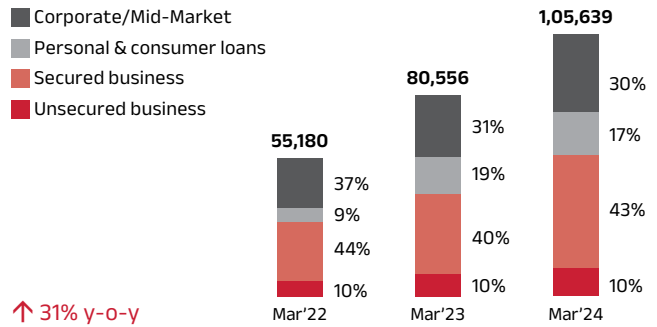
Segment	Secured Business	Unsecured Business	Personal & Consumer	Corporate/Mid-Market
Presence	Semi-urban/SME Clusters	Semi-urban	Semi-urban	Top 6-7 Cities
Sourcing	DSA+Direct	DSA+Ecosystem	DSA+Direct+Ecosystem	Relationship (Direct)
ATS ¹	~ ₹ 1.6 Crore	~ ₹ 10.4 lakh	PL: ~ ₹ 1.6 lakh, BNPL: ~ ₹ 0.04 lakh CL others: ~ ₹ 0.7 lakh	~ ₹ 63.3 Crore
Products	 Business owners and Self-employed professionals engaged in small/mid-sized businesses	 Business owners and Self-employed professionals engaged in small/mid-sized businesses	 Salaried Professionals with focus on emerging income segment	 Pedigreed Group Corporates/Mid-Market Cos in focus sectors/Cat A/A+ developers
	Retail & SME LAP, LRD	Business Loans	Personal Loans	Capex/WC Funding
	Small Ticket Secured & Micro LAP	Supply Chain Finance	Consumer Loans	Structured Finance
	Working Capital Loans	B2B Digital Platform	Check-out Financing	Developer Financing
Loan Against Securities	Business Overdraft	Co-branded Credit Card	Project Finance	
Cross-sell	Personal Loan Top Ups & Cross Sell, Insurance & Wealth Solutions to ABFL & ABC customer ecosystem			

¹ ATS has been derived basis closing AUM to active customers, and represents an approximate figure as on 31st March, 2024

Disbursement (₹ Crore)

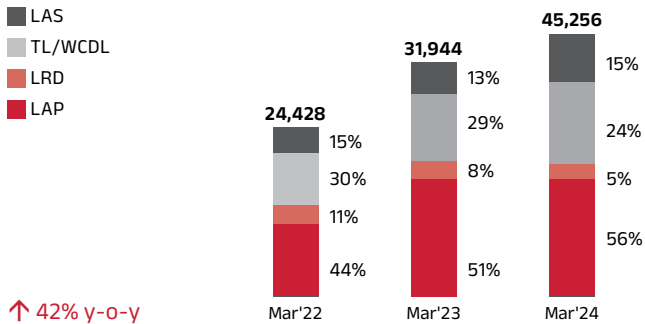


AUM (₹ Crore)

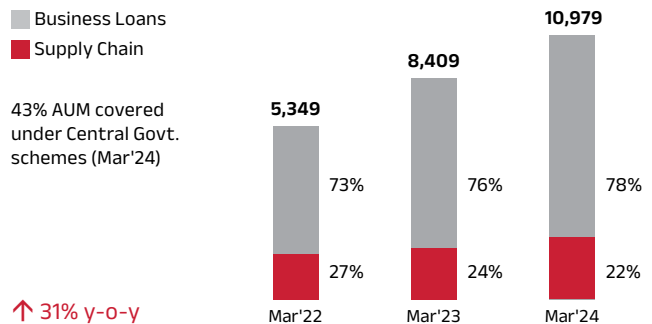


SEGMENT WISE AUM BREAK UP

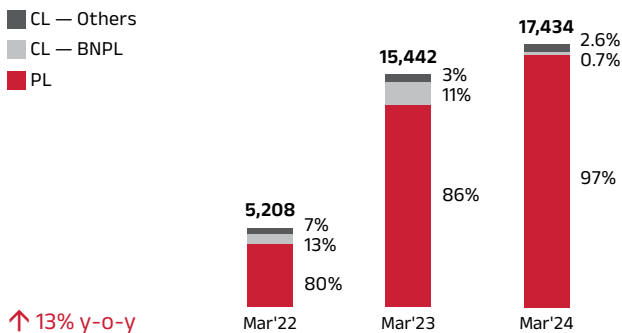
Secured business (₹ Crore)



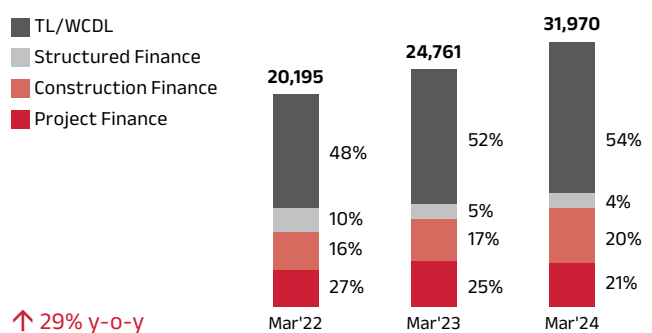
Unsecured business (₹ Crore)



Personal & Consumer (₹ Crore)



Corporate/Mid-Market (₹ Crore)





Management Discussion & Analysis (Contd.)







Branch expansion

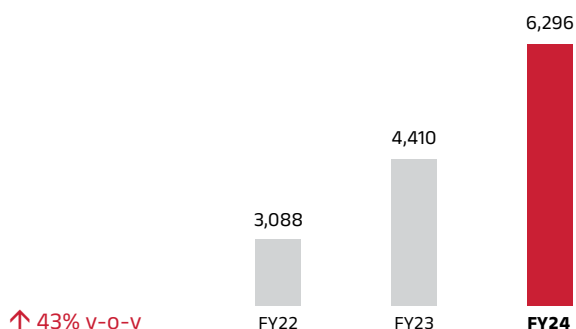
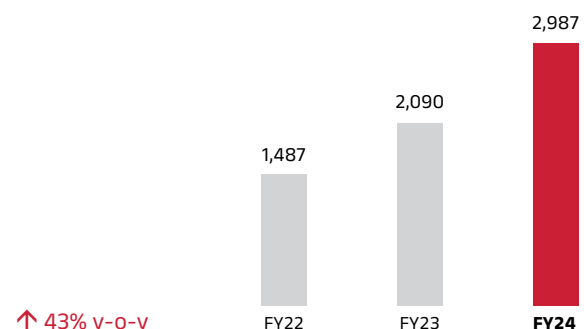
Our branch expansion strategy has always focused on accessing the underpenetrated credit regions. New branches are opened after understanding credit potential, analysing regional insights and serviceable locations as per the bureau scorecard. We increased our branch strength in FY24 by 89 to 412 branches as of 31st March, 2024. In line with our focus on the retail and SME segment, most branches have been added in Tier III and Tier IV markets, providing

physical proximity with the customer. The expansion of the branch network has helped significantly in increasing AUM with better control over operations and collections.

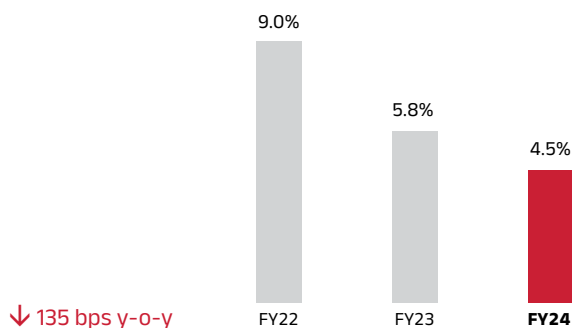
Analytics

ABFL has strong data and analytics teams across operations, including sourcing, underwriting and collections. Below is a summary of use of analytics in our operations:

Onboarding	Underwriting	Portfolio Management
 Sourcing <ul style="list-style-type: none"> • Verification Algorithms • KYC suite • Third party applications Integrated 	 Underwriting <ul style="list-style-type: none"> • Credit Engines • Application Scorecards <hr/>  Decision Marking <ul style="list-style-type: none"> • Automated Credit Assessment Models • Manual Assessment <hr/>  Pricing <ul style="list-style-type: none"> • Risk-based Pricing tool • Classification Model 	 Portfolio Management <ul style="list-style-type: none"> • Portfolio Monitoring • Portfolio Retention • Cross Sell and Up sell-Cloud based, automated Offer Generation Engine <hr/>  Risk Management <ul style="list-style-type: none"> • Behaviour Scorecards • Predictive Models • Pre delinquency Predictors • Collections Intelligence
ML-led deep integrated algorithms for Face, Address and Name Match	30+ Credit engines with integrated APIs supporting functions	25+ scorecards and ML Model and multiuser dashboards

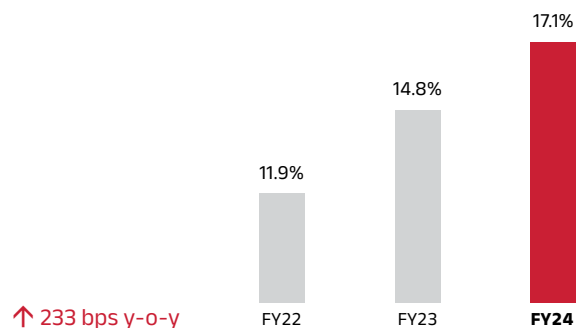
FINANCIAL PERFORMANCE**Consistent Improvement in Asset Quality and Profitability****Net Interest Income****Profit Before Tax**

Gross Stage 2 and 3



The net interest income (including fee income) grew 43% year-on-year to ₹ 6,296 Crore in FY24, driven by strong loan growth and expansion in net interest margin. The net interest margin (including fees) increased by 6 basis points to 6.90% in FY24, supported by an increase in lending rates, partly offset by a rise in borrowing costs. Operating expenses increased by 38% year-on-year to ₹ 1,957 Crore, on account of business expansion, technology and digital solutions. The cost-to-income ratio improved by 104 bps to 31.08% in FY24. The pre-provisioning operating profit increased by 45% year-on-year to ₹ 4,339 Crore in FY24. The credit provisions as a percentage of average advances was 1.50% in FY24. The profit before tax increased

Return on Equity



by 43% year-on-year to ₹ 2,987 Crore in FY24. The profit after tax increased by 43% year-on-year to ₹ 2,221 Crore in FY24. The return on assets was 2.46% in FY24 and return on equity increased by 233 basis points year-on-year to 17.1% in FY24. The total equity increased by 33% year-on-year to ₹ 15,244 Crore as of 31st March, 2024. During FY24, there was equity capital infusion of ₹ 1,600 Crore in ABFL.

Gross stage 2 loans declined by 74 basis points year-on-year to 2.0% and gross stage 3 loans declined by 61 basis points year-on-year to 2.5%. The provision coverage on gross stage 3 loans increased from 46.2% as on 31st March, 2023 to 49.9% as on 31st March, 2024.

KEY FINANCIALS

	(₹ Crore)		
	FY22	FY23	FY24
Profit & Loss Statement			
Net Interest Income[^]	3,088	4,410	6,296
Operating Expenses	947	1,417	1,957
Credit Provisioning	653	903	1,352
Profit Before Tax	1,487	2,090	2,987
Tax	379	536	766
Profit After Tax	1,108	1,554	2,221
Total Equity	9,860	11,426	15,244
Total Borrowings and Debt Securities	45,986	70,771	92,292
			(in %)
Key Ratios	FY 22	FY 23	FY24
Average Yield [^]	11.72	12.76	13.70
Interest Cost/Avg. Lending Book	5.48	5.92	6.80
Net Interest Margin[^]	6.24	6.84	6.90
Opex/Avg. Lending Book	1.97	2.24	2.17
Cost-to-Income Ratio	30.67	32.12	31.08
Credit Provision/Avg. Lending Book	1.36	1.43	1.50
RoA	2.30	2.45	2.46
RoE	11.87	14.76	17.10
Debt-to-Equity	4.66x	6.19x	6.05x
Capital Adequacy (CRAR)	21.77	16.38	16.24
Tier 1 Capital	18.07	13.92	14.13

[^] Includes Fee Income and net of sourcing cost.



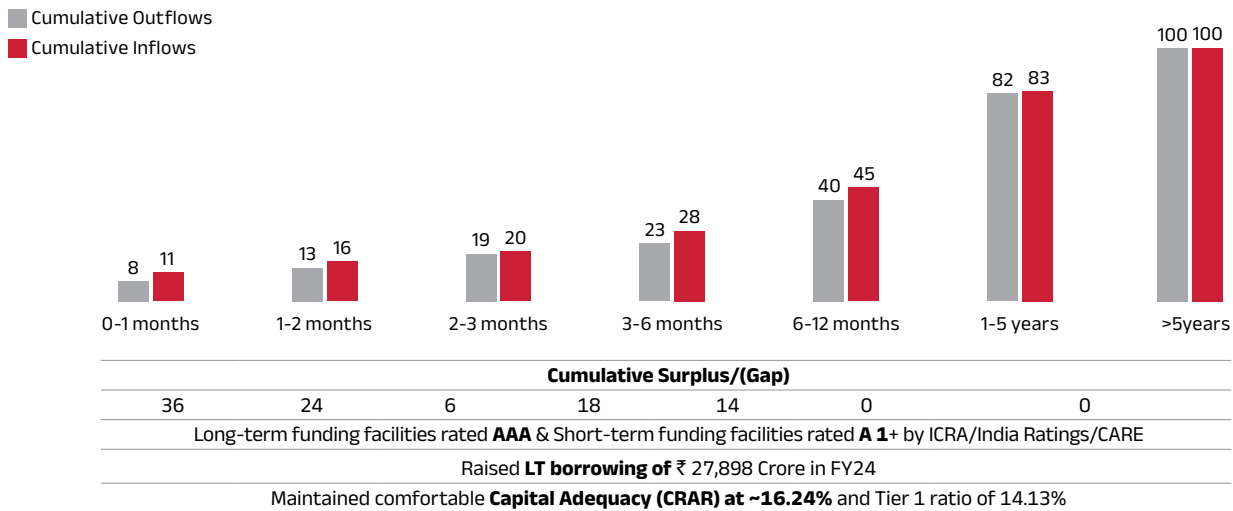
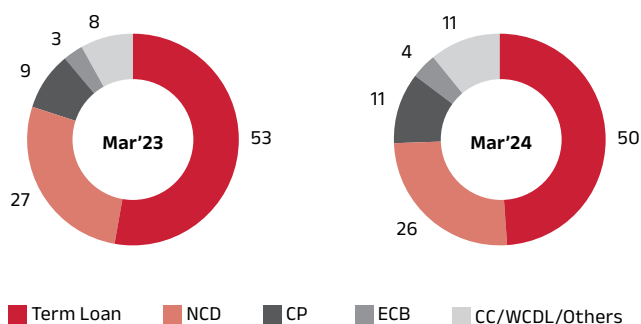
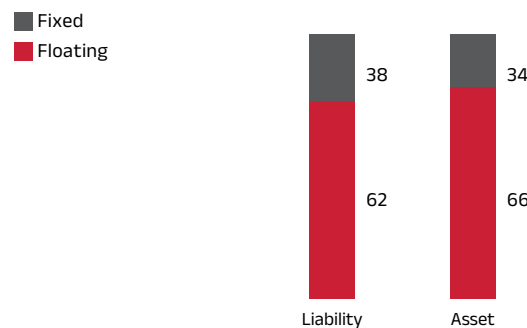
Management Discussion & Analysis (Contd.)

Particulars	Mar'22		Mar'23		Mar'24	
	%	₹ Crore	%	₹ Crore	%	₹ Crore
Stage 1	91.02%	49,770	94.16%	75,758	95.51%	1,00,942
Stage 2	5.41%	2,956	2.72%	2,187	1.98%	2,094
Stage 3	3.58%	1,956	3.12%	2,507	2.51%	2,649
Stage 2 and 3	8.98%	4,912	5.84%	4,695	4.49%	4,743
Total Loan book	100%	54,682	100%	80,452	100%	1,05,686
Stage 3 PCR	39.5%		46.2%		49.9%	

Well matched ALM and liquidity to enable growth

ABFL's Asset Liability Management (ALM) is optimised for both liquidity and cost. As on 31st March, 2024, ABFL's had a cumulative surplus liquidity for the tenor up to 1 year. ABFL raised ₹ 27,898 Crore in long-term borrowing during FY24.

Out of the total liabilities, 38% have fixed rates and 62% have floating rates. Of the total assets, 34% have fixed rates and 66% have floating rates. In terms of liquidity, there is significant availability to meet obligations, even under severe stress conditions.

Well Matched ALM and Diversified Borrowing Mix (%)**Funding Mix (%)****Asset Liability Mix (%)**

Note: Liabilities with contractual maturity less than 1 year are considered as floating.

Borrowings

ABFL has focused on optimising interest costs and improving the borrowing mix without over-dependence on a particular source of borrowing while maintaining ALM requirements. ABFL leveraged its relationships with banks and financial institutions and raised Long-Term borrowing of ~ ₹ 28,000 Crore in FY24. With a focus to diversify the sources of borrowings, ABFL launched its maiden public issue of NCD for ₹ 2,000 Crore in September-24. The NCD issue (of ₹ 1,000 Crore + ₹ 1,000 Crore) was fully subscribed on day 1 of the offer launch and was closed in three working days. This public issue gave ABFL an entry into retail investors via long-term debt. In the coming years, ABFL intends to tap different sources to diversify its borrowing mix.

Capital adequacy ratio (CAR)

As on 31st March, 2024, the capital adequacy ratio was 16.24% (31st March, 2023: 16.38%) against a minimum of 15% as required by the RBI. Tier I capital was 14.13% (31st March, 2023: 13.92%) and Tier II capital was 2.11% (31st March, 2023: 2.46%).

Credit ratings

Long-term funding facilities of ABFL are rated AAA and short-term funding facilities are rated A1+ by ICRA, CARE and India Ratings. These ratings depict the confidence on sound financial management and timely repayment of financial obligations. The growth of the loan book has been accompanied by strong credit appraisal and risk management practices, which have helped us to deliver stable risk-adjusted returns and improve the quality of our book.

Wealth Business

Aditya Birla Wealth (ABW) offers customised solutions to a diversified range of customers through its strong network of relationship managers, product specialists and service managers. ABW is amongst few wealth outfits in India to have an independent research team, which helps us to empower our client with the latest market updates and facilitate investment decisions by leveraging our strength in capital market research.

ABW has been adjudged as 'India's Best for Investment Research' by the prestigious EuroMoney Private Banking Awards for 2 consecutive years. This recognition reinforces our constant endeavour to pursue the path of excellence and build a sustainable and rewarding relationship with our clients. The Assets under Administration (AUA) under ABW stands at Rs. 25,428 Crore as on 31st March 2024.

We serve over 87,000 active clients and have around 2,000 active business partners at ABFL Wealth as on 31st March 2024.

OPPORTUNITIES AND THREATS FOR THE COMPANY

Opportunities

- Under-penetration of financial products in India providing opportunities to expand to smaller towns with a focus on lending to MSME & self-employed segments.
- Use of digital technologies and data to offer new products to leverage relationships with existing customers and increase revenue per customer.
- Evolution of Fintech ecosystem with niche technological platforms and customer segments.
- Exploring more avenues for liabilities to achieve diversification alongwith benefits in the cost of borrowing.

Threats

- Impact of ongoing geopolitical conflicts, sticky inflation and increasing interest rates on portfolio credit quality, profitability and industry growth.
- In 2025, global growth is expected to revive a little to 2.6%, up from 2.4% in 2024. This rate is still below the pre-pandemic trend (average 3.1% in the decade before COVID-19).
- Banks have started collaborating with Fintechs to focus on the customer segments and geographies previously dominated by NBFCs, resulting in intensified competition in the sector.

RISK MANAGEMENT FRAMEWORK

The Company's risk management philosophy involves developing and maintaining a strong credit portfolio within its risk appetite and the regulatory framework. While it is exposed to various types of risks, the most important ones being credit risk, market risk (which includes liquidity risk and price risk) and operational risk. The measurement, monitoring and management of risks remain a key focus area for the Company.

The Company's risk management strategy is based on a clear understanding of various risks, disciplined risk assessment, measurement and mitigation procedures and continuous monitoring. The policies and procedures established for this purpose are continuously benchmarked against the best practices in the market.

For credit risk assessment, specific policies and processes are in place, separately for each segment that the Company



Management Discussion & Analysis (Contd.)

operates in. Management of credit risk is carried out through credit policy definition, portfolio diversification, appraisal and approval processes, internal ratings, post sanction monitoring, operations control, fraud control, collection processes and remedial management procedures. For each product, programs defining customer segments, underwriting standards, security structures, etc. are specified to ensure consistency of credit patterns. Proposals are approved at different levels based on defined delegations of authority.

A robust collection infrastructure is core to ABFL's lending business. It has strengthened the collection capabilities by setting up dedicated collection teams for specific segments.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal controls, systems and procedures across all lines of business and support functions, commensurate with the complexity and nature of its business operations. The controls ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorized, recorded and reported correctly. The Company's management functions undergo an independent internal audit basis the scope and calendar approved by the Audit Committee of the Board. The Company's controls over its business operations are managed effectively by instituting well-defined policies and procedures and adequate supervision and reviews to ensure that the internal control systems are adequate to protect the Company against any loss or misuse of the Company's assets.

OUR PEOPLE

Building Capabilities, Enabling Success

We are focused on building organization capabilities that would lead to ABFL winning in the marketplace and success for all our employees. Our primary focus is on enhancing employee capabilities to enable success by talent management, succession planning, employee wellness and engagement. We have also introduced specialized programs for behavioral learning, culture building opportunities and Diversity, Equity & Inclusion (DEI).

TALENT MANAGEMENT & SUCCESSION PLANNING

The principal objective of our talent management strategy is to cultivate a robust, future-ready talent pool and to build a strong leadership succession pipeline. We persistently prioritize the discovery and development of employees with high potential

and have developed extensive, holistic and future focused developmental programs for them. Our efforts are aimed at shaping leaders who are driven by a zeal for creating value for stakeholders and achieving executional excellence.

Moreover, an emphasis has been placed on enhancing skills pertinent to the future, specifically in the domains of Digital Lending, Technology, Risk and Analytics through several initiatives and collaborations with entities around the world over the past few years.

Employee Wellness and Engagement

Our commitment to fostering a vibrant, engaging work environment, and dedication to employee health and wellbeing exemplifies a forward-thinking approach to corporate culture. By prioritizing a culture of connection and camaraderie, we have taken significant steps to ensure that employees feel valued and connected. The implementation of various events, town halls, leadership sessions and milestone commemorations, coupled with active leadership engagement, reflects a clear strategy to enhance employee connectivity and morale. This approach not only supports the Company's internal ecosystem but also contributes to a more productive and motivated workforce.

We believe that the emphasis on employee wellbeing, as a core component of our operational philosophy, is essential in today's corporate world. We have recognized the multifaceted nature of wellbeing and have adopted a holistic and comprehensive approach of Physical, Emotional, Financial, Intellectual, and Social dimensions and build this into our wellness solutions. Such a strategy is likely to foster a healthier workplace environment, leading to increased employee satisfaction and productivity. Moreover, the provision of health coaching to encourage lifestyle changes is a tangible demonstration of our commitment towards employees' overall health. As a company that values employee wellness and productivity, we launched AB Multiply App in this financial year. AB Multiply app offers personalized wellness solutions and tools that can help our employees achieve their health goals, reduce stress, and improve their overall well-being.

Learning and Development

Our Company's philosophy is to provide every employee with continuous opportunities to learn & grow. Native integration with prestigious learning resources in FY24 significantly expanded the upskilling options for ABFL workforce.

The Functional L&D team during FY24 focused on (A) Front Line Sales (FLS) productivity; (B) New joiner activation; and (C) Workforce capability building across Sales and Non-Sales

Management Discussion & Analysis (Contd.)

functions. Revamp of the induction program combined with the Leadership Associate Program (LEAP) journey over 90 days post-joining helped us achieve improved performance in the first 3 months of a new FLS joiner, thereby achieving faster cultural integration of the retail sales workforce.

In line with strengthening the organizational muscle across the loan process cycle and customer life cycle, we rolled out multiple programs for the Sales, Credit, Collections and Operations teams.

Behavioural Learning & Culture Building:

Behavioural Learning focuses on capability building aspects viz., ABG Values and Culture Cascade, Managerial Capability, Carving the Young Talent Journey, Self Development and Diversity Sensitization. More than 814 employees went through the "Vitamin V-values" program that was curated to cascade ABG Group purpose and values, communication across branches and corporate offices. More than 2,600 employees went through behavioral training interventions and more than 1,200 employees participated in more than 2 programs throughout the year. The Transcend program ensured all first-time managers (150 in junior management cadre) went through an extensive development journey to build managerial capabilities. Apart from this, specific behavioural interventions with Mid Senior managers were engaged in a program viz. 'Fit For Future' who play a vital role in driving performance. With the objective of enabling our young talent build fulfilling careers at ABC, the organization has invested in designing a learning architecture for our young talent -Management Trainee program to onboard them and settle in their career journey with us.

Diversity, Equity and Inclusion (DEI)

Diversity and inclusiveness are built into the way we do business. Given our philosophy on hiring, promotion and succession being a matter of competence rather than gender, out of the total hired employees in FY24, 11.5% were women with close to 60% women hired in sales, credit and collections. Substantial number of women employees experienced role movements over the last financial year enabling them to take bigger roles across the organization.

Two years ago, we had launched the "Celebrate Motherhood" program which is aligned with our purpose to provide an amicable support system to our women employees who are mothers to be and new mothers. It offers them an enriched experience throughout the most critical journey of their life - Motherhood. The program design enables the women employees with an engaging "Stay in Touch" and "Return-To-Work" elements for them to reintegrate their personal and professional commitments. As a part of the program, a benefit for Women employees requiring a crèche or Nanny Service was

extended to all women, so that they can focus on their work and achieve their career aspirations without compromising on childcare. Crèche facility is an extension of statutory provisions with an intention of benefiting women employees at work.

At ABFL, this benefit was extensively leveraged by 18% women employees, wherein they opted for Crèche or Nanny Policy benefits and Motherhood program. In addition to this, exclusive policy awareness training modules curated specifically for women employees were imparted across all levels every quarter. These training modules were designed to create awareness and communicate all the flexi benefits available for women and the career development opportunities within the organization.

At ABFL, diversity is not only limited to women but is also defined as being respectful and open to new ideas and what employees bring on the table. We believe in having a contemporary outlook in the current competitive landscape and are all for onboarding young talent for that contemporary perspective and hence the total number of employees under the age of 28 as on 31st March 2024 were 21% of the total workforce.

OUTLOOK

The non-banking financial company (NBFC) sector in India has undergone remarkable growth, establishing itself as a significant player within the country's financial landscape. One of the key drivers for the expansion of the NBFC sector is the increased demand for credit from the MSME sector. Moreover, the government's commitment to promote financial inclusion through initiatives like Pradhan Mantri Jan Dhan Yojana (PMJDY), Pradhan Mantri Mudra Yojana, and Stand-Up India has further elevated the importance of NBFCs. These initiatives position NBFCs as vital facilitators, providing credit access to the unbanked and underbanked population.

ABFL remains focused on simplifying finance for its customers while leveraging its digital capabilities to drive profitable growth. Going forward, we will grow our AUM by focusing on the retail and SME segments, growing the share of direct business and increasing upsell and cross-sell by using analytics. We will leverage our digital platforms Udyog Plus and ABCD, the extended ABG and ABC ecosystem and our pan-India based branch network to deliver superior TAT, enhance customer experience through mobile-friendly solutions with faster decision-making by improve customer selection process.



Management Discussion & Analysis (Contd.)

WAY FORWARD**Deliver Sustainable Growth & ROA In Medium Term****Enablers**

↑ **Scale up Udyog Plus – B2B Ecosystem**



↑ **Share of secured loan book (Focus on MSME)**



↑ **ABG/ABC ecosystem synergies across product segments**



↑ **STP and N-STP sourcing through digital journeys**



↑ **Wallet share through newly launched products in small ticket emerging income segments**



↑ **Share of Cross-sell & Up sell (Leveraging Analytics)**



↑ **Share of direct sourcing from emerging markets and enhance geo footprint**



↑ **Fee income opportunity through newly launched products**

Board's Report

Dear Members,

The Board of Directors of Aditya Birla Finance Limited ("your Company" or "the Company" or "ABFL") is pleased to present the 33rd (Thirty Third) Annual Report and the Audited Financial Statements (Standalone) of the Company for the financial year ended 31st March 2024 ("financial year under review").

FINANCIAL SUMMARY AND HIGHLIGHTS

The Company's financial performance for the financial year ended 31st March 2024 as compared to the previous financial year ended 31st March 2023 is summarised below:

Particulars	Year ended 31 st March	
	2024	2023
Total Income	12,764	8,268
Less: Finance cost	6,468	3,857
Net Interest Income	6,296	4,410
Less: Total Operating Expenses	1,957	1,417
Pre provision Operating Profit	4,339	2,994
Less: Impairment on financial instruments	1,352	903
Profit before Tax	2,987	2,090
Less: Tax expenses	766	536
Profit after Tax	2,221	1,554
Add: Other comprehensive income (net of tax)	(14)	7
Total comprehensive income (net of tax)	2,207	1,561
Transfer to Special Reserve	444	311

The above figures are extracted from the Standalone Financial Statements prepared in accordance with Indian Accounting Standards ("IND AS") as notified under Sections 129 and 133 of the Companies Act, 2013 ("the Act") read with the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The financial statements of the Company are consolidated with that of Aditya Birla Capital Limited ("ABCL"), the Holding Company which has adopted Ind-AS. The Company has also prepared the financial statements in Ind-AS Fair Value format which are consolidated with ABCL for further consolidation with Grasim Industries Limited (ultimate Holding Company).

RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

Highlights of the Company's performance for the financial year ended 31st March 2024 are as under:

a) Key Highlights

- In FY2024, total income has increased by 54% Y-o-Y, to ₹ 12,764 Crore from ₹ 8,268 Crore in FY2023, primarily led by growth in the lending book.
- The Net Interest Income increased by 43% Y-o-Y in FY2024 to ₹ 6,296 Crore from ₹ 4,410 Crore in FY2023. This was again primarily led by growth in the lending book along with increase in yields and interest margins.







Board's Report (Contd.)

- The operating expenses grew by 38% to ₹ 1,957 Crore in FY2024 from ₹ 1,417 Crore in FY2023, primarily driven by expansion in branch network and related employee costs.
- The provisions for impairment of financial instruments grew by 50% in FY2024 to ₹ 1,352 Crore from ₹ 903 Crore in FY2023.
- The Operating profit for the year grew by 45% to ₹ 4,339 Crore from ₹ 2,994 Crore in the previous year.
- With the combination of factors mentioned above, both profit before tax and profit after tax increased by 43% in FY2024:
 - Profit before Tax increased to ₹ 2,987 Crore from ₹ 2,090 Crore.
 - Profit after Tax increased to ₹ 2,221 Crore from ₹ 1,554 Crore.

b) Business

In addition to the wealth management solutions, the Company offers lending / financing through the following products offerings:

Segment	Personal & Consumer	Unsecured Business	Secured Business	Corporate / Mid-Market
Presence	Semi-urban	Semi-urban	Semi-urban/SME Clusters	Top 6-7 Cities
Products	Salaried Professionals with focus on emerging income segment 	Business owners & Self-employed professionals engaged in small/ mid-sized businesses 	Business owners & Self-employed professionals engaged in small/mid-sized businesses 	Pedigreed Group Corporates/ Mid-Market Cos in focus sectors/Cat A/A+ developers 
	Personal Loans	Business Loans	Retail & SME LAP, LRD	Capex/WC Funding
	Consumer Loans	Supply Chain Finance	Small Ticket Secured & Micro LAP	Structured Finance
	Check-out Financing	B2B Digital Platform	Working Capital Loans	Developer Financing
	Co-branded Credit Card	Business Overdraft	Loan Against Securities	Project Finance
Cross-Sell	Personal Loan Top Ups & Cross sell, Insurance and Wealth Solution to ABFL & ABC customer ecosystem			

The detailed segment wise performance results are provided in the Management Discussion & Analysis report.

c) Portfolio quality

During FY2024, focused expansion in the Retail, SME and HNI segments grew by 31%, contributing to 67% of your Company's Assets under management (AUM). During the financial year, the Company also enhanced its footprint to 412 branches with a focus on increasing presence in Tier 3 & 4 cities.

During this period, the Company further improved the portfolio quality through strengthening of credit underwriting and enhancement of its collection capabilities. Asset quality has improved in FY2024, with reduction in Gross Stage 2 & 3 by 135 bps. Gross Stage 2 book has reduced by 74 bps to ₹ 2,094 Crore (1.98%) as on 31st March 2024 as compared to ₹ 2,187 Crore (2.72%) as on 31st March 2023. Further, the Gross Stage 3 book has also declined by 61 bps, from ₹ 2,507 Crore (3.12%) as on 31st March 2023 to

₹ 2,649 Crore (2.51%) as on 31st March 2024. The provision coverage ratio (PCR) for Stage 3 assets has increased to 49.9% (₹ 1,322 Crore) as on 31st March 2024 from 46.2% (₹ 1,158 Crore) as on 31st March 2023. Consequently, the Net Stage 3 book was at ₹ 1,327 Crore (1.27%) as on 31st March 2024 as against ₹ 1,349 Crore (1.71%) in the previous year. Restructured assets at ₹ 875 Crore comprised 0.01% of loan book as on 31st March 2024.

RESOURCE MOBILISATION

During the year, the Company has been able to raise Long Term money of ₹ 27,898 Crore from Banks, External Commercial Borrowing ("ECB") of ₹ 1,450.11 Crore and ₹ 6,739 Crore through Debentures. The External Commercial Borrowings consisted of USD 50 million from Export Development Canada, USD 75 million from Bank of India, Tokyo and USD 50 million from Punjab

Board's Report (Contd.)

National Bank, DIFC, Dubai. The Company primarily sources funds through Banks (Term loans, WCDL/Cash Credit) and Debt markets (Non-Convertible Debentures (NCDs), Sub-ordinated debt, Perpetual debt and Commercial Paper (CPs). The outstanding debt (amortised) as on 31st March 2024 was ₹ 92,297 Crore as compared to ₹ 70,776 Crore as on 31st March 2023.

The Company has issued and allotted on private placement basis, Secured, Rated, Listed, Redeemable Non-convertible Debentures (NCDs) aggregating ₹ 6,185 Crore (including ₹ 2,000 Crore issued through Public Issue) and Unsecured, Rated, Listed, Redeemable Non-convertible Subordinate Debentures (NCDs) aggregating ₹ 505 Crore during FY 2024. These NCDs are listed on the Wholesale Debt Market Segment of National Stock Exchange of India Limited and BSE Limited. During FY 2024, the Company also received ₹ 49 Crore (₹ 1.40 Lakh each on 3,500 Debentures) towards the fourth call on partly paid-up Debentures issued by the Company in FY 2021. The funds raised through issuance of NCDs were utilised as per the objects stated in the Information Memorandum of the respective NCDs. The Company has issued CPs amounting to ₹ 31,869 Crore during FY 2024. As on 31st March 2024, the outstanding amount of CPs is ₹ 9,879 Crore.

As per RBI mandate, from 1st December 2023, the Company has been maintaining liquidity of 85% of total net cash outflows over the next 30 calendar days in the form of High-Quality Liquid Asset (HQLA) i.e. Government securities, T-Bill, Cash, etc.

The Company carries out periodic stress testing on the cash flow position to determine the liquidity buffer and plan for additional bank lines. The Company continues to focus on diversifying its funding sources. Bringing in new investors / lenders helps in widening the pool of funds that the Company can tap into. A wider range of investors removes the dependency on few players for funds, helps in optimum pricing and reduces the overall cost of borrowing.

ACCOUNTING METHOD

The Standalone Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards as notified under Sections 129 and 133 of the Act read with the Companies (Accounts) Rules, 2014, as amended and other relevant provisions of the Act.

In accordance with the provisions of the Act, applicable Accounting Standards, the SEBI Listing Regulations, the Audited Standalone Financial Statements of the Company for the

financial year ended 31st March 2024, together with the Auditors' Report forms part of this Annual Report. The Audited Financial Statements of the Company as stated above are available on the Company's website at <https://finance.adityabirlacapital.com>

MATERIAL EVENTS DURING THE YEAR

1. The Company obtained Corporate Agent (Composite) License on 13th September 2023 from Insurance Regulatory and Development Authority of India for sourcing business in General, Life and Health insurance products.
2. With a focus to diversify its sources of borrowings, the Company came up with its Maiden Public Issue of NCD in FY2024 of face value of ₹ 1,000 each ("NCDs") for an amount aggregating up to ₹ 1,000 Crore ("Base Issue Size") with an option to retain oversubscription up to ₹ 1,000 Crore ("Green Shoe Option") aggregating up to 2,00,00,000 NCDs for an aggregate amount of up to ₹ 2,000 Crore. The Issue was subscribed 2.30 times of the Base Issue Size and 1.15 times of the overall Issue Size. This public issue gave the Company an entry into Retail Investors via Long Term Debt.
3. The Company obtained a certificate of registration bearing number B.01.00636 dated 21st November 2023 issued by the RBI to carry on the factoring business without accepting public deposits under Section 3 of the Factoring Regulation Act, 2011.
4. The Board of Directors of the Company, at its Meeting held on 11th March 2024, approved the Scheme of Amalgamation of Aditya Birla Finance Limited ("Amalgamating Company") with Aditya Birla Capital Limited ("Holding Company" or "ABCL") and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 read with rules made thereunder ("Scheme"). The Scheme inter-alia provides for the amalgamation of the Company with ABCL and dissolution of the Company without winding up. The Scheme is subject to the sanction of National Company Law Tribunal (NCLT), Ahmedabad Bench and receipt of necessary approvals from the Reserve Bank of India, Stock Exchanges and Securities and Exchange Board of India, shareholders / creditors, as may be directed by the NCLT and such other regulatory / statutory authorities, as may be required.



Board's Report (Contd.)

**DETAILS OF HOLDING COMPANY/SUBSIDIARIES/
JOINT VENTURES/ASSOCIATES****HOLDING COMPANY**

During the financial year under review, Grasim Industries Limited remains the ultimate Holding Company and Aditya Birla Capital Limited continues to be the Holding Company of the Company. Grasim Industries Limited and Aditya Birla Capital Limited are listed at BSE Limited, National Stock Exchange of India Limited and Luxembourg Stock Exchange. As per clause 16(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is considered as a Material Subsidiary Company of Aditya Birla Capital Limited.

SUBSIDIARY COMPANY

The Company doesn't have any Subsidiary Company.

JOINT VENTURE/ASSOCIATE COMPANY

As per the provisions of the Act, the Company did not have any Joint Ventures/ Associates during the financial year under review.

TRANSFER TO RESERVE

For the financial year ended 31st March 2024, an amount of ₹ 444 Crore was transferred to Special Reserve in terms of Section 45-IC of the Reserve Bank of India Act, 1934.

DIVIDEND

The Directors do not recommend any dividend for the financial year under review.

SHARE CAPITAL

As on 31st March 2024, the Company's paid-up Equity Share Capital was ₹ 689,39,69,300 divided into 68,93,96,930 Equity Shares of ₹ 10 each.

During the year under review, your Company had a capital infusion of ₹ 1,600 Crore through issue of 2,72,96,108 Crore equity shares of ₹ 10/- each per share on rights basis as detailed below:

					(₹ in Crore)
Sr. No.	Date of Allotment	No. of Equity Shares	Face value per Equity Share	Premium Amount per Equity Share	Total amount
1	26 th September 2023	1,34,07,220	10	549.40	750
2	26 th December 2023	1,38,88,888	10	602.00	850
Total		2,72,96,108			1,600

No shares with differential voting rights were issued by the Company during the year.

DEPOSITORY

As on 31st March 2024, the Company's entire equity paid-up share capital was held in dematerialised mode.

CREDIT RATING

The credit ratings enjoyed by the Company from various rating agencies as on 31st March 2024 is detailed below:

							(₹ in Crore)
Facility	ICRA	Rated Amount	India Rating	Rated Amount	CARE	Rated Amount	
Commercial Paper	ICRA A1+	15,000.00	IND A1+	15,000.00	NA	-	
Non-Convertible Debentures	ICRA AAA, (Stable)	30,774.40	IND AAA, (Stable)	30,906.60	NA	-	
Subordinate Bonds	ICRA AAA, (Stable)	4,900.00	IND AAA, (Stable)	4,150.00	CARE AAA, (Stable)	95	
Market Linked Debentures	NA	NA	IND PP-MLD AAA, (Stable)	1,523.30	NA	-	
Bank Lines	ICRA A1+ / ICRA AAA, (Stable)	70,000.00	IND AAA, (Stable)	70,000.00	NA	-	
Perpetual Debt	ICRA AA+, (Stable)	700.00	IND AA+, (Stable)	700.00	NA	-	
NCD - Public Issue	ICRA AAA, (Stable)	15,000.00	IND AAA, (Stable)	4,000.00	NA	-	
NCD - Unsecured	ICRA AAA, (Stable)	1,500.00	NA	-	NA	-	

Board's Report (Contd.)

All the above ratings indicate a high degree of safety with regard to timely payment of interest and principal. There has been no revision in any of the above credit ratings during the year under review.

PUBLIC DEPOSITS

The Company being a Non-deposit taking Company (NBFC-ICC) classified as Upper Layer NBFC has not accepted or renewed any deposit from the public during the financial year under review in accordance with Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS GIVEN, INVESTMENT MADE, GUARANTEES GIVEN OR SECURITY PROVIDED

Pursuant to provisions of Section 186 (11) of the Act, the Company being a Non-Banking Finance Company (NBFC) registered with the RBI and engaged in the business of giving loans, is exempted from the provisions of the said Section. Thus, the provisions of Section 186 except sub-section (1) of the Act are not applicable to the Company.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

As the Company is a Non-Banking Financial Company engaged in the business of giving loans, the particulars regarding conservation of energy and technology absorption as required to be disclosed pursuant to provision of Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are not relevant to its activities.

However, some of the steps taken by the Company for conservation of energy include:

- The Company is committed to reducing negative environmental impact.
- With a view to encourage our employees to choose environmentally friendly modes of commute, your Company is providing concessions to employees purchasing hybrid / electric vehicles.
- The Company is associated with ViaGreen, an organisation that helps in waste management and recycling.
- Most of the offices of the Company have installed LED lights making them very energy efficient. Further, rooftop solar panels are installed at its Bengaluru, Noida and Pune offices. Similar renewable energy installations in other office buildings will be taken up in future.

- As a step towards further reducing the environmental impact, the documents for Board and Committee meetings are transmitted electronically using a secure web-based application, thereby saving paper.
- The energy saving measures also include selecting and designing offices to facilitate maximum natural light utilisation, video-conferencing facilities across all offices to reduce the need of employee travel, digital learning initiatives for employees, optimised usage of lights and continuous monitoring and control of the operations of the air conditioning equipment as well as elimination of non-recyclable plastic in offices.

FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

There were no foreign exchange earnings during the financial year under review as well as during the previous financial year. However, the foreign exchange outgo during the financial year under review was ₹ 52 Crore as compared to ₹ 81 Crore, during the previous financial year.

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details, as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are attached in **Annexure I** of this Report.

Details as required under Section 197(12) of the Act, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, with respect to information of employees of the Company will be provided upon request by a Member. In terms of the provisions of Section 136(1) of the Act, the Report and Accounts, as set out therein, are being sent to all the Members of the Company, excluding the aforesaid Annexure which is available for inspection by the Members at the Registered Office of the Company during business hours on all working days of the Company up to the date of the Annual General Meeting. If any Member is interested in obtaining a copy thereof, the Member may write to the Company Secretary at the Registered Office of the Company in this regard.

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION

There were no material changes and commitments affecting the financial position of the Company from end of the financial year up to the date of this Report.



Board's Report (Contd.)

CHANGE IN NATURE OF BUSINESS

During the year under review, there has been no change in the nature of business of the Company other than as otherwise stated in material changes during the year in earlier part of this report.

EMPLOYEE STOCK OPTION

Employee Stock Options have been recognised as an effective instrument to attract talent and align the interest of employees with that of the Company, thereby providing an opportunity to the employees to share in the growth of the Company, to create long term wealth in the hands of employees and act as a retention tool.

Pursuant to the approval of the shareholders of the Company at its Extra-ordinary general meeting held on 4th October 2022, the Company has adopted "Aditya Birla Finance Limited Employee Stock Option Scheme 2022" ("ABFL Scheme 2022") for the benefit of the employees of the Company and to the employees of present or future holding and / or subsidiary company(ies) of the Company.

The ABFL Scheme 2022 is in compliance with the Companies Act, 2013 ("Act") read along with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and such other applicable provisions. During the year under review 1,27,076 options were granted to various employees of the Company. The disclosure under Rule 12 of the Companies (Share Capital & Debentures) Rules, 2014 is as under:

Sr. No. Features	(₹ in Crore)	
	As on 31 st March 2024	As on 31 st March 2023
1. Options Granted	1,27,076	21,88,875
2. Options Vested	Nil	Nil
3. Options Exercised	Nil	Nil
4. The total number of shares arising as a result of exercise of option	NA	NA
5. Options Lapsed	Nil	2,03,886
6. Exercise Price	354.70	283.20
7. Variation of terms of options	Nil	Nil
8. Money realised by exercise of options;	NA	NA
9. Total number of options in force	1,27,076	19,84,989
10. Employee wise details of options granted to:		
a) key managerial personnel	Nil	4,58,487
b) any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year.	Nil	Nil
c) identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	Nil	Nil

ABCL has also formulated "Aditya Birla Capital Limited Employee Stock Option Scheme 2017" ("Scheme 2017") for the employees of the Company. The shareholders of ABCL, vide their resolution passed on 19th July 2017 had also extended the benefits and coverage of the Scheme 2017 to the employees of its Subsidiary Companies. The shareholders of the Company at its meeting held on 9th August 2017 had approved the extension of benefits of the Scheme 2017 to the permanent employees of the Company.

The shareholders of Aditya Birla Capital Limited (ABCL), vide their resolution passed on 16th October 2022, has adopted "Aditya Birla Capital Limited Employee Stock Option and Performance Stock Unit Scheme 2022" ("Scheme 2022") and extended the benefits of the Scheme 2022 to the employees of its Subsidiary

Companies. The shareholders of the Company at its meeting held on 7th November 2022 had approved the extension of benefits of the Scheme 2022 to the permanent employees of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the financial year under review, prepared as per requirements of RBI's Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023, is presented as a separate section, which forms part of this Annual Report.

REPORT ON CORPORATE GOVERNANCE

The Company is committed to maintaining the highest standards of Corporate Governance and adhering to the Corporate Governance requirements set out by the Act, RBI and SEBI Listing Regulations. Corporate Governance principles form an integral part of the core values of the Company. Report on Corporate Governance forming part of the Board's Report for the year under review is presented separately as Annexure II.

RISK MANAGEMENT

Risk Management is at the core of our business and ensuring we have the right risk-return trade-off in line with our risk appetite is the essence of our risk management while looking to optimise the returns that go with that risk. The Company has a robust Risk Management framework which proactively addresses risks while looking to optimise the returns that go with that risk.

The Board has constituted a Risk Management Committee as required under Regulation 21 of the SEBI Listing Regulations and RBI Master Directions to frame, implement and monitor the risk management plan of the Company. The objectives and scope of the Risk Management Committee broadly include: risk identification; risk assessment; risk response & Risk Management strategy; and risk monitoring, communication and reporting with the objective to contain the negative impact of unmitigated risks on profitability and capital. The Company is exposed to various risks that are inherent to lending business.

Over the years, the Company have built a strong Risk Management Framework supported by well-established policies and procedures and a talented pool of Risk Professionals. The Company was able to face the unprecedented challenges faced in the previous few years and emerged stronger during these turbulent times due to some of these policies and framework.

The Company faces potential risks, which can be classified as credit risk, liquidity risk, operational risk, market risk and IT risk. Creating awareness of the risks faced by the organisation is an important way to manage risk and accordingly, the Company makes all efforts to create an environment of risk awareness at all levels.

The Company has policies and procedures in place to identify, measure, assess, monitor, and manage these risks systematically across all its lines of businesses. The Company continually upgrades necessary security measures, including cybersecurity measures, to ensure mitigation of cyber threats and risks.

Risk management in the Company is an independent function, in the context of separation of roles of credit origination (duty cast

on the business functions) and evaluation and assessment (duty cast on the credit risk function) to ensure the independence of risk measurement, monitoring and control functions. This framework also enables business units at the operating level, with the use of technology, to identify opportunities to lend which fall within the risk appetite of the Company.

The various risks across the Company are monitored and reviewed through the Risk Management Committee (RMC) of the Board – the apex body for risk management and the Executive Level Committees, which meet periodically. Some of the executive level committees are the Asset Liability Management Committee (ALCO) (managing the liquidity risk and interest rate risk), Credit Committees and Investment Committees (to approve credit proposals and investment proposals), Product Approval Committee (to approve any new product being offered) Operational Risk Management Committee (to identify, measure and monitor operational risks in the business) and Information Security Steering Committee (to oversee the robustness of the IT systems and policies to manage cyber threats).

Credit Committees not only approve counter-party credit exposures in line with the delegation of authority assigned by the Board of Directors, but also focus on post sanction monitoring. These Committees also review the credit portfolios, non-performing loans, accounts under watch, over dues and incremental sanctions on an on-going basis.

The Audit Committee of the Board provides direction to and monitors the quality of the internal audit function and controls and also monitors compliance with observation reports of RBI, other regulators and internal & statutory auditors.

1. Credit Risk – ABFL has put in place robust credit appraisal, assessment, and approval frameworks in place for identification, measurement, monitoring and controlling risks. ABFL has an early warning monitoring mechanism to facilitate early identification of stress and mitigation thereof. The Company tracks all key variables of portfolio including – Key financial indicators, bounces, NPA accounts, covenants and documentation. Overall tracking happens across all credit portfolios across all segments, including monitoring of early warning signals, identifies portfolio trends and generates portfolio level MIS, covering various credit quality indicators. All key variables of portfolios get duly presented & discussed in Risk Management Committee of the Company.



Board's Report (Contd.)

2. Market Risk – Market risk is managed through a comprehensive Board-approved Investment Policy. The Company maintains an investment book of Fixed Income Instruments, mostly Corporate Bonds / PSU Bonds and is managed through the investment policy which caps exposure to various securities through stringent trading risk limits/triggers, concentration risks and Mark to Market thresholds.

3. Operational Risk – Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or external events. While ultimate responsibility for Operational Risk Management (ORM) lies with the Board, the Board has delegated this responsibility to the Risk Management Committee (RMC) of the Board. A dedicated Operational Risk Management Committee (ORMC) maintains oversight over ORM and provides periodic updates to RMC. ORMC in turn is supported by an independent ORM Function that is responsible for designing and deploying ORM framework and processes that help Business and Support functions identification and management of risks on proactive basis, ongoing review of systems and controls through risk and control self-assessment (RCSA), timely reporting of operational loss events and near miss events and its analysis for remediation, monitoring of Key Risk Indicators (KRIs) and issue and action management on an ongoing basis. ORM Function works closely with all Businesses and Support Functions to facilitate implementation of ORM processes. Since a strong risk culture is a pre-requisite for effective ORM, ORM Function also ensures on-going ORM training and awareness.

The Company during the financial year ended 31st March 2024, had conducted online training to enhance the awareness of operational risk.

4. Liquidity Risk – ABFL has a robust liquidity risk management framework. Efficient management of Assets and Liabilities (ALM) is vital for sustainable growth of business for the Company. ALCO monitors the ALM position at monthly intervals and strives to proactively review the market dynamics, capturing the signals emanating from there and assessing the regulatory requirements to ensure stakeholder value creation. The ALCO also monitors the contractual repayments of liabilities and actuarial repayment of the loans and advances to arrive at the bucket level gap between inflows and outflows.

5. Fraud Risk – Risks associated with frauds are mitigated through a Risk Control Unit (RCU). RCU reviews matters relating to fraud risk through review of cases which are entered in the system. Various fraud control management activities like document sampling, property visit, verification of stock statement, vendor profile check, customer profile check etc. are established & benchmarked against the market practices/trends regularly.

BUSINESS CONTINUITY

The Company has a well-documented Business Continuity Management Programme which has been designed to ensure continuity of critical processes during any disruption. A robust Disaster Recovery Framework has been put in place to manage business and technology interruption risk, ensure uninterrupted operations and service to customers. The Company also has a business continuity policy to have a planned response in the event of any contingency, ensuring recovery of critical activities at agreed levels within agreed timeframe, thereby complying with various regulatory requirements and minimising the potential business impact on the Company. All the business critical processes are tested in a timely manner for Business continuity.

In view of the increased move to digital and adoption of new technologies, there was a continued focus on Cyber Security and the Company continued to invest in a strong Cyber Defence Programme.

The Risk Management teams of the Company are continuously scanning the internal and external environment to identify Risks and also to capitalise upon the opportunities presented in the environment.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTY

During the year under review, all transactions entered into by the Company with related parties were in ordinary course of business and on an arm's length basis and were not considered material as per the provisions of Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014. Hence, disclosure in form AOC-2 under Section 134(3) (h) of the Act, read with Rule 8 of Companies (Accounts of Companies) Rules, 2014, is not applicable. There were no material transactions entered into with related parties during the period under review, which may have had any potential conflict with the interests of the Company at large.

Board's Report (Contd.)

Prior approvals (including omnibus approval) are obtained for Related Party Transactions ("RPTs") which are of a repetitive nature and entered in the ordinary course of business and at arm's length. A statement on RPTs specifying the details of the transactions, pursuant to each omnibus approval granted, is placed on a quarterly basis for review by the Audit Committee.

Pursuant to Regulation 23(9) of SEBI Listing Regulations, 2015, disclosures of RPTs on a standalone basis are submitted to the stock exchanges on a half-yearly basis along with Financial Results and published on the Company's website at <https://finance.adityabirlacapital.com>

The details of contracts and arrangements with related parties of the Company for the year under review, are given in notes to the Financial Statements, which form part of this Annual Report. The Policy on Related Party Transactions, as approved by the Board, is available on the Company's website at: <https://finance.adityabirlacapital.com>

INTERNAL FINANCIAL CONTROLS

The Company has well-established internal control systems in place which are commensurate with the nature of its business and size, scale and complexity of its operations. Standard Operating Procedures (SOP) and Risk Control Matrices designed to provide a reasonable assurance are in place and are being continuously monitored and updated.

The Company also periodically engage outside experts to carry out independent review of the effectiveness of various business processes. The observations and best practices suggested are reviewed by the management and Audit Committee and appropriately implemented with a view to continuously strengthen internal controls.

INTERNAL AUDIT

The Company has in place an effective Risk Based Internal Audit ("RBIA") Framework to review the efficacy of internal controls with the objective of providing to the Audit Committee and the Board of Directors, an independent and reasonable assurance on the adequacy and effectiveness of the organisation's risk management, internal control and governance processes. The framework is commensurate with the nature of the business, size, scale and complexity of its operations with a Risk Based Internal Audit (RBIA) approach.

The internal audit plan is developed based on the risk profile of the audit universe including business activities, enabling and control functions, branches, application systems of the organisation. The RBIA plan includes process audits and Information Security

(IS) Audit at the head office and across various branches of the organisation. The internal audit plan is approved by the Audit Committee and internal audits are undertaken on a periodic basis to independently validate the existing controls. Internal audit reports are regularly reviewed by the management and necessary preventive as well as corrective action is initiated to strengthen controls and enhance the effectiveness of existing systems.

High and medium risk audit observations along with the summary of total observations, if any, are presented to the Audit Committee along with the status of management actions and the progress of implementation of recommendations.

The Company has implemented an RBIA Programme in accordance with the requirements of RBI circular dated 3rd February 2021.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act and to the best of their knowledge and belief and according to the information and explanations obtained from the operating management, the Directors of the Company state that: -

- i) in the preparation of annual accounts for the financial year ended 31st March 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii) the Directors had selected appropriate accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2024 and of the profit of the Company for the year ended on that date;
- iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors had prepared the Statement of Accounts for the financial year ended 31st March 2024 on a "going concern basis";
- v) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively;
- vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws to the Company and that such systems were adequate and operating effectively.



Board's Report (Contd.)

DIRECTORS / KEY MANAGERIAL PERSONNEL

APPOINTMENT / RESIGNATION OF DIRECTORS

As on 31st March 2024, the Board of Directors comprised of 6 (six) Directors out of which 4 (four) are Independent Directors, 1 (one) Non-Executive Director and 1 (one) Managing Director & CEO.

The following changes took place in the composition of the Board of the Company during the year under review:

APPOINTMENTS

Mr. Sunil Srivastav (DIN: 00237561) was appointed as the Independent Director of the Company w.e.f. 1st November 2023.

CESSATIONS

Ms. Alka Bharucha (DIN:00114067) completed her tenure as an Independent Director of the Company on 27th August 2023 and consequently ceased to be the Director of the Company with effect from close of business hours on 27th August 2023.

Mr. Kamlesh Rao (DIN: 07665616) tendered his resignation from the directorship of the Company with effect from 29th August 2023.

The Board places on record its sincere appreciation for the valuable services rendered by Ms. Alka Bharucha and Mr. Kamlesh Rao during their tenure as Directors of the Company.

RETIREMENT BY ROTATION

Pursuant to Section 152 of the Act read with the Articles of Association of the Company, Ms. Vishakha Mulye (DIN: 00203578), Non-Executive Director retires from the Board by rotation and being eligible, offers herself for re-appointment at the ensuing Annual General Meeting (AGM) of the Company.

The Nomination and Remuneration Committee of the Company and the Board of Directors have recommended the re-appointment of Ms. Vishakha Mulye to the shareholders at the ensuing Annual General Meeting.

A detailed profile of Ms. Vishakha Mulye seeking re-appointment is provided in the Notice of the ensuing Annual General Meeting of our Company.

DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors have submitted their declaration of independence, pursuant to the provisions of Section 149(7) of the Act and Regulation 25(8) of the SEBI Listing Regulations, stating that they meet the criteria of independence as provided

in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The Board has assessed the veracity of the confirmations submitted by the Independent Directors, as required under Regulation 25(9) of the SEBI Listing Regulations.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience, expertise and hold the highest standards of integrity.

All Independent Directors of the Company have registered their name in the data bank maintained with the Indian Institute of Corporate Affairs in terms of the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014.

KEY MANAGERIAL PERSONNEL

In terms of the provisions of Sections 2(51) and 203 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Rakesh Singh, Managing Director & Chief Executive Officer (MD& CEO), Mr. Tushar Shah, KMP & CEO – PSFG, Mr. Pradeep Agrawal, Chief Financial Officer (CFO) and Mr. Ankur Shah, Company Secretary (CS), are the Key Managerial Personnel of the Company.

FIT AND PROPER CRITERIA

All the Directors meet the requirements of fit and proper criteria stipulated under the Master Direction - Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, as amended.

ANNUAL PERFORMANCE EVALUATION

The evaluation framework for assessing the performance of the Directors of the Company comprises of assessment of their contributions at the meetings, strategic perspective or inputs regarding the growth and performance of the Company, amongst others.

During the year under review, considering the evolving good governance practices in India, the Nomination & Remuneration Committee ("NRC") approved revised Board Evaluation Framework.

Pursuant to the provisions of the Act and SEBI Listing Regulations and in terms of the Framework of the Board Performance Evaluation, the NRC and the Board of Directors have carried out an annual performance evaluation of the Board, performance of various Committees of the Board and individual Directors. The

Board's Report (Contd.)

manner in which the evaluation was carried out had been set out in the Report on Corporate Governance, which forms part of this Annual Report. The details of the programme for familiarisation of the Independent Directors of your Company are available on your Company's website at <https://finance.adityabirlacapital.com>.

OUTCOME OF THE EVALUATION

The Board of the Company was satisfied with the functioning of the Board and its Committees. Non-Executive Directors and Independent Directors demonstrate a strong understanding of the Company and its requirements. They keep themselves updated on the current areas to be discussed at the Board Meetings. The Committees are functioning well and besides covering the Committees' terms of reference, as mandated by applicable laws, important issues are brought up and discussed in the Committee Meetings. The Board was also satisfied with the contribution of Directors in their individual capacities.

MEETINGS OF THE BOARD AND ITS COMMITTEES

BOARD

The Board meets at regular intervals to discuss and decide on the Company's performance and strategies. During the financial year under review, a total of 6 (six) Board Meetings were held on 12th April 2023, 9th May 2023, 31st July 2023, 1st November 2023, 30th January 2024 and 11th March 2024.

Further details on the Board Meetings, composition and attendance are provided in the Corporate Governance Report, which forms part of this Annual Report.

AUDIT COMMITTEE

The Company has constituted an Audit Committee with its composition, quorum, powers, role and scope in line with the applicable provisions of the Act, SEBI Listing Regulations and RBI Master Directions.

During the financial year under review, the Audit Committee reviewed the internal controls put in place to ensure that the accounts of the Company are properly maintained and that the accounting transactions are in accordance with prevailing laws and regulations. In conducting such reviews, the Committee found no material discrepancy or weakness in the internal control system of the Company. The Committee also reviewed the procedures laid down by the Company for assessing and managing risks.

Further details on the Audit Committee, its Meetings, composition and attendance are provided in the Corporate Governance Report, which forms part of this Annual Report.

During the financial year under review, all recommendations made by the Audit Committee were accepted by the Board.

NOMINATION & REMUNERATION COMMITTEE

The Company has constituted a Nomination and Remuneration Committee ("NRC"), with its composition, quorum, powers, role and scope in line with the applicable provisions of the Act, SEBI Listing Regulations and RBI Master Directions.

Further details on the NRC, its Meetings, composition and attendance are provided in the Corporate Governance Report, which forms part of this Annual Report.

The NRC has formulated an Executive Remuneration Philosophy / policy on remuneration under the provisions of Section 178(3) of the Act, which is attached as **Annexure III** to the Board's Report and the same is uploaded on the website of the Company at <https://finance.adityabirlacapital.com>.

OTHER COMMITTEES

The Board of Directors has also constituted the following Committees:

- Corporate Social Responsibility Committee
- Risk Management Committee
- Asset Liability Management Committee
- IT Strategy Committee
- Stakeholders Relationship Committee
- PIT Regulation Committee

More information on all of the above Committees including details of their Meetings, composition and attendance are provided in the Corporate Governance Report, which forms part of this Annual Report.

ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Act, the annual return in Form MGT-7 of the Company for the financial year 2023-24 is available on the website of the Company and can be accessed at <https://finance.adityabirlacapital.com>.

AUDITORS

JOINT STATUTORY AUDITORS, THEIR REPORT AND NOTES TO FINANCIAL STATEMENTS

Pursuant to the RBI Guidelines on appointment of Statutory Auditors of inter-alia, NBFs (including HFCs), the Members of



Board's Report (Contd.)

the Company, on the recommendation of the Audit Committee and the Board of Directors, had approved the appointment of M/s. MSKA & Associates, Chartered Accountants (Registration No. 105047W) having their office at 602, Floor 6, Raheja Titanium, Western Express Highway, Geetanjali, Railway Colony, Ram Nagar, Goregaon (E), Mumbai 400063, as the Joint Statutory Auditors of the Company from the conclusion of Thirty-Second (32nd) Annual General Meeting till the conclusion of the Thirty-Fifty (35th) Annual General Meeting of the Company, on terms and remuneration decided by the Board of Directors.

Pursuant to the above-mentioned RBI Guidelines, M/s. Singhi & Co, Chartered Accountants (Firm Registration No. 302049E) had been appointed as the Joint Statutory Auditors w.e.f. 16th December 2021, of the Company for a term of 3 (Three) years i.e. till the conclusion of 33rd Annual General Meeting of the Company. In view of same, the term of M/s. Singhi & Co, Chartered Accountants is getting over at the ensuing 33rd Annual General Meeting.

The observation(s) made in the Auditor's Report are self-explanatory and therefore do not call for any further comments under Section 134(3)(f) of the Act.

The Auditor's Report does not contain any qualifications, reservations, adverse remarks or disclaimer. The Statutory Auditors have not reported any incident of fraud to the Audit Committee or the Board of Directors under Section 143(12) of the Act during the financial year under review.

The Board of Directors of the Company at their meeting held on 10th May 2024, based on the recommendation of the Audit Committee, have recommended, the appointment of M/s. MKPS & Associates, Chartered Accountants (Firm Registration No. 302014E) as the Joint Statutory Auditors of the Company, for a term of three years from the conclusion of 33rd Annual General Meeting till the conclusion of the 36th Annual General Meeting.

M/s. MKPS & Associates, Chartered Accountants have consented and confirmed that their appointment, if made will be within the limits specified and will be in compliance with the eligibility criteria/requirements specified under the Companies Act, 2013 and the RBI Guidelines.

SECRETARIAL AUDIT AND SECRETARIAL COMPLIANCE REPORT

Pursuant to the requirements of Section 204(1) of the Act read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/S. N L Bhatia & Associates, Company Secretaries, to conduct the Secretarial Audit for the financial year under review. The Secretarial Audit Report in Form MR-3 for the financial year

under review, as received from M/s. N L Bhatia & Associates, Company Secretaries, is attached as **Annexure IV** to the Board's Report. The contents of the Secretarial Audit Report are self-explanatory.

Pursuant to Regulation 24A of the SEBI LODR Regulations, the Annual Secretarial Compliance Report obtained from M/s. RS & MP Associates, Practicing Company Secretaries for the financial year under review was placed before the Audit Committee and Board. The Annual Secretarial Compliance Report for the financial year under review will be submitted to the Stock Exchanges and uploaded on the website of the Company.

The Secretarial Audit Report and the Annual Secretarial Compliance Report do not contain any qualifications, reservations or adverse remarks.

COST RECORDS AND AUDITORS

The provisions of Cost Records and Cost Audit as prescribed under Section 148 of the Companies Act, 2013 are not applicable to the Company.

REPORTING OF FRAUDS BY AUDITORS

The Auditors of your Company, i.e. the Joint Statutory Auditors and Secretarial Auditors have not reported any incident of fraud to the Audit Committee or the Board of Directors under Section 143(12) of the Act during the financial year under review.

CORPORATE SOCIAL RESPONSIBILITY

In accordance with Section 135 of the Act, the Company has a Corporate Social Responsibility (CSR) Committee.

The CSR Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy ("CSR Policy") indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy is available on the Company's website at <https://finance.adityabirlacapital.com>

As a part of its initiatives under CSR, the Company has undertaken projects in the areas of Health Care, Education, Environment Sustainability and Promotion of Sports. The projects are also in line with the statutory requirements under the Companies Act, 2013 and its CSR Policy. During the year under review, the Company has spent /contributed ₹ 29.05 Crore (including administrative overheads) towards CSR projects and the unspent amount of 1.00 Crore pertaining to ongoing projects were transferred to a separate Unspent CSR account on 31st March 2024 opened for that purpose. The details of the CSR projects are available on the Company's website at <https://finance.adityabirlacapital.com>

Board's Report (Contd.)

The required disclosure as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules 2014 is attached as **Annexure V** to this report.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

In compliance with the provisions of Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI Listing Regulations, the Company has formulated a Whistle Blower Policy/ vigil mechanism for Directors and Employees to report concerns, details of which are covered in the Corporate Governance Report, which forms part of this Annual Report.

The said policy is available on the Company's website at <https://finance.adityabirlacapital.com>

POLICY ON PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place an appropriate policy which is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints, if any, received regarding sexual harassment of women. All women employees (permanent, contractual, temporary, trainees) are covered under this policy.

We further state that during the financial year under review, no complaints were received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 as on 31st March 2024.

The Company has complied with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

RBI REGULATIONS

The Company has complied with all the regulations of RBI to the extent applicable as a Non-Deposit taking Upper Layer Company.

The Company is in compliance with the regulatory guidelines applicable to NBFCs in Upper Layer, as issued by RBI from time to time including the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

HUMAN RESOURCES

The Company has always aspired to be an organisation and a workplace which attracts, retains and provides a canvas for talent to operate. It's vision of being a leader and a role model in a broad based and integrated financial services business and a culture that is purpose driven gives meaning to our people.

We believe that meaning at work is created when people relate to the purpose of the organisation, feel connected to their leaders and have a sense of belonging. Our focus stays strong on providing our people a work environment that welcomes diversity, nurtures positive relationships, provides challenging work assignments and provides opportunities based on meritocracy for people to grow and build their careers with us in line with their aspirations.

As on 31st March 2024, the employee strength of the Company was 5,947 employees, comprising of more than 93% Gen Y & Gen Z and 13.3% women.

SECRETARIAL STANDARDS OF INSTITUTE OF COMPANY SECRETARIES OF INDIA

The Company is in compliance with the Secretarial Standards specified by the Institute of Company Secretaries of India ("ICSI") on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

CODE FOR PROHIBITION OF INSIDER TRADING

Pursuant to SEBI (Prohibition of Insider Trading) Regulation 2015, as amended, the Company has a Board approved Code of Conduct to regulate, monitor and report trading by insiders ('Code of Conduct') and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ('Code of Fair Disclosure') for its listed NCDs.

Further details on the same form part of the Report on Corporate Governance which forms part of this Annual Report.

AWARDS AND CERTIFICATIONS

- ABFL has been declared a 'Platinum Winner in National Lean Competition organized by Confederation of Indian Industry, Gold Winner in National Lean Competition organized by Confederation of Indian Industry, Platinum Award at the National QCC and Gold Award at the National QCC (Mumbai Chapter) for "Retention Project".
- ABFL won the "Most Effective Marketing Campaign - NBFC" at the Pitch BFSI Marketing Awards and Best MarTech Team at the Martech Excellence Awards 2024.
- ABFL won best use of Data Analytics in Risk Management (Digital Lending) in BFSI industry.
- ABFL was declared best in Investment Research in India by Asian Private Banker and India's best for Investment Research at the Euromoney Private Banking Awards.



Board's Report (Contd.)

OTHER DISCLOSURES

In terms of applicable provisions of the Act, the Company discloses that during the year under review:

- i. There was no issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except under Employee Stock Option Scheme referred to in this Report.
- ii. There was no Scheme for provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- iii. There was no bonus issue, preferential issue, etc other than public issue of Non-Convertible Debentures and Rights Issue of Equity shares as otherwise disclosed in this Report.
- iv. There was no Issue of shares with differential rights.
- v. There was no transfer of un-paid or unclaimed amount to Investor Education and Protection Fund (IEPF).
- vi. Except for what has already been stated in the report, there were no significant or material orders passed by the Regulators or Hon'ble Courts or Tribunals which impact the going concern status and Company's operations in future.
- vii. There were no proceedings for Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016.
- viii. There was no failure to implement any Corporate Action.
- ix. There were borrowings from Banks or financial institutions, in the ordinary course of its business.

Place: Mumbai
Date: 10th May 2024

ACKNOWLEDGEMENTS

The Directors take this opportunity to express their appreciation for the support and co-operation extended by our various partners and other business associates. The Directors gratefully acknowledge the ongoing co-operation and support provided by all Statutory and Regulatory Authorities.

The Board also acknowledges the support and contribution of Company's bankers, Stock Exchanges, Registrar of Companies, Depositories, the Reserve Bank of India, Securities and Exchange Board of India, Insurance Regulatory and Development Authority of India, Central and State Governments and other regulatory bodies and the shareholders who have always supported and helped the Company to achieve our objectives.

The Directors place on record their appreciation for the exemplary contribution made by the employees of the Company at all levels. Their dedicated efforts and enthusiasm have been pivotal to the Company's growth.

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

Vishakha Mulye
Director
DIN – 00203578

Rakesh Singh
Managing Director & CEO
DIN – 07006067

Annexure I

Details to be included in the Board report as per Section 197(12) & Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for Financial Year 2023-24

- 1 Ratio of remuneration of each Director to median remuneration of the employees of the company for the financial year;
The ratio of the remuneration paid to Mr. Rakesh Singh, MD & CEO, to median remuneration of the employees of the company for the financial year is 196.58
The Company does not pay any remuneration to any of its Non-Executive Directors except sitting fees for attending meetings of the Company.
- 2 Percentage increase in remuneration of each Director, CFO, CEO, CS or Manager in the FY 2023-24

Mr. Rakesh Singh, MD & CEO	Mr. Tushar Shah, CEO – PSFG	Mr. Pradeep Agrawal, CFO	Mr. Ankur Shah, CS
10%	6%	8%	8%
- 3 Percentage increase in median remuneration of employees in the FY 8.8%
- 4 No. of permanent employees on rolls of the Company 5,947
- 5 Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration⁵
Average percentile increase in the salaries of employees other than the managerial personnel in the last financial year 15.78%
Average percentile increase in the salaries of the managerial personnel in the last financial year 15.73%
- 6 It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company

⁵For the purpose of calculating managerial remuneration, only MD & CEO is to be considered.



Corporate Governance Report

OUR VISION

"To be a leader and role model in helping people meet their aspirations leveraging our broad based financing options."

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

"Our values provide us with our roots and they provide us with our wings."

Mr. Kumar Mangalam Birla,
Chairman, Aditya Birla Group

The Aditya Birla Group is one of the pioneers in the field of Corporate Governance. As a part of the Group, your Company is committed to continuously adopt and adhere to the best governance practices, to achieve the goal of making the Company a value-driven organisation.

Your Company is a material subsidiary of Aditya Birla Capital Limited.

Your Company is one of the young and new age business ventures of Aditya Birla Group having a strong parentage and is part of a leading financial services conglomerate. It is a mix of solid traditional and cultural foundations along with the right perspective to cater to the evolving financial needs of its customers.

The Company's governance practices are a product of self-desire, reflecting the culture of trusteeship that is deeply ingrained in its value system and reflected in its strategic thought process. At a macro level, your Company's governance philosophy rests on five basic tenets, viz., Board accountability to the Company and Members, strategic guidance and effective monitoring by the Board, protection of minority interests and rights, equitable treatment of all Members and transparency and timely disclosures.

The Corporate Governance framework of your Company is based on an effective and independent Board, separation of the Board's supervisory role from the Senior Management team and constitution and functioning of the Board Committees, as required under applicable laws.

The Board functions either as a full Board or through various Committees constituted to oversee specific functions. The Senior Management provides your Board with detailed reports on the Company's performance periodically.

COMPLIANCE WITH CORPORATE GOVERNANCE GUIDELINES

Your Company is in compliance with the requirements stipulated under the applicable Regulatory provisions with respect to corporate governance.

The details of compliance with the requirements stipulated under Chapter IV read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") to the extent applicable and RBI circular no. DOR.ACC.REC.No.20/21.04.018/2022-23 dated 19th April 2022 on 'Disclosures in Financial Statements- Notes to Accounts of NBFCs' under their Scale Based Regulation (SBR), as applicable during the financial year ended 31st March 2024 ("financial year under review") are as follows:

I. BOARD OF DIRECTORS

Composition

The Board of Directors of the Company ("the Board") comprises of 6 (six) Directors including 1 (one) Non-Executive Director (Woman Director), 1 (one) Managing Director & CEO and 4 (four) Independent Directors. The Companies Act, 2013 ("the Act") mandates one-third of the total number of Directors as Independent Directors for the Company. The composition of the Board is in conformity with the requirements of the Act and Reg. 17 of the SEBI Listing Regulations. In terms of the provisions of the Act and the SEBI Listing Regulations, the Directors submit requisite disclosures regarding the positions held by them on the Board and/or Committees of other Companies, from time to time. All the Independent Directors as per their disclosures, have confirmed their compliance with the Act and SEBI Listing Regulations.

All Independent Directors on the Board are Non-Executive Directors as defined under the Act and SEBI Listing Regulations. The maximum tenure of the Independent Directors is in compliance with the Act and SEBI Listing Regulations. All the Independent Directors have confirmed that they meet the criteria of independence as stipulated under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and have submitted the declaration under section 149(7) of the Act. Based on the disclosures received from the Independent Directors,

Corporate Governance Report (Contd.)

it is hereby confirmed that in the opinion of the Board, the Independent Directors fulfil the conditions specified under the Act and SEBI Listing Regulations and are independent of the management and are also in compliance with the limit on Independent Directorships of listed Companies as prescribed under Regulation 17A of the SEBI Listing Regulations. The Independent Directors have also submitted a declaration to the Company confirming that they have registered themselves in the Independent Directors' Database.

The brief profile of the present Directors on the Board is available on the Company's website at <https://finance.adityabirlacapital.com> and is also mentioned at the beginning of this Annual Report.

Details of changes in composition of the Board during the Financial year 2022-23 & 2023-24:

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Nature of change (resignation, appointment)	Effective date
1.	Ms. Vishakha Mulye	Non-Executive Director	00203578	Appointment	21-10-2022
2.	Mr. Darius J Kakalia	Independent Director	00029159	Completion of term as an Independent Director	08-03-2023
3.	Mr. Jitender Balakrishnan	Independent Director	00028320		
4.	Mr. Ashwani Puri	Independent Director	00160662		
5.	Mr. Nagesh Pinge	Independent Director	00062900	Appointment	09-03-2023
6.	Mr. Rajat Kumar Jain	Independent Director	00046053	Appointment	09-03-2023
7.	Ms. Alka Bharucha	Independent Director	00114067	Completion of term as an Independent Director	27-08-2023
8.	Mr. Kamlesh Rao	Non-Executive Director	07665616	Resignation	29-08-2023
9.	Mr. Sunil Srivastav	Independent Director	00237561	Appointment	01-11-2023
10.	Mr. Subhash Chandra Bhargava*	Independent Director	00020021	Appointment	25-01-2019

*Re-appointed as an Independent Director for a term of 5 consecutive years w.e.f 25th January 2024.

None of the Independent Director(s) had resigned before the expiry of their term.

The details of the Directors of the Company with regard to their outside Directorships, Committee positions, including that in listed entities, as on 31st March 2024, are as follows:

Name of the Director	Director Since	Category / Capacity of Directorship held in your Company	DIN	No. of outside Directorship(s) in other Public companies ¹	Outside Committee positions held in Audit Committee and Stakeholders Relationship Committee ²		Names of other listed entities where Director is an Independent Director (excluding the Company) ³	No. of shares held in and convertible instruments held in the NBFC
					Member	Chairperson		
Ms. Vishakha Mulye	21 st October 2022	Non-Executive Non-Independent	00203578	6	6	0	Nil	Nil
Mr. Subhash Chandra Bhargava	25 th January 2019	Independent	00020021	6	4	4	Aditya Birla Capital Limited	Nil
Mr. Rakesh Singh	23 rd July 2019	Managing Director & CEO	07006067	0	1	0	Nil	Nil



Corporate Governance Report (Contd.)

Name of the Director	Director Since	Category / Capacity of Directorship held in your Company	DIN	No. of outside Directorship(s) in other Public companies ¹	Outside Committee positions held in Audit Committee and Stakeholders Relationship Committee ²		Names of other listed entities where Director is an Independent Director (excluding the Company) ³	No. of shares held in and convertible instruments held in the NBFC
					Member	Chairperson		
Ms. Alka Bharucha ^a	27 th March 2015	Independent	00114067	NA	NA	NA	NA	Nil
Mr. Kamlesh Rao ^b	7 th July 2021	Non-Executive Non-Independent	07665616	NA	NA	NA	NA	Nil
Mr. Nagesh Pinge	9 th March 2023	Independent	00062900	8	1	7	Goa Carbon Limited; Automobile Corporation of Goa Limited; Arvind Fashions Limited; Utkarsh Small Finance Bank Limited	Nil
Mr. Rajat Kumar Jain	9 th March 2023	Independent	00046053	2	2	-	Mahindra Holidays & Resorts India Limited; Fino Payments Bank Limited	Nil
Mr. Sunil Srivastav ^c	1 st November 2023	Independent	00237561	6	3	2	CSB Bank Limited; SIS limited	Nil

Notes:

1. Excluding Directorship in the Company, Foreign Companies, Private Limited Companies and Companies formed under Section 8 of the Act.
2. Membership(s) in all Public Limited Companies including ABFL is considered.
3. Only equity listed companies are considered.
4. Other details like no. of Board meetings held & attended and Directors remuneration are in later part of this report.
5. ^aTenure as an Independent Director completed w.e.f. 27th August 2023
^bCeased to be a Director w.e.f. 29th August 2023
^cAppointed as a Director w.e.f. 1st November 2023

Brief Profile of Directors:

Sr. No.	Name of Director	Qualification	Field of Specialisation
1.	Ms. Vishakha Mulye	Chartered Accountant	Banking & Financial Services
2.	Mr. Subhash Chandra Bhargava	Chartered Accountant	Investment and Financial Services
3.	Mr. Rajat Kumar Jain	Post Graduate from IIM-Ahmedabad BTech (Electrical Engineering) from IIT, Delhi	Sales & Marketing, Operations and General Management & providing Incubation services to early stage tech startups
4.	Mr. Nagesh Pinge	Chartered Accountant and Law Graduate from India. Completed Executive Education Program from The Stephen M Ross School of Business of the University of Michigan, USA	Ethics, Corporate Governance, Risk Management & Internal Audit
5.	Mr. Sunil Srivastav	Bachelor's Degree in Science from Delhi University and Master's degree in Management studies from Faculty of Management Studies (FMS), Banaras Hindu University. Certified Associate of Indian Institute of Bankers. Completed "Negotiation Dynamics" from INSEAD, Paris.	Banking & Financial Services
6.	Mr. Rakesh Singh	Post-Graduation in International Relations from University of Lucknow; Advance Management Program from Harvard Business School & Executive Program in Business Management from Indian Institute of Management, Calcutta	Banking & Financial Services

The Board members collectively display the following qualities:

- Integrity: fulfilling a Director's duties and responsibilities;
- Curiosity and courage: asking questions and persistence in challenging management and fellow board members where necessary;
- Interpersonal skills: working well in a group, listening well, tact and ability to communicate their point of view frankly;
- Interest: in the organisation, its business and the people;
- Instinct: good business instincts and acumen, ability to get to the crux of the issue quickly;
- Belief in diversity;
- Active participation: at deliberations in the Meeting

The Board of Directors of your Company are professionals, possessing wide experience and expertise in their areas of function and with their collective wisdom fuel your Company's growth.

Board's Functioning and Procedure

Your Company's Board plays a pivotal role in ensuring good governance and functioning of the Company. The Board's role, functions, responsibilities and accountabilities are well defined. All relevant information is regularly placed before the Board. The Members of the Board have complete freedom to express their opinion and decisions are taken after detailed discussions.

The Board meets at least once in every quarter to review the quarterly results and other items on the agenda and additional Meetings are held to address specific needs and business requirements of your Company. The information as required under Schedule V (C) of the SEBI Listing Regulations is made available to the Board.

The Company makes available video conferencing facility or other audio visual means for attending the Meetings of the Board and Committees. The notice of Board/ Committee Meetings is given in advance to all the Directors (other than if held by shorter notice for which consent is obtained). The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Agenda of the Board/ Committee Meetings is finalised by the Company



Corporate Governance Report (Contd.)

Secretary in consultation with the Non-Executive Director and Managing Director & Chief Executive Officer of the Company. Agenda papers are circulated a week prior to the date of the Meeting to enable the Board/ Committee Members take informed decisions at the Meetings. The Agenda for the Board and Committee Meetings covers items set out as per the applicable regulations, directions and guidelines. Prior approval is also obtained from the Board for circulating agenda items with shorter notice for matters that are in the nature of Unpublished Price Sensitive Information (“UPSI”).

6 (Six) Board Meetings were held during the financial year under review.

The details of the Board Meetings held during the financial year under review, dates on which held, Board strength and number of Directors present are as follows:

Date of Board Meeting	Board Strength	No. of Directors Present
12 th April 2023	7	5
9 th May 2023	7	7
31 st July 2023	7	7
1 th November 2023	6	6
30 th January 2024	6	5
11 th March 2024	6	6

The Board has unfettered and complete access to any information within your Company. Members of the Board have complete freedom to express their views on agenda items and can discuss any matter at the Meeting with the permission of the Chairperson. The Board periodically reviews all the relevant information, which is required to be placed before it pursuant to Regulation 17 read with Part A of Schedule II of the SEBI Listing Regulations and in particular reviews and approves corporate strategies, business plans, annual budgets and capital expenditure, etc. The Board provides strategic direction and oversight to ensure that your Company is managed in a manner that fulfils stakeholders’ aspirations and societal expectations.

The details of attendance of each Director at the Board Meeting(s) held during the financial year under review and at the previous Annual General Meeting (“AGM”) of the Members of the Company held on 16th August 2023, held on MS Teams, are as follows:

Name of the Director	No. of Board Meetings		Attended Last AGM
	Held	Attended	
Ms. Vishakha Mulye	6	5	Yes
Mr. Subhash Chandra Bhargava	6	6	Yes
Mr. Rakesh Singh	6	6	Yes
Mr. Rajat Kumar Jain	6	6	Yes
Mr. Nagesh Pinge	6	6	Yes
Ms. Alka Bharucha [@]	3	3	No
Mr. Kamlesh Rao [*]	3	2	No
Mr. Sunil Srivastav [#]	3	2	NA#

[@]Tenure as an Independent Director completed w.e.f 27th August 2023

^{*}Resigned as Director with effect from 29th August 2023

[#]Appointed as a Director with effect from 1st November 2023

Code of Conduct for Board Members and Senior Management

In compliance with Regulations 17(5) and 26(3) of the SEBI Listing Regulations, the Company has adopted a Code of Conduct for the Board Members and Senior Management of the Company (“the Code”). The Code is applicable to all the Board Members and Senior Management of the Company. The Code is available on your Company’s website at <https://finance.adityabirlacapital.com>.

The Senior Management Personnel of the Company have made disclosures to the Board confirming that there are no material financial transactions between them and the Company, that could have potential conflict of interest with the Company at large.

All the Board Members and Senior Management Personnel have confirmed compliance with the Code during the financial year under review and a declaration to that effect signed by the Managing Director & CEO of the Company forms part of this Annual Report.

Board Induction, Training and Familiarisation

A letter of appointment together with an induction kit is given to the Independent Directors at the time of their appointment setting out their roles, functions, duties and responsibilities.

The Directors are familiarised with your Company’s businesses and its operations by providing business updates of its products at its periodic Board meeting. Interactions are held between the Directors and Senior Management of your Company from time to

time. Directors are familiarised with the organisational set-up, functioning of various departments, internal control processes and relevant information pertaining to your Company. The details of the said familiarisation programmes are available on your Company's website at <https://finance.adityabirlacapital.com>.

Performance evaluation of the Board

A formal mechanism has been adopted for evaluating the performance of the Board, covering Independent Directors, Non-Executive Directors (Non-Independent), the Board Committees, the Board and the Chairman of the Board.

During the year under review, considering the evolving good governance practices in India, the Nomination and Remuneration Committee ("NRC") approved revised Board Evaluation Framework.

The evaluation is based on criteria which include, amongst others, providing strategic perspective, time devoted and preparedness for Meetings, quality, quantity and timeliness of the flow of information between the Board Members and the Management, contribution at the Meetings, effective decision-making ability, role and effectiveness of the Committees, etc. The Directors duly completed and submitted the questionnaires providing feedback on functioning of the Board as a whole, individual directors Committees, and the Chairman of the Board.

Further details are mentioned in the Boards' Report.

Performance Evaluation Criteria for Independent Directors

The Directors other than Independent Directors of your Company evaluate the following:

- performance of Independent Directors
- fulfilment of the independence criteria as specified in SEBI Listing Regulations, the Act and their independence from the management

The evaluation is based on the following criteria as to how an Independent Director:

1. Director understands and fulfils the functions as assigned by the Board and the law;
2. Invests time in understanding the Company and its unique requirements;
3. Brings in external knowledge and perspective to the table for;

4. Expresses his/her views on the issues discussed at the Board; and
5. Keeps himself/herself current on areas and issues that are likely to be discussed at the Board level;
6. Preparation and Participation of the Director in meetings.

Separate Meeting of Independent Directors

In accordance with the provisions of Schedule IV of the Act and Regulation 25 (3) of the SEBI Listing Regulations and SS 1 - 2.3 of the Secretarial Standard on the Meetings of Board of Directors, a Meeting of the Independent Directors of your Company was held on 28th March 2024 without the presence of the Non-Independent Directors and the Members of the Management. The Meeting was attended by 3 (Three) Independent Directors. They discussed matters, including the performance/ functioning of the Company, reviewed the performance of other Non-Executive Directors and the Managing Director & CEO, assessed the quality, quantity and timeliness of flow of information between the Management and the Board, that is necessary for the Board to effectively and reasonably perform their duties, etc.

Prohibition of Insider Trading

In terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, your Company adopted a Code of Conduct to Regulate, Monitor and Report trading by Designated Persons in listed or proposed to be listed securities of the Company ("the Insider Code"). The Insider Code aims at preserving and preventing misuse of unpublished price sensitive information. All Designated Persons of the Company (as defined under the Insider Code) are covered under the Insider Code, which provides inter alia for periodical disclosures and obtaining pre-clearances for trading in the non-convertible debentures (NCDs) of your Company.

Your Company has in place, a tracking mechanism for monitoring trade in the NCDs of the Company by the Designated persons identified under the Insider Code. Further, a structured digital database is maintained, which contains the names and other particulars as prescribed, of the people covered under the Insider Code. The Board has also adopted a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("UPSI") which also includes details of your Company's policy for determination on 'legitimate purposes' as



Corporate Governance Report (Contd.)

per the requirements of the SEBI (Prohibition of Insider Trading) Regulations and is available on the website of the Company at <https://finance.adityabirlacapital.com>.

The Board and designated persons covered under the Insider Code have affirmed compliance with the Insider Code. The PIT Regulation Committee was constituted for the purpose of monitoring compliance with the aforesaid Code. Mr. Ankur Shah, Company Secretary is the "Compliance Officer" in terms of the Insider Code.

The Audit Committee reviews compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 confirming that the systems for internal control for the purpose are adequate and are operating effectively.

II. COMMITTEES

Your Board has constituted the Committees with specific terms of reference as per the requirements of the Act, SEBI Listing Regulations, RBI's Master Directions and other applicable provisions. The Board accepted all recommendations of the Committees of the Board, during the financial year under review.

The Board Committees play a vital role in the effective compliance and governance of the Company in line with their specified and distinct terms of reference and role and responsibilities. The Chairman of the respective Committees report to the Board on the deliberations and decisions taken by the Committees and conduct themselves under the supervision of the Board. The minutes of the Meetings of all Committees are placed before the Board for its perusal on a regular basis.

Your Board has presently constituted the following Committees including pursuant to the provisions of the Act, SEBI Listing Regulations and RBI Master Directions:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders Relationship Committee;
4. Risk Management Committee;
5. Corporate Social Responsibility Committee;
6. Asset Liability Management Committee;
7. PIT Regulation Committee; and
8. IT Strategy Committee.

The details of the Committees are elaborated hereunder:

1. AUDIT COMMITTEE

A qualified and independent Audit Committee has been constituted pursuant to the provisions of Section 177 of the Act, Regulation 18 of the SEBI Listing Regulations and RBI Master Directions.

All the Members of the Audit Committee are financially literate. The Chairman and Members of the Audit Committee have accounting or related financial management expertise.

The Statutory and Internal Auditors of your Company are invited to attend the Audit Committee Meetings. In addition, other Senior Management Personnel are also invited to the Audit Committee Meetings from time to time, for providing such information as may be necessary. The Company Secretary acts as the Secretary to the Audit Committee.

The Audit Committee, along with the Statutory Auditor, reviews the quarterly, half yearly and annual financial results at the Audit Committee meetings, before recommending them to the Board of Directors. All the recommendations of the Committee have been accepted by the Board, during the year under review.

The Chairman of the Audit Committee, Mr. Nagesh Pinge, attended the Annual General Meeting of the Company held on 16th August 2023.

The Audit Committee monitors and effectively supervises your Company's financial reporting process with a view to provide accurate, timely and proper disclosures and maintain the integrity and quality of financial reporting.

The terms of reference and powers of the Audit Committee are as specified in Section 177 of the Act and Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations to oversee any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, as considered necessary. The terms of reference broadly include oversight of the Company's financial reporting process and disclosure of its financial information, review of financial statements, review of compliances and review of systems and controls, approval of transactions with related parties, review compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

During the financial year under review, the Audit Committee reviewed the internal controls put in place to ensure that the accounts of your Company are properly maintained and that the accounting transactions are in accordance with applicable accounting policies and standards. In conducting such reviews, the Committee found no material discrepancy or weakness in the internal control system of your Company.

Meetings, Composition and attendance during the financial year under review

During the financial year under review, the Audit Committee met 6 (Six) times to deliberate on various matters and the gap between any two Meetings was not more than 120 (One Hundred Twenty) days. The requisite quorum was present for all the Meetings. During the financial year under review, Audit Committee Meetings were held on 9th May 2023, 31st July 2023, 1st November 2023, 30th January 2024, 11th March 2024 and 18th March 2024.

The composition and attendance during the financial year under review are as follows:

Name of Member	Member of Committee since	Category / capacity	No. of Meetings		No. of shares held in the Company
			Held	Attended	
Mr. Nagesh Pinge (Chairman)	09-03-2023	Independent	6	6	Nil
Ms. Alka Bharucha [#]	04-02-2021	Independent	2	2	Nil
Ms. Vishakha Mulye	21-10-2022	Non-Executive Non-Independent	6	6	Nil
Mr. Subhash Chandra Bhargava	09-03-2023	Independent	6	6	Nil
Mr. Rajat Kumar Jain [@]	28-08-2023	Independent	4	4	Nil

[#]Tenure as an Independent Director completed w.e.f 27th August 2023

[@]Appointed as a Member w.e.f. 28th August 2023

2. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee has been constituted pursuant to the applicable provisions of Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations and the RBI Guidelines on Compensation of Key Managerial Personnel (KMP) and Senior Management in NBFCs. The Committee is mainly entrusted with the responsibility of formulating criteria for determining the qualifications, positive attributes and independence of the present and proposed Directors and senior management as well as recommending a policy to the Board relating to the remuneration of Directors, Key Managerial Personnel and Senior Management Personnel.

The terms of reference of the Nomination and Remuneration Committee, inter alia, includes formulation of criteria for determining qualifications, positive attributes and independence of a director, recommendation of persons to be appointed to the Board and senior management and specifying the manner for effective evaluation of performance of Board, its Committees, Chairman and individual

directors, recommendation of remuneration policy for directors, key managerial personnel and other employees, formulation of criteria for evaluation of performance of independent directors and the Board, devising a policy on Board diversity, etc. The Committee also reviews the remuneration of the senior management team. The Committee acts as a Nomination Committee, as per the RBI Regulations, to ensure 'fit and proper' status of the directors to be appointed/re-appointed and recommend their appointment/ re-appointment to the Board.

Meetings, Composition and attendance during the financial year under review

During the financial year under review, the Committee met 5 (Five) times to deliberate on various matters and the Meetings were held on 9th May 2023, 31st July 2023, 1st November 2023, 30th January 2024 and 11th March 2024. The requisite quorum was present for all the Meetings.

The Chairman of the Nomination and Remuneration Committee, Mr. Subhash Chandra Bhargava, attended the Annual General Meeting of the Company held on 16th August 2023. The Company Secretary acts as Secretary to the Committee.



Corporate Governance Report (Contd.)

The composition and attendance during the financial year under review are as follows:

Name of the Member	Member of Committee since	Category / capacity	No. of Meetings		No. of shares held in the Company
			Held	Attended	
Mr. Subhash Chandra Bhargava (Chairman)	02-08-2022	Independent	5	5	Nil
Ms. Vishakha Mulye	21-10-2022	Non-Executive Non-Independent	5	5	Nil
Ms. Alka Bharucha [§]	09-03-2023	Independent	2	2	Nil
Mr. Nagesh Pinge [#]	28-08-2023	Independent	3	3	Nil

[§]Tenure as an Independent Director completed w.e.f 27th August 2023

[#]Appointed as a Member w.e.f. 28th August, 2023

Remuneration Policy

Your Company has adopted an Executive Remuneration Philosophy/Policy in compliance with the requirements under the Act, SEBI Listing Regulations and RBI Circular no. RBI/2022-23/36 DOR.GOV.REC.No. 29/18.10.002/2022-23 dated 29th April 2022 for Guidelines on Compensation of Key Managerial Personnel (KMP) and Senior Management in NBFCs, under Scale Based Regulation (“SBR”) framework for NBFCs effective from 1st April 2023.

The Policy has been published as **Annexure III** to the Board’s Report, which forms part of this Annual Report.

Your Company has in place a Directors and Officers Liability Insurance Policy for the Company, covering all Directors including Independent Directors of your Company.

3. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee has been constituted pursuant to the provisions of Section 178 of

the Act and Regulation 20 read with Part D of Schedule II of the SEBI Listing Regulations.

The terms of reference of the Stakeholders Relationship Committee, inter alia, includes Monitoring and resolving the grievances of the security holders of the Company received from the shareholders, Debenture holders of the Company, other security holders, review of measures taken for effective exercise of voting rights by security holders, review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent.

Meetings, Composition and attendance during the financial year under review

During the financial year under review, the Stakeholders Relationship Committee met once, on 8th May 2023. The Chairman of the Stakeholders Relationship Committee, Mr. Subhash Chandra Bhargava is an Independent Director. The requisite quorum was present at the Meeting. The Company Secretary acts as Secretary to the Committee and also responsible for redressal of investor complaints.

The composition and attendance during the financial year under review are as follows:

Name of Member	Member of Committee since	Category / capacity	No. of Meeting(s)		No. of shares held in the Company
			Held	Attended	
Mr. Subhash Chandra Bhargava (Chairman)	02-02-2022	Independent	1	1	Nil
Mr. Rakesh Singh	04-02-2021	MD & CEO	1	1	Nil
Ms. Vishakha Mulye	09-03-2023	Non-Executive Non-Independent	1	1	Nil

Number of Complaint(s) received so far / number not solved to the satisfaction of security holders / number of pending complaint(s)

The Company did not receive any complaint from any security holder(s) during the financial year 2023-24.

4. RISK MANAGEMENT COMMITTEE

The Risk Management Committee has been constituted pursuant to the provisions of Regulation 21 of the SEBI Listing Regulations and RBI Master Directions, to frame, implement and monitor the risk management plan of the Company.

Risk Management is the process that can contribute progressively to organisational improvement by providing Management with a greater insight into risks and their impact. The Company has a robust Risk Management framework which proactively addresses risks and seizes opportunities so as to gain competitive advantage and protects and creates value for your stakeholders.

The terms of reference of the Risk Management Committee, inter alia, include overall responsibility to monitor and approve the Risk Management Framework, assist the Board in determining the measures that can be adopted to mitigate the risk, to formulate / review a policy which shall include a framework for identification of internal and external risks faced by the entity including financial, operational, sectoral, sustainability, information, cyber security risks or any other risk as may be determined by the Committee.

Meetings, Composition and attendance during the financial year under review

During the financial year under review, the Risk Management Committee met 4 (Four) times on 8th May 2023, 28th July 2023, 30th October 2023 and 29th January 2024. The requisite quorum was present for all the Meetings. The Company Secretary acts as the Secretary to the Committee.

The composition and attendance during the financial year under review are as follows:

Name of the Member	Member of Committee since	Category / capacity	No. of Meetings		No. of shares held in the Company
			Held	Attended	
Mr. Subhash Chandra Bhargava (Chairman)^	04-02-2021	Independent Director	4	4	Nil
Mr. Nagesh Pinge#	31-07-2023	Independent Director	2	2	Nil
Ms. Vishakha Mulye	21-10-2022	Non-Executive Non-Independent Director	4	4	Nil
Mr. Rakesh Singh	27-07-2011	Managing Director & CEO	4	4	Nil
Mr. Deep Pal Singh	25-03-2022	Chief Risk Officer	4	4	Nil
Mr. Ajay Singh@	18-01-2013	Head - Wholesale Risk	2	2	Nil

^Re-designated as the Chairman of Committee w.e.f 31st July 2023

#Appointed as a Member with effect from 31st July 2023

@Resigned as a Member with effect from 29th September 2023

5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee (“CSR”) has been constituted pursuant to the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended.

The terms of reference of the Corporate Social Responsibility Committee, inter alia, include formulation of

CSR policy indicating the activities to be undertaken by the Company as per regulatory requirements and recommend the same to the Board, recommending to the Board the annual action plan and the amount to be spent on CSR activities, review, approve and recommend to the Board of Directors, the CSR projects/programs to be undertaken by the Company.



Corporate Governance Report (Contd.)

Meetings, Composition and attendance during the financial year under review

The Corporate Social Responsibility Committee comprises of an Independent Director, a Non-Executive Director and the Managing Director & CEO. Mrs. Rajashree Birla, Chairperson of Aditya Birla Centre for Community Initiatives and Rural Development and Dr. Pragnya Ram, Group Executive President, CSR, are permanent invitees

to the Meetings of Corporate Social Responsibility Committee. The Company Secretary acts as Secretary to the Committee.

During the financial year under review, the Corporate Social Responsibility Committee met 2 (Two) times on 21st June 2023 and 12th March 2024. The requisite quorum was present for the Meetings.

The composition and attendance during the financial year are as follows:

Name of the Member	Member of Committee since	Category / capacity	No. of Meetings		No. of shares held in the Company
			Held	Attended	
Ms. Alka Bharucha (Chairperson) [@]	02-08-2022	Independent	1	1	Nil
Mr. Rajat Kumar Jain (Chairman) [#]	28-08-2023	Independent	1	1	Nil
Ms. Vishakha Mulye	21-10-2022	Non-Executive Non-Independent	2	2	Nil
Mr. Rakesh Singh	04-02-2021	MD & CEO	2	2	Nil

[@]Tenure as an Independent Director completed w.e.f 27th August 2023

[#]Appointed as Chairman w.e.f 28th August 2023

The Committee recommends to the Board the Corporate Social Responsibility activities to be undertaken during the year and amount to be contributed towards such activities.

6. ASSET-LIABILITY MANAGEMENT COMMITTEE

The Asset-Liability Management Committee has been constituted under RBI Master Directions and in line with regulations / guidelines issued by the Reserve Bank of India.

The terms of reference of the Asset-Liability Management Committee, inter alia, include Governance of Liquidity Risk Management by ensuring adherence to the risk tolerance/

limits set by the Board, review the Pricing of Assets and Liability and monitor the Sensitivity of Interest Rates, monitoring market risk, compliance with the asset liability management policy and prudent gaps and tolerance limits and reporting systems set out by the Board of Directors and ensuring adherence to the RBI Directions issued in this behalf from time to time.

Meetings, Composition and attendance during the financial year under review

During the financial year under review, the Asset-Liability Management Committee met 12 (Twelve) times. The requisite quorum was present for the Meetings.

The composition and attendance during the financial year under review are as follows:

Name of Member	Member of Committee since	Category/Designation	No. of Meetings		No. of shares held in the Company
			Held	Attended	
Mr. Rakesh Singh	27-07-2011	MD & CEO	12	12	Nil
Mr. Tushar Shah	22-10-2014	CEO - PSFG & KMP	12	7	Nil
Mr. Pradeep Agrawal	23-10-2021	CFO	12	12	Nil
Mr. Deep Pal Singh	02-02-2022	CRO	12	12	Nil
Mr. Ajay Singh [^]	30-07-2015	Head - Wholesale Risk	6	3	Nil
Mr. Chandramohan Amritkar	18-01-2013	Head - Treasury	12	8	Nil
Mr. Ram Jayaraman [#]	31-07-2023	CTO	8	7	Nil
Ms. Pinky Mehta [@]	04-02-2021	CFO - ABCL	7	3	Nil

[^]Resigned from the Company w.e.f. 29th September 2023

[#]Appointed as a Member w.e.f. 31st July 2023

[@]Resigned as a Member w.e.f. 1st November 2023

7. PIT REGULATION COMMITTEE

The PIT Regulation Committee has been constituted pursuant to the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“PIT Regulation”), the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) 2003, the Code of Conduct to Regulate, Monitor and Report trading by designated persons in the listed or proposed to be listed securities of the Company and the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information of the Company. The Company Secretary acts as the Secretary to the Committee.

The terms of reference of PIT Regulation Committee, inter alia, includes identification/ reviewing the list of persons

to be included in the list of designated persons under the Code of Conduct, at regular intervals, on the basis of their role, function and access to Unpublished Price Sensitive Information (“UPSI”), review the functioning of the mechanism adopted for monitoring trade in the securities of the Company by the Designated persons as identified under the Code of Conduct.

Meetings, Composition and attendance during the financial year under review

During the financial year under review, the PIT Regulation Committee met once on 8th May 2023. The necessary quorum was present in the Meeting. The Company Secretary acts as the Secretary of the Committee.

The composition and attendance during the financial year are as follows:

Name of Member	Member of Committee since	Category/ Designation	No. of Meetings		No. of shares held in the Company
			Held	Attended	
Mr. Subhash Chandra Bhargava (Chairman)	10-09-2019	Independent Director	1	1	Nil
Mr. Rakesh Singh	10-09-2019	MD & CEO	1	1	Nil
Mr. Pradeep Agrawal	30-10-2021	CFO	1	1	Nil

8. IT STRATEGY COMMITTEE

Pursuant to Reserve Bank of India’s Circular on Information Technology Framework for NBFCs and in line with the Company’s initiatives to implement information security management system, the Company has constituted IT Strategy Committee to focus on IT Governance, IT policy along with Business Continuity, Information & Cyber Security, IT Operations, IS Audit and IT Services Outsourcing.

The terms of reference of the IT Strategy Committee, inter alia, include approval of IT strategy and policy documents, review and amend the IT strategies, cyber

security arrangements and any other matter related to IT Governance, establishment of the Information Security Management System (ISMS) objectives.

Meetings, Composition and attendance during the financial year under review

During the financial year under review, the ITS Committee met 4 (four) times on 10th May 2023, 28th July 2023, 30th October 2023 and 29th January 2024. The requisite quorum was present for all the Meetings. The Chief Technology Officer / Head of Information Technology acts as the Secretary of the Committee.



Corporate Governance Report (Contd.)

The composition and attendance during the financial year are as follows:

Name of Member	Member of Committee since	Category/ Designation	No. of Meetings		No. of shares held in the Company
			Held	Attended	
Mr. Rajat Kumar Jain (Chairman)	09-03-2023	Independent	4	4	Nil
Mr. Rakesh Singh	26-10-2017	MD & CEO	4	4	Nil
Mr. Gopakumar Panicker [^]	26-10-2017	CISO	Nil	Nil	Nil
Mr. Pradeep Agrawal	02-02-2022	CFO	4	4	Nil
Mr. Deep Pal Singh	02-02-2022	CRO	4	4	Nil
Mr. Nikesh Gupta	02-02-2022	COO	4	3	Nil
Mr. Ramesh Mallya [^]	09-03-2023	Chief Technology Officer	1	0	Nil
Mr. Ram Jayaraman [@]	31-07-2023	Chief Technology Officer	2	2	Nil
Mr. Rajesh Nadkarni [#]	31-07-2023	CISO	2	2	Nil

[^]Ceased to be a Member w.e.f. 2nd May 2023

[^]Ceased to be a Member w.e.f. 12th May 2023

[@]Appointed as a Member w.e.f. 31st July 2023

[#]Appointed as a Member w.e.f. 31st July 2023

III. WHISTLE BLOWER POLICY / VIGIL MECHANISM

In compliance with the provisions of Section 177(9) of the Act, Regulation 22 of the SEBI Listing Regulations and other applicable provisions, the Company has framed its Whistle Blower Policy. The Whistle Blower Policy/Vigil mechanism provides a mechanism for employees and other parties to report instances and concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. Adequate safeguards are provided against victimisation to those who avail the mechanism and direct access to the Chairman of the Audit Committee is provided to them. During the financial year under review, no personnel was denied access to the Audit Committee. Summary of cases as and when reported, along with status is placed before the Audit Committee and Board for their review and discussion. The Policy is in line with the Company's Code of Conduct, Vision and Values and is available on your Company's website at <https://finance.adityabirlacapital.com>.

IV. OTHER DISCLOSURES

Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange(s) or SEBI or RBI or any other statutory authority, on any matter relating to capital markets, during the last three years.

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no strictures/penalties have been imposed on the Company by the Stock Exchanges or the Securities and Exchange Board of India or any other Statutory Authority. Further, there have been no penalties or stricture imposed on the Company by the Reserve Bank of India and there has been no default in compliance with the requirements of Companies Act, 2013, including with respect to compliance with accounting and secretarial standards except as stated below:

- (i) SEBI had imposed a penalty of ₹1 Crore on your Company under Section 15HA of the SEBI Act, 1992. The Company had then filed an appeal on 21st October 2022, before the Securities Appellate Tribunal (SAT), against the said Order. Subsequently, by an order dated 27th February 2023, passed in the Appeal filed by the Company, the Securities Appellate Tribunal (SAT) granted a stay on the operation and effect of the SEBI Order, subject to deposit of ₹50 Lakh (Rupees Fifty Lakh only) by the Company with SEBI within 3 weeks from the date of the Order. The Company has accordingly deposited the said amount of ₹50 Lakh with SEBI on 6th March 2023 and the matter is pending.

Related Party Transactions

During the financial year under review, your Company had entered into related party transactions which were on an arm's length basis and in the ordinary course of business. There were no material transactions with any related party as per the provisions of Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014. Under Regulation 23 of the SEBI Listing

Regulations there were no materially significant related party transactions that may have potential conflict with the interests of the Company at large, during the year. All related party transactions were approved by the Audit Committee of the Company.

Particulars of related party transactions are listed out under the notes to the Financial Statements forming part of this Annual Report. The policy on Related Party Transactions is available on your Company's website at <https://finance.adityabirlacapital.com>.

Disclosure of accounting treatment

Your Company has followed all the applicable Accounting Standards while preparing the Financial Statements.

Management

1. The Management Discussion and Analysis forms part of this Annual Report and is in accordance with the requirements laid out in RBI Master Directions.
2. No material transaction has been entered into by the Company with its related parties that may have a potential conflict with the interests of the Company.

Remuneration of Managing Director and Chief Executive Officer

Details of remuneration of the Managing Director and CEO for the year ended 31st March 2024 are as follows:

Name of the Director	Salary	Allowance/Benefits	Bonus	Perquisites & Contributions	Stock Options	
					Granted	Exercised
Mr. Rakesh Singh	1,96,67,340	2,10,74,535	5,24,50,000	5,07,54,200	2,84,742*	0

*Grant is pertaining to FY 2022-23

Note: Mr. Rakesh Singh is not eligible for any severance fee. Service contract and the notice period are as per the terms of agreement entered into by him with the Company.

The details of remuneration paid to Managing Director and CEO have been provided in Note 47 (Related party transactions) of the Financial Statements and in form MGT-7, uploaded on the website of the Company at <https://finance.adityabirlacapital.com>.

Remuneration of Non-Executive Directors

Independent Directors are paid sitting fees of ₹1,00,000 for each Meeting of the Board, ₹75,000 for each Meeting of the Audit Committee and ₹50,000 for each Meeting of other Committees attended by them. Your Company does not pay commission to the Directors of the Company.

Further, the Company reimburses the out-of-pocket expenses incurred by these Directors for attending the Meetings.

The Company is paying remuneration to Mr. Rakesh Singh, Managing Director and CEO, which is in compliance with the applicable rules and regulations. Other than the above, the Company is not paying any kind of remuneration/Commission to its Directors.



Corporate Governance Report (Contd.)

Details of sitting fees paid to the Independent Directors for attending the Meetings of Board and the Board Committees during the financial year under review were as follows:

Name of the Director	Board Meeting	Committees								Total
		Audit	Risk	NRC	CSR	Finance	IT Strategy	SRC	PIT	
Ms. Alka Bharucha	3,00,000	1,50,000	-	1,00,000	50,000	-	-	-	-	6,00,000
Mr. Subhash Chandra Bhargava	6,00,000	4,50,000	2,00,000	2,50,000	-	2,00,000	-	50,000	50,000	18,00,000
Mr. Nagesh Pinge	6,00,000	4,50,000	1,00,000	1,50,000	-	-	-	-	-	13,00,000
Mr. Rajat Kumar Jain	6,00,000	3,00,000	-	-	50,000	-	2,00,000	-	-	11,50,000
Mr. Sunil Srivastav	2,00,000	-	-	-	-	-	-	-	-	2,00,000

There were no pecuniary relationships or significant material transactions between the Company and Non-Executive Directors during the financial year under review.

CEO / CFO CERTIFICATION

Mr. Rakesh Singh, Managing Director & Chief Executive Officer and Mr. Pradeep Agrawal, Chief Financial Officer of your Company have issued necessary certificate pursuant to the provisions of Regulation 17(8) of the SEBI Listing Regulations, for financial year 2023-24 which was placed before the Audit Committee and Board at its respective Meetings held on 10th May 2024, and the same forms part of this Annual Report.

Compliance with Corporate Governance requirements

The Company has complied with the Corporate Governance requirements specified under Regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2) and Para C, D and E of Schedule V of the SEBI Listing Regulations to the extent applicable.

Confirmation of Criteria of Independence

The Board of Directors of the Company confirm that the Independent Directors fulfil the conditions specified in the Act, SEBI Listing Regulations and are Independent of the Management.

Processing System (NEAPS) and BSE Portal for Electronic filing

The financial results and other intimations/ disclosures required to be made to the Stock Exchanges are electronically filed through NSE Electronic Application Processing System (NEAPS) portal i.e. <https://neaps.nseindia.com/NEWLISTINGCORP/> and BSE portal i.e. <https://listing.bseindia.com>

Adoption of Mandatory and Discretionary Requirements

During the financial year under review, the Company has complied with all the mandatory requirements of the SEBI Listing Regulations as applicable to the Company, being a High Value Debt listed Company.

The Company complied with the following discretionary requirement of the SEBI Listing Regulations:

- For the financial year 2023-24, the Company's financial statements are with unmodified audit opinion.
- The Internal Auditors directly report to the Audit Committee.

Other Disclosures:

- Total fees paid by the Company for all services rendered by the joint statutory auditors of the Company viz. M/s. MSKA & Associates and M/s. Singhi & Co. during the financial year under review was as under:

Particulars	FY 2023-24		
	DHS	Singhi & Co.	MSKA & Asso.
Audit Fees & Limited Review	16.03	101.27	121.86
Tax Audit	-	-	11.34
Other Services	1.41	3.43	-
Total	17.44	104.70	133.20

- During the financial year under review, no complaint was received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, ("POSH Act, 2013").

Corporate Governance Report (Contd.)

3. During the financial year under review, 5 (five) complaints were received under the Whistle Blower Policy and the same were duly addressed.
4. As the number of shareholders of your Company were not exceeding 200, the provisions of passing resolution(s) through postal ballot are not applicable.
5. Only the Non-convertible Debentures of your Company are listed on the following Stock Exchanges:

National Stock Exchange of India Limited	BSE Limited
Listing Department, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400051	P J Towers, Dalal Street, Mumbai - 400001
6. Link Intime India Private Limited (Registration Number: INR000004058) is the Registrar & Share Transfer Agent of your Company;
7. There are no outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments that can have any impact on equity of your Company;
8. The list of all credit ratings obtained by the entity is provided in the Boards' report;
9. There have been no instances of suspension of securities for trading;
10. The Company is exposed to foreign currency exchange rate fluctuation risk for its foreign currency borrowings. The Company's borrowings in foreign currency are governed by RBI guidelines. The Company hedges its entire External Commercial Borrowings ("ECB") foreign currency exposure for the full tenure of the ECB as per the Board approved Policy. The Company is not exposed to commodity price risk.
11. During the year under review, there were no recommendations made by any Committee of the Board that were mandatorily required and not accepted by the Board.
12. During the year under review, no loans and advances were given to any firms/ companies in which any of the Directors are interested.
13. The Company has received a certificate from M/s. N L Bhatia & Associates, Practising Company Secretaries to the effect that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of the Company by SEBI/Ministry of Corporate Affairs or such other statutory authority. The said certificate forms part of this Annual Report.

SHAREHOLDERS & GENERAL INFORMATION

a) Details of special resolutions at Annual General Meetings (AGMs) and Extra Ordinary General Meetings (EGMs)

The following special resolutions were passed in the General Meetings held in the three previous years:

Type of Meeting	Date and Place	Subject matter of special resolutions passed
2021		
AGM (30 th)	16 th August 2021 (2.00 p.m.) - Audio visual	Revision of remuneration of Mr. Rakesh Singh, Managing Director & CEO
EGM	16 th December 2021 (10.45 a.m.) - One World Centre, Tower 1 C, 18 th Floor, Jupiter Mill Compound, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013.	Continuation of Directorship of Mr. Subhash Chandra Bhargava (DIN - 00020021) as the Independent Director of the Company
2022		
AGM (31 st)	25 th August 2022 (10.30 a.m.) - Audio visual	Revision of remuneration of Mr. Rakesh Singh, Managing Director & CEO
EGM	4 th October 2022 (2.00 p.m.) - Audio visual	<ol style="list-style-type: none"> 1. Alteration of Object Clause in Memorandum of Association of the Company 2. Adoption of Aditya Birla Finance Limited Employee Stock Option Scheme 2022 3. Approve extending the benefit of Aditya Birla Finance Limited Employee Stock Option Scheme 2022 to the Employees of present or future Holding and / or Subsidiary Company(ies) of the Company



Corporate Governance Report (Contd.)

Type of Meeting	Date and Place	Subject matter of special resolutions passed
EGM	7 th November 2022 (09.30 a.m.) - ABFL Board Room, 18 th Floor, Tower 1, One World Centre, Jupiter Mill Compound, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013	<ol style="list-style-type: none"> Approval of borrowing limits of the Company Creation of Charges on the Assets of the Company Private Placement of Non-Convertible Debentures Adoption of Aditya Birla Capital Limited Employee Stock Option and Performance Stock Unit Scheme 2022 ("ABCL Scheme 2022") and the extension of the benefits under the ABCL Scheme 2022 to the Employees of the Company
EGM	3 rd March 2023 (10.35 a.m.) - Audio visual	<ol style="list-style-type: none"> Alteration of Object Clause in Memorandum of Association of the Company Appointment of Mr. Rajat Kumar Jain (DIN - 00046053) as an Independent Director of the Company Appointment of Mr. Nagesh Pinge (DIN - 00062900) as an Independent Director of the Company
2023		
AGM (32 nd)	16 th August 2023 (11.30 a.m.) - Audio visual	<ol style="list-style-type: none"> Private Placement of Non-Convertible Debentures Revision of Remuneration of Mr. Rakesh Singh, Managing Director & CEO
EGM	13 th December 2023 (12.00 Noon) - Audio visual	<ol style="list-style-type: none"> Alteration of Articles of Association of the Company Appointment of Mr. Sunil Srivastav (DIN - 00237561) as an Independent Director of the Company Re-appointment of Mr. Subhash Chandra Bhargava (DIN - 00020021) as an Independent Director of the Company
2024		
EGM	11 th April 2024 (11.00 A.M.) - Audio visual	<ol style="list-style-type: none"> Approval of borrowing limits of the Company Creation of Charges on Assets of the Company

b) General Shareholder Information

Date, Time and Venue of the 33 rd Annual General Meeting	To be decided at a later Board meeting		
Year	2024		
Corporate Identification Number (CIN) / Registration no. of the Company as per Companies Act with the Registrar of Companies	U65990GJ1991PLC064603		
Dividend Payment Date	Not Applicable		
Annual Listing Fees	Annual Listing fees for the Financial Year 2024-25 has been paid to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)		
Market Price Data	Not Applicable as the Company is a debt listed entity		
Shareholding Pattern and the distribution of shareholding as on 31 st March 2023	Name of the Shareholder	No. of Equity Shares	Shareholding Pattern
	Aditya Birla Capital Ltd. (ABCL)	68,93,96,880	100
	Nominees of ABCL	50	
	Total	68,93,96,930	100
Address for correspondence	One World Centre, Tower 1-C, 18 th Floor, Jupiter Mill Compound, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013		
Registration / licence/ authorisation, obtained from other financial sector regulators	<ul style="list-style-type: none"> RBI's certificate of Registration no N.01.00500 dated 9th August 2011. RBI's certificate of Registration no. B.01.00636 dated 21st November 2023 to carry on the factoring business. Certificate of registration bearing number CA0868 dated 13th September 2023 issued by the Insurance Regulatory and Development Authority of India to act as a Corporate Agent (Composite). 		
Plant Location	The Company being a Non-Banking Finance Company does not have any manufacturing plant.		
Area and country of operation	Various States in India		

MEANS OF COMMUNICATION

Quarterly Results

The Company's quarterly/ half yearly/ annual financial results are submitted to the Stock Exchanges and published in Business Standard Newspaper (all editions).

Further, the quarterly/ half yearly/ annual financial results approved by the Board at its Meeting held for this purpose, are also simultaneously made available on Company's website at <https://finance.adityabirlacapital.com>.

Website

Your Company's website: <https://finance.adityabirlacapital.com> contains a separate section where SEBI and other Regulatory disclosures are available. Further, the Annual Report of your Company is available on the website.



DECLARATION

[Regulation 26(3) and Schedule V (D)]

I, Rakesh Singh, Managing Director & CEO of Aditya Birla Finance Limited, hereby declare that the Members of Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct of board of directors and senior management.

Dated on this 10th day of May, 2024

For **Aditya Birla Finance Limited**

Rakesh Singh

Managing Director & CEO

DIN - 07006067

COMPLIANCE CERTIFICATE

[Regulation 17(8) of SEBI LODR]

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
- (1) significant changes in internal control over financial reporting during the year;
 - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Dated on this 10th day of May 2024

For **Aditya Birla Finance Limited**

Rakesh Singh
Managing Director & CEO
DIN: 07006067

Pradeep Agrawal
Chief Financial Officer



CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
ADITYA BIRLA FINANCE LIMITED
Indian Rayon Compound
Veraval Gujrat- 362266

We have examined all the relevant records of Aditya Birla Finance Limited ('the Company') for the purpose of certifying compliance of the conditions of Corporate Governance as stipulated in Regulation 17 to 27, clauses (b) to (i) and (t) of Sub regulation (2) of Regulation 46 and Para C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period from April 1, 2023 to March 31, 2024. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27, clauses (b) to (i) and (t) of Sub regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Listing Regulations.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation process adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. This certificate is neither an audit nor an expression of opinion on the financial statements of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For N L Bhatia & Associates
Practising Company Secretaries
UIN: P1996MH055800
P/R No.:700/2020

Place: Mumbai
Date: 10th May 2024

N L Bhatia
Partner
FCS:1176
CP. No. 422
UDIN: F001176F00346906

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para-C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Aditya Birla Finance Limited
Indian Rayon Compound
Veraval Gujrat- 362266

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Aditya Birla Finance Limited having CIN: U65990GJ1991PLC064603 and having registered office at Indian Rayon Compound, Veraval Gujrat – 362266 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Ms. Vishakha Vivek Mulye	00203578	21 st October 2022
2.	Mr. Subhash Chandra Bhargava	00020021	25 th January 2019
3.	Mr. Rakesh Singh	07006067	23 rd July 2019
4.	Mr. Rajat Kumar Jain	00046053	09 th March 2023
5.	Mr. Nagesh Dinkar Pinge	00062900	09 th March 2023
6.	Mr. Sunil Srivastav	00237561	01 st November 2023

Note:

- Ms. Alka Marezban Bharucha (DIN: 00114067) retired as Independent Director of the company due to end of her tenure with effect from the 27th August 2023.
- Mr. Kamlesh Dayanand Rao (DIN: 07665616) resigned as Non-Executive Director of the Company with effect from the 29th August 2023.

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For N L Bhatia & Associates
Practising Company Secretaries
UIN: P1996MH055800
P/R NO.:700/2020

N L Bhatia
Partner
FCS:1176
CP. No. 422

Date: 10th May 2024
Place: Mumbai

UDIN: F001176F000346884



Annexure III

Executive Remuneration Philosophy / Policy

Aditya Birla Finance Limited ("the Company"/"We"/"Our") an Aditya Birla Group Company adopts this Executive Remuneration Philosophy/ Policy in accordance with the applicable regulations from time to time including the Companies Act 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") and the RBI guidelines on compensation of Key Managerial Personnel (KMP) and Senior Management in NBFCs vide circular no. RBI/2022-23/36 DOR.GOV.REC. No.29/18.10.002/2022-23 dated 29th April 2022 ('Applicable Law'). This philosophy/ policy is detailed below.

Aditya Birla Finance Limited: Executive Remuneration Philosophy/Policy

At the Aditya Birla Finance Limited, we expect our executive team to foster a culture of growth and prudent risk-taking. Our Executive Remuneration Philosophy / Policy supports the design of programs that align executive rewards (including fixed pay, variable pay and perquisites and benefits) with the long-term success of our Stakeholders.

Objective:

Our executive remuneration program is intended to:

1. Provide for monetary and non-monetary remuneration elements to our executives on a holistic basis.
2. To ensure effective governance of compensation practices and alignment with prudent risk taking.
3. To ensure that the compensation practices take on board the regulatory framework stipulated from time to time by RBI or any other relevant regulatory body.

Coverage:

This Policy shall be applicable to the following Executives:

1. Executive Director of the Company
2. Key Managerial Personnel (KMP)
 - a) CEO / Managing Director / Whole Time Director / Manager
 - b) Chief Financial Officer
 - c) Company Secretary

3. Senior Management Personnel: i.e., Officers / Personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Managing Director / Whole Time Director / CEO or Manager.

Governance Structure for Compensation:

1. The Nomination and Remuneration Committee ("NRC") is responsible for framing, review and implementation of the Company's compensation policy on behalf of the Board and its role is as set out in the NRC Charter / Terms of Reference.
2. The Nomination and Remuneration Committee may also co-ordinate with the Risk Management Committee with the objective of suitably aligning compensation with prudent risk taking as applicable.
3. This Policy is subject to review by the NRC on an annual basis or more frequently as required and approved by the Board.

Principles for Determination of Compensation for Executives:

Compensation to Executives shall be determined based on the following principles:

We aim to provide competitive remuneration opportunities to our executives by positioning target total remuneration (including fixed pay, variable pay and perquisites and benefits) directionally between median and top quartile of the primary talent market.

1. The level and composition of compensation is reasonable and sufficient to attract, retain and motivate the Executives of the quality required to run the Company successfully, which means compensation takes on board:
 - Market competitiveness for the role ('market' for every role is defined as companies from which the Company attracts talent or companies to which the Company loses talent).
 - The size and scope of the role (including those in control functions) and the market standing, skills and experience of incumbents while positioning our executives.
 - The size of the Company, complexity of the sector / industry / Company's operations and the Company's capacity to pay.

Annexure III (Contd.)

2. Linkage of compensation to appropriate performance benchmarks.
 3. Compensation outcomes are symmetric with risk outcomes and pay-outs thereof are sensitive to the time horizon of the risk.
 4. Compensation structure will have a proper balance between Fixed Pay and Variable Pay.
- Variable Pay payable is subject to Group, Company, Business / Function and Individual performance. Part of variable pay is deferred over a time horizon of 3 to 4 years in the manner determined by NRC / Board. This may be in the form of cash and non-cash components of the variable pay.
 - We aim that the remuneration programs do not encourage excessive risk taking. We review our remuneration programs keeping in mind the balance between risk and payout and material portion of the variable pay is deferred spread over three to four years in line with the risk involved.

Executive Pay-Mix

Our executive pay-mix aims to strike the appropriate balance between key components:

- I. **Fixed Pay:** Comprising of Basic Salary, Allowances, Retirals and other benefits and will include imputed value of benefits like Housing and Car. It also includes cost of retirals such as Company's contribution to PF, Gratuity, superannuation and pension [Including National Pension System (NPS)].
- II. **Variable Pay:** Includes Performance bonus/Annual Incentive, Long Term Incentive Pay in form of cash bonuses, all share-linked instruments (e.g. ESOP, SARS, etc.). (The deterioration in the financial performance of the Company/business segment/ function/ individual can lead to a contraction in the total amount of variable pay, which can even be reduced to zero for a particular year depending on the performance outcome of the year.)
- III. **Perquisite & Benefits:** Perquisite Pay / Benefits are over and above Fixed Pay and include Medical Benefit; Life Insurance Benefit; Personal Accident Benefit; etc. These broad-based plans may be applicable to all employees or select group of employees.

In addition to these broad-based plans, Executives are eligible for perquisites and benefits plans commensurate with their roles. These benefits are designed to encourage long-term careers with the Company / Group.
- IV. **Other Elements:** Which includes Joining/ Sign on Bonus, Severance package, Deferred Incentive Plans, etc.

Salient features of the compensation structure

- The proportion of variable pay to fixed pay is higher at senior levels and varies across roles based on levels of responsibility.

Malus and Clawback

ABFL believes in sustained business performance in tandem with prudent risk taking.

Malus arrangement permits the Company to prevent vesting of all or part of the variable pay which has been deferred. It does not reverse vesting after it has already occurred.

Clawback is a contractual agreement between the employee and the Company in which the employee agrees to return previously paid or vested compensation attributable to a given reference year.

Malus and clawback is applicable to employees even after their separation from the organisation.

Malus and clawback may be applied for circumstances like gross and/or willful negligence in performance of their duty or has committed fraud or has performed an act with malafide intent or obstructs the functioning of an organisation; misconduct; Material breach of Code of Conduct, any Non-Disclosure Agreement, regulatory procedures, internal rules and regulations and any other additional circumstances as determined by NRC.

In deciding the application of malus / clawback to any part or all of variable pay or incentives (whether paid, vested or unvested), the NRC will follow due process and adhere to the principles of natural justice and proportionality. Further, in assessing the quantum of cancellation / withdrawal, the NRC will take into consideration all relevant factors, including inter-alia, internal factors such as role and responsibilities of the employee, culpability and proximity to the misconduct as well as any external factors, including but not restricted to situations, that may have been beyond the control of the concerned employee.



Annexure IV

SECRETARIAL AUDIT REPORT
FORM NO. MR-3
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule
9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Aditya Birla Finance Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Aditya Birla Finance Limited (hereinafter called '**the Company**'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, policies, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- i. The Companies Act, 2013 ('the Act') and the Rules made there under including any amendments and re-enactments there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 ('FEMA') and the Rules and Regulations made there under to the extent applicable to the External Commercial Borrowing made by the Company;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') read with the notifications, guidelines and circulars issued by Securities and Exchange Board of India or Stock Exchanges in this regard, to the extent applicable to the Company:
 - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - b. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d. The Securities and Exchange Board of India (Debenture trustee) Regulation, 1993 (in relation to obligations of Issuer Company);
 - e. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 to the extent applicable;
 - f. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 to the extent applicable;
 - g. The Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018 to the extent applicable;
 - h. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 to the extent applicable;

Amongst the various laws which are applicable to the Company, based on the nature of business activities of the Company, following are the laws which are specifically applicable to the Company:

- (a) Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, as amended, and other relevant guidelines and circulars issued by the Reserve Bank of India, from time to time.
- (b) Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt instruments, Security Receipts, Municipal Debt Securities and Commercial Paper vide SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.
- (c) The Prevention of Money-Laundering Act, 2002 and the Prevention of Money Laundering (Maintenance of Records, etc.) Rules, 2005.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) with respect to Board and General Meetings.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that, the Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and Listing Regulations.

Adequate notice was given to all Directors to schedule the Board Meetings and Board Committee Meetings, agenda and detailed notes on agenda were sent in accordance with the Secretarial Standard-1 and in compliance with the applicable laws, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Meetings of the Board of Directors and of the Committees thereof were carried out unanimously as recorded in the minutes of the Meetings of Board of Directors and/or Committee(s) of the Board, as the case may be.

We further report that, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, Rules, Regulations and Guidelines. All the notices and orders received by the Company pursuant to the abovementioned laws have been adequately dealt with/ duly replied/ complied with.

We further report that, during the period under review, the Members at the Extra-Ordinary General Meeting held on December 13, 2023, inter-alia approved following special resolution:

- Approval of Alteration of Articles of Association of the Company by replacing the existing Article No. 86 with the new Article by passing a Special Resolution and giving the power to nominate a person as a Director on the Board of the Company in terms of the SEBI (Debenture Trustees) Regulations, 1993, at the earliest and not later than one month from date of receipt of nomination from the debenture trustee or such other date as may be notified by SEBI from time to time. A Director appointed under this Article is herein referred to as a “Debenture Director”.

We further report that, during the year under review:

- i. The Board of Directors of the Company at their meeting held on May 09, 2023 approved the issue of Secured/ Unsecured Redeemable Non-Convertible Debentures (including Subordinated Debt), of the aggregate nominal value of upto ₹ 5,000 Crores by Public issue, in one or more tranches.
- ii. The Board of Directors of the Company at their meeting held on November 1, 2023 approved for Issuance of equity shares by way of Right Issue to the existing Shareholders for an aggregate value (including premium, if any) not exceeding ₹ 850,00,00,000/- (Rupees Eight Hundred and Fifty Crores) from time to time, till May 2024.
- iii. The Company in the Board meeting held on January 30, 2024 has approved for Issuance of equity shares by way of Right Issue to the existing Shareholders for an aggregate value (including premium, if any) not exceeding ₹ 600,00,00,000/- (Rupees Six Hundred Crores) from time to time, till January 2025.



Annexure IV (Contd.)

- iv. The Board of Directors at its meeting held on January 30, 2024 has approved an increase in the overall limits of borrowings for an amount not exceeding ₹ 1,25,000 Crore (Rupees One Lakh Twenty Five Thousand Crore Only) as against the previous limit of ₹ 1,00,000 Crore subject to shareholders' approval.
- v. The Board of Directors of the Company at their meeting held on March 11, 2024 has considered and approved the Scheme of Amalgamation of the Company with Aditya Birla Capital Limited ("**Amalgamated Company**") (its Holding Company), and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013

read with rules made thereunder ("**Scheme**"). The Scheme inter-alia provides for the amalgamation of the Company with the Amalgamated Company, and dissolution of the Company without winding up.

**For N L Bhatia & Associates
Practising Company Secretaries
UIN: P1996MH055800
P/R No.:700/2020**

**N L Bhatia
Partner**

**FCS:1176
CP. No. 422**

**Place: Mumbai
Date: 10th May 2024**

UDIN: F001176F000346840

Annexure A

TO THE SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

To,
The Members,
Aditya Birla Finance Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the auditing standards issued by the Institute of Company Secretaries of India (ICSI) and audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. We believe that the processes and practices, we have followed are aligned with Auditing Standards issued by the Institute of Company Secretaries of India (ICSI) provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For N L Bhatia & Associates
Practising Company Secretaries
UIN: P1996MH055800
P/R No.:700/2020

N L Bhatia
Partner
FCS:1176
CP. No. 422

Place: Mumbai
Date: 10th May 2024

UDIN: F001176F000346840



Annexure V

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2024

1. Brief outline on CSR Policy of the Company:

CSR Policy of the Company is enunciated in accordance with Section 135 of Companies Act, 2013 read with Corporate Social Responsibility Rules, 2014 (as amended from time to time) and CSR Voluntary Guidelines issued by Ministry of Corporate Affairs.

Our CSR Vision is 'to actively contribute to the social and economic development of the communities in which we operate. In so doing build a better, sustainable way of life for the weaker sections of society and raise the country's human development index' (Mrs. Rajashree Birla, Chairperson, Aditya Birla Centre for Community Initiatives and Rural Development)

Our CSR Activities are undertaken broadly in the area of 'Education', 'Health Care', 'Women Empowerment & Sustainable Livelihood' and 'Sports'.

Our Board of Directors, our Management and all of our employees subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion, characterised by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year*	Number of meetings of CSR Committee attended during the year
Members				
1.	Mr. Rajat Kumar Jain ¹	Chairman (Independent Director)	1	1
2.	Ms. Alka Bharucha ¹	Chairperson (Independent Director)	1	1
3.	Ms. Vishakha Mulye	Member (Non-Executive Director)	2	2
4.	Mr. Rakesh Singh	Member (Managing Director & CEO)	2	2
Permanent Invitees				
4.	Mrs. Rajashree Birla	Chairperson, Aditya Birla Centre for Community Initiatives and Rural Development	2	2
5.	Dr. Pragnya Ram	Group Executive President, Corporate Communications and CSR	2	2

*No. of meetings held during tenure of Committee Members is considered

¹Mr. Rajat Kumar Jain was inducted as a Chairman w.e.f. 28th August 2023 in place of Ms. Alka Bharucha who ceased as Chairperson due to end of her tenure as an Independent Director of the Company w.e.f. 27th August 2023.

3. Web-link where the Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company is www.finance.adityabirlacapital.com
4. Executive summary along with the web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of Sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Annexed

Annexure V (Contd.)

5. (a) Average net profit of the company as per sub-section (5) of section 135: ₹ 1,505.68 Crore
 (b) Two percent of average net profit of the company as per sub section (5) of section 135: ₹ 30.11 Crore
 (c) Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years: Nil
 (d) Amount required to be set off for the Financial Year, if any: ₹ 0.09 Crore
 (e) Total CSR obligation for the Financial Year [(b) + (c) - (d)]: 30.02 Crore
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):
- Current Project: ₹28.46 Cr.
 - Ongoing Project:
- (b) Amount spent in Administrative Overheads: ₹0.50 Crore
 (c) Amount spent on Impact Assessment, if applicable: ₹ 0.09 Crore
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹29.05 Crore
 (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
29,05,29,149	1,00,00,000			Not applicable	

(f) Excess amount for set-off, if any: Nil

Sl. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Year:

1	2	3	4	5	6	7	8	
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	2022-2023	Nil	Nil	28,01,83,180	Nil	NA	Nil	Nil
2	2021-2022	5,77,05,869	Nil	15,17,79,946	Nil	NA	Nil	Nil
3	2020-2021	Nil	Nil	21,96,03,454	Nil	NA	Nil	Nil



Annexure V (Contd.)

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: None

If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):
Not applicable

Rakesh Singh
Managing Director & Chief Executive Officer
DIN – 07006067

Rajat Jain
Chairman – CSR Committee
DIN – 00046053

Annexure VI

CRISIL MI&A - Assessments

Executive Summary

Impact Assessment of Mental Health Initiatives by Mpower,
Aditya Birla Education Trust
Aditya Birla Capital Foundation



Mental health encompasses emotional, psychological, and social well-being, influencing our cognition, emotions, perception of our surroundings and behaviour. Mental health has a significant impact on the physical health as well as the productivity. Despite the high prevalence, mental health is a taboo and seldom looked down upon as 'crazy'. As per 2019 data, approximately 970 million people worldwide, which translates to about 1 in every 8 individuals, were diagnosed with a mental disorder.

Despite the high prevalence and public health concern, the access to mental healthcare remains a notable challenge due to the stigma associated with the mental health as well as due

significant disparities in availability and quality of treatment and shortage of mental health professionals. Limited infrastructure, lack of awareness and inadequate integration into primary healthcare systems further impede access to suitable care. Hence, mental health issues significantly impact the overall functioning of communities and nation.

Mental Health – Concerns in India

The prevalence of mental disorders in India has been steadily increasing in recent years, contributing to the escalating public health concern. Close to 60 to 70 million people in India



Annexure VI - CRISIL MI&A - Assessments Executive Summary (Contd.)

suffer from common and severe mental disorders. Various psychological and biological factors such as emotional abilities, substance use and genetic predispositions; social and cultural factors, such as stigma, discrimination, gender disparities, poverty, rapid urbanisation, and cultural beliefs concerning mental illness, contributes to the complexity of addressing mental health issues. Given its extensive population and diverse demographics, mental health disorders affect individuals across various age groups, socioeconomic statuses, and geographical regions.

To improve the access of quality and affordable mental healthcare facilities to the population, including the poor and underprivileged, the Government is implementing the National Mental Health Programme (NMHP) in the country. The government has also launched “National Tele Mental Health Programme” to further improve access to quality mental health counselling and care services in the country. However, only a slight acceptance to mental healthcare initiatives was observed in on the grassroots level. There are multiple factors which impact the access of mental healthcare services in India, including:

- a) Shortage of mental health professionals
- b) Inadequate Infrastructure and Resources
- c) Lack of Awareness and Stigma
- d) Insufficient Integration into Primary Healthcare

Addressing mental health in India requires a multifaceted approach, including raising awareness, improving access to care, reducing stigma, and addressing social and economic factors that contribute to mental health issues. It requires involvement of multiple stakeholders, including but not limited to, NGOs, civil society, philanthropic foundations, CSR organisations and research institutions. The strategy to address mental health issues and create awareness should include community engagement, prioritising beneficiaries, co-opting resources, devolving care, reorganising communication and recovery and integration.

Mpower Minds is one such organisation working to improve the access of quality healthcare and create awareness about mental health issues. The organisation focusses on providing affordable and quality mental healthcare and allied therapies to adults as well as children who are facing developmental issues.

About Aditya Birla Capital Foundation

Aditya Birla Capital Foundation (“ABCF”) is the Corporate Social Responsibility (CSR) arm of Aditya Birla Capital for undertaking

its developmental projects. Mrs. Rajashree Birla, Chairperson, ‘The Aditya Birla Centre for Community Initiatives and Rural Development’, is ABCF’s mentor; Mrs. Vishakha Mulye, CEO, Aditya Birla Capital Limited, Mr. Subhro Bhaduri, CHRO, Aditya Birla Capital Limited and Dr. Pragnya Ram, Group Executive President, Group Head

– CSR, Legacy, Documentation & Archives serve as Directors. ABCF is committed to drive programs for inclusive growth and development of the underserved sections of society. Its engagement is primarily focused on women centric programs in the areas of healthcare, education, women empowerment.

About Aditya Birla Education Trust (ABET)

The Aditya Birla Education Trust marks the foray of the organisation into the field of education. Since its inception, it has always strived to nurture young minds. Aditya Birla Education Trust is a body registered under the Bombay Public Trusts Act 1950 at Mumbai. Neerja Birla is the Founder and Chairperson of the Trust.

The Trust consists of six units: Aditya Birla World Academy, The Aditya Birla Integrated School, The Aditya Birla Education Academy, Mpower, Ujaas and Nalanda.

About Mpower

Mpower, an initiative of Aditya Birla Education Trust was born to be the movement to affect change; to promote mental health and well-being in the most holistic manner regardless of age, gender, and socio-economic boundaries. It aims to create a stigma-free world where individuals with mental health concerns can lead meaningful & productive lives with respect & dignity.

Services and programs include counselling, therapy, and support groups for people with mental health concerns, as well as outreach programs to reduce stigma and promote mental health care in India. In addition to providing direct services, teams work with government agencies, education institutions, corporate partners, and other stakeholders to advance our mission to improve mental health outcomes. Early detection and prevention are the most effective ways to prevent mental health problems before they spiral out of control. Mpower strives to empower people with the ways and knowledge they need to manage their mental health and to seek help when they need it. The aim of Mpower for the public-private partnership model is to leverage the strengths and resources of both sectors to address mental health issues effectively within communities.

About Mpower centres

Mpowerminds has a vital role to play in the mental health community in India by providing the necessary support, tools, and advocacy to make sure that people suffering from mental health issues get the care and support they need. Currently, Mpower operates clinical services in Mumbai, Bengaluru, Kolkata, Pune, and New Delhi. The foundations are established in Mumbai and Virar, where they offer economical mental health services to individuals requiring assistance. There are established cells in Goa, Pilani, Hyderabad, Kalyan, and Jaipur, catering to the mental health needs of college campus residents. Additionally, Mpower operates mental health cells within various corporations, NGOs, and government schools, extending counselling services to those in need. In response to the pandemic, services have transitioned online, ensuring accessibility for all clinical beneficiaries, alongside our traditional offline offerings.

About 24/7 Mental Health Helpline

The helpline of Mpower started in 2020 and when the Chief Minister announced the helpline number on national television, they got calls related to depression, anxiety, and other mental health related issues from all strata from various regions of country and were working 24*7. Usually, there are 2-3 people available each shift but, on the busiest afternoon shift there are five people. The shift timings are mostly 10 AM to 6.30 PM, 2.30 PM to 10 PM and then 10 PM to 7 AM. Whenever there is a call, a psychologist attends it and after taking the details confidentiality is ensured. If there is a repeated caller, then case history is studied, and progress is evaluated after the suggestions previously. There is a one-on-one line with a therapist who tries to help with awareness and telling the callers some coping strategies. If someone needs urgent help such as severe depression, then they are suggested to go for a psychiatrist nearby or to Mpower centres.

Study Methodology

The study adopts a concurrent mixed-method design, in which quantitative and qualitative data is collected through the key programme stakeholders. This approach allows for a comprehensive assessment of initiatives by capturing quantitative feedback backed by qualitative experiences.

The key stakeholders considered for the analysis are as follows:

1. Beneficiaries
2. Therapists/Counsellors
3. Doctors
4. M-Power ABET Team
5. Aditya Birla Capital Foundation Team

The quantitative data is collected through a feedback survey self-administered to direct beneficiaries. The survey focuses on the understanding the feedback of the beneficiaries regarding the counselling service and overall impact.

The qualitative data, on the other hand, is collected through key informant interviews (KIIs) with the beneficiaries, therapists, counsellors, doctors, M-Power team members, and Aditya Birla Capital Foundation team. The qualitative data focuses on the experiences and perceptions of the beneficiaries regarding the programme's impact. It also captures the

The findings from the quantitative and qualitative data are integrated to provide a comprehensive assessment of the impact of the interventions and the feedback of the beneficiaries in the subsequent section. The integration involves comparing and contrasting the findings from the two data sources to identify any converging or diverging evidence.

Sampling Framework

The study adopts a mixed-method design to ensure quantitative and statistical rigour in mapping the changes and the key explanations for the same. Hence, the sampling approach has been envisioned with the intent that all beneficiaries and stakeholders directly and indirectly involved in the study are covered.

Based on the available sampling framework, a random sampling methodology is applied to select the direct beneficiaries. The sampling is at 95% of confidence level, taking into account an 5% margin of error. The sample selected represents the outreach of the various interventions offered.

The other stakeholders in the study are sampled purposively. Purposive sampling involves deliberately choosing individuals or groups based on specific criteria that are relevant to the research or study objectives.

The project-wise sampling framework of the key stakeholders for the study is detailed below:

1. Mpower Centre, Pimpri-Chinchwad

#	Key stakeholders	Data collection tool	Sample size
1	Beneficiaries	Semi-structured Interview	20
2	Counsellors	KIIs	2
3	Doctors	KIIs	2
4	Centre Head	KIIs	1
5	ABET Team	KIIs	2
6	ABCF Team	KIIs	1



Annexure VI - CRISIL MI&A - Assessments Executive Summary (Contd.)

2. 24/7 Mental Health Helpline

#	Key stakeholders	Data collection tool	Sample size
1	Counsellors	KIIs	2
2	Doctors	KIIs	2
3	Project Head	KIIs	1
4	ABET Team	KIIs	2
5	ABCF Team	KIIs	1

Ethical Considerations

The data collection for the assessment is undertaken with robust framework of ethical considerations. In order to respect the participants' autonomy and their right to know the objective and implications of the research, we made sure that they or their parents gave informed consent. Confidentiality and data security measures were implemented to safeguard sensitive information and maintain trust. Additionally, we prioritised minimising potential harm or distress to participants throughout the data collection process, employing sensitive and non-invasive methodologies. Ethical approval for the questionnaire was obtained from the Mpower team. Transparency about the intent and application of the data gathered created an environment of trust and openness. We adhered to these ethical principles and ensured that our research techniques were carried out with integrity and respect, upholding the rights and dignity of everyone involved.

Study Findings

The impact of the mental health initiative is understood by mapping its effects on the lives of beneficiaries and understanding the feedback of key stakeholders. The primary findings classify and maps the benefits, challenges, and overall impact of both the initiatives:

1. Mpower centre
2. Mental health helpline

Mpower centre

About the Mpower centre and mental health awareness

- The sample consisted of 20 participants of which 18 are parents of child beneficiaries and 2 are adult beneficiaries who are availing mental health services at the Mpower Centre, Pimpri-Chinchwad.
- Most of the parents (66%) who are seeking therapy for their children are associated with the centre for than 6 months and some of them are seeking mental health and developmental support for more than one child.

- Majority of the participants got to know through other doctors like paediatrician, neurologist, child psychiatrist or through Aditya Birla Hospital. The school and other parents seeking therapies for children also created awareness about the facility. Whereas the adult participants got to know about the centre through google.
- In case of child participants, for 72% of the parents, the medical professionals like paediatrician, psychiatrist motivated them to seek help for their child. For some parents it was either school that motivated or the signs of delayed growth and other developmental issues which motivated them to seek help.
- The parents also had certain inhibitions and conceptions prior to joining the facility. For the children with developmental issues, it took parents some time to understand the condition and come on terms with the diagnosis. They were provided with necessary psychoeducation by the paediatricians.
- The progress of client as well a centre is monitored to understand the impact and plan the therapeutic intervention. To monitor the individual's progress, the KPIs that are be considered are psychological parameters, knowledge, attitude, and practices with regards to mental health. The centre has also invested in Health of the Nation Outcome Scales (HoNOS) instrument for both adults as well as children to measure the outcomes of the intervention.
- On centre level, the progress and growth are measured based on number of sessions, age of clients, gender of clients, type of sessions, concerns for the sessions, number of sessions per client per concern, along with case studies for qualitative data.

Impact of the intervention

- Majority of the parents sought help for their children due to the diagnosis of issues like autism, down syndrome, or developmental issues such as speech delay, behavioural issues, and lack of motor-skills. Some parents were seeking help for children with past trauma due to accident.
- The parents were seeking multiple services such as psychiatry, psychology, speech therapy, occupational therapy, behavioural therapy, and remedial therapy.
- It was observed that the children had behavioural issues due to excessive dependency on phone or television and lack of interactions during the covid pandemic led to speech issues as well.

Annexure VI - CRISIL MI&A - Assessments Executive Summary (Contd.)

- The parents have observed significant changes in their children. Some of the positive changes that parents highlighted are improved sitting tolerance, improved speech, concentration power, children are more confident in speaking and can hold a conversation, some parents also observed reduced hyperactivity and improved motor skills. They are satisfied with the support provided.

Overall feedback

- The parents as well as the adult participants are satisfied with the counsellors they are working with and feel the expertise of the counsellor cater to their requirement. The feedback from parents highlighted that the counsellors were using different approaches with each child as per their likes and dislikes.
- The parents also shared that the counsellors used the phone addition of younger children to bond with them. Some of the approaches that was appreciated by the parents were use of toys, puzzles, and flash cards. The centre is equipped with necessary resources for the therapies offered.
- The resources are verified by the CRISIL team. The parents were also given homework to try with children for instance in case of speech therapy the parents are given a list of words to speak with the child.
- The 15-minute briefing session post-therapy session with child is also appreciated by the parents.
- The transition from one counsellor to other in case the counsellor appointed to the case is leaving, is also smooth for children to easily adapt.
- The facility has a holistic approach for everyone – children, adults, people with special needs at one place. There is no inclusive clinic like this in the area.
- The resources and infrastructure provided supports the therapeutic interventions and help in the overall impact. The cabins are designed to ensure privacy and comfort to the participants. The clinical team as well as the admin team is extremely supportive.
- The challenges that parents have faced are with respect to availability of desired slots as per the child's schedule.

It was also highlighted that for children coming every day, a fixed slot can help in establishing schedule and prevent missing sessions.

- The parents also highlighted that the charges for each therapy when taken combined is expensive for the parents to bear. The centre can create packages for parents who are taken multiple therapies and multiple sessions in a week to prevent financial burden on parents and dropouts. The insights from the feedback survey are given as follows:

1. Feedback about the counsellors

Statements	Agree
My counsellor listened to me effectively	94.74%
My counsellor understood things from my point of view	100%
My counsellor accepted what I said without judging me	100%
My counsellor showed warmth toward me	100%
My counsellor made me feel safe and comfortable during the therapy sessions	100%
My counsellor began and finished our sessions on time	100%

2. Feedback about the sessions

Statements	Agree
The sessions were conducted with utmost privacy	100%
The sessions conducted were comfortable	94.74%
The space where sessions are taking place is comfortable and private	100%
I was explained and informed of the progress and the next steps	94.74%

3. Feedback about the service at the centre

Statements	Agree
I am satisfied with the service provided	100%
I am satisfied with the process of registration and scheduling the sessions	100%
The staff is understanding and supportive	100%
I feel the sessions are priced and charged fairly	84.21%
I am aware that financial assistance is available for those who are not able to afford	42.11%
I would recommend the centre and the counsellor to others	100%



Annexure VI - CRISIL MI&A - Assessments Executive Summary (Contd.)

4. Feedback about the service at the centre

Statements	Agree
The sessions with my counsellor helped me with whatever originally led me to seek counselling	100%
I have observed positive changes in myself/ my child post-counselling	94.74%

Mental health helpline

- The helpline was started in 2020 with the government of Maharashtra to provide mental health support to people during the Covid-19 pandemic lockdown.
- The helpline is active 24 hours every day. During the period of lockdown, the helpline also called police personnels who were in isolation during the lockdown and were referred to Mpower institutes or government hospitals for further support and treatment.
- There are SOPs in place for the counsellors for various situation such as risk of suicide, domestic violence, etc. The counsellors are also provided regular trainings and learning and development opportunities. The counsellors have discussions and knowledge sharing sessions every week.
- There is a monitoring and evaluation strategy in place to monitor the progress and impact of the helpline. For monitoring, parameters like number of calls, number of repeat calls, age, gender, geographic location, concern for call, etc. are taken into consideration.

Overall feedback

- The helpline supported thousands of people during the lockdown. However, the helpline is not receiving the number of calls as expected, which highlights the need for marketing of such useful resource.
- There is a need for multi-stakeholder collaborations to promote and create awareness about the mental health resources.
- The request for call and live chats option available on website are helpful and accessible to users. However, the chat link/chat window option in the app is required for easy accessibility.
- The "Instant mental health check score" on the website is vague and does not provide necessary information on the criteria or outcome of the health check score. This gives users a score but no information on what issues they are facing or require help for.

REECSI Framework and Scoring**Scoring Matrix Note**

- Scoring Matrix has defined indicators within each parameter (Relevance, Efficiency, Effectiveness, Coherence, Sustainability, and Impact).
- Each parameter has an assigned weight based on relative importance*.
- Each indicator within each parameter is assigned highest scored based on relative importance*.
- The overall score for each parameter is calculated by taking the sum of the scores for its indicators, and the overall score for the program is calculated by taking the sum of weighted scores for each parameter.
- The percentage scores for each program will then be calculated based on maximum score and assigned score.

*Importance is decided based on secondary review and analysts' discretion over program structure

The Scoring for the mental health initiatives as per Scoring Matrix Indicators and Parameters

Analysis of Mental Health Initiatives by ABET				
#	Key Indicators	Maximum score	Minimum score	Score Assigned
A) RELEVANCE AND COHERENCE (15%)				
1	Need Assessment of target community	4	0	2
2	Alignment with Aditya Birla Capital Foundation Policy	4	0	4
3	Program aligned with MoU	4	0	4
4	Alignment with Government priority	4	0	4
5	Alignment with Sustainable Development	4	0	4
Relevance and Coherence Total		20	0	18
Weighted Relevance and Coherence score		3	0	3

Annexure VI - CRISIL MI&A - Assessments Executive Summary (Contd.)

#	Key Indicators	Maximum score	Minimum score	Score Assigned
B) EFFICIENCY (20%)				
1	Process of documentation	3	0	3
2	Key Performance Indicators	3	0	3
3	Program Data Collection	3	0	3
4	Adherence to timelines as given in MoU	3	0	3
5	Adherence to document submissions to Aditya Birla Capital Foundation	2	0	2
6	Quality of program staff	3	1	3
7	Involvement of stakeholders	3	0	3
Efficiency Total		20	1	20
Weighted Efficiency Score		4	0.2	4

#	Key Indicators	Maximum score	Minimum score	Score Assigned
C) EFFECTIVENESS (25%)				
1	Beneficiaries' awareness	4	0	2
2	Coverage of marginalised groups	4	0	0
3	Extent of coverage	4	0	4
4	Program level effectiveness scores*	8	2	8
Effectiveness Total		20	2	14
Weighted Effectiveness Score		5	0.5	4

#	Key Indicators	Maximum score	Minimum score	Score Assigned
D) IMPACT (30%)				
1	Program Level Impact Score	25	2	25
Impact Total		25	2	25
Weighted Impact Score		8	0.6	8

#	Key Indicators	Maximum score	Minimum score	Score Assigned
E) SUSTAINABILITY (10%)				
1	Feedback systems for beneficiaries	4	0	4
2	Building support system for clients	5	0	5
Sustainability Total		9	0	9
Weighted Sustainability Score		1	0	1
Total Score		21	1.3	20

The scoring matrix has components of Program Level Effectiveness and Program Level Impact which differ for all programs based on their program objectives and goal. They are assigned on the basis of beneficiary perception. In the current program, they are as follows,

Effectiveness scores		
Below 35%		0
35% to 65%		1
Above 65%		2

Impact scores		
Below 35%		0
35% to 65%		1
Above 65%		2

Mental Health Initiatives				
#	Key Indicators	Maximum score	Minimum score	Score Assigned
Program Level Effectiveness				
1	Increase in number of registration/sessions at the centre	2	0	2
2	Achieved the target number of calls received on helpline	2	0	2
3	Awareness sessions in schools for teachers and parents	2	0	2
4	Awareness about helpline among the callers	2	0	1
Total		8	0	7



Annexure VI - CRISIL MI&A - Assessments Executive Summary (Contd.)

Mental Health Initiatives				
#	Key Indicators	Maximum score	Minimum score	Score Assigned
Program Level Impact				
1	Increased acceptance of institutional mental healthcare	2	0	2
2	Awareness among schools, teachers and parents regarding mental health and development issues among children	2	0	2
3	Involvement of parents and schools in mental health and development issues awareness initiatives	2	0	2
4	Improvement in growth and development of children	2	0	2
5	Increased awareness and acceptance of mental health support among adult clients	2	0	2
6	Acceptance of mental health support among helpline callers	2	0	2
7	Callers sought help post support from helpline	2	0	1
8	Debunking of myths and misconceptions and increased awareness	2	0	2
Total		16	0	15

CONCLUSION AND RECOMMENDATIONS

The assessment has provided a comprehensive understanding of the programme and its impact on the lives of individuals facing mental health issues. The initiatives address the challenges faced by them along with creating awareness about mental health and promoting an inclusive environment. Some of the components that are commendable and are appreciated by the beneficiaries are:

- 1) Comprehensive and holistic services at the centre
- 2) Child-centric therapies
- 3) Economic support
- 4) Awareness sessions
- 5) Psychoeducation of family members
- 6) Open to feedback and improvements
- 7) Smooth transition between counsellors

However, it is to be noted that since the initiative aims to change the cultural mindset and transform the perspective of community about mental health, the developments might be slow. There are certain areas require to be revisited with a strategic approach to increase the outreach and impact of the initiative along with creating a sustainable change:

- I. Marketing and awareness strategy
- II. High Commercials for multiple sessions
- III. Resources on Website/App
- IV. Comprehensive guidebook for helpline

To conclude, the initiatives undertaken by Mpower are well received and appreciated among the parents, stakeholders, and schools. Observing an improvement in the mental health, the beneficiaries now feel empowered and confident. Activities performed to create an awareness about the mental health issues and treatment are well-recognised by the beneficiaries.

Independent Auditor's Report

To,
The Members of
Aditya Birla Finance Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying Financial Statements of Aditya Birla Finance Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including summary of material accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("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 31st March, 2024, its profit, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Act and other applicable authoritative pronouncement issued by the Institute of Chartered Accountants of India ("the ICAI"). 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 ICAI together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements for the year ended 31st March, 2024. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	How the Key Audit Matter was addressed in our audit
1	<p>Impairment of loans including Expected Credit Losses ("ECL"):</p> <p>Total Loans as at 31st March, 2024: ₹ 1,03,90,527 Lakh (net of ECL) Impairment Provision as at 31st March, 2024: ₹ 1,78,035 Lakh</p> <p>(Refer Note 10 of the Financial Statements)</p> <p>As per Ind AS 109 - Financial Instruments ("Ind AS 109") requires the Company to provide for impairment of its financial assets using ECL approach involving an estimation of probability of loss on such financial assets, 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 financial assets. The estimation of impairment loss allowance on loan assets involves significant judgement and estimates, which are subject to uncertainty, and involves applying appropriate measurement principles in case of loss events.</p>	<p>Our audit procedures in respect of this area included, but not limited to:</p> <p>Process understanding and control testing:</p> <ul style="list-style-type: none">Read the Company's Board approved ECL policy and material accounting policy information for estimation of ECL on financial assets as explained in Note 5.4 and evaluated the appropriateness of the same with the principles of Ind AS 109 and prudential norms laid down by Reserve Bank of India ("RBI");



Independent Auditor's Report (Contd.)

Sr. No.	Key Audit Matters	How the Key Audit Matter was addressed in our audit
	<p>ECL is calculated using the percentage of probability of default ("PD"), loss given default ("LGD") and exposure at default ("EAD") for each of the stages of loan portfolio. Significant management judgement and assumptions involved in measuring ECL is required with respect to:</p> <ul style="list-style-type: none"> • Segmentation of loan book in buckets based on common risk characteristics; • Staging of loans and in particular determining the criteria, which includes qualitative factors for identifying a significant increase in credit risk (i.e. Stage 2) and credit-impaired (i.e. Stage 3); • Factoring in future macro-economic and industry specific estimates and forecasts; • Past experience and forecast data on customer behaviour on repayments and; • Varied statistical modelling techniques to determine probability of default, loss given default and exposure at default basis, the default history of loans, subsequent recoveries made and other relevant factors using probability-weighted scenarios. <p>Considering the significance of the above matter to the Financial Statements and since the matter required significant attention to test the calculation of ECL, we identified this as a key audit matters for current year audit.</p>	<ul style="list-style-type: none"> • Performed end-to-end process walk throughs to identify the controls used in the impairment loss allowance processes; • Tested the design and the operating effectiveness of relevant internal controls, including the IT controls relevant to the impairment loss allowance process; • Verified the completeness and accuracy of the EAD and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors; • Checked the appropriateness of information used in the estimation of the PD and LGD for the different stages depending on the nature of the portfolio; and • Reconciled the total retail and wholesale loans considered for ECL assessment with the books of accounts to ensure the completeness. <p>Performed the following substantive procedures on sample of loan assets:</p> <ul style="list-style-type: none"> • Tested appropriateness of staging of borrowers based on days past due ("DPD") and other loss indicators; • Tested the factual accuracy of information such as period of default, ratings and other related information used in estimating the PD; • Evaluated the reasonableness of LGD estimates by comparing actual recoveries post the loan asset becoming credit impaired and other applicable assumptions included in LGD computation; • Evaluated the methodology used to determine macro-economic overlays and adjustments to the output of the ECL model; • Tested the completeness of loans included in the ECL calculations as of 31st March, 2024 by reconciling such data with the balances as per loan book register; and • Verified the completeness and adequacy of the disclosures made in the Financial Statements and ensured compliance with Ind AS provisions.
2	<p>Information Technology ("IT") systems and controls impacting financial controls</p> <p>The Company key financial accounting and reporting processes are highly dependent on information systems including automated controls in systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being misstated.</p>	<p>Key IT audit procedures performed included the following, but not limited to:</p> <ul style="list-style-type: none"> • For testing the IT general controls, application controls and IT dependent manual controls, we involved IT specialists as part of the audit. The team also assisted in testing the accuracy of the information produced by the Company IT systems.

Independent Auditor's Report (Contd.)

Sr. No.	Key Audit Matters	How the Key Audit Matter was addressed in our audit
	<p>Amongst its multiple IT systems, we scoped in systems that are key for overall financial reporting.</p> <p>Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting.</p> <p>We have identified 'IT systems and controls' as a key audit matter considering the high level of automation, significant number of systems being used by Management and the complexity of the IT architecture and its impact on overall financial reporting process and regulatory expectation on automation.</p>	<ul style="list-style-type: none"> • Obtained a comprehensive understanding of IT applications landscape implemented at the Company. It was followed by process understanding, mapping of applications to the same and understanding financial risks posed by people-process and technology. • Key IT audit procedures includes testing design and operating effectiveness of key controls operating over user access management (which includes user access provisioning, de-provisioning, access review, password configuration review, segregation of duties and privilege access), change management (which include change release in production environment are compliant to the defined procedures and segregation of environment is ensured), programme development (which include review of data migration activity), computer operations (which includes testing of key controls pertaining to, backup, Batch processing (including interface testing), incident management and data centre security), System interface controls. This included testing that requests for access to systems were appropriately logged, reviewed, and authorised. • In addition to the above, the design and operating effectiveness of certain automated controls, that were considered as key internal system controls over financial reporting were tested. Using various techniques such as inquiry, review of documentation/ record/ reports, observation, and re-performance. We also tested few controls using negative testing technique. • Tested compensating controls and performed alternate procedures, where necessary. In addition, understood where relevant changes made to the IT landscape during the audit period.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including annexures thereto, Management Discussion & Analysis, Corporate Governance Report collectively referred to as 'Other Information' but does not include the Financial Statements, and our auditor's report thereon. These reports are 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 these Reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate material accounting



Independent Auditor's Report (Contd.)

policy information; making judgements 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 Statements 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 are 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.

The 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 judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether

the Company has adequate internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of material accounting policy information used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management and the Board of Directors 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 31st March, 2024 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.

Independent Auditor's Report (Contd.)

Other Matter

The Financial Statements of the Company for the year ended 31st March, 2023, which were audited by one of the current joint auditors along with erstwhile joint auditor whose report dated 09th May, 2023 expressed an unmodified opinion.

Our opinion is not modified in respect of this matter.

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 except for the matters stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g).
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, 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 Indian Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015, as amended.
 - (e) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(h)(vi) below on reporting under Rule 11(g).
 - (f) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2024 from

being appointed as a director in terms of Section 164 (2) of the Act.

- (g) 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".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements – Refer Note 46 to the Financial Statements;
 - ii. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - a) The Management has represented that, to the best of its knowledge and belief, as disclosed in Note 64 to the Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in Note 64 to the Financial Statements, no funds have been received by the Company from any person or



Independent Auditor's Report (Contd.)

- entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under a) and b) above, contain any material misstatement.
- v. The Company neither declared nor paid any dividend during the year.
- vi. Based on our examination, which included test checks, the Company has used various accounting software(s) for maintaining its books of account which has a feature of recording audit trail (edit log) facility and has been operated throughout the year for all relevant transactions recorded in the respective software(s), except that:
- a) no audit trail feature was enabled at the database level throughout the year in respect of four accounting software(s) to log any direct data changes;
- b) in respect of two accounting software(s), which are hosted at a third-party service provider location, where the activities have been outsourced by the Company, independent service auditors report has been made available to us for the part of the year, however it does not contain any reporting reference in regards to compliance of audit trail feature as prescribed under provisions of the Act. Hence, we are unable to comment upon whether the required provisions of the Act regarding audit trail for these software(s) have been complied with in all aspects.
- Further, other than as mentioned in para vi b) above, during the course of our examination, we did not come across any instance of audit trail feature being tampered with.
- As proviso to Rule 3(1) of Companies (Accounts) Rules 2014 is applicable from 01st April, 2023 reporting under Rule 11(g) of the Companies (Audit & Auditor's) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March, 2024.
3. As required by The Companies (Amendment) Act, 2017, In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

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

Swapnil Kale
Partner
Membership Number: 117812
UDIN: 24117812BKFIFB3503

Place: Mumbai
Date: 10th May, 2024

For **Singhi & Co.**
Chartered Accountants
Firm Registration Number: 302049E

Amit Hundia
Partner
Membership Number: 120761
UDIN: 24120761BKCMQU1553

Place: Mumbai
Date: 10th May, 2024

Annexure 'A'

to Independent Auditor's Report of even date on the Financial Statements of Aditya Birla Finance Limited for the year ended 31st March, 2024

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

- i. (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ("PPE") and relevant details of Right-of-Use Assets.
B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a planned programme of verifying the PPE once over a period of three years. During the previous year these PPE's excluding right-of-use assets were physically verified, hence the PPE's have not been verified during the year. No material discrepancies were noticed in the previous year on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) as disclosed in the Financial Statements, are held in the name of the Company.
- (d) According to the information and explanations given to us, the Company has not revalued its PPE (including Right-of-use assets) and intangible assets during the year. Accordingly, the provisions stated 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 (as amended in 2016) and rules made thereunder. Accordingly, the provisions stated under 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 and does not hold any inventory. Accordingly, the provisions stated under paragraph 3(ii)(a) of the Order are not applicable to the Company.
(b) During the year the Company has been sanctioned working capital limits in excess of ₹ 5 Crore in aggregate from Banks/financial institutions on the basis of security of loans (assets). Based on the records examined by us in the normal course of audit of the Financial Statements and as per Note 60 of the Financial Statements, revise quarterly returns/ statements filed with such Banks/ financial institutions are in agreement with the books of account of the Company. However, we have not carried out a specific audit of such statements.
- iii. (a) As explained in Note 1 to the Financial Statements, the Company is a non-deposit taking non-banking financial company ("NBFC") registered with the RBI and as part of its business activities, is engaged in the business of lending across various types of loans. The Company's principal business is to give loans and is a registered NBFC. Accordingly, provisions stated under clause 3(iii)(a) of the Order is 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 terms and conditions in relation to grant of all loans and advances in the nature of loans, investments made, guarantees provided and securities given are not prejudicial to the interest of the Company.
(c) The Company, being a NBFC, is registered under provisions of the Reserve Bank of India Act, 1934 and rules made thereunder, 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 schedules are stipulated basis the nature of the loan products. Having regard to the voluminous nature of loan transactions, it is not practicable to furnish entity-wise details of the amount, due date for repayment or receipt and extent of delay in this report (as suggested in the Guidance Note on CARO 2020, issued by the ICAI for reporting under this clause), in respect of loans and advances which were not repaid/ paid when they were due or were repaid/ paid with a delay, in the normal course of lending business.
(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, on the loans and advances in the nature of loans, are as follows:



Annexure 'A' (Contd.)

(₹ in Lakh)

No. of Cases	Principal amount overdue	Interest overdue	Total overdue	Remarks
1,79,150	2,31,148	33,757	2,64,906	According to the information and explanation given to us, reasonable steps have been taken by the Company for recovery of principal amount and interest.

- (e) The Company's principal business is to give loans and is a registered NBFC, accordingly, provisions stated under clause 3(iii)(e) of the Order is not applicable.
- (f) According to the information explanation provided to us, the Company has not any granted loans and advances in the nature of loans, including to promoters or related parties as defined in clause (76) of Section 2 of the Act either repayable on demand or without specifying any terms or period of repayment during the year. Accordingly, the provisions stated under clause 3(iii)(f) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has complied with the provisions of Section 185 of the Act, in respect of loans, investments, guarantees and security given, as applicable and the provisions of Section 186 of the Act are not applicable to the Company.
- v. According to the information and explanations given to us, the Company being Non-Banking Finance Company registered with RBI, the provisions of Sections 73, 74, 75 and 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014, as amended, are not applicable to the Company. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in this respect.
- 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 under clause 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, cess, and other material statutory dues applicable to it. As explained to us, the Company did not have any dues payable on account of sales tax, service tax, duty of customs, duty of excise and value added tax.
- There are no undisputed amounts payable in respect of Goods and Services tax, provident fund, employees' state insurance, income-tax, cess, and other material statutory dues in arrears as at 31st March, 2024, for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us and examination of records of the Company, details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March, 2024, on account of any dispute, are as follows:

(₹ in Lakh)

Name of The Statute	Nature of dues	Amount involved	Amount unpaid	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	55.83	55.83	AY 2007-08	Income Tax Officer (Assessing Officer)
Income Tax Act, 1961	Income Tax	5,230.44	5,230.44	AY 2011-12	Bombay High Court
Income Tax Act, 1961	Income Tax	189.43	189.43	AY 2012-13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	0.76	0.76	AY 2013-14	Income Tax Officer (Assessing Officer)
Income Tax Act, 1961	Income Tax	0.49	0.49	AY 2014-15	Income Tax Officer (Assessing Officer)
Income Tax Act, 1961	Income Tax	0.36	0.36	AY 2015-16	Income Tax Officer (Assessing Officer)
Income Tax Act, 1961	Income Tax	1,515.52	1,515.52	AY 2017-18	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	2,256.60	2,256.60	AY 2018-19	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	1,019.43	1,019.43	AY 2020-21	Commissioner of Income Tax (Appeals)
Finance Act, 1994	Service Tax	69.84	62.86	FY 2014-15, 2015-16	Custom, Excise and Service Tax Appellate Tribunal, Mumbai
Central Goods & Service Tax, 2017	GST	937.30	937.30	FY 2017-18	Appellate Authority

Annexure 'A' (Contd.)

- 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 Income-tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Accordingly, the provision stated under clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) In our opinion and according to the information and explanations given to us and the records of the Company examined by 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 government or any government authority.
- (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 other than temporary deployment pending application of proceeds in the normal course of business.
- (d) On the basis of the maturity profile of financial assets and financial liabilities provided in Note 44 to the Financial Statements, financial liabilities maturing within the 12 months following the reporting date (i.e. 31st March, 2024) falls short of the expected recoveries from financial assets during that period. Further, funds raised on short-term basis have, *prima facie*, not been used during the year for long-term purposes by the Company.
- (e) The Company does not have any subsidiary, associate, or joint venture. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company does not have any subsidiary, associate, or joint venture. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) In our opinion and according to the information explanation given 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 and there were no delays or default regarding the application.
- (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 under clause 3(x)(b) of the Order are not applicable to the Company.
- xi. (a) Based on our 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 report that no material fraud by the Company or on the Company has been noticed or reported during the year in the course of our audit.
- (b) Based on our 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, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditor's) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) We have taken into consideration the whistle-blower complaints received by the Company during the year while determining the nature, timing, and extent of audit procedures.
- 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 under clause 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 Note 47 to the Financial Statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered internal audit reports issued by internal auditor during our audit in accordance with the guidance provided in SA 610 - 'Using the work of Internal Auditors'.



Annexure 'A' (Contd.)

- xv. According to the information and explanations given to us, in our opinion, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with its directors and accordingly, the reporting on compliance with the provisions of Section 192 of the Act in clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is required to and has been registered under Section 45-IA of the Reserve Bank of India Act, 1934 as a Non-Banking Financial Company and it has obtained the registration.
- (b) The Company has conducted the Non-Banking Financial activities with a valid Certificate of Registration ("CoR") from the RBI as per the Reserve Bank of India Act, 1934. The Company is not engaged in any housing finance activities during the year and is not required to obtain CoR for such activities from RBI.
- (c) The Company is not a Core investment Company ("CIC") as defined in the regulations made by RBI. Accordingly, the provisions stated under clause 3 (xvi) (c) of the Order are not applicable to the Company.
- (d) According to the information and explanations provided to us, the group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one Core Investment Companies ('CICs') as a part of its group. The Group has one CICs which is registered with RBI and one CICs which are in the process of registration with RBI.
- xvii. Based on the overall review of Financial Statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the provisions stated under clause 3(xvii) of the Order are not applicable to the Company.
- xviii. There has been resignation of the statutory auditor during the year due to regulatory requirements, however there were no issues, objections or concerns raised by the outgoing auditor.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Act, are applicable to the Company. In respect of other than ongoing projects, the Company has transferred unspent amount within a period of 30 days from the end of the financial year to a Fund specified in Schedule VII to the Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-Section (5) of Section 135 of the Act.
- xxi. According to the information and explanations given to us, the Company does not have any subsidiary, associate or joint venture. Accordingly, reporting under clause 3(xxi) of the Order is not applicable.

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

Swapnil Kale
Partner
Membership Number: 117812
UDIN: 24117812BKFI3503

Place: Mumbai
Date: 10th May, 2024

For **Singhi & Co**
Chartered Accountants
Firm Registration Number: 302049E

Amit Hundia
Partner
Membership Number: 120761
UDIN: 24120761BKCMQU1553

Place: Mumbai
Date: 10th May, 2024

Annexure 'B'

to the Independent Auditor's report on the Financial Statements of Aditya Birla Finance Limited for the year ended 31st March, 2024
[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

We have audited the internal financial controls with reference to Financial Statements of the Company as of 31st March, 2024 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at 31st March, 2024, based on the internal control with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI ("the Guidance Note").

Management's and Board of Directors' Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to

obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of internal financial controls with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Financial Statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

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



Annexure 'B' (Contd.)

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to Financial Statements, including the possibility of collusion or improper management override of controls,

material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

Swapnil Kale
Partner
Membership Number: 117812
UDIN: 24117812BKFFB3503

Place: Mumbai
Date: 10th May, 2024

For **Singhi & Co**
Chartered Accountants
Firm Registration Number: 302049E

Amit Hundia
Partner
Membership Number: 120761
UDIN: 24120761BKCMQU1553

Place: Mumbai
Date: 10th May, 2024

Balance Sheet

as at 31st March, 2024

Particulars	Note No.	(₹ in Lakh)	
		As at 31 st March, 2024	As at 31 st March, 2023
I ASSETS			
1 Financial Assets			
(a) Cash and cash equivalents	6	19,030.95	38,763.43
(b) Bank balance other than included in (a) above	7	100.00	-
(c) Derivative financial instruments	8	1,040.61	83.64
(d) Receivable			
(I) Trade receivables	9	2,891.50	4,030.61
(II) Other receivables		-	-
(e) Loans	10	1,03,90,526.80	78,84,950.10
(f) Investments	11	5,86,237.68	3,70,269.62
(g) Other financial assets	12	8,074.93	14,751.79
2 Non-financial assets			
(a) Current tax assets (net)	13	2,850.33	15,150.75
(b) Deferred tax assets (net)	41	46,875.85	40,653.14
(c) Property, plant and equipment	14	9,084.93	5,130.15
(d) Right-of-use assets	15	27,435.89	18,749.72
(e) Intangible assets under development	16	1,078.52	890.07
(f) Other intangible assets	17	4,455.55	6,244.06
(g) Other non-financial assets	18	21,492.11	12,615.33
Total assets		1,11,21,175.65	84,12,282.41
II LIABILITIES AND EQUITY			
Liabilities			
1 Financial liabilities			
(a) Derivative financial instruments	8	8,672.74	1,369.24
(b) Payables			
(I) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	19	365.09	288.81
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	19	57,323.10	69,467.65
(II) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(c) Debt securities	20	30,52,710.49	23,53,485.51
(d) Borrowings (other than debt securities)	21	58,89,303.38	44,78,597.46
(e) Subordinated liabilities	22	2,87,201.14	2,44,990.45
(f) Lease liabilities	23	29,096.52	19,648.20
(g) Other financial liabilities	24	2,27,427.24	68,919.82
2 Non-financial liabilities			
(a) Current tax liabilities (Net)	25	25,654.85	13,664.09
(b) Provisions	26	7,920.45	6,463.72
(c) Other non-financial liabilities	27	11,147.23	12,766.33
Total liabilities		95,96,822.23	72,69,661.28
Equity			
(a) Equity share capital	28	68,939.69	66,210.08
(b) Other equity	29	14,55,413.73	10,76,411.05
Total equity		15,24,353.42	11,42,621.13
Total liabilities and equity		1,11,21,175.65	84,12,282.41

As per our report of even date attached.

For MSKA & Associates
Chartered Accountants
ICAI Firm Reg. No.: 105047W

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

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

Swapnil Kale
Partner
Membership No.: 117812

Amit Hundia
Partner
Membership No.: 120761

Vishakha Mulye
Director
DIN: 00203578

Rakesh Singh
Managing Director and Chief Executive Officer
DIN: 07006067

Pradeep Agrawal
Chief Financial Officer

Ankur Shah
Company Secretary

Place: Mumbai
Date: 10th May, 2024

Place: Mumbai
Date: 10th May, 2024

Place: Mumbai
Date: 10th May, 2024



Statement of Profit and Loss

for the year ended 31st March, 2024

Particulars	Note No.	(₹ in Lakh)	
		Year ended 31 st March, 2024	Year ended 31 st March, 2023
Revenue from Operations			
(i) Interest income	31	12,04,447.67	7,80,603.81
(ii) Dividend income	32	270.48	284.97
(iii) Fees and commission income	33	51,130.66	41,098.09
(iv) Net gain on fair value changes	34	12,519.29	1,699.96
(v) Net gain on de-recognition of financial assets at amortised cost		1,853.77	-
(I) Total revenue from operations		12,70,221.87	8,23,686.83
(II) Other income	35	6,222.07	3,080.88
(III) Total income (I + II)		12,76,443.94	8,26,767.71
Expenses			
(i) Finance costs	36	6,46,822.22	3,85,717.77
(ii) Impairment on financial instruments	37	1,35,243.35	90,347.54
(iii) Employee benefits expenses	38	93,788.70	72,283.39
(iv) Depreciation, amortisation and impairment	39	12,036.47	8,613.28
(v) Other expenses	40	89,846.60	60,787.35
(IV) Total expenses		9,77,737.34	6,17,749.33
(V) Profit before exceptional items and tax (III - IV)		2,98,706.60	2,09,018.38
(VI) Exceptional items		-	-
(VII) Profit before tax (V- VI)		2,98,706.60	2,09,018.38
(VIII) Tax expense:			
(1) Current tax	41	82,360.54	68,583.07
(2) Deferred Tax	41	(5,739.54)	(14,940.44)
(IX) Profit for the year		2,22,085.60	1,55,375.75
(X) Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement gain on defined benefit plan		673.28	428.00
Income tax impact of above		(169.45)	(107.72)
		503.83	320.28
Changes in fair value of equity instruments carried at FVTOCI		88.00	73.47
Income tax impact of above		(22.15)	(18.49)
		65.85	54.98
Items that will be reclassified to profit or loss			
Fair Value change on derivatives designated as cash flow hedge		(2,681.07)	460.95
Income tax impact on above		674.77	(116.01)
		(2,006.30)	344.94
Other comprehensive income for the year		(1,436.62)	720.20
Total comprehensive income for the year		2,20,648.98	1,56,095.95
(XI) Earnings per equity share (Face Value ₹ 10 per equity share)			
Basic (₹)	42	33.02	23.47
Diluted (₹)	42	33.01	23.46

Summary of significant accounting policies

4

The accompanying notes are forming part of the financial statements.

As per our report of even date attached.

For MSKA & Associates
Chartered Accountants
ICAI Firm Reg. No.: 105047W

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

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

Swapnil Kale
Partner
Membership No.: 117812

Amit Hundia
Partner
Membership No.: 120761

Vishakha Mulye
Director
DIN: 00203578

Rakesh Singh
Managing Director and Chief Executive Officer
DIN: 07006067

Pradeep Agrawal
Chief Financial Officer

Ankur Shah
Company Secretary

Place: Mumbai
Date: 10th May, 2024

Place: Mumbai
Date: 10th May, 2024

Place: Mumbai
Date: 10th May, 2024

Statement of Cash Flows

for the year ended 31st March, 2024

Particulars	(₹ in Lakh)	
	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Operating activities		
Profit before tax	2,98,706.60	2,09,018.38
Adjustments to reconcile profit before tax to net cash flow:		
Depreciation/amortisation and impairment	12,036.47	8,613.28
Impairment on financial instruments	1,35,243.35	90,347.54
Interest on deposit with banks	(23.23)	(274.52)
Net loss/(gain) on fair value changes	(12,519.29)	(1,699.96)
(Gain)/loss on sale of property, plant and equipment	12.85	33.10
Dividend income	(270.48)	(284.97)
Interest income on investment	(24,131.62)	(12,095.99)
Finance cost on lease liability	1,849.67	1,005.54
Profit on surrender of lease liability/income from rent concession	(369.44)	(124.76)
Share-based payment expenses	1,083.32	483.19
Net gain on de-recognition of financial assets at amortised cost	(1,504.16)	-
Operating Profit before working capital changes	4,10,114.04	2,95,020.83
Adjustment for working capital changes		
(Increase) in bank balances other than cash and cash equivalents	(100.00)	-
(Increase) in loans	(26,41,834.31)	(26,13,183.94)
Decrease/(Increase) in trade receivables	849.80	(2,828.68)
Decrease/(Increase) in other financial assets	7,531.82	(9,889.86)
(Increase) in other non-financial assets	(7,659.00)	(3,142.52)
(Decrease)/Increase in trade payables	(12,068.27)	45,534.83
Increase in other financial liabilities	1,86,296.02	21,279.01
Increase/(Decrease) in provisions	2,130.01	(3,529.97)
(Decrease)/Increase in other non-financial liabilities	(1,619.10)	4,341.94
	(20,56,358.99)	(22,66,398.36)
Income taxes paid (net)	(58,069.36)	(37,343.73)
Net cash flow (used in) operating activities	(21,14,428.35)	(23,03,742.09)
Investing activities		
Purchase of intangible assets including assets under development	(2,390.48)	(2,975.69)
Proceeds from sale of property, plant and equipment	50.63	74.00
Purchase of property, plant and equipment	(8,431.04)	(6,009.91)
Proceeds from sale of long-term investments	22,620.89	1,841.72
Purchase of long term investments	-	(25,736.84)
Net (purchase)/sale of short-term investments	(2,27,801.79)	(1,71,877.62)
Dividend received	270.48	284.97
Interest received on deposit with banks	23.23	306.16
Deposit redemption	-	9,649.73
Interest received on investment	27,260.69	7,461.35
Net cash flow (used in)/from investing activities	(1,88,397.39)	(1,86,982.13)



Statement of Cash Flows

for the year ended 31st March, 2024

(₹ in Lakh)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Financing activities		
Proceeds from long-term borrowings	26,88,910.55	31,67,898.63
Repayment of long-term borrowings	(12,98,578.07)	(11,66,686.01)
Short-term borrowings (net)	7,37,702.31	4,71,869.05
Principal portion of lease payments	(3,091.82)	(2,159.62)
Interest portion of lease payments	(1,849.70)	(1,005.54)
Proceeds from issue of equity share capital	2,729.61	-
Share premium on proceeds from issue of equity share capital	1,57,270.38	-
Net cash flow from financing activities	22,83,093.26	24,69,916.51
Net increase in cash and cash equivalents	(19,732.48)	(20,807.71)
Cash and cash equivalents at the beginning of the period	38,763.43	59,571.14
Cash and cash equivalents at the end of the period	19,030.95	38,763.43
Components of cash and cash equivalents		
Balance with banks		
In current accounts	19,030.95	38,763.43
Total cash and cash equivalents	19,030.95	38,763.43
Cash Flow from operating activities includes:		
Interest received	11,54,669.15	7,37,452.44
Interest paid	6,12,240.62	3,78,447.38
Dividend received	270.48	284.97

Additional disclosure pursuant to Ind AS 7

(₹ in Lakh)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Opening balance of debt securities, borrowings (other than debt securities), subordinated liabilities and lease liabilities	70,96,721.62	46,11,485.11
Cash flow	21,21,138.03	24,68,869.47
Fair value adjustment	(8,625.08)	(847.84)
Interest accrued on borrowings and lease liabilities	34,581.60	7,270.39
Additions to lease liability	14,495.36	9,944.49
Closing balance of debt securities, borrowings (other than debt securities), subordinated liabilities and lease liabilities	92,58,311.53	70,96,721.62

* The above Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.

* Purchase of investments is after adjustments of proceeds from sale / redemption of mutual fund.

* Borrowings includes proceeds and repayment of debt securities, borrowings (other than debt securities) and subordinate liabilities.

As per our report of even date attached.

For MSKA & Associates
Chartered Accountants
ICAI Firm Reg. No.: 105047W

Swapnil Kale
Partner
Membership No.: 117812

Place: Mumbai
Date: 10th May, 2024

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

Amit Hundia
Partner
Membership No.: 120761

Place: Mumbai
Date: 10th May, 2024

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

Vishakha Mulye
Director
DIN: 00203578

Pradeep Agrawal
Chief Financial Officer

Place: Mumbai
Date: 10th May, 2024

Rakesh Singh
Managing Director and Chief Executive Officer
DIN: 07006067

Ankur Shah
Company Secretary

Statement of Changes in Equity

for the year ended 31st March, 2024

A. EQUITY SHARE CAPITAL

Year ended 31st March, 2024

(₹ in Lakh)

Particulars	Balance as at 01 st April, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01 st April, 2023	Changes in Equity Share Capital during the period	Balance as at 31 st March, 2024
Equity shares of ₹ 10 each issued, subscribed and fully paid	66,210.08	-	66,210.08	2,729.61	68,939.69

Year ended 31st March, 2023

(₹ in Lakh)

Particulars	Balance as at 01 st April, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01 st April, 2022	Changes in Equity Share Capital during the period	Balance as at 31 st March, 2023
Equity shares of ₹ 10 each issued, subscribed and fully paid	66,210.08	-	66,210.08	-	66,210.08



Statement of Changes in Equity

for the year ended 31st March, 2024

B. OTHER EQUITY

Particulars	Reserves and Surplus						Other comprehensive income				Total Equity
	Special Reserve	Securities Premium Account	Capital Reserve	General Reserve	Capital Redemption Reserve	Share Options Outstanding Account	Retained Earnings	Instruments through other Comprehensive Income	Cash Flow Hedge Reserve	Other Equity	
Balance as at 01 st April, 2022	1,22,351.25	3,63,738.29	(10,452.11)	13,660.95	1,000.00	-	4,29,931.19	172.52	(570.18)	9,19,831.91	
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	
Restated balance as at 01 st April, 2022	1,22,351.25	3,63,738.29	(10,452.11)	13,660.95	1,000.00	-	4,29,931.19	172.52	(570.18)	9,19,831.91	
Profit for the year	-	-	-	-	-	-	1,55,375.75	-	-	1,55,375.75	
Fair Value change on derivatives designated as cash flow hedge	-	-	-	-	-	-	-	-	344.94	344.94	
ESOP charge for the year	-	-	-	-	-	483.19	-	-	-	483.19	
Remeasurement gain on defined benefit plan	-	-	-	-	-	-	320.28	54.98	-	375.26	
Total comprehensive Income	-	-	-	-	-	483.19	1,55,696.03	54.98	344.94	1,56,579.14	
Transfer to/from retained earnings	31,075.15	-	-	-	-	-	(31,075.15)	-	-	-	
Balance as at 31 st March, 2023	1,53,426.40	3,63,738.29	(10,452.11)	13,660.95	1,000.00	483.19	5,54,552.07	227.50	(225.24)	10,76,411.05	
Balance as at 01 st April, 2023	1,53,426.40	3,63,738.29	(10,452.11)	13,660.95	1,000.00	483.19	5,54,552.07	227.50	(225.24)	10,76,411.05	
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	
Restated balance as at 01 st April, 2023	1,53,426.40	3,63,738.29	(10,452.11)	13,660.95	1,000.00	483.19	5,54,552.07	227.50	(225.24)	10,76,411.05	
Profit for the period	-	-	-	-	-	-	2,22,085.60	-	(2,006.30)	2,22,085.60	
Fair value change on derivatives designated as cash flow hedge	-	-	-	-	-	-	-	-	-	-	
ESOP charge for the year	-	-	-	-	-	1,083.32	-	-	-	1,083.32	
Remeasurement gain on defined benefit plan	-	-	-	-	-	-	503.83	65.85	-	569.68	
Total comprehensive income	-	-	-	-	-	1,083.32	2,22,589.43	65.85	(2,006.30)	2,21,732.30	
Issue of share capital	-	1,57,270.38	-	-	-	-	-	-	-	1,57,270.38	
Transfer to/from retained earnings	44,417.12	-	-	-	-	-	(44,417.12)	-	-	-	
Balance as at 31 st March, 2024	1,97,843.52	5,21,008.67	(10,452.11)	13,660.95	1,000.00	1,566.51	7,32,724.38	293.35	(2,231.54)	14,55,413.73	

As per our report of even date attached.

For MSKA & Associates
Chartered Accountants
ICAI Firm Reg. No.: 105047W

Swapnil Kale
Partner
Membership No.: 117812

Place: Mumbai
Date: 10th May, 2024

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

Vishakha Mulye
Director
DIN: 00203578

Pradeep Agrawal
Chief Financial Officer

Place: Mumbai
Date: 10th May, 2024

Rakesh Singh
Managing Director and Chief Executive Officer
DIN: 07006067

Ankur Shah
Company Secretary

Place: Mumbai
Date: 10th May, 2024

Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 1: CORPORATE INFORMATION - BRIEF DESCRIPTION ABOUT THE COMPANY

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

The Company has received certificate of registration as a non-deposit taking systemically important Non-Banking Financial Company from Reserve Bank of India dated 09th August, 2011 having COR number N-01.00500 in lieu of earlier COR number B-13.01163 dated 12th February, 1999. Pursuant to a press release dated 30th September, 2022 by the RBI, our Company has been classified under the "upper layer" category under the Scale based Regulations of RBI.

The Company has received certificate of registration No. B.01.00636 dated 21st November, 2023 to commence and carry on business of factoring.

The Company is certified as ISO 9001: 2015 for all its business processes by Intertek.

The Company is also certified with ISO 27001: 2013 - Information Security Management System (ISMS) for human resource and administration, information technology and internal audit & compliance functions.

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

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

The registered office of the Company is Indian Rayon Compound, Veraval, Gujarat - 362 266.

The audited financial statements were subject to review and recommendation of Audit Committee and approval of Board of Directors of the Company. On 10th May, 2024 the Board of Directors of the Company approved and recommended the audited financial statements for consideration and adoption by the shareholders in its Annual General Meeting.

NOTE 2: BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS)

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

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

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

NOTE 3: PRESENTATION OF FINANCIAL STATEMENTS

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

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

Functional and Presentation Currency

Amounts in the financial statements are presented in Indian Rupees in Lakhs (rounded off to two decimal places) which is determined to be the functional currency of the Company and the currency of the primary economic environment in which the Company operates.



Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 4: MATERIAL ACCOUNTING POLICY INFORMATION

NOTE 4.1: Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

NOTE 4.1 (i): Classification of financial instruments

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

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

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

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

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

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

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

The Company also assesses the contractual terms of the financial assets on the basis of its contractual cash

flow characteristics that are solely for the payments of principal and interest on the principal amount outstanding.

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

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

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

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

NOTE 4.1 (ii): Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, except in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement - Financial assets measured at amortised cost

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

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

Notes to the Financial Statements

for the year ended 31st March, 2024

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

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

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

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

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

Equity Instruments: All equity investments in scope of the Ind AS 109 are measured at fair value. For all such equity investments, the Company may make an irrevocable election to present in OCI the subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from the OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

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

Subsequent measurement - Items at fair value through profit or loss

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

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

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

NOTE 4.1 (iii): Financial Liabilities

Initial recognition and measurement

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

Subsequent measurement

The measurement of financial liabilities depends on their classification.

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

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



Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 4.1 (iv): Recognition and derecognition of financial assets and liabilities

Recognition:

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

Derecognition:

Financial assets

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

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

Financial Liabilities

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

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

NOTE 4.1 (v): Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of

impairment loss on the following financial assets and credit risk exposure:

1. Financial assets that are debt instruments are measured at amortised cost e.g. loans, debt securities, deposits, and other balances
2. Financial assets that are measured as at FVTOCI
3. Loan commitments which are not measured as at FVTPL
4. Financial guarantee contracts which are not measured as at FVTPL.

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

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

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

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

Stage 1: 12-months ECL

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

Notes to the Financial Statements

for the year ended 31st March, 2024

Stage 2: Lifetime ECL – not credit impaired

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

Stage 3: Lifetime ECL – credit impaired

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

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

In terms of the requirement as per the RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March, 2020 on Implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the company exceeds the total provision required under IRACP (including standard asset provisioning), as at 31st March, 2024 and accordingly, no amount is required to be transferred to impairment reserve.

NOTE 4.1 (vi): Offsetting of financial instruments

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

NOTE 4.1 (vii): Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. The Company reserves the right to recover such written off amount. Any subsequent recoveries against such loans are credited to the Statement of Profit and Loss.

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

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

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

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

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

Amounts previously recognised in the Other Comprehensive Income and accumulated in other equity relating to effective



Notes to the Financial Statements

for the year ended 31st March, 2024

portion as described above are re-classified to the Statement of Profit and Loss in the periods when the hedged item affects profit or loss. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

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

NOTE 4.1 (ix): Determination of fair value

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

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

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

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

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

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

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

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

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

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

NOTE 4.2: Revenue from operations

NOTE 4.2 (i): Interest Income

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

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

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

Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 4.2 (ii): Dividend Income

Dividend income is recognised

1. When the right to receive the payment is established which is generally when shareholders approve the dividend,
2. It is probable that the economic benefits associated with the dividend will flow to the entity, and
3. The amount of the dividend can be measured reliably.

NOTE 4.2 (iii): Rental Income

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

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

NOTE 4.2 (iv): Fees & Commission Income

Fees and commissions are recognised when the Company satisfies the performance obligation, at transaction price based on a five-step model as set out below, unless included in the effective interest calculation:

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

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

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

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

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

NOTE 4.2 (v): Net Gain/(Loss) on Fair Value Changes

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

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

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

NOTE 4.3: Expenses

NOTE 4.3 (i): Finance Costs

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

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

NOTE 4.3 (ii): Retirement and Other Employee Benefits

Short-term employee benefit

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



Notes to the Financial Statements

for the year ended 31st March, 2024

Post employment employee benefit

1. Defined contribution schemes

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

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

2. Defined benefit expenses

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

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

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

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

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

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

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

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

Other long-term employee benefits

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

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

NOTE 4.3 (iii): Share-Based Payments

The Holding Company (Aditya Birla Capital Limited) issues stock options to certain employees of the Company. These transactions are recognised as equity-settled share-based payment transactions by the holding company. The stock compensation expense is determined based on the grant date fair value of options and is recognised on a straight-line basis over the vesting period in the Statement of Profit and Loss.

Equity-settled share-based payments to employees are measured by reference to the fair value of the equity instruments at the grant date using Black-Scholes Model.

Notes to the Financial Statements

for the year ended 31st March, 2024

The fair value, determined at the grant date of the equity settled share-based payments, is charged to the Statement of Profit and Loss on the straight-line basis over the vesting period of the option, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

In case of forfeiture/lapse of stock option, which is not vested, amortised portion is reversed by credit to employee compensation expense. In situation where the stock option expires unexercised, the related balance standing to the credit of the Employee Stock Options Outstanding Account is transferred within equity.

NOTE 4.3 (iv): Rent Expense

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

NOTE 4.3 (v): Leases

The Company as a lessee

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

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

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

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for

any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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

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

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

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

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly for all contracts as on 01st April, 2019, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.



Notes to the Financial Statements

for the year ended 31st March, 2024

The weighted average incremental borrowing rate applied to lease liabilities as at 01st April, 2023 is between the range of 7.90% p.a. - 8.10% p.a. for a period varying from 1 to 10 years.

Critical accounting judgements and key sources of estimation uncertainty

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

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

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

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

NOTE 4.3 (vi): Other income and expenses

All Other Income and Expense are recognised in the period they occur.

NOTE 4.3 (vii): Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date if there is any indication of impairment based on internal/external factors. An asset is treated as

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

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

NOTE 4.3 (viii): Borrowing Cost

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

All other borrowing costs are expensed in the period in which they occur at amortised cost using Effective Interest Rate (EIR).

Borrowing costs consist of interest and other costs that an entity incurs in connection with borrowing funds.

NOTE 4.3 (ix): Taxes

Current tax

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

Notes to the Financial Statements

for the year ended 31st March, 2024

Deferred tax

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

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

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

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

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

Indirect Taxes

Goods and Services Tax or Value-Added Tax paid is on acquisition of assets or on incurring expenses.

Expenses and assets are recognised net of the Goods and Services Tax and Value-Added Taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the tax paid is recognised as part of the cost of acquisition of the asset or as part of the respective expense item, as applicable.
- When receivables and payables are recorded with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as a part of receivables or payables in the Statement of Assets and Liabilities.

NOTE 4.4: Cash and Cash Equivalents

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

NOTE 4.5: Property, Plant and Equipments

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

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

Depreciation methods, estimated useful lives and residual value

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



Notes to the Financial Statements

for the year ended 31st March, 2024

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

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

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

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

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

NOTE 4.6: Intangible Assets

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

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

on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

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

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as Intangible Assets Under Development.

NOTE 4.7: Provisions and Contingencies

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

NOTE 4.8: Contingent Liabilities

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

NOTE 4.9: Earnings Per Share

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

Basic Earning Per Share (EPS) is calculated by dividing the net profit for the year attributable to ordinary equity holders of

Notes to the Financial Statements

for the year ended 31st March, 2024

Company by the weighted average number of ordinary shares outstanding during the year.

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

NOTE 4.10: Segment Reporting

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

NOTE 4.11: Dividend

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

NOTE 4.12: Business Combination under Common Control

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

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

1. The assets and liabilities of the combining entities are reflected at their carrying amounts.
2. No adjustments are made to reflect fair values, or recognise new assets or liabilities. Adjustments are made only to harmonise significant accounting policies.

3. The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

4. The identity of the reserves are preserved and appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

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

NOTE 5: SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

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

NOTE 5.1: Business Model Assessment

Classification and measurement of financial assets depends on the results of the Solely Payments of Principal and Interest and the Business Model Test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting



Notes to the Financial Statements

for the year ended 31st March, 2024

all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated.

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

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

Refer Note 4.3 (ii)

NOTE 5.3: Fair value measurement

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

NOTE 5.4: Impairment of Loan Portfolio

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

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary. The impairment loss on loans and advances is disclosed in more detail in Note 10.

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

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

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

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

NOTE 5.6: Effective Interest Rate (EIR) method

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

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

Refer Note 4.3 (ix)

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

Refer note 4.5 and 4.6

Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 5.9: Long-Term Incentive Plan

The company pays Long Term Incentives to certain employees on fulfilment of prescribed criteria/conditions. The Company's liability towards Long Term Incentive is determined actuarially based on certain assumptions regarding rate of Interest, staff attrition and mortality as per Projected Unit Credit Method. Expenses towards long term incentive are recognised in the Statement of Profit and Loss.

Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31st March, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015. The effective date for adoption of these amendments is the annual period beginning on or after 01st April, 2023. The significant amendments are as below.

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The Company has evaluated the amendment and the impact of the amendment is insignificant on its financial statements.

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The Company has evaluated the amendment and the impact of the amendment is insignificant on its financial statements.

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The Company has evaluated the amendment and the impact of the amendment is insignificant on its financial statements.



Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 6: CASH AND CASH EQUIVALENTS

(₹ in Lakh)

Particulars	As at	
	31 st March, 2024	31 st March, 2023
Balances with bank in		
- Current accounts	19,030.95	38,763.43
Total	19,030.95	38,763.43

NOTE 7: BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakh)

Particulars	As at	
	31 st March, 2024	31 st March, 2023
Earmarked balance with banks:		
- Against unspent CSR	100.00	-
Total	100.00	-

NOTE 8: DERIVATIVE FINANCIAL INSTRUMENTS

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

(₹ in Lakh)

Particulars	As at 3 rd March, 2024			As at 31 st March, 2023		
	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Currency derivatives:						
- Forward	3,728.75	239.79	-	-	-	-
(ii) Interest rate derivatives:						
- Cross currency interest rate swaps	2,38,159.12	762.76	8,303.76	93,148.62	-	715.02
- INR Interest Rate swaps	80,000.00	38.06	368.98	1,00,000.00	83.64	654.22
Total	3,21,887.87	1,040.61	8,672.74	1,93,148.62	83.64	1,369.24
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
(i) Fair Value hedging						
- Interest rate derivatives	50,000.00	7.63	362.17	90,000.00	50.96	654.22
(ii) Cash flow hedging						
- Cross currency interest rate derivatives	2,38,159.12	762.76	8,303.76	93,148.62	-	715.02
- Currency derivatives	3,728.75	239.79	-	-	-	-
- Interest rate derivatives	30,000.00	30.43	6.81	10,000.00	32.68	-
Total	3,21,887.87	1,040.61	8,672.74	1,93,148.62	83.64	1,369.24

Notes to the Financial Statements

for the year ended 31st March, 2024

Note 8.1: Hedging activities and derivatives

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

Note 8.2: Derivatives designated as hedging instruments

Cash flow hedges

The Company is exposed to foreign currency risk arising from its External Commercial Borrowings amounting to ₹ 2,38,159.12 Lakh. Interest on the borrowing is payable at a floating rate. The Company economically hedged the foreign currency risk arising from the debt with a 'receive floating pay fixed' cross-currency interest rate swap ('swap'). The notional amount of swap is disclosed in the table below. The swap contract converts the cash outflows of the foreign currency borrowing as per table below to cash outflows in INR with a notional amount of ₹ 2,38,159.12 Lakh at fixed interest rate.

(₹ in Lakh)

Name of Lender	Foreign Currency Denominated Borrowing Amount		Interest Rate Type		Notional Amount of Swap (₹)		Interest Rate Swap Type	
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
JPY Denominated (in JPY Lakh) (Maturity range: February 2026 to March, 2026)	83,893.50	83,893.50	Floating rate interest	Floating rate interest	51,983.62	51,983.62	Fixed rate interest	Fixed rate interest
USD Denominated (in USD Lakh) (Maturity in March 2026)	2,250.00	500.00	Floating rate interest	Floating rate interest	1,86,175.50	41,165.00	Fixed rate interest	Fixed rate interest

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

The Company has also taken overnight index swap deals to hedge its cashflows for underlying NCDs. The details are disclosed in the table below:

(₹ in Lakh)

Particulars	Borrowing Amount		Interest Rate Type		Notional Amount of Swap (₹)		Interest Rate Swap Type	
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
Interest rate swaps	30,000.00	10,000.00	Floating rate interest	Floating rate interest	30,000.00	10,000.00	Fixed rate interest	Fixed rate interest



Notes to the Financial Statements

for the year ended 31st March, 2024

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

Hedging Instruments

(₹ in Lakh)

Particulars	Notional Amounts		Carrying amount of hedging instruments Assets/(Liabilities)		Line item in the Financial Statement		Change in fair value used for measuring ineffectiveness for the year (net of tax)	
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
Cross currency interest rate swaps	2,38,159.12	93,148.62	(7,541.00)	(715.02)	Derivative financial instruments		(5,168.37)	4,474.51
Currency forward	3,728.75	-	239.79	-	Derivative financial instruments		239.79	0.39
Interest rate swaps	30,000.00	10,000.00	23.62	32.68	Derivative financial instruments		(5.39)	20.92
Total	2,71,887.87	1,03,148.62	(7,277.59)	(682.34)			(4,933.97)	4,495.82

Hedging Items

(₹ in Lakh)

Particulars	Change in fair value used for measuring ineffectiveness for the year (net of tax)		Cash flow hedge reserve as at	
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
Foreign currency denominated floating rate borrowing	2,927.67	(4,150.88)	(2,247.07)	(246.16)
Debt securities (NCDs)	-	-	15.53	20.92
Total	2,927.67	(4,150.88)	(2,231.54)	(225.24)

The effect of the cash flow hedge in the Statement of Profit or Loss and Other Comprehensive Income is, as follows:

(₹ in Lakh)

Particulars	Total hedging gain / (loss) recognised in OCI		Hedge ineffectiveness recognised in Statement of Profit and Loss	
	Year ended 31 st March, 2024	Year ended 31 st March, 2023	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Debt securities (NCDs)	(5.39)	20.92	1.85	3.53
Foreign currency denominated floating rate borrowing	(2,000.91)	344.94	-	-
Total	(2,006.30)	365.86	1.85	3.53

Movements in Cash Flow Hedging Reserve

(₹ in Lakh)

Particulars	As at 01 st April, 2023	Add/Less: Changes in fair value	Add/Less: Deferred Tax	As at 31 st March, 2024	As at 01 st April, 2022	Add/Less: Changes in fair value	Add/Less: Deferred Tax	As at 31 st March, 2023
Cash flow Hedging Reserve	(225.24)	(2,681.07)	674.77	(2,231.54)	(570.18)	460.95	(116.01)	(225.24)
Total	(225.24)	(2,681.07)	674.77	(2,231.54)	(570.18)	460.95	(116.01)	(225.24)

Notes to the Financial Statements

for the year ended 31st March, 2024

Fair Value Hedge

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

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

Hedging Instruments

(₹ in Lakh)

Particulars	Notional Amounts		Carrying amount of hedging instruments Assets/(Liabilities)		Line item in the Balance Sheet		Change in fair value used for measuring ineffectiveness for the year	
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
	Interest rate swaps	50,000.00	90,000.00	(354.54)	(603.26)	Derivative financial instruments		248.72

Hedge Items

(₹ in Lakh)

Particulars	Notional Amounts		Accumulated fair value adjustment - Liability		Line item in the Balance Sheet		Change in fair value used for measuring ineffectiveness for the year	
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
	Fixed rated NCD	50,000.00	90,000.00	(344.59)	(575.17)	Derivative financial instruments		(230.58)

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

(₹ in Lakh)

Particulars	Hedge ineffectiveness recognised in Statement of Profit and Loss		Line in the Statement of Profit and Loss that includes hedge ineffectiveness	
	31 st March, 2024	31 st March, 2023		
	Interest rate swaps	18.14	(15.59)	Net gain on fair value changes

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

(₹ in Lakh)

Particulars	As at 31 st March, 2024				As at 31 st March, 2023			
	0 to 12 months	1 to 5 years	Over 5 years	Total	0 to 12 months	1 to 5 years	Over 5 years	Total
	(i) Cross currency interest rate swaps	-	2,38,159.12	-	2,38,159.12	-	93,148.62	-
(ii) Currency forward	3,728.75	-	-	3,728.75	-	-	-	-
(iii) Interest rate swaps	37,500.00	42,500.00	-	80,000.00	40,000.00	60,000.00	-	1,00,000.00
Total	41,228.75	2,80,659.12	-	3,21,887.87	40,000.00	1,53,148.62	-	1,93,148.62



Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 9: TRADE RECEIVABLES

As at 31st March, 2024

Particulars	Outstanding for following periods from date of transaction						Total Exposure	Loss Allowance	Total
	Unbilled	Less than 6 months -	1-2 Years	2-3 years	More than 3 years	Total			
		6 months - 1 year							
Unsecured:									
(i) Undisputed trade receivables – considered good	1,847.96	386.74	-	-	-	2,234.70	(10.97)	2,223.73	
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	948.29	-	-	-	948.29	(320.76)	627.53	
(iii) Undisputed trade receivables – credit impaired	-	148.02	16.03	7.47	-	171.52	(131.28)	40.24	
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-	-	-	
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-	
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-	
Total	1,847.96	1,483.05	16.03	7.47	-	3,354.51	(463.01)	2,891.50	

As at 31st March, 2023

Particulars	Outstanding for following periods from date of transaction						Total Exposure	Loss Allowance	Total
	Unbilled	Less than 6 months -	1-2 Years	2-3 years	More than 3 years	Total			
		6 months - 1 year							
Unsecured:									
(i) Undisputed trade receivables – considered good	866.92	3,153.50	-	-	-	4,020.42	(34.57)	3,985.85	
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	89.53	-	-	-	89.53	(44.77)	44.76	
(iii) Undisputed trade receivables – credit impaired	-	88.68	5.10	0.58	-	94.36	(94.36)	-	
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-	-	-	
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-	
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-	
Total	866.92	3,331.71	5.10	0.58	-	4,204.31	(173.70)	4,030.61	

Notes:

- No Trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.
- Date of transaction considered as due date of payment.

Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 10: LOANS

Particulars	As at 31 st March, 2024				As at 31 st March, 2023				Total			
	At fair value				At fair value							
	Amortised Cost	Through Other Comprehensive Income	Through profit and loss account	Designated at through Profit and Loss Account	Sub-Total	Total	Amortised Cost	Through Other Comprehensive Income		Through Profit and Loss Account	Designated at through Profit and Loss Account	Sub-Total
Loans	1,05,68,423.75	-	-	-	-	-	1,05,68,423.75	80,45,230.28	-	-	-	80,45,230.28
Other advances	137.98	-	-	-	-	-	137.98	48.53	-	-	-	48.53
Total (A) - Gross	1,05,68,561.73	-	-	-	-	-	1,05,68,561.73	80,45,278.81	-	-	-	80,45,278.81
Less: Impairment loss allowance	1,78,034.93	-	-	-	-	-	1,78,034.93	1,60,328.71	-	-	-	1,60,328.71
Total (A) - Net	1,03,90,526.80	-	-	-	-	-	1,03,90,526.80	78,84,950.10	-	-	-	78,84,950.10
i) Secured by tangible assets	65,46,371.40	-	-	-	-	-	65,46,371.40	47,15,065.63	-	-	-	47,15,065.63
ii) Secured by intangible assets	50,953.32	-	-	-	-	-	50,953.32	-	-	-	-	-
iii) Covered by bank and government guarantee	4,96,038.83	-	-	-	-	-	4,96,038.83	3,23,304.18	-	-	-	3,23,304.18
iv) Secured by book debts, inventories, fixed deposit and other working capital items	5,61,469.10	-	-	-	-	-	5,61,469.10	82,937.72	-	-	-	82,937.72
v) Unsecured	29,13,729.09	-	-	-	-	-	29,13,729.09	29,23,971.29	-	-	-	29,23,971.29
Total (B) - Gross	1,05,68,561.73	-	-	-	-	-	1,05,68,561.73	80,45,278.82	-	-	-	80,45,278.82
Less: Impairment loss allowance	1,78,034.93	-	-	-	-	-	1,78,034.93	1,60,328.71	-	-	-	1,60,328.71
Total (B) - Net	1,03,90,526.80	-	-	-	-	-	1,03,90,526.80	78,84,950.11	-	-	-	78,84,950.11
Loans in India												
i) Public Sector	35,304.59	-	-	-	-	-	35,304.59	41,907.39	-	-	-	41,907.39
ii) Others	1,05,33,257.14	-	-	-	-	-	1,05,33,257.14	80,03,371.42	-	-	-	80,03,371.42
Total - Gross	1,05,68,561.73	-	-	-	-	-	1,05,68,561.73	80,45,278.81	-	-	-	80,45,278.81
Less: Impairment loss allowance	1,78,034.93	-	-	-	-	-	1,78,034.93	1,60,328.71	-	-	-	1,60,328.71
Total - Net	1,03,90,526.80	-	-	-	-	-	1,03,90,526.80	78,84,950.10	-	-	-	78,84,950.10
Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
Total - Net	-	-	-	-	-	-	-	-	-	-	-	-
Total (C)	1,03,90,526.80	-	-	-	-	-	1,03,90,526.80	78,84,950.10	-	-	-	78,84,950.10

Notes:

- There are no loans or advances, in the nature of loans, which are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.
- Impairment loss allowance includes non-fund based exposure's impairment loss allowance of ₹ 23.53 Lakh (refer note: 10.1(d))



Notes to the Financial Statements

for the year ended 31st March, 2024

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

(a) Reconciliation of Gross carrying amount - Loans:

(₹ in Lakh)

Loans	As at 31 st March, 2024				As at 31 st March, 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance of gross carrying amount	75,75,784.67	2,18,735.73	2,50,709.88	80,45,230.28	49,77,028.10	2,95,575.99	1,95,603.41	54,68,207.50
New assets originated or purchased	60,34,857.25	50,409.55	28,904.61	61,14,171.41	47,29,349.26	35,498.03	31,548.81	47,96,396.10
Assets derecognised or repaid (excluding write offs)	(33,33,975.89)	(52,207.70)	(34,508.38)	(34,20,691.97)	(20,74,466.07)	(58,620.04)	(39,942.71)	(21,73,028.82)
Transfers to stage 1	69,198.74	(65,946.26)	(3,252.48)	-	1,21,954.37	(1,16,005.59)	(5,948.78)	-
Transfers to stage 2	(1,05,137.68)	1,07,070.77	(1,933.09)	-	(1,08,095.41)	1,08,692.31	(596.90)	-
Transfers to stage 3	(53,655.72)	(25,748.13)	79,403.85	-	(47,493.20)	(37,833.71)	85,326.92	-
Amounts written-off	(92,977.14)	(22,890.44)	(54,418.39)	(1,70,285.97)	(22,492.38)	(8,571.26)	(15,280.87)	(46,344.51)
Closing balance of gross carrying amount	1,00,94,094.23	2,09,423.52	2,64,906.00	1,05,68,423.75	75,75,784.67	2,18,735.73	2,50,709.88	80,45,230.28

(b) Reconciliation of loss allowance provision - Loans:

(₹ in Lakh)

ECL	As at 31 st March, 2024				As at 31 st March, 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance of ECL allowance	37,468.66	7,065.65	1,15,794.40	1,60,328.71	15,999.84	14,194.05	77,288.64	1,07,482.53
Increase in new / existing assets originated or purchased	94,667.88	24,309.79	71,127.13	1,90,104.80	48,250.78	6,218.26	55,349.37	1,09,818.41
Assets derecognised or repaid (excluding write offs)	(2,402.09)	(301.00)	(75.84)	(2,778.93)	(7,980.79)	(922.75)	(1,776.72)	(10,680.26)
Transfers to Stage 1	2,059.48	(1,130.91)	(928.57)	-	4,134.24	(2,708.13)	(1,426.11)	-
Transfers to Stage 2	(631.94)	1,570.46	(938.52)	-	(254.79)	501.20	(246.41)	-
Transfers to Stage 3	(426.79)	(591.59)	1,018.38	-	(187.78)	(1,645.72)	1,833.50	-
Amounts written-off	(92,977.14)	(22,890.44)	(53,752.07)	(1,69,619.65)	(22,492.84)	(8,571.26)	(15,227.87)	(46,291.97)
Closing balance of ECL allowance	37,758.06	8,031.96	1,32,244.91	1,78,034.93	37,468.66	7,065.65	1,15,794.40	1,60,328.71

(c) Expected credit loss - Loans:

(₹ in Lakh)

Particulars	As at 31 st March, 2024				As at 31 st March, 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	1,00,94,094.23	2,09,423.52	2,64,906.00	1,05,68,423.75	75,75,784.67	2,18,735.73	2,50,709.88	80,45,230.28
Less: Impairment loss allowance	37,758.06	8,031.96	1,32,244.91	1,78,034.93	37,468.66	7,065.65	1,15,794.40	1,60,328.71
Net carrying amount	1,00,56,336.17	2,01,391.56	1,32,661.09	1,03,90,388.82	75,38,316.01	2,11,670.08	1,34,915.48	78,84,901.57

Notes to the Financial Statements

for the year ended 31st March, 2024

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

Non-Funded Exposures	Total Non-Fund Exposures (not included in the tables above)				ECL on Non-Fund Exposures (included in the tables above)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	Opening balance as on 31 st March, 2023	8,111.85	100.00	200.00	8,411.85	29.89	0.06	-
Net movement	56.54	(100.00)	(200.00)	(243.46)	(10.07)	3.65	-	(6.42)
Closing balance as on 31 st March, 2024	8,168.40	-	-	8,168.40	19.82	3.71	-	23.53

NOTE 11: INVESTMENTS

As at 31st March, 2024

Particulars	Amortised Cost	At Fair Value			Sub-Total	Others	Total
		Through Other Comprehensive Income	Through Profit and Loss Account	Designated at through Profit and Loss Account			
		i) Investment in govt. securities	-	-			
ii) Investment in equity instruments	-	396.73	68.14	-	464.87	-	464.87
iii) Investment in preference shares	-	-	-	-	-	-	-
iv) Investment in alternate funds	-	-	1,180.48	-	1,180.48	-	1,180.48
v) Investment in debentures	385.38	-	81,651.31	-	81,651.31	-	82,036.69
vi) Investment in security receipts	-	-	-	-	-	-	-
vii) Investment in mutual funds	-	-	-	-	-	-	-
Total Gross (A)	385.38	396.73	5,85,455.96	-	5,85,852.69	-	5,86,238.07
(i) Investments in India	385.38	396.73	5,85,455.96	-	5,85,852.69	-	5,86,238.07
(ii) Investments outside India	-	-	-	-	-	-	-
Total (B)	385.38	396.73	5,85,455.96	-	5,85,852.69	-	5,86,238.07
Less: Impairment loss allowance (C)	0.39	-	-	-	-	-	0.39
Total - Net [D= (A)-(C)]	384.99	396.73	5,85,455.96	-	5,85,852.69	-	5,86,237.68

As at 31st March, 2023

Particulars	Amortised Cost	At Fair Value			Sub-Total	Others	Total
		Through Other Comprehensive Income	Through Profit and Loss Account	Designated at through Profit and Loss Account			
		i) Investment in govt. securities	-	-			
ii) Investment in equity instruments	-	308.73	34.82	-	343.55	-	343.55
iii) Investment in preference shares	-	-	3,500.00	-	3,500.00	-	3,500.00
iv) Investment in alternate funds	-	-	24,643.33	-	24,643.33	-	24,643.33
v) Investment in debentures	7,490.86	-	85,430.31	-	85,430.31	-	92,921.17
vi) Investment in security receipts	2,635.00	-	-	-	-	-	2,635.00
vii) Investment in mutual funds	-	-	520.91	-	520.91	-	520.91
Total Gross (A)	10,125.86	308.73	3,61,160.65	-	3,61,469.38	-	3,71,595.24
(i) Investments in India	10,125.86	308.73	3,61,160.65	-	3,61,469.38	-	3,71,595.24
(ii) Investments outside India	-	-	-	-	-	-	-
Total (B)	10,125.86	308.73	3,61,160.65	-	3,61,469.38	-	3,71,595.24
Less: Impairment loss allowance (C)	1,325.62	-	-	-	-	-	1,325.62
Total - Net [D= (A)-(C)]	8,800.24	308.73	3,61,160.65	-	3,61,469.38	-	3,70,269.62

Note: The Company received dividends of ₹ 270.48 Lakh (31st March, 2023: ₹ 284.97 Lakh) from its FVTPL securities, recorded as dividend income.



Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 12: OTHER FINANCIAL ASSETS

(₹ in Lakh)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Security deposits (Carried at amortised cost, unless otherwise stated)	3,908.55	3,774.41
Other receivables	2,683.88	2,469.50
Collateralised borrowing and lending obligation	-	8,507.88
Excess interest spread on direct assignment	1,504.16	-
Less: Impairment loss allowance	(21.66)	-
Total	8,074.93	14,751.79

NOTE 13: CURRENT TAX ASSETS (NET)

(₹ in Lakh)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Advance payment of taxes (Net of provision for taxation ₹ Nil ; 31 st March, 2023 ₹ 1,17,279.69 Lakh)	2,850.33	15,150.75
Total	2,850.33	15,150.75

NOTE 14: PROPERTY, PLANT AND EQUIPMENTS

(₹ in Lakh)

Particulars	Building	Plant & Equipments	Furniture & Fixtures	Vehicles	Office Equipments	Leasehold Improvements	Total
Gross book value:							
At 01 st April, 2022	20.92	1,180.15	187.62	1,558.52	520.11	1,042.30	4,509.62
Additions	-	2,531.50	371.67	571.60	339.43	1,256.17	5,070.37
Disposals	-	227.32	24.63	312.28	55.06	155.50	774.79
At at 31st March, 2023	20.92	3,484.34	534.66	1,817.84	804.48	2,142.97	8,805.20
Additions	-	3,301.70	452.54	1,355.66	423.94	1,679.42	7,213.26
Disposals	-	226.52	10.66	289.52	14.49	26.56	567.75
As at 31st March, 2024	20.92	6,559.52	976.54	2,883.98	1,213.93	3,795.83	15,450.71
Depreciation and impairment:							
At 01 st April, 2022	2.30	966.08	122.62	738.86	271.05	527.34	2,628.25
Depreciation charge for the year	0.46	600.69	199.92	305.66	155.13	452.60	1,714.46
Disposals	-	226.66	24.25	207.76	55.06	153.94	667.66
At at 31st March, 2023	2.76	1,340.11	298.29	836.76	371.12	826.00	3,675.05
Depreciation charge for the year	0.40	1,292.54	283.56	487.56	235.18	895.75	3,194.99
Disposals	-	225.14	10.54	229.84	14.17	24.56	504.25
As at 31st March, 2024	3.16	2,407.51	571.31	1,094.48	592.13	1,697.19	6,365.79
Net book value:							
At at 31 st March, 2023	18.16	2,144.22	236.37	981.08	433.36	1,316.97	5,130.15
As at 31st March, 2024	17.76	4,152.00	405.23	1,789.50	621.80	2,098.64	9,084.92

Note: Redeemable Non-Convertible Debentures are secured by charge on immovable property of the Company.

Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 15: RIGHT-OF-USE LEASE ASSETS

Particulars	(₹ in Lakh)
	Amount
Gross book value:	
As at 01 st April, 2022	16,602.82
Additions	10,501.68
Disposals	1,429.49
As at 31st March, 2023	25,675.01
Additions	15,311.16
Disposals	4,447.86
As at 31st March, 2024	36,538.31
Accumulated amortisation:	
As at 01 st April, 2022	4,415.49
Additions	2,959.69
Disposals	449.89
As at 31st March, 2023	6,925.29
Additions	4,850.94
Disposals	2,673.81
As at 31st March, 2024	9,102.42
Net book value:	
As at 31 st March, 2023	18,749.72
As at 31st March, 2024	27,435.89

NOTE 16: INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	(₹ in Lakh)
	Amount
Gross book value:	
As at 01 st April, 2022	1,089.05
Additions	866.08
Disposals	0.00
Transfers	1,065.06
As at 31st March, 2023	890.07
Additions	798.39
Disposals	-
Transfers	609.94
As at 31st March, 2024	1,078.52

INTANGIBLE ASSETS UNDER DEVELOPMENT AGEING SCHEDULE:

As at 31st March, 2024

Particulars	Amount in Intangible assets under development for a period of				Total
	(₹ in Lakh)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	814.74	263.78	-	-	1,078.52
Total	814.74	263.78	-	-	1,078.52



Notes to the Financial Statements

for the year ended 31st March, 2024

As at 31st March, 2023

Particulars	Amount in intangible assets under development for a period of				(₹ in Lakh)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	866.07	24.00	-	-	890.07
Total	866.07	24.00	-	-	890.07

The Company does not have any project temporarily suspended whose completion is overdue or has exceeded its cost compared to its original plan.

NOTE 17: OTHER INTANGIBLE ASSETS

Particulars	(₹ in Lakh)
	Amount
Gross book value:	
At 01 st April, 2022	18,917.91
Additions	3,215.55
Disposals	40.88
At 31st March, 2023	22,092.58
Additions	2,202.03
Disposals	-
As at 31st March, 2024	24,294.61
Accumulated amortisation:	
At 01 st April, 2022	11,909.39
Additions	3,939.13
Disposals	-
At 31st March, 2023	15,848.52
Additions	3,990.54
Disposals	-
As at 31st March, 2024	19,839.06
Net book value:	
As at 31st March, 2023	6,244.06
As at 31st March, 2024	4,455.55

All intangible assets are other than internally generated.

NOTE 18: OTHER NON-FINANCIAL ASSETS

Particulars	(₹ in Lakh)	
	As at 31 st March, 2024	As at 31 st March, 2023
Prepaid expenses	4,210.69	2,030.44
Capital advances	2,554.03	1,336.25
Goods and Service Tax/Service Tax receivable	3,630.92	3,177.07
Reimbursement rights of gratuity fund	3,576.40	2,735.20
Others	7,520.07	3,336.37
Total	21,492.11	12,615.33

NOTE 19: TRADE PAYABLES

Particulars	(₹ in Lakh)	
	As at 31 st March, 2024	As at 31 st March, 2023
Micro and small enterprises	365.09	288.81
Other than micro and small enterprises	57,323.10	69,467.65
Total	57,688.19	69,756.46

Notes to the Financial Statements

for the year ended 31st March, 2024

(₹ in Lakh)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
1. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	365.09	288.81
2. The amount of interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year;	-	-
3. Amounts of the payment made to the suppliers beyond the appointed day during the year; the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006;	-	-
4. The amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
5. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

NOTE 19: TRADE PAYABLES

Trade Payables ageing schedule

As at 31st March, 2024

(₹ in Lakh)

Particulars	Outstanding for following periods from date of transaction					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	329.21	30.61	5.26	-	365.08
(ii) Others	49,088.50	8,116.85	64.38	5.66	47.71	57,323.11
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
Total	49,088.50	8,446.06	94.99	10.92	47.71	57,688.19

As at 31st March, 2023

(₹ in Lakh)

Particulars	Outstanding for following periods from date of transaction					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	288.70	0.09	0.02	-	288.81
(ii) Others	57,972.87	11,342.07	100.39	5.75	46.57	69,467.65
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
Total	57,972.87	11,630.77	100.48	5.77	46.57	69,756.46

Notes:

1. Date of transaction considered as due date of payment.
2. The disclosures regarding micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.



Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 20: DEBT SECURITIES

(₹ in Lakh)

Particulars	As at 31 st March, 2024				As at 31 st March, 2023			
	At Amortised Cost	At Fair Value through Profit and Loss Account	Designated at Fair Value through Profit and Loss Account	Total	At Amortised Cost	At Fair Value through Profit and Loss Account	Designated at Fair Value through Profit and Loss Account	Total
Redeemable non-convertible debentures (secured)	20,09,932.28	-	49,786.75	20,59,719.03	15,86,126.94	-	89,406.83	16,75,533.77
Redeemable non-convertible debentures (unsecured)	21,244.59	-	-	21,244.59	16,100.36	-	-	16,100.36
Commercial papers (unsecured)	9,71,746.87	-	-	9,71,746.87	6,61,851.38	-	-	6,61,851.38
Total	30,02,923.74	-	49,786.75	30,52,710.49	22,64,078.68	-	89,406.83	23,53,485.51
Debt securities in India	30,02,923.74	-	49,786.75	30,52,710.49	22,64,078.68	-	89,406.83	23,53,485.51
Debt securities outside India	-	-	-	-	-	-	-	-
Total	30,02,923.74	-	49,786.75	30,52,710.49	22,64,078.68	-	89,406.83	23,53,485.51

Note: Redeemable Non-Convertible Debentures are secured by way of mortgage on the immovable property and/or first *pari passu* charge on certain Financial Assets of the Company

NOTE 20(A): REDEEMABLE NON-CONVERTIBLE DEBENTURES (SECURED) AS AT 31ST MARCH, 2024

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
PRINCIPAL PROTECTED (10 YEAR G-SEC PRICE LINKED) SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES PPMLD B1 FY 2022-23 - MAY 04, 2022. DATE OF MATURITY 03/05/2024	10,00,000	04 th May, 2022	5,040.71	6.00% p.a. on XIRR	03 rd May, 2024	Redeemable at par at end of 730 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD C 1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	24 th July, 2019	10,556.32	8.65% p.a.	12 th June, 2024	Redeemable at par at end of 1785 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD C 1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	28 th June, 2019	11,936.02	8.65% p.a.	12 th June, 2024	Redeemable at par at end of 1811 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD C 1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	24 th June, 2019	21,176.82	8.65% p.a.	12 th June, 2024	Redeemable at par at end of 1815 days from the date of allotment

Notes to the Financial Statements

for the year ended 31st March, 2024

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8.65% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD C 1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	12 th June, 2019	18,502.98	8.65% p.a.	12 th June, 2024	Redeemable at par at end of 1827 days from the date of allotment
Zero Coupon SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES.SERIES C 2. DATE OF MATURITY 14/06/2024	10,00,000	17 th June, 2021	8,765.32	5.75% p.a. on XIRR	14 th June, 2024	Redeemable at par at end of 1093 days from the date of allotment
PRINCIPAL PROTECTED (10 YEAR G-SEC PRICE LINKED) SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES PPMLD C 4 FY 2022-23 – JUNE 28, 2022. DATE OF MATURITY 27/06/2024	10,00,000	28 th June, 2022	2,831.05	Coupon linked to performance of Underlying / Reference Index Scenario If performance of underlying on final fixing date Coupon 1. Greater than 50% of Digital Level 7.34% p.a. (7.33% XIRR (Annualised yield)) 2. Less than or equal to 50% of Digital Level 0 %	27 th June, 2024	Redeemable at par at end of 730 days from the date of allotment
5.8500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES.SERIES E1.DATE OF MATURITY 02/08/2024	10,00,000	05 th August, 2021	25,944.28	5.85% p.a.	02 nd August, 2024	Redeemable at par at end of 1093 days from the date of allotment
Zero Coupon SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES E2 FY2022-23. DATE OF MATURITY 23/08/2024	10,00,000	24 th August, 2022	15,215.94	7.26% p.a. on XIRR basis	23 rd August, 2024	Redeemable at par at end of 730 days from the date of allotment
8.71% SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES ABFL NCD S1 FY 2015-16. DATE OF MATURITY 31/10/2025	10,00,000	03 rd November, 2015	50,676.80	8.71% p.a.	50% on 01 st November, 2024 & 50% on 31 st October, 2025	Redeemable at par at end of 3286 days from the date of allotment
Zero Coupon SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES H 1 FY2022-23. DATE OF MATURITY 28/11/2024	10,00,000	18 th November, 2022	5,548.49	7.92% p.a. on XIRR basis	28 th November, 2024	Redeemable at par at end of 741 days from the date of allotment
3M TBILL LINKED SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES 'J 1' FY2021-22. DATE OF MATURITY 21/01/2025	10,00,000	21 th January, 2022	50,795.04	8.60% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	21 st January, 2025	Redeemable at par at end of 1096 days from the date of allotment



Notes to the Financial Statements

for the year ended 31st March, 2024

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
PRINCIPAL PROTECTED (10 YEAR G-SEC PRICE LINKED) SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES PPMLD E3 FY 2022-23. DATE OF MATURITY 09/04/2025	10,00,000	26 th August, 2022	11,437.01	Coupon linked to performance of Underlying / Reference Index Scenario If performance of underlying on final fixing date Coupon 1. Greater than 50% of Digital Level 7.2941% p.a. (7.31% XIRR (Annualised yield)) 2. Less than or equal to 50% of Digital Level 0 %	09 th April, 2025	Redeemable at par at end of 957 days from the date of allotment
7.69% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A 3 FY 2020-21. MATURITY DATE - 25/04/2025	10,00,000	28 th April, 2020	2,676.48	7.69% p.a.	25 th April, 2025	Redeemable at par at end of 1823 days from the date of allotment
7.6000% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. FURTHER ISSUANCE II ABFL NCD SERIES C 1 FY2022-23. DATE OF MATURITY 06/06/2025	10,00,000	01 st July, 2022	26,503.57	7.60% p.a.	06 th June, 2025	Redeemable at par at end of 1071 days from the date of allotment
7.6000% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. FURTHER ISSUANCE I ABFL NCD SERIES C 1 FY2022-23. DATE OF MATURITY 06/06/2025	10,00,000	14 th June, 2022	26,503.57	7.60% p.a.	06 th June, 2025	Redeemable at par at end of 1088 days from the date of allotment
7.6000% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES C 1 FY2022-23. DATE OF MATURITY 06/06/2025	10,00,000	08 th June, 2022	11,661.57	7.60% p.a.	06 th June, 2025	Redeemable at par at end of 1094 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (IV) SERIES ABFL NCD C 4 FY 2018-19. DATE OF MATURITY 26/06/2025	10,00,000	09 th February, 2023	3,234.02	8.90% p.a.	26 th June, 2025	Redeemable at par at end of 868 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (III) SERIES ABFL NCD C 4 FY 2018-19. DATE OF MATURITY 26/06/2025	10,00,000	29 th November, 2022	2,695.02	8.90% p.a.	26 th June, 2025	Redeemable at par at end of 940 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (II) SERIES ABFL NCD C 4 FY 2018-19. DATE OF MATURITY 26/06/2025	10,00,000	28 th September, 2022	2,695.02	8.90% p.a.	26 th June, 2025	Redeemable at par at end of 1002 days from the date of allotment

Notes to the Financial Statements

for the year ended 31st March, 2024

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8.90% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (I) SERIES ABFL NCD C 4 FY 2018-19. DATE OF MATURITY 26/06/2025	10,00,000	12 th July, 2022	32,340.24	8.90% p.a.	26 th June, 2025	Redeemable at par at end of 1080 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES ABFL NCD C 4 FY 2018-19. DATE OF MATURITY 26/06/2025	10,00,000	26 th June, 2018	5,497.84	8.90 % p.a.	26 th June, 2025	Redeemable at par at end of 2557 days from the date of allotment
Zero Coupon SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES.SERIES D 1. DATE OF MATURITY 11/07/2025	10,00,000	12 th July, 2022	36,977.06	7.80% p.a. on XIRR basis	11 th July, 2025	Redeemable at par at end of 1095 days from the date of allotment
6.4000% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES J 2. DATE OF MATURITY 22/07/2025	10,00,000	21 st January, 2022	35,421.54	6.40% p.a.	22 nd July, 2025	Redeemable at par at end of 1278 days from the date of allotment
7.5000% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. Further Issuance (I) ABFL NCD Series E 1 FY 2022-23. DATE OF MATURITY 18/08/2025	10,00,000	19 th September, 2022	48,612.78	7.50% p.a.	18 th August, 2025	Redeemable at par at end of 1064 days from the date of allotment
7.5000% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES E 1 FY2022-23.DATE OF MATURITY 18/08/2025	10,00,000	18 th August, 2022	41,817.44	7.50% p.a.	18 th August, 2025	Redeemable at par at end of 1096 days from the date of allotment
7.9000% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES G 1 FY2022-23. DATE OF MATURITY 19/09/2025	10,00,000	14 th October, 2022	52,817.12	7.90% p.a.	19 th September, 2025	Redeemable at par at end of 1071 days from the date of allotment
8.77% SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES ABFL NCD Q1 FY 2015-16. DATE OF MATURITY 17/10/2025	10,00,000	19 th October, 2015	1,557.25	8.77% p.a.	17 th October, 2025	Redeemable at par at end of 3651 days from the date of allotment
6.2500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD C 1 FY 2020-21. MATURITY DATE - 23/12/2025	10,00,000	23 rd December, 2020	7,621.94	6.25% p.a.	23 rd December, 2025	Redeemable at par at end of 1826 days from the date of allotment
7.9300% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES H4 FY2022-23.DATE OF MATURITY 15/01/2026	10,00,000	29 th November, 2022	31,289.10	7.93% p.a.	15 th January, 2026	Redeemable at par at end of 1143 days from the date of allotment
7.8800% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. Further Issuance (I)ABFL NCD SERIES C 3 FY2022-23.DATE OF MATURITY 12/02/2026	10,00,000	02 nd February, 2023	15,271.93	7.88% p.a.	12 th February, 2026	Redeemable at par at end of 1106 days from the date of allotment
7.8800% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. Further Issuance (I)ABFL NCD SERIES C 3 FY2022-23. DATE OF MATURITY 12/02/2026	10,00,000	02 nd February, 2023	15,445.02	7.88% p.a.	12 th February, 2026	Redeemable at par at end of 1106 days from the date of allotment



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for the year ended 31st March, 2024

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
7.8800% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES C 3 FY2022-23. DATE OF MATURITY 12/02/2026	10,00,000	30 th December, 2022	40,725.16	7.88% p.a.	12 th February, 2026	Redeemable at par at end of 1140 days from the date of allotment
8.85% SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES ABFL NCD W 3 FY 2015-16. DATE OF MATURITY 23/02/2026	10,00,000	23 rd February, 2016	1,008.19	8.85% p.a.	23 rd February, 2026	Redeemable at par at end of 3653 days from the date of allotment
8.90% SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES ABFL NCD X 1 FY 2015-16. DATE OF MATURITY 06/03/2026	10,00,000	09 th March, 2016	1,004.98	8.90% p.a.	06 th March, 2026	Redeemable at par at end of 3649 days from the date of allotment
7.9500% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES H 2 FY2022-23. DATE OF MATURITY 28/03/2026	10,00,000	18 th November, 2022	61,396.83	7.95% p.a.	18 th March, 2026	Redeemable at par at end of 1216 days from the date of allotment
8.90% SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES ABFL NCD Z 3 FY 2015-16. DATE OF MATURITY 20/03/2026	10,00,000	21 st March, 2016	501.08	8.90% p.a.	20 th March, 2026	Redeemable at par at end of 3651 days from the date of allotment
6.5500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES D 1. DATE OF MATURITY 24/07/2026	10,00,000	26 th July, 2021	51,572.80	6.55% p.a.	24 th July, 2026	Redeemable at par at end of 1824 days from the date of allotment
6.5500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (I) SERIES D 1 FY 2021-22. DATE OF MATURITY 24/07/2026	10,00,000	27 th July, 2023	23,207.76	6.55% p.a.	24 th July, 2026	Redeemable at par at end of 1093 days from the date of allotment
8.3000% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES L 2 FY2022-23. DATE OF MATURITY 16/09/2026	1,00,000	21 st March, 2023	21,046.92	8.30% p.a.	16 th September, 2026	Redeemable at par at end of 1275 days from the date of allotment
6.4500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES G 2. DATE OF MATURITY 01/10/2026	10,00,000	04 th October, 2021	11,855.83	6.45% p.a.	01 st October, 2026	Redeemable at par at end of 1823 days from the date of allotment
8% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES LETTER OF ALLOTMENT SERIES I DATE OF MATURITY 09/10/2026	1,000	09 th October, 2023	21,256.67	8.00% p.a.	09 th October, 2026	Redeemable at par at end of 1097 days from the date of allotment
SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES LETTER OF ALLOTMENT SERIES II DATE OF MATURITY 09/10/2026	1,000	09 th October, 2023	1,110.53	7.9924% p.a. on XIRR	09 th October, 2026	Redeemable at par at end of 1097 days from the date of allotment

Notes to the Financial Statements

for the year ended 31st March, 2024

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD J1 FY 2019-20. MATURITY DATE – 18/01/2030	10,00,000	20 th January, 2020	1,01,529.47	8.15% p.a.	25% at the end of 7 th Year (20 th January, 2027), 25% at the end of 8 th Year (20 th January, 2028), 25% at the end of 9 th Year (19 th January, 2029) & 25% at the end of 10 th Year (18 th January, 2030)	Redeemable at par at end of 2557 days from the date of allotment
6M OIS LINKED SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES 'K 3' FY2023-24. DATE OF MATURITY 26/02/2027	1,00,000	29 th February, 2024	20,133.21	8.46% p.a. (Floating Coupon with Semi annually Reset, payable semi annually)	26 th February, 2027	Redeemable at par at end of 1093 days from the date of allotment
8.3300% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES L 1 FY2023-24. DATE OF MATURITY 19/05/2027	1,00,000	18 th March, 2024	1,19,041.48	8.33% p.a.	19 th May, 2027	Redeemable at par at end of 1157 days from the date of allotment
8.3300% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (I) ABFL NCD SERIES L 1 FY2023-24. DATE OF MATURITY 19/05/2027	1,00,000	28 th March, 2024	8,524.45	8.33% p.a.	19 th May, 2027	Redeemable at par at end of 1147 days from the date of allotment
8.00% XIRR SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES ABFL NCD C 1 FY 2017-18. DATE OF MATURITY 11/06/2027	10,00,000	13 th June, 2017	835.75	8.00% p.a. on XIRR	11 th June, 2027	Redeemable at par at end of 3650 days from the date of allotment
8.35% XIRR SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (I) ABFL NCD SERIES C 1 FY 2017-18. DATE OF MATURITY 11/06/2027	10,00,000	11 th March, 2024	8,357.52	8.35% p.a. on XIRR	11 th June, 2027	Redeemable at par at end of 1187 days from the date of allotment
7.9500% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES C 1 FY2022-23. DATE OF MATURITY 03/12/2027	10,00,000	05 th December, 2022	5,122.70	7.95% p.a.	03 rd December, 2027	Redeemable at par at end of 1824 days from the date of allotment
7.9200% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES C 2 FY2022-23. DATE OF MATURITY 27/12/2027	10,00,000	27 th December, 2022	41,811.69	7.92% p.a.	27 th December, 2027	Redeemable at par at end of 1826 days from the date of allotment
8.1200% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (I) ABFL NCD SERIES L 1 FY2022-23. DATE OF MATURITY 06/03/2028	1,00,000	21 st March, 2023	7,573.41	8.12% p.a.	06 th March, 2028	Redeemable at par at end of 1812 days from the date of allotment



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for the year ended 31st March, 2024

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8.1200% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES L 1 FY2022-23. DATE OF MATURITY 06/03/2028	1,00,000	06 th March, 2023	52,462.14	8.12% p.a.	06 th March, 2028	Redeemable at par at end of 1827 days from the date of allotment
8.0100% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES B 1 FY2023-24. DATE OF MATURITY 02/05/2028	1,00,000	02 nd May, 2023	1,07,258.20	8.01% p.a.	02 nd May, 2028	Redeemable at par at end of 1827 days from the date of allotment
9% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD B 2 FY 2019-20. MATURITY DATE - 18/05/2029	10,00,000	20 th May, 2019	1,61,598.46	9.00% p.a.	50% - 19 th May, 2028 50% - 18 th May, 2029	Redeemable at par at end of 3287 days from the date of allotment
7.2600% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES B 2. DATE OF MATURITY 30/05/2031	10,00,000	31 st May, 2021	79,508.82	7.26% p.a.	25% at the end of 7 th Year (31 st May, 2028) 25% at the end of 8 th Year (31 st May, 2029) 25% at the end of 9 th Year (31 st May, 2030) 25% at the end of 10 th Year (30 th May, 2031)	Redeemable at par at end of 2557 days from the date of allotment
7.9000% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES C 1 FY2023-24. DATE OF MATURITY 08/06/2028	1,00,000	08 th June, 2023	34,873.58	7.90% p.a.	08 th June, 2028	Redeemable at par at end of 1827 days from the date of allotment
7.9700% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES D 1 FY2023-24. DATE OF MATURITY 13/07/2028	1,00,000	13 th July, 2023	36,929.11	7.97% p.a.	13 th July, 2028	Redeemable at par at end of 1827 days from the date of allotment
7.9700% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (I) ABFL NCD SERIES D 1 FY2023-24. DATE OF MATURITY 13/07/2028	1,00,000	27 th July, 2023	61,724.37	7.97% p.a.	13 th July, 2028	Redeemable at par at end of 1813 days from the date of allotment
8.05% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES LETTER OF ALLOTMENT SERIES III DATE OF MATURITY 09/10/2028	1,000	09 th October, 2023	24,200.64	8.05% p.a.	09 th October, 2028	Redeemable at par at end of 1827 days from the date of allotment
SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES LETTER OF ALLOTMENT SERIES IV DATE OF MATURITY 09/10/2028	1,000	09 th October, 2023	1,117.28	8.0408% p.a. on XIRR	09 th October, 2028	Redeemable at par at end of 1827 days from the date of allotment

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for the year ended 31st March, 2024

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
9.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. FURTHER ISSUANCE IV SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	08 th September, 2022	2,596.64	9.15% p.a.	21 st December, 2028	Redeemable at par at end of 2296 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	29 th March, 2019	15,579.83	9.15% p.a.	21 st December, 2028	Redeemable at par at end of 3555 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	12 th February, 2019	3,998.82	9.15% p.a.	21 st December, 2028	Redeemable at par at end of 3600 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	27 th December, 2018	7,166.72	9.15% p.a.	21 st December, 2028	Redeemable at par at end of 3647 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	21 st December, 2018	1,557.98	9.15% p.a.	21 st December, 2028	Redeemable at par at end of 3653 days from the date of allotment
8.1600% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES K 1 FY2023-24. DATE OF MATURITY 14/02/2029	1,00,000	14 th February, 2024	17,662.94	8.16% p.a.	14 th February, 2029	Redeemable at par at end of 1827 days from the date of allotment
8.70% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD D 1 FY 2019-2020. DATE OF MATURITY 04 th July, 2029	10,00,000	04 th July, 2019	3,104.67	8.70% p.a.	04 th July, 2029	Redeemable at par at end of 3653 days from the date of allotment
7.2400% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K1 FY 2020-21. MATURITY DATE - 18/02/2031	10,00,000	18 th February, 2021	2,517.89	7.24% p.a.	18 th February, 2031	Redeemable at par at end of 3652 days from the date of allotment
7.100% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES G 1. DATE OF MATURITY 03/10/2031	10,00,000	04 th October, 2021	5,164.86	7.10% p.a.	03 rd October, 2031	Redeemable at par at end of 3651 days from the date of allotment
8.1200% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. Further Issuance (III) ABFL NCD Series H 3 FY 2022-23. DATE OF MATURITY 18/11/2032	10,00,000	15 th March, 2023	10,316.79	8.12% p.a.	18 th November, 2032	Redeemable at par at end of 3536 days from the date of allotment
8.1200% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. Further Issuance (II) ABFL NCD Series H 3 FY 2022-23. DATE OF MATURITY 18/11/2032	10,00,000	09 th February, 2023	23,212.77	8.12% p.a.	18 th November, 2032	Redeemable at par at end of 3570 days from the date of allotment



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for the year ended 31st March, 2024

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8.1200% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. Further Issuance (I) ABFL NCD Series H 3 FY 2022-23. DATE OF MATURITY 18/11/2032	10,00,000	21 st December, 2022	41,267.15	8.12% p.a.	18 th November, 2032	Redeemable at par at end of 3620 days from the date of allotment
8.1200% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES H 3 FY2022-23. DATE OF MATURITY 18/11/2032	10,00,000	18 th November, 2022	20,633.57	8.12% p.a.	18 th November, 2032	Redeemable at par at end of 3653 days from the date of allotment
7.80% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES LETTER OF ALLOTMENT SERIES V DATE OF MATURITY 09/10/2033	1,000	09 th October, 2023	1,454.24	7.80% p.a.	09 th October, 2033	Redeemable at par at end of 3653 days from the date of allotment
8.10% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES LETTER OF ALLOTMENT SERIES VI DATE OF MATURITY 09/10/2033	1,000	09 th October, 2023	1,57,129.82	8.10% p.a.	09 th October, 2033	Redeemable at par at end of 3653 days from the date of allotment
Total			20,59,719.01			

NOTE 20(B): REDEEMABLE NON-CONVERTIBLE DEBENTURES (UNSECURED) AS AT 31ST MARCH, 2024

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
7.57% UNSECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE PARTLY PAID DEBENTURES. SERIES ABFL NCD 'EP1' FY 2020-21. DATE OF MATURITY 03/08/2035	10,00,000	21 st July, 2017	21,244.59	8.70%	21 st July, 2027	Redeemable at par at end of 3652 days from the date of allotment

NOTE 20(A): REDEEMABLE NON-CONVERTIBLE DEBENTURES (SECURED) AS AT 31ST MARCH, 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
3 Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series: ABFL NCD 'B1' FY 2021-22- MATURITY DATE - 05/05/2023	10,00,000	07 th May, 2021	26,634.74	5.11% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	05 th May, 2023	Redeemable at par at end of 728 days from the date of allotment
7.75% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A1 FY 2020-21. MATURITY DATE - 17/05/2023	10,00,000	17 th April, 2020	22,015.76	7.75% p.a.	17 th May, 2023	Redeemable at par at end of 1125 days from the date of allotment
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K 2 FY 2020-21. MATURITY DATE - 30/05/2023	10,00,000	25 th February, 2021	77,927.81	6.15% p.a.	30 th May, 2023	Redeemable at par at end of 824 days from the date of allotment
5.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES C 1. DATE OF MATURITY 16/06/2023	10,00,000	17 th June, 2021	5,201.20	5.15% p.a.	16 th June, 2023	Redeemable at par at end of 729 days from the date of allotment

Notes to the Financial Statements

for the year ended 31st March, 2024

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
7.57% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A 2 FY 2020-21. MATURITY DATE - 28/06/2023	10,00,000	28 th April, 2020	24,022.93	7.75% p.a.	28 th June, 2023	Redeemable at par at end of 1156 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES ABFL NCD D 2 FY 2018-19. DATE OF MATURITY 27/07/2023	10,00,000	11 th December, 2018	15,325.87	8.90% p.a	27 th July, 2023	Redeemable at par at end of 1689 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES ABFL NCD D 2 FY 2018-19. DATE OF MATURITY 27/07/2023	10,00,000	27 th July, 2018	1,585.44	8.90% p.a	27 th July, 2023	Redeemable at par at end of 1826 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	07 th January, 2019	1,637.07	9.15% p.a.	21 st December, 2023	Redeemable at par at end of 1809 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	27 th December, 2018	8,287.67	9.15% p.a.	21 st December, 2023	Redeemable at par at end of 1820 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	21 st December, 2018	7,162.18	9.15% p.a.	21 st December, 2023	Redeemable at par at end of 1826 days from the date of allotment
5.9000% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD G 1 FY 2020-21. MATURITY DATE - 29/12/2023	10,00,000	22 nd October, 2020	33,842.87	5.90% p.a.	29 th December, 2023	Redeemable at par at end of 1163 days from the date of allotment
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD L3 FY 2020-21. MATURITY DATE - 28/03/2024	10,00,000	31 st March, 2021	41,995.12	6.15% p.a	28 th March, 2024	Redeemable at par at end of 1093 days from the date of allotment
PRINCIPAL PROTECTED (10 YEAR G-SEC PRICE LINKED) SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES PPMLD B1 FY 2022-23 - MAY 04, 2022. DATE OF MATURITY 03/05/2024	10,00,000	04 th May, 2022	4,753.52	Coupon linked to performance of Underlying / Reference Index Scenario If performance of underlying on final fixing date Coupon 1. Greater than 50% of Digital Level 6.82% p.a. (6.00% XIRR (Annualised yield)) 2. Less than or equal to 50% of Digital Level 0 %	03 rd May, 2024	Redeemable at par at end of 730 days from the date of allotment



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for the year ended 31st March, 2024

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8.65% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD C 1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	24 th July, 2019	10,534.45	8.65% p.a.	12 th June, 2024	Redeemable at par at end of 1785 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD C 1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	28 th June, 2019	11,911.29	8.65% p.a.	12 th June, 2024	Redeemable at par at end of 1811 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD C 1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	24 th June, 2019	21,132.94	8.65% p.a.	12 th June, 2024	Redeemable at par at end of 1815 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD C 1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	12 th June, 2019	18,464.64	8.65% p.a.	12 th June, 2024	Redeemable at par at end of 1827 days from the date of allotment
Zero Coupon SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES C 2. DATE OF MATURITY 14/06/2024	10,00,000	17 th June, 2021	8,286.26	5.75% on XIRR	14 th June, 2024	Redeemable at par at end of 1093 days from the date of allotment
PRINCIPAL PROTECTED (10 YEAR G-SEC PRICE LINKED) SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES PPMLD C 4 FY 2022-23 - JUNE 28, 2022. DATE OF MATURITY 27/06/2024	10,00,000	28 th June, 2022	2,636.50	Coupon linked to performance of Underlying / Reference Index Scenario If performance of underlying on final fixing date Coupon 1. Greater than 50% of Digital Level 7.34% p.a. (7.33% XIRR (Annualised yield)) 2. Less than or equal to 50% of Digital Level 0%	27 th June, 2024	Redeemable at par at end of 730 days from the date of allotment
5.8500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES E 1. DATE OF MATURITY 02/08/2024	10,00,000	05 th August, 2021	25,939.78	5.85% p.a.	02 nd August, 2024	Redeemable at par at end of 1093 days from the date of allotment
Zero Coupon SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES E 2 FY 2022-23. DATE OF MATURITY 23/08/2024	10,00,000	24 th August, 2022	14,181.33	7.26% p.a. on XIRR basis	23 rd August, 2024	Redeemable at par at end of 730 days from the date of allotment
Zero Coupon SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES H 1 FY 2022-23. DATE OF MATURITY 28/11/2024	10,00,000	18 th November, 2022	5,139.34	7.92% p.a. on XIRR basis	28 th November, 2024	Redeemable at par at end of 741 days from the date of allotment

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for the year ended 31st March, 2024

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
3M TBILL LINKED SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES 'J 1' FY2021-22. DATE OF MATURITY 21/01/2025	10,00,000	21 st January, 2022	50,745.22	5.22% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	21 st January, 2025	Redeemable at par at end of 1096 days from the date of allotment
PRINCIPAL PROTECTED (10 YEAR G-SEC PRICE LINKED) SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES PPMLD E 3 FY 2022-23 - DATE OF MATURITY 09/04/2025	10,00,000	26 th August, 2022	10,653.96	Coupon linked to performance of Underlying / Reference Index Scenario If performance of underlying on final fixing date Coupon 1. Greater than 50% of Digital Level 7.2941% p.a. (7.31% XIRR (Annualised yield)) 2. Less than or equal to 50% of Digital Level 0 %	09 th April, 2025	Redeemable at par at end of 957 days from the date of allotment
7.69% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A 3 FY 2020-21. MATURITY DATE - 25/04/2025	10,00,000	28 th April, 2020	2,675.51	7.69% p.a.	25 th April, 2025	Redeemable at par at end of 1823 days from the date of allotment
7.6000% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. FURTHER ISSUANCE II ABFL NCD SERIES C 1 FY2022-23. DATE OF MATURITY 06/06/2025	10,00,000	01 st July, 2022	26,478.35	7.60% p.a.	06 th June, 2025	Redeemable at par at end of 1071 days from the date of allotment
7.6000% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. FURTHER ISSUANCE I ABFL NCD SERIES C 1 FY2022-23. DATE OF MATURITY 06/06/2025	10,00,000	14 th June, 2022	26,478.35	7.60% p.a.	06 th June, 2025	Redeemable at par at end of 1088 days from the date of allotment
7.6000% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES C 1 FY2022-23. DATE OF MATURITY 06/06/2025	10,00,000	08 th June, 2022	11,650.48	7.60% p.a.	06 th June, 2025	Redeemable at par at end of 1094 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (IV) SERIES ABFL NCD C 4 FY 2018-19. DATE OF MATURITY 26/06/2025	10,00,000	09 th February, 2023	3,257.51	8.90% p.a.	26 th June, 2025	Redeemable at par at end of 868 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (III) SERIES ABFL NCD C 4 FY 2018-19. DATE OF MATURITY 26/06/2025	10,00,000	29 th November, 2022	2,714.59	8.90% p.a.	26 th June, 2025	Redeemable at par at end of 940 days from the date of allotment



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Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8.90% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (II) SERIES ABFL NCD C 4 FY 2018-19. DATE OF MATURITY 26/06/2025	10,00,000	28 th September, 2022	2,714.59	8.90% p.a.	26 th June, 2025	Redeemable at par at end of 1002 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (I) SERIES ABFL NCD C 4 FY 2018-19. DATE OF MATURITY 26/06/2025	10,00,000	12 th July, 2022	32,575.08	8.90% p.a.	26 th June, 2025	Redeemable at par at end of 1080 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES ABFL NCD C 4 FY 2018-19. DATE OF MATURITY 26/06/2025	10,00,000	26 th June, 2018	5,537.76	8.90 % p.a.	26 th June, 2025	Redeemable at par at end of 2557 days from the date of allotment
Zero Coupon SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES D1. DATE OF MATURITY 11/07/2025	10,00,000	12 th July, 2022	34,289.94	7.80% p.a. on XIRR basis	11 th July, 2025	Redeemable at par at end of 1095 days from the date of allotment
6.4000% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES J2. DATE OF MATURITY 22/07/2025	10,00,000	21 st January, 2022	35,409.31	6.40% p.a.	22 nd July, 2025	Redeemable at par at end of 1278 days from the date of allotment
7.5000% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. Further Issuance (I) ABFL NCD Series E 1 FY 2022-23. DATE OF MATURITY 18/08/2025	10,00,000	19 th September, 2022	48,599.59	7.50% p.a.	18 th August, 2025	Redeemable at par at end of 1064 days from the date of allotment
7.5000% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES E 1 FY 2022-23. DATE OF MATURITY 18/08/2025	10,00,000	18 th August, 2022	41,806.10	7.50% p.a.	18 th August, 2025	Redeemable at par at end of 1096 days from the date of allotment
7.9000% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES G 1 FY 2022-23. DATE OF MATURITY 19/09/2025	10,00,000	14 th October, 2022	52,799.61	7.90% p.a.	19 th September, 2025	Redeemable at par at end of 1071 days from the date of allotment
8.77% SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES ABFL NCD Q 1 FY 2015-16. DATE OF MATURITY 17/10/2025	10,00,000	19 th October, 2015	1,556.82	8.77% p.a.	17 th October, 2025	Redeemable at par at end of 3651 days from the date of allotment
8.71% SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES ABFL NCD S 1 FY 2015-16. DATE OF MATURITY 31/10/2025	10,00,000	03 rd November, 2015	50,647.56	8.71% p.a.	50% on 01 st November, 2024 & 50% on 31 st October, 2025	Redeemable in installments at par - 50% at end of 3286 days and 50% at end of 3650 days from the date of allotment

Notes to the Financial Statements

for the year ended 31st March, 2024

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
6.2500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2020-21. MATURITY DATE – 23/12/2025	10,00,000	23 rd December, 2020	7,619.92	6.25% p.a.	23 rd December, 2025	Redeemable at par at end of 1826 days from the date of allotment
7.9300% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES H 4 FY2022-23. DATE OF MATURITY 15/01/2026	10,00,000	29 th November, 2022	31,278.46	7.93% p.a.	15 th January, 2026	Redeemable at par at end of 1143 days from the date of allotment
7.8800% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. Further Issuance (I)ABFL NCD SERIES I 3 FY2022-23. DATE OF MATURITY 12/02/2026	10,00,000	02 nd February, 2023	15,259.82	7.88% p.a.	12 th February, 2026	Redeemable at par at end of 1106 days from the date of allotment
7.8800% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. Further Issuance (I)ABFL NCD SERIES I 3 FY2022-23. DATE OF MATURITY 12/02/2026	10,00,000	02 nd February, 2023	15,432.77	7.88% p.a.	12 th February, 2026	Redeemable at par at end of 1106 days from the date of allotment
7.8800% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES I 3 FY2022-23. DATE OF MATURITY 12/02/2026	10,00,000	30 th December, 2022	40,692.86	7.88% p.a.	12 th February, 2026	Redeemable at par at end of 1140 days from the date of allotment
8.85% SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES ABFL NCD W 3 FY 2015-16. DATE OF MATURITY 23/02/2026	10,00,000	23 rd February, 2016	1,007.90	8.85% p.a.	23 rd February, 2026	Redeemable at par at end of 3653 days from the date of allotment
8.90% SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES ABFL NCD X 1 FY 2015-16. DATE OF MATURITY 06/03/2026	10,00,000	09 th March, 2016	1,004.63	8.90% p.a.	06 th March, 2026	Redeemable at par at end of 3649 days from the date of allotment
7.9500% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES H 2 FY2022-23. DATE OF MATURITY 28/03/2026	10,00,000	18 th November, 2022	61,371.00	7.95% p.a.	18 th March, 2026	Redeemable at par at end of 1216 days from the date of allotment
8.90% SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES ABFL NCD Z 3 FY 2015-16. DATE OF MATURITY 20/03/2026	10,00,000	21 st March, 2016	500.92	8.90% p.a.	20 th March, 2026	Redeemable at par at end of 3651 days from the date of allotment
6.5500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES D1. DATE OF MATURITY 24/07/2026	10,00,000	26 th July, 2021	51,790.18	6.55% p.a.	24 th July, 2026	Redeemable at par at end of 1824 days from the date of allotment
8.3000% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES L2 FY2022-23. DATE OF MATURITY 16/09/2026	1,00,000	21 st March, 2023	21,036.47	8.30% p.a.	16 th September, 2026	Redeemable at par at end of 1275 days from the date of allotment
6.4500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES G 2. DATE OF MATURITY 01/10/2026	10,00,000	04 th October, 2021	11,853.91	6.45% p.a.	01 st October, 2026	Redeemable at par at end of 1823 days from the date of allotment



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for the year ended 31st March, 2024

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8% XIRR SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES ABFL NCD C.1 FY 2017-18. DATE OF MATURITY 11/06/2027	10,00,000	13 th June, 2017	781.44	8.00% p.a. on XIRR	11 th June, 2027	Redeemable at par at end of 3650 days from the date of allotment
7.9500% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES I 1 FY2022-23. DATE OF MATURITY 03/12/2027	10,00,000	05 th December, 2022	5,121.60	7.95% p.a.	03 rd December, 2027	Redeemable at par at end of 1824 days from the date of allotment
7.9200% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES I 2 FY2022-23. DATE OF MATURITY 27/12/2027	10,00,000	27 th December, 2022	41,803.88	7.92% p.a.	27 th December, 2027	Redeemable at par at end of 1826 days from the date of allotment
8.1200% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (I)ABFL NCD SERIES L1 FY2022-23. DATE OF MATURITY 06/03/2028	1,00,000	21 st March, 2023	7,568.58	8.12% p.a.	06 th March, 2028	Redeemable at par at end of 1812 days from the date of allotment
8.1200% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES L1 FY2022-23. DATE OF MATURITY 06/03/2028	1,00,000	06 th March, 2023	52,428.72	8.12% p.a.	06 th March, 2028	Redeemable at par at end of 1827 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. FURTHER ISSUANCE IV SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	08 th September, 2022	2,602.13	9.15% p.a.	21 st December, 2028	Redeemable at par at end of 2296 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	29 th March, 2019	15,612.81	9.15% p.a.	21 st December, 2028	Redeemable at par at end of 3555 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	12 th February, 2019	4,007.29	9.15% p.a.	21 st December, 2028	Redeemable at par at end of 3600 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	27 th December, 2018	7,181.89	9.15% p.a.	21 st December, 2028	Redeemable at par at end of 3647 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	21 st December, 2018	1,561.28	9.15% p.a.	21 st December, 2028	Redeemable at par at end of 3653 days from the date of allotment
9% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD B 2 FY 2019-20. MATURITY DATE - 18/05/2029	10,00,000	20 th May, 2019	1,61,572.86	9.00% p.a.	50% - 19 th May, 2028 50% - 18 th May, 2029	Redeemable in installments at par - 50% at end of 3287 days and 50% at end of 3651 days from the date of allotment

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for the year ended 31st March, 2024

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8.70% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD D 1 FY 2019-2020. DATE OF MATURITY 04/06/2029	10,00,000	04 th July, 2019	3,103.99	8.70% p.a.	04 th July, 2029	Redeemable at par at end of 3653 days from the date of allotment
8.15% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD J 1 FY 2019-20. MATURITY DATE – 18/01/2030	10,00,000	20 th January, 2020	1,01,514.96	8.15% p.a.	25% at the end of 7 th Year (20 th January, 2027), 25% at the end of 8 th Year (20 th January, 2028), 25% at the end of 9 th Year (19 th January, 2029) & 25% at the end of 10 th Year (18 th January, 2030)	Redeemable in installments at par - 25% at end of 2557 days, 25% at end of 2922 days 25% at end of 3287 days 25% at end of 3651 days from the date of allotment
7.2400% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K 1 FY 2020-21. MATURITY DATE – 18/02/2031	10,00,000	18 th February, 2021	2,517.25	7.24% p.a.	18 th February, 2031	Redeemable at par at end of 3652 days from the date of allotment
7.2600% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES B2. DATE OF MATURITY 30/05/2031	10,00,000	31 st May, 2021	79,497.64	7.26% p.a.	25% at the end of 7 th Year (31 st May, 2028) 25% at the end of 8 th Year (31 st May, 2029) 25% at the end of 9 th Year (31 st May, 2030) 25% at the end of 10 th Year (30 th May, 2031)	Redeemable in installments at par - 25% at end of 2557 days, 25% at end of 2922 days 25% at end of 3287 days 25% at end of 3652 days from the date of allotment"
7.100% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURES. SERIES G 1. DATE OF MATURITY 03/10/2031	10,00,000	04 th October, 2021	5,163.59	7.10% p.a.	03 rd October, 2031	Redeemable at par at end of 3651 days from the date of allotment
8.1200% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. Further Issuance (III) ABFL NCD Series H 3 FY 2022-23. DATE OF MATURITY 18/11/2032	10,00,000	15 th March, 2023	10,317.40	8.12% p.a.	18 th November, 2032	Redeemable at par at end of 3536 days from the date of allotment



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for the year ended 31st March, 2024

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8.1200% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. Further Issuance (II) ABFL NCD Series H 3 FY 2022-23. DATE OF MATURITY 18/11/2032	10,00,000	09 th February, 2023	23,214.16	8.12% p.a.	18 th November, 2032	Redeemable at par at end of 3570 days from the date of allotment
8.1200% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. Further Issuance (I) ABFL NCD Series H 3 FY 2022-23. DATE OF MATURITY 18/11/2032	10,00,000	21 st December, 2022	41,269.62	8.12% p.a.	18 th November, 2032	Redeemable at par at end of 3620 days from the date of allotment
8.1200% SECURED RATED LISTED NON-CONVERTIBLE DEBENTURES. ABFL NCD SERIES H 3 FY2022-23. DATE OF MATURITY 18/11/2032	10,00,000	18 th November, 2022	20,634.80	8.12% p.a.	18 th November, 2032	Redeemable at par at end of 3653 days from the date of allotment
Total			16,75,533.77			

NOTE 20(B): REDEEMABLE NON-CONVERTIBLE DEBENTURES (UNSECURED) AS AT 31ST MARCH, 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
7.57% UNSECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE PARTLY PAID DEBENTURES. SERIES ABFL NCD 'EP1' FY 2020-21. DATE OF MATURITY 03/08/2035	4,40,000	06 th August, 2020	16,100.36	7.57%	03 rd August, 2035	Redeemable at par at end of 5475 days from the date of allotment

NOTE 20(C): COMMERCIAL PAPERS (UNSECURED) AS AT 31ST MARCH, 2024

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL/2023-24/CP007	5,00,000	20 th April, 2023	24,901.61	7.85%	19 th April, 2024	Redeemable at par at end of 365 days from the date of allotment
ABFL/2023-24/CP045	5,00,000	24 th July, 2023	2,443.17	7.61%	23 rd July, 2024	Redeemable at par at end of 365 days from the date of allotment
ABFL/2023-24/CP100	5,00,000	21 st November 2023	2,471.20	7.83%	20 th May, 2024	Redeemable at par at end of 181 days from the date of allotment
ABFL/2023-24/CP113	5,00,000	08 th December, 2023	4,916.67	8.00%	14 th June, 2024	Redeemable at par at end of 189 days from the date of allotment
ABFL/2023-24/CP119	5,00,000	25 th January, 2024	9,942.30	8.50%	25 th April, 2024	Redeemable at par at end of 91 days from the date of allotment
ABFL/2023-24/CP120	5,00,000	25 th January, 2024	49,711.50	8.50%	25 th April, 2024	Redeemable at par at end of 91 days from the date of allotment
ABFL/2023-24/CP121	5,00,000	25 th January, 2024	497.11	8.50%	25 th April, 2024	Redeemable at par at end of 91 days from the date of allotment
ABFL/2023-24/CP122	5,00,000	29 th January 2024	4,971.15	8.50%	25 th April, 2024	Redeemable at par at end of 87 days from the date of allotment
ABFL/2023-24/CP123	5,00,000	29 th January 2024	497.28	8.50%	23 rd April, 2024	Redeemable at par at end of 85 days from the date of allotment
ABFL/2023-24/CP124	5,00,000	30 th January, 2024	2,485.57	8.50%	25 th April, 2024	Redeemable at par at end of 86 days from the date of allotment
ABFL/2023-24/CP125	5,00,000	29 th January, 2024	19,866.21	8.50%	29 th April, 2024	Redeemable at par at end of 91 days from the date of allotment

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for the year ended 31st March, 2024

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL/2023-24/CP126A	5,00,000	30 th January, 2024	1,489.97	8.50%	29 th April, 2024	Redeemable at par at end of 90 days from the date of allotment
ABFL/2023-24/CP126B	5,00,000	30 th January, 2024	993.31	8.50%	29 th April, 2024	Redeemable at par at end of 90 days from the date of allotment
ABFL/2023-24/CP127	5,00,000	30 th January, 2024	2,483.28	8.50%	29 th April, 2024	Redeemable at par at end of 90 days from the date of allotment
ABFL/2023-24/CP128	5,00,000	30 th January, 2024	4,966.55	8.50%	29 th April, 2024	Redeemable at par at end of 90 days from the date of allotment
ABFL/2023-24/CP129	5,00,000	31 st January, 2024	14,899.66	8.50%	29 th April, 2024	Redeemable at par at end of 89 days from the date of allotment
ABFL/2023-24/CP130	5,00,000	31 st January, 2024	29,799.31	8.50%	29 th April, 2024	Redeemable at par at end of 89 days from the date of allotment
ABFL/2023-24/CP131	5,00,000	31 st January, 2024	7,375.01	8.50%	14 th June, 2024	Redeemable at par at end of 135 days from the date of allotment
ABFL/2023-24/CP132	5,00,000	31 st January, 2024	2,338.26	8.30%	31 st January, 2025	Redeemable at par at end of 366 days from the date of allotment
ABFL/2023-24/CP133	5,00,000	01 st February, 2024	74,478.16	8.56%	30 th April, 2024	Redeemable at par at end of 89 days from the date of allotment
ABFL/2023-24/CP134	5,00,000	01 st February, 2024	9,933.10	8.50%	29 th April, 2024	Redeemable at par at end of 88 days from the date of allotment
ABFL/2023-24/CP135	5,00,000	01 st February, 2024	14,875.52	8.50%	06 th May, 2024	Redeemable at par at end of 95 days from the date of allotment
ABFL/2023-24/CP136	5,00,000	05 th February, 2024	24,792.53	8.50%	06 th May, 2024	Redeemable at par at end of 91 days from the date of allotment
ABFL/2023-24/CP137	5,00,000	08 th February, 2024	396.68	8.52%	06 th May, 2024	Redeemable at par at end of 88 days from the date of allotment
ABFL/2023-24/CP138	5,00,000	08 th February, 2024	22,297.34	8.52%	09 th May, 2024	Redeemable at par at end of 91 days from the date of allotment
ABFL/2023-24/CP139	5,00,000	09 th February, 2024	2,476.83	8.52%	10 th May, 2024	Redeemable at par at end of 91 days from the date of allotment
ABFL/2023-24/CP140	5,00,000	09 th February, 2024	495.37	8.52%	10 th May, 2024	Redeemable at par at end of 91 days from the date of allotment
ABFL/2023-24/CP141	5,00,000	09 th February, 2024	2,427.54	8.32%	09 th August, 2024	Redeemable at par at end of 182 days from the date of allotment
ABFL/2023-24/CP142	5,00,000	12 th February, 2024	4,950.38	8.52%	13 th May, 2024	Redeemable at par at end of 91 days from the date of allotment
ABFL/2023-24/CP143A	5,00,000	12 th February, 2024	14,851.15	8.52%	13 th May, 2024	Redeemable at par at end of 91 days from the date of allotment
ABFL/2023-24/CP143B	5,00,000	12 th February, 2024	9,900.77	8.52%	13 th May, 2024	Redeemable at par at end of 91 days from the date of allotment
ABFL/2023-24/CP144	5,00,000	12 th February, 2024	4,950.38	8.52%	13 th May, 2024	Redeemable at par at end of 91 days from the date of allotment
ABFL/2023-24/CP145	5,00,000	12 th February, 2024	7,425.57	8.52%	13 th May, 2024	Redeemable at par at end of 91 days from the date of allotment
ABFL/2023-24/CP146	5,00,000	14 th February, 2024	2,338.26	8.25%	31 st January, 2025	Redeemable at par at end of 352 days from the date of allotment
ABFL/2023-24/CP147	5,00,000	16 th February, 2024	74,185.14	8.54%	17 th May, 2024	Redeemable at par at end of 91 days from the date of allotment
ABFL/2023-24/CP148	5,00,000	16 th February, 2024	14,837.03	8.54%	17 th May, 2024	Redeemable at par at end of 91 days from the date of allotment
ABFL/2023-24/CP149	5,00,000	20 th February, 2024	24,712.02	8.54%	20 th May, 2024	Redeemable at par at end of 90 days from the date of allotment



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for the year ended 31st March, 2024

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL/2023-24/CP150	5,00,00	20 th February, 2024	4,942.40	8.54%	20 th May, 2024	Redeemable at par at end of 90 days from the date of allotment
ABFL/2023-24/CP151	5,00,000	20 th February, 2024	2,471.20	8.54%	20 th May, 2024	Redeemable at par at end of 90 days from the date of allotment
ABFL/2023-24/CP152	5,00,000	20 th February, 2024	1,482.72	8.54%	20 th May, 2024	Redeemable at par at end of 90 days from the date of allotment
ABFL/2023-24/CP152A	5,00,000	20 th February, 2024	988.48	8.54%	20 th May, 2024	Redeemable at par at end of 90 days from the date of allotment
ABFL/2023-24/CP153	5,00,000	20 th February, 2024	9,884.81	8.54%	20 th May, 2024	Redeemable at par at end of 90 days from the date of allotment
ABFL/2023-24/CP153A	5,00,000	20 th February, 2024	14,827.21	8.54%	20 th May, 2024	Redeemable at par at end of 90 days from the date of allotment
ABFL/2023-24/CP154	5,00,000	21 st February, 2024	2,471.20	8.54%	20 th May, 2024	Redeemable at par at end of 89 days from the date of allotment
ABFL/2023-24/CP155	5,00,000	21 st February, 2024	2,328.17	8.28%	20 th February, 2025	Redeemable at par at end of 365 days from the date of allotment
ABFL/2023-24/CP156	5,00,000	21 st February, 2024	2,328.17	8.28%	20 th February, 2025	Redeemable at par at end of 365 days from the date of allotment
ABFL/2023-24/CP157	5,00,000	22 nd February, 2024	27,938.04	8.28%	20 th February, 2025	Redeemable at par at end of 364 days from the date of allotment
ABFL/2023-24/CP158	5,00,000	23 rd February, 2024	9,312.68	8.28%	20 th February, 2025	Redeemable at par at end of 363 days from the date of allotment
ABFL/2023-24/CP159	5,00,000	23 rd February, 2024	4,656.34	8.28%	20 th February, 2025	Redeemable at par at end of 363 days from the date of allotment
ABFL/2023-24/CP160	5,00,000	23 rd February, 2024	2,421.17	8.30%	21 st August, 2024	Redeemable at par at end of 180 days from the date of allotment
ABFL/2023-24/CP161	5,00,000	23 rd February, 2024	39,501.00	8.54%	24 th May, 2024	Redeemable at par at end of 91 days from the date of allotment
ABFL/2023-24/CP162	5,00,000	27 th February, 2024	9,868.37	8.39%	28 th May, 2024	Redeemable at par at end of 91 days from the date of allotment
ABFL/2023-24/CP163	5,00,000	27 th February, 2024	22,203.84	8.39%	28 th May, 2024	Redeemable at par at end of 91 days from the date of allotment
ABFL/2023-24/CP164	5,00,000	27 th February, 2024	4,934.19	8.39%	28 th May, 2024	Redeemable at par at end of 91 days from the date of allotment
ABFL/2023-24/CP165	5,00,000	04 th March, 2024	59,129.25	8.39%	03 rd June, 2024	Redeemable at par at end of 91 days from the date of allotment
ABFL/2023-24/CP166	5,00,000	04 th March, 2024	29,564.63	8.39%	03 rd June, 2024	Redeemable at par at end of 91 days from the date of allotment
ABFL/2023-24/CP167	5,00,000	04 th March, 2024	9,854.88	8.39%	03 rd June, 2024	Redeemable at par at end of 91 days from the date of allotment
ABFL/2023-24/CP168	5,00,000	04 th March, 2024	9,854.88	8.39%	03 rd June, 2024	Redeemable at par at end of 91 days from the date of allotment
ABFL/2023-24/CP169	5,00,000	05 th March, 2024	9,854.88	8.39%	03 rd June, 2024	Redeemable at par at end of 90 days from the date of allotment
ABFL/2023-24/CP170	5,00,000	05 th March, 2024	49,272.54	8.28%	04 th June, 2024	Redeemable at par at end of 91 days from the date of allotment
ABFL/2023-24/CP171	5,00,000	12 th March, 2024	4,920.34	8.19%	11 th June, 2024	Redeemable at par at end of 91 days from the date of allotment
ABFL/2023-24/CP172	5,00,000	12 th March, 2024	59,044.13	8.19%	11 th June, 2024	Redeemable at par at end of 91 days from the date of allotment
ABFL/2023-24/CP173	5,00,000	20 th March, 2024	6,962.78	8.08%	14 th March, 2025	Redeemable at par at end of 359 days from the date of allotment

Notes to the Financial Statements

for the year ended 31st March, 2024

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL/2023-24/CP174	5,00,000	20 th March, 2024	9,283.70	8.08%	14 th March, 2025	Redeemable at par at end of 359 days from the date of allotment
ABFL/2023-24/CP175	5,00,000	21 st March, 2024	1,856.74	8.08%	14 th March, 2025	Redeemable at par at end of 358 days from the date of allotment
ABFL/2023-24/CP175A	5,00,000	21 st March, 2024	464.19	8.08%	14 th March, 2025	Redeemable at par at end of 358 days from the date of allotment
ABFL/2023-24/CP176	5,00,000	21 st March, 2024	928.37	8.08%	14 th March, 2025	Redeemable at par at end of 358 days from the date of allotment
ABFL/2023-24/CP177	5,00,000	22 nd March, 2024	12,285.35	8.05%	18 th June, 2024	Redeemable at par at end of 88 days from the date of allotment
ABFL/2023-24/CP178	5,00,000	22 nd March, 2024	4,641.85	8.08%	14 th March, 2025	Redeemable at par at end of 357 days from the date of allotment
ABFL/2023-24/CP179	5,00,000	22 nd March, 2024	4,641.85	8.08%	14 th March, 2025	Redeemable at par at end of 357 days from the date of allotment
ABFL/2023-24/CP180	5,00,000	26 th March, 2024	39,253.65	8.05%	25 th June, 2024	Redeemable at par at end of 91 days from the date of allotment
Total			9,71,746.89			

NOTE 20(C): COMMERCIAL PAPERS (UNSECURED) AS AT 31ST MARCH, 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL/2022-23/CP121	5,00,000	30 th January, 2023	49,712.51	7.55%	28 th April, 2023	Redeemable at par at end of 88 days from the date of allotment
ABFL/2022-23/CP073 - 074	5,00,000	02 nd November, 2022		7.57%		Redeemable at par at end of 181 days from the date of allotment
ABFL/2022-23/CP075	5,00,000	07 th November, 2022	72,025.06	7.57%	02 nd May, 2023	Redeemable at par at end of 176 days from the date of allotment
ABFL/2022-23/CP122	5,00,000	31 st January, 2023		7.55%		Redeemable at par at end of 91 days from the date of allotment
ABFL/2022-23/CP125	5,00,000	17 th February, 2023	2,476.57	7.63%	15 th May, 2023	Redeemable at par at end of 87 days from the date of allotment
ABFL/2022-23/CP126 - 130	5,00,000	17 th February, 2023	97,501.25	7.63%	19 th May, 2023	Redeemable at par at end of 91 days from the date of allotment
ABFL/2022-23/CP131	5,00,000	24 th February, 2023		7.63%		Redeemable at par at end of 91 days from the date of allotment
ABFL/2022-23/CP139	5,00,000	27 th February, 2023	59,289.16	7.84%	26 th May, 2023	Redeemable at par at end of 88 days from the date of allotment
ABFL/2022-23/CP081 - 085	5,00,000	17 th November, 2022		7.57%		Redeemable at par at end of 195 days from the date of allotment
ABFL/2022-23/CP141 - 144	5,00,000	02 nd March, 2023	1,13,519.56	7.84%	31 st May, 2023	Redeemable at par at end of 90 days from the date of allotment
ABFL/2022-23/CP145 - 146	5,00,000	03 rd March, 2023	44,390.07	7.95%	02 nd June, 2023	Redeemable at par at end of 91 days from the date of allotment
ABFL/2022-23/CP101	5,00,000	08 th December, 2022		7.57%		Redeemable at par at end of 181 days from the date of allotment
ABFL/2022-23/CP113	5,00,000	13 th January, 2023	83,815.42	7.62%	07 th June, 2023	Redeemable at par at end of 145 days from the date of allotment
ABFL/2022-23/CP115 - 120	5,00,000	16 th January, 2023		7.62%		Redeemable at par at end of 142 days from the date of allotment
ABFL/2022-23/CP147	5,00,000	13 th March, 2023	9,842.97	7.95%	12 th June, 2023	Redeemable at par at end of 91 days from the date of allotment



Notes to the Financial Statements

for the year ended 31st March, 2024

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL/2022-23/CP109	5,00,000	04 th January, 2023	2,951.22	7.47%	20 th June, 2023	Redeemable at par at end of 167 days from the date of allotment
ABFL/2022-23/CP110 - 111	5,00,000	13 th January, 2023	24,954.19	7.72%	13 th July, 2023	Redeemable at par at end of 181 days from the date of allotment
ABFL/2022-23/CP112	5,00,000	16 th January, 2023		7.72%		Redeemable at par at end of 178 days from the date of allotment
ABFL/2022-23/CP123 - 124	5,00,000	10 th February, 2023	10,698.90	7.80%	10 th August 2023	Redeemable at par at end of 181 days from the date of allotment
ABFL/2022-23/CP132 - 133	5,00,000	21 st February, 2023	50,423.42	7.99%	21 st August, 2023	Redeemable at par at end of 181 days from the date of allotment
ABFL/2022-23/CP134	5,00,000	22 nd February, 2023		7.99%		Redeemable at par at end of 180 days from the date of allotment
ABFL/2022-23/CP135-136	5,00,000	23 rd February, 2023		7.99%		Redeemable at par at end of 179 days from the date of allotment
ABFL/2022-23/CP137-138	5,00,000	24 th February, 2023		7.99%		Redeemable at par at end of 178 days from the date of allotment
ABFL/2022-23/CP140	5,00,000	28 th February, 2023	19,376.96	7.99%	25 th August, 2023	Redeemable at par at end of 178 days from the date of allotment
ABFL/2022-23/CP148 -149	5,00,000	15 th March, 2023	20,874.12	8.14%	14 th March, 2024	Redeemable at par at end of 365 days from the date of allotment
Total			6,61,851.38			

NOTE 21: BORROWINGS OTHER THAN DEBT SECURITIES

(₹ in Lakh)

Particulars	As at 31 st March, 2024				As at 31 st March, 2023			
	Amortised Cost	At Fair Value through Profit and Loss Account	Designated at Fair Value through Profit and Loss Account	Total	Amortised Cost	At Fair Value through Profit and Loss Account	Designated at Fair Value through Profit and Loss Account	Total
Term loan from banks (secured)	45,72,914.64	-	-	45,72,914.64	37,34,866.82	-	-	37,34,866.82
Cash credit from banks (secured)	41,548.12	-	-	41,548.12	40,064.61	-	-	40,064.61
External commercial borrowings from foreign banks (secured)	3,40,204.75	-	-	3,40,204.75	1,95,022.40	-	-	1,95,022.40
Inter corporate borrowing (unsecured)	2,50,558.01	-	-	2,50,558.01	56,966.13	-	-	56,966.13
Book overdraft	-	-	-	-	1,01,275.70	-	-	1,01,275.70
Collateralised borrowing and lending obligation (CBLO) against government securities (secured)	30,021.60	-	-	30,021.60	20,002.99	-	-	20,002.99
Working capital demand loan from bank (secured)	6,54,056.26	-	-	6,54,056.26	3,30,398.81	-	-	3,30,398.81
Total	58,89,303.38	-	-	58,89,303.38	44,78,597.46	-	-	44,78,597.46
Borrowings in India	55,49,098.63	-	-	55,49,098.63	42,83,575.06	-	-	42,83,575.06
Borrowings outside India	3,40,204.75	-	-	3,40,204.75	1,95,022.40	-	-	1,95,022.40
Total	58,89,303.38	-	-	58,89,303.38	44,78,597.46	-	-	44,78,597.46

Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 21(A): TERM LOAN FROM BANKS AS AT 31ST MARCH, 2024: SECURED

(₹ in Lakh)			
Repayment Term	Tenure	Interest Range	Amount
Bullet	Up to 5 years	Up to 7.00%	-
		7.01% - 8.00%	7,799.26
		8.01% - 9.00%	56,003.10
		9.01% - 10.00%	-
Annually	Up to 5 years	Up to 7.00%	-
		7.01% - 8.00%	24,998.59
		8.01% - 9.00%	8,84,562.04
		9.01% - 10.00%	75,120.87
Half Yearly	Up to 5 years	Up to 7.00%	-
		7.01% - 8.00%	-
		8.01% - 9.00%	19,79,195.85
		9.01% - 10.00%	50,000.81
	Above 5 Years	Up to 7.00%	35,120.75
		7.01% - 8.00%	1,05,452.96
		8.01% - 9.00%	2,06,227.47
		9.01% - 10.00%	-
Quarterly	Up to 5 years	Up to 7.00%	-
		7.01% - 8.00%	2,386.38
		8.01% - 9.00%	10,07,081.41
		9.01% - 10.00%	-
	Above 5 Years	Up to 7.00%	-
		7.01% - 8.00%	-
		8.01% - 9.00%	1,25,534.60
		9.01% - 10.00%	-
Monthly	Up to 5 years	Up to 7.00%	-
		7.01% - 8.00%	-
		8.01% - 9.00%	5,911.94
		9.01% - 10.00%	7,518.61
Total			45,72,914.64

Nature of Security: Term Loan from Bank is secured by hypothecation of receivables.

NOTE 21(B): EXTERNAL COMMERCIAL BORROWINGS AS AT 31ST MARCH, 2024: SECURED

(₹ in Lakh)			
Repayment Term	Tenure	Interest Range	Amount
Bullet	Up to 5 years	Up to 7.00%	-
		7.01% - 8.00%	24,319.84
		8.01% - 9.00%	2,13,031.20
	Above 5 Years	Up to 7.00%	-
		7.01% - 8.00%	-
		8.01% - 9.00%	1,02,853.71
Total			3,40,204.75

Nature of Security: External Commercial Borrowings are secured by hypothecation of receivables.



Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 21(C): LOAN REPAYABLE ON DEMAND FROM BANKS AS AT 31ST MARCH, 2024: SECURED

(₹ in Lakh)

Nature	Repayment Term	Tenure	Interest Range	Amount
Working capital demand loan	Bullet	Up to 5 years	Up to 7.00%	-
			7.01% - 8.00%	3,40,556.26
			8.01% - 9.00%	3,13,500.00
Cash credit	Bullet	Up to 5 years	Up to 7.00%	-
			7.01% - 8.00%	-
			8.01% - 9.00%	41,548.12
Total				6,95,604.38

Nature of Security: Loan repayable on demand from bank is secured by hypothecation of receivables.

NOTE 21(D): LOAN REPAYABLE ON DEMAND FROM BANKS AS AT 31ST MARCH, 2024: UNSECURED

(₹ in Lakh)

Nature	Repayment Term	Tenure	Interest Range	Amount
Inter Corporate Borrowing	Bullet	Up to 1 year (i.e. Max 366 days)	7.00% - 8.00%	49,306.96
			8.01% - 9.00%	98,103.01
	Bullet	Up to 2 years (i.e. Max 732 days)	7.00% - 8.00%	33,396.35
			8.01% - 9.00%	43,429.09
	Bullet	Up to 3 years (i.e. Max 1096 days)	7.00% - 8.00%	-
			8.01% - 9.00%	18,384.82
	Bullet	Above 3 years (i.e. Max 3653 days)	7.00% - 8.00%	5,319.38
			8.01% - 9.00%	2,618.40
Total				2,50,558.01

NOTE 21(E): LOAN REPAYABLE ON DEMAND FROM BANKS AS AT 31ST MARCH, 2024: SECURED

(₹ in Lakh)

Nature	Repayment Term	Tenure	Interest Range	Amount
Collateralised borrowing and lending obligation (CBLO)	Bullet	5 Days	7.15% - 7.25%	30,021.60
Total				30,021.60

Nature of Security: Loan repayable on demand from bank is secured by government securities.

Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 21(A): TERM LOAN FROM BANKS AS AT 31ST MARCH, 2023: SECURED

			(₹ in Lakh)
Repayment Term	Tenure	Interest Range	Amount
Bullet	Up to 5 years	Up to 7.00%	-
		7.01% - 8.00%	70,283.98
		8.01% - 9.00%	67,033.68
		9.01% - 10.00%	-
Annually	Up to 5 years	Up to 7.00%	-
		7.01% - 8.00%	6,66,433.89
		8.01% - 9.00%	2,82,925.21
		9.01% - 10.00%	1,00,935.46
Half Yearly	Up to 5 years	Up to 7.00%	-
		7.01% - 8.00%	3,13,608.09
		8.01% - 9.00%	10,81,065.48
		9.01% - 10.00%	-
	Above 5 Years	Up to 7.00%	45,153.92
		7.01% - 8.00%	2,91,106.10
		8.01% - 9.00%	67,844.12
		9.01% - 10.00%	-
Quarterly	Up to 5 years	Up to 7.00%	-
		7.01% - 8.00%	1,63,337.36
		8.01% - 9.00%	3,87,702.09
		9.01% - 10.00%	33,377.55
	Above 5 Years	Up to 7.00%	-
		7.01% - 8.00%	23,050.58
		8.01% - 9.00%	1,10,128.13
		9.01% - 10.00%	-
Monthly	Up to 5 years	Up to 7.00%	-
		7.01% - 8.00%	-
		8.01% - 9.00%	12,467.18
		9.01% - 10.00%	18,414.00
Total			37,34,866.82

Nature of Security: Term loan from bank is secured by hypothecation of receivables.

NOTE 21(B): EXTERNAL COMMERCIAL BORROWINGS AS AT 31ST MARCH, 2023: SECURED

			(₹ in Lakh)
Repayment Term	Tenure	Interest Range	Amount
Bullet	Up to 5 years	Up to 7.00%	-
		7.01% - 8.00%	27,138.46
		8.01% - 9.00%	65,271.11
	Above 5 Years	Up to 7.00%	-
		7.01% - 8.00%	-
		8.01% - 9.00%	1,02,612.83
Total			1,95,022.40

Nature of Security: External commercial borrowings are secured by hypothecation of receivables.



Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 21(C): LOAN REPAYABLE ON DEMAND FROM BANKS AS AT 31ST MARCH, 2023: SECURED

(₹ in Lakh)				
Nature	Repayment Term	Tenure	Interest Range	Amount
Working capital demand loan	Bullet	Up to 5 years	Up to 7.00%	-
			7.01% - 8.00%	3,30,398.81
Cash credit	Bullet	Up to 5 years	Up to 7.00%	-
			7.01% - 8.00%	40,064.61
Total				3,70,463.42

Nature of Security: Loan repayable on demand from bank is secured by hypothecation of receivables.

NOTE 21(D): LOAN REPAYABLE ON DEMAND FROM BANKS AS AT 31ST MARCH, 2023: UNSECURED

(₹ in Lakh)				
Nature	Repayment Term	Tenure	Interest Range	Amount
Inter corporate borrowing	Bullet	Up to 1 year	Up to 7.00%	-
			7.01% - 8.00%	44,269.55
			8.01% - 9.00%	12,696.58
Total				56,966.13

NOTE 21(E): LOAN REPAYABLE ON DEMAND FROM BANKS AS AT 31ST MARCH, 2023: SECURED

(₹ in Lakh)				
Nature	Repayment Term	Tenure	Interest Range	Amount
Collateralised borrowing and lending obligation (CBLO)	Bullet	3 Days	Up to 7.00%	20,002.99
Total				20,002.99

Nature of Security: Loan repayable on demand from bank is secured by government securities.

NOTE 22: SUBORDINATED LIABILITIES

Particulars	As at 31 st March, 2024				As at 31 st March, 2023			
	Amortised cost	At Fair Value through Profit and Loss Account	Designated at Fair Value through Profit and Loss Account	Total	Amortised cost	At Fair Value through Profit and Loss Account	Designated at Fair Value through Profit and Loss Account	Total
	Perpetual debt instruments to the extent they do not qualify as equity instruments (unsecured)							
(i) from banks	-	-	-	-	-	-	-	-
(ii) from other parties	21,140.13	-	-	21,140.13	21,123.13	-	-	21,123.13
Subordinate debt (unsecured)	2,66,061.01	-	-	2,66,061.01	2,23,867.32	-	-	2,23,867.32
Total	2,87,201.14	-	-	2,87,201.14	2,44,990.45	-	-	2,44,990.45
Subordinate liabilities in India	2,87,201.14	-	-	2,87,201.14	2,44,990.45	-	-	2,44,990.45
Subordinate liabilities outside India	-	-	-	-	-	-	-	-
Total	2,87,201.14	-	-	2,87,201.14	2,44,990.45	-	-	2,44,990.45

Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 22(A): PERPETUAL DEBT INSTRUMENTS AS AT 31ST MARCH, 2024

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL Perpetual 'PD1' FY2017-18	10,00,000	21 st July, 2017	21,140.13	8.70%	21 st July, 2027	Redeemable at par at end of 3652 days from the date of allotment

NOTE 22(B): SUBORDINATE DEBT (UNSECURED) AS AT 31ST MARCH, 2024

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL Sub Debt Series 'A' FY 2014-15	10,00,000	12 th December, 2014	5,138.47	9.75% p.a.	12 th December, 2024	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'B' FY 2014-15	10,00,000	09 th January, 2015	4,588.73	9.45% p.a.	09 th January, 2025	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'A1' FY 2015-16	10,00,000	17 th June, 2015	2,683.43	9.25% p.a.	06 th June, 2025	Redeemable at par at end of 3642 days from the date of allotment
ABFL Sub Debt Series 'B1' FY 2015-16	10,00,000	14 th July, 2015	3,192.75	9.25% p.a.	11 th July, 2025	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'C1' FY 2015-16	10,00,000	25 th August, 2015	3,476.74	9.25% p.a.	22 nd August, 2025	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'D1' FY 2015-16	10,00,000	08 th March, 2016	2,510.71	9.10% p.a.	06 th March, 2026	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'E1' FY 2015-16	10,00,000	10 th March, 2016	803.67	9.10% p.a.	10 th March, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'F1' FY 2015-16	10,00,000	18 th March, 2016	2,554.81	9.10% p.a.	10 th March, 2026	Redeemable at par at end of 3644 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2016-17	10,00,000	23 rd June, 2016	5,606.33	9.10% p.a.	23 rd June, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD1' FY 2016-17	10,00,000	28 th July, 2016	10,584.57	8.97% p.a.	28 th July, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD2' FY 2016-17	10,00,000	28 th July, 2016	7,931.50	8.95% p.a.	28 th July, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SF1' FY 2016-17	10,00,000	29 th September, 2016	20,833.45	8.90% p.a.	29 th September, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SH1' FY 2016-17	10,00,000	21 st November, 2016	20,575.04	8.90% p.a.	20 th November, 2026	Redeemable at par at end of 3651 days from the date of allotment
ABFL Sub Debt Series 'SL1' FY 2016-17	10,00,000	09 th March, 2017	1,002.05	8.25% p.a.	09 th March, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SB1' FY 2017-18	10,00,000	18 th May, 2017	17,669.63	8.50% p.a.	18 th May, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SI1' FY 2018-19	10,00,000	04 th December, 2018	25,702.22	9.76% p.a.	04 th December, 2028	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	10,00,000	06 th June, 2019	21,511.57	8.95% p.a.	06 th June, 2029	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	10,00,000	30 th December, 2019	10,755.79	8.95% p.a.	06 th June, 2029	Redeemable at par at end of 3446 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	10,00,000	13 th February, 2020	5,377.89	8.95% p.a.	06 th June, 2029	Redeemable at par at end of 3401 days from the date of allotment
ABFL SUBDEBT Series 'SI 1' FY 20-21	10,00,000	29 th December, 2020	8,115.85	7.43% p.a.	27 th December, 2030	Redeemable at par at end of 3650 days from the date of allotment



Notes to the Financial Statements

for the year ended 31st March, 2024

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL SUBDEBT Series 'SC 1' FY 20-21	10,00,000	11 th June, 2021	7,906.77	7.34% p.a.	11 th June, 2031	Redeemable at par at end of 3652 days from the date of allotment
ABFL Subdebt NCD Series 'S11' FY2021-22	1,00,00,000	06 th December, 2021	3,526.53	7.43% p.a.	05 th December, 2031	Redeemable at par at end of 3651 days from the date of allotment
ABFL Subdebt NCD Series 'S11' FY2021-22	1,00,00,000	28 th February, 2022	21,159.15	7.43% p.a.	05 th December, 2031	Redeemable at par at end of 3567 days from the date of allotment
ABFL NCD SERIES SC1 FY 2023-24	1,00,000	26 th June, 2023	16,745.62	8.03% p.a.	24 th June, 2033	Redeemable at par at end of 3651 days from the date of allotment
ABFL SUBDEBT NCD SERIES SC1 FY2023 24	1,00,000	30 th August, 2023	28,258.24	8.03% p.a.	24 th June, 2033	Redeemable at par at end of 3586 days from the date of allotment
ABFL SUBDEBT NCD SERIES SC1 FY2023 24	1,00,000	23 rd February, 2024	7,849.50	8.03% p.a.	24 th June, 2033	Redeemable at par at end of 3409 days from the date of allotment
Total			2,66,061.01			

NOTE 22(A): PERPETUAL DEBT INSTRUMENTS AS AT 31ST MARCH, 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL Perpetual 'PD1' FY2017-18	10,00,000	21 st July, 2017	21,123.13	8.70%	21 st July, 2027	Redeemable at par at end of 3652 days from the date of allotment

NOTE 22(B): SUBORDINATE DEBT (UNSECURED) AS AT 31ST MARCH, 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL Sub Debt Series '1' FY 2013-14	10,00,000	04 th June, 2013	10,801.83	9.85% p.a.	02 nd June, 2023	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'A' FY 2014-15	10,00,000	12 th December, 2014	5,134.16	9.75% p.a.	12 th December, 2024	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'B' FY 2014-15	10,00,000	09 th January, 2015	4,584.93	9.45% p.a.	09 th January, 2025	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'A1' FY 2015-16	10,00,000	17 th June, 2015	2,680.71	9.25% p.a.	06 th June, 2025	Redeemable at par at end of 3642 days from the date of allotment
ABFL Sub Debt Series 'B1' FY 2015-16	10,00,000	14 th July, 2015	3,190.29	9.25% p.a.	11 th July, 2025	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'C1' FY 2015-16	10,00,000	25 th August, 2015	3,474.41	9.25% p.a.	22 nd August, 2025	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'D1' FY 2015-16	10,00,000	08 th March, 2016	2,508.55	9.10% p.a.	06 th March, 2026	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'E1' FY 2015-16	10,00,000	10 th March, 2016	803.30	9.10% p.a.	10 th March, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'F1' FY 2015-16	10,00,000	18 th March, 2016	2,552.70	9.10% p.a.	10 th March, 2026	Redeemable at par at end of 3644 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2016-17	10,00,000	23 rd June, 2016	5,602.15	9.10% p.a.	23 rd June, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD1' FY 2016-17	10,00,000	28 th July, 2016	10,578.11	8.97% p.a.	28 th July, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD2' FY 2016-17	10,00,000	28 th July, 2016	7,924.46	8.95% p.a.	28 th July, 2026	Redeemable at par at end of 3652 days from the date of allotment

Notes to the Financial Statements

for the year ended 31st March, 2024

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL Sub Debt Series 'SF1' FY 2016-17	10,00,000	29 th September, 2016	20,815.42	8.90% p.a.	29 th September, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SH1' FY 2016-17	10,00,000	21 st November, 2016	20,557.13	8.90% p.a.	20 th November, 2026	Redeemable at par at end of 3651 days from the date of allotment
ABFL Sub Debt Series 'SL1' FY 2016-17	10,00,000	09 th March, 2017	1,001.00	8.25% p.a.	09 th March, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SB1' FY 2017-18	10,00,000	18 th May, 2017	17,654.84	8.50% p.a.	18 th May, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SI1' FY 2018-19	10,00,000	04 th December, 2018	25,688.39	9.76% p.a.	04 th December, 2028	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	10,00,000	06 th June, 2019	21,516.93	8.95% p.a.	06 th June, 2029	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	10,00,000	30 th December, 2019	10,758.47	8.95% p.a.	06 th June, 2029	Redeemable at par at end of 3446 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	10,00,000	13 th February, 2020	5,379.23	8.95% p.a.	06 th June, 2029	Redeemable at par at end of 3401 days from the date of allotment
ABFL SUBDEBT Series 'SI 1' FY 20-21	10,00,000	29 th December, 2020	8,111.26	7.43% p.a.	27 th December, 2030	Redeemable at par at end of 3650 days from the date of allotment
ABFL SUBDEBT Series 'SC 1' FY 20-21	10,00,000	11 th June, 2021	7,902.16	7.34% p.a.	11 th June, 2031	Redeemable at par at end of 3652 days from the date of allotment
ABFL Subdebt NCD Series 'S11' FY2021-22	1,00,00,000	06 th December, 2021	3,520.99	7.43% p.a.	05 th December, 2031	Redeemable at par at end of 3651 days from the date of allotment
ABFL Subdebt NCD Series 'S11' FY2021-22	1,00,00,000	28 th February, 2022	21,125.90	7.43% p.a.	05 th December, 2031	Redeemable at par at end of 3567 days from the date of allotment
Total			2,23,867.32			

NOTE 23: LEASE LIABILITY

(₹ in Lakh)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Lease liability for right to use assets	29,096.52	19,648.20
Total	29,096.52	19,648.20

NOTE 24: OTHER FINANCIAL LIABILITIES

(₹ in Lakh)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Advance from customers	39,498.75	37,764.48
Payables for salaries, bonus and other employee benefits	15,243.27	14,737.46
Book overdraft	1,48,842.13	-
Other payable	23,843.09	16,417.88
Total	2,27,427.24	68,919.82



Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 25: CURRENT TAX LIABILITIES (NET)

(₹ in Lakh)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Provision for income tax (Net of advance tax ₹ 1,32,756.95 Lakh; 31 st March, 2023 ₹ 90,047.08 Lakh)	25,654.85	13,664.09
Total	25,654.85	13,664.09

NOTE 26: PROVISIONS

(₹ in Lakh)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Employee benefit		
Gratuity	4,245.95	3,662.62
Provision for compensated absences	1,460.66	1,138.07
Long-term incentive plans (LTIP)	2,213.84	1,663.03
Total	7,920.45	6,463.72

NOTE 27: OTHER NON-FINANCIAL LIABILITIES

(₹ in Lakh)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Revenue received in advance	4,085.54	3,817.18
Tax deducted at source payable	3,593.02	2,234.52
Goods and service tax payable	2,891.13	6,253.43
Other statutory dues payable	577.54	461.20
Total	11,147.23	12,766.33

NOTE 28: EQUITY SHARE CAPITAL

(₹ in Lakh)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Authorised		
1,27,00,00,000 (31 st March, 2023: 1,27,00,00,000) equity shares of ₹ 10/- each	1,27,000.00	1,27,000.00
1,00,00,00,000 (31 st March, 2023: 1,00,00,00,000) Preference Shares of ₹ 10/- each	1,00,000.00	1,00,000.00
1,00,00,000 (31 st March, 2023: 1,00,00,000) 8 % Compulsory Convertible Cumulative Preference Shares of ₹ 10/- each	1,000.00	1,000.00
Total	2,28,000.00	2,28,000.00
Issued, subscribed and fully paid up		
67,55,08,042 (31 st March, 2023: 66,21,00,822) equity shares of ₹ 10/- each	68,939.69	66,210.08
Total	68,939.69	66,210.08

Notes to the Financial Statements

for the year ended 31st March, 2024

Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the period:

Particulars	(₹ in Lakh)	
	Number	Amount
As at 01 st April, 2022	66,21,00,822	66,210.08
Issued during the year	-	-
As at 31 st March, 2023	66,21,00,822	66,210.08
Issued during the year	2,72,96,108	2,729.61
As at 31 st March, 2024	68,93,96,930	68,939.69

Terms/ rights attached to equity shares

The Company has only one class of equity shares having a face value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the Company, the holders of equity shares will be receiving remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates:

Name of Share holder	As at 31 st March, 2024		As at 31 st March, 2023	
	Number	Amount	Number	Amount
Aditya Birla Capital Limited, holding company*	68,93,96,880	68,939.69	66,21,00,772	66,210.08
Total	68,93,96,880	68,939.69	66,21,00,772	66,210.08

Details of shareholders holding more than 5% shares in the Company:

Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	Number	% of Total paid-up equity capital	Number	% of Total paid-up equity capital
Aditya Birla Capital Limited, holding company*	68,93,96,880	100%	66,21,00,772	100%
Total	68,93,96,880	100%	66,21,00,772	100%

Details of Shareholding of Promoters:

Shares held by promoters at the end of the year

Sr. No.	Promoter name	No. of Shares	% of Total shares	% Change during the year
1	Aditya Birla Capital Limited, holding company*	68,93,96,880	100%	-
Total		68,93,96,880	100%	

*Balance shares are held by nominees on behalf of the holding Company.

NBFC's objectives, policies and processes for managing capital:

For above disclosures Refer Note 48.



Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 29: OTHER EQUITY

Particulars	(₹ in Lakh)
	Amount
Securities Premium Account	
As at 01 st April, 2022	3,63,738.29
Add: Additions during the year	-
As at 31 st March, 2023	3,63,738.29
Add: Additions during the year	1,57,270.38
As at 31 st March, 2024	5,21,008.67
Special Reserve pursuant to Section 45-IC of the RBI Act, 1934	
As at 01 st April, 2022	1,22,351.25
Add: Transferred during the year	31,075.15
As at 31 st March, 2023	1,53,426.40
Add: Additions during the year	44,417.12
As at 31 st March, 2024	1,97,843.52
Capital Reserve	
As at 01 st April, 2022	(10,452.11)
Add: Other additions/ deductions during the year	-
As at 31 st March, 2023	(10,452.11)
Add: Other additions/ deductions during the year	-
As at 31 st March, 2024	(10,452.11)
Capital Redemption Reserve	
As at 01 st April, 2022	1,000.00
Add: Transferred during the year	-
As at 31 st March, 2023	1,000.00
Add: Transferred during the year	-
As at 31 st March, 2024	1,000.00
Share Options Outstanding Account	
As at 01 st April, 2022	-
Add: Employee stock options amortisation for the year	483.19
Less: Transferred to Securities Premium on ESOPs exercised	-
Less: On account of lapse of unvested options	-
Less: Transfer to General Reserve on account of lapse of vested options	-
As at 31 st March, 2023	483.19
Add: Employee stock options amortisation for the year ended	1,083.32
Less: Transferred to Securities Premium on ESOPs exercised	-
Less: On account of lapse of unvested options	-
Less: Transfer to General Reserve on account of lapse of vested options	-
As at 31 st March, 2024	1,566.51

Notes to the Financial Statements

for the year ended 31st March, 2024

	(₹ in Lakh)
Particulars	Amount
General Reserve	
As at 01 st April, 2022	13,660.95
Add: Transferred during the year	-
As at 31 st March, 2023	13,660.95
Add: Transferred during the year	-
As at 31 st March, 2024	13,660.95
Retained Earnings	
As at 01 st April, 2022	4,29,931.19
Add: Profit for the year	1,55,375.75
Less: Appropriations	
Re-measurement reserves on defined benefit plans	320.28
Transfer to Special Reserve	(31,075.15)
Total appropriations	(30,754.87)
As at 31 st March, 2023	5,54,552.07
Add: Profit for the year	2,22,085.60
Less: Appropriations	
Re-measurement reserves on defined benefit plans	503.83
Transfer to Special Reserve	(44,417.12)
Total appropriations	(43,913.29)
As at 31 st March, 2024	7,32,724.38
Other Comprehensive Income	
As at 01 st April, 2022	(397.66)
Add: Changes in fair value of equity instruments carried at FVTOCI	54.98
Add: Fair Value change on derivatives designated as cash flow hedge	344.94
As at 31 st March, 2023	2.26
Add: Changes in fair value of equity instruments carried at FVTOCI	65.85
Add: Fair Value change on derivatives designated as cash flow hedge	(2,006.30)
As at 31 st March, 2024	(1,938.19)
Total Other Equity	
As at 01 st April, 2022	9,19,831.90
As at 31 st March, 2023	10,76,411.05
As at 31 st March, 2024	14,55,413.73



Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 30: NATURE AND PURPOSE OF RESERVE

Securities Premium Reserve: Security premium reserve is used to record the premium on the issue of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

Special Reserve: Special reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act"). appropriation from this reserve fund is permitted only for the purposes specified by RBI.

Capital Reserve: Capital reserve refers to difference on account of net assets taken over and purchase consideration paid for merger of wealth management undertaking of Aditya Birla Money Mart Limited with the Company and the difference on account of net assets taken over and purchase consideration paid for merger of transaction business of Aditya Birla Capital Technology Services Limited, ABCTSL (formerly known as Aditya Birla My Universe Limited, ABMUL) undertaking with the Company.

Capital Redemption Reserve: Preference shares of ₹ 10 Crore were redeemed at the board meeting held on 30th January, 2020. As per the provisions of Companies Act, 2013, the preference shares were redeemed out of the profits of the Company and therefore a sum equivalent to the nominal amount of shares redeemed were transferred to capital redemption reserve.

Share Options Outstanding Account: Share options outstanding account is created as required by Ind AS 102 'Share Based Payments' on the Employee Stock Option Scheme operated by the Company for employees of the Company.

General Reserve: This reserve is created on account of merger. As per court order, this reserve can be utilised for distribution of dividends.

Retained Earnings: Retained earnings refer to the percentage of net earnings not paid out as dividends, but retained by the Company to be reinvested in its core business, or to pay debts.

The Company recognises change on account of remeasurement of the net defined benefit liability (asset) as part of retained earnings with separate disclosure, which comprises of (a) actuarial gains and losses (b) return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); (c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

Other Comprehensive Income: The Company has elected to recognise changes in the fair value of certain instruments in equity securities and debt instruments in other comprehensive income. These changes are accumulated with the FVTOCI reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are de-recognised.

The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated on borrowings. For hedging foreign currency and interest rate risk, the Company uses foreign currency forward contracts and cross currency interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to the statement of profit or loss when the hedged item affects profit or loss (e.g. interest payments).

Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 31: INTEREST INCOME

(₹ in Lakh)

Particulars	Year ended 31 st March, 2024				Year ended 31 st March, 2023			
	On Financial Assets measured at Amortised Cost	On Financial Assets classified at FVTPL	On Financial Assets measured at FVTOCI	Total	On Financial Assets measured at Amortised cost	On Financial Assets classified at FVTPL	On Financial Assets measured at FVTOCI	Total
Interest on loans	11,73,256.53	-	-	11,73,256.53	7,62,284.20	-	-	7,62,284.20
Interest income from investments	785.84	23,345.78	-	24,131.62	39.17	12,056.82	-	12,095.99
Interest on deposits with Banks	23.23	-	-	23.23	274.52	-	-	274.52
Other interest income	7,036.29	-	-	7,036.29	5,949.10	-	-	5,949.10
Total	11,81,101.89	23,345.78	-	12,04,447.67	7,68,546.99	12,056.82	-	7,80,603.81

NOTE 32: DIVIDEND INCOME

(₹ in Lakh)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Dividend from long term investment	270.48	284.97
Total	270.48	284.97

NOTE 33: FEES AND COMMISSION INCOME

(₹ in Lakh)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Advisory and other fee income	39,209.54	33,010.05
Brokerage and commission income	11,921.12	8,088.04
Total	51,130.66	41,098.09

Note 33.1: Revenue from contracts with customers

(₹ in Lakh)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Type of services		
Advisory and other fee income	39,209.54	33,010.05
Brokerage and commission income	11,921.12	8,088.04
Geographical markets		
India	51,130.66	41,098.09
Outside India	-	-
Timing of revenue recognition		
Services transferred at a point in time	51,130.66	41,098.09
Services transferred over time	-	-
Contract balances		
Fees, commission and other receivables	2,237.74	964.61



Notes to the Financial Statements

for the year ended 31st March, 2024

Note 33.1: Disclosure as per Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015

(₹ in Lakh)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Aditya Birla Health Insurance Company Limited	2,352.95	-
Aditya Birla Sunlife Insurance Company Limited	1,610.09	-
Reliance General Insurance Company Limited	18.12	-
Liberty General Insurance Limited	31.55	-
ICICI Lombard General Insurance Company Limited	20.24	-

NOTE 34: NET GAIN ON FAIR VALUE CHANGES

Net gain/(loss) on financial instruments at fair value through profit or loss

(₹ in Lakh)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
On Trading portfolio		
- Investments	12,503.00	1,710.83
- Derivatives	(1.85)	4.72
On financial instruments designated at fair value through profit or loss	18.14	(15.59)
Total	12,519.29	1,699.96
Fair Value changes		
- Realised	5,103.19	765.60
- Unrealised	7,416.10	934.36
Total	12,519.29	1,699.96

NOTE 35: OTHER INCOME

(₹ in Lakh)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Miscellaneous income	4,758.90	3,080.88
Other interest income	1,463.17	-
Total	6,222.07	3,080.88

Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 36: FINANCE COSTS

(₹ in Lakh)

Particulars	Year ended 31 st March, 2024			Year ended 31 st March, 2023		
	On Financial Liabilities measured at Fair Value through Profit or Loss	On Financial Liabilities measured at Amortised Cost	Total	On Financial Liabilities measured at Fair Value through Profit or Loss	On Financial Liabilities measured at Amortised Cost	Total
Interest on debt securities	5,100.72	1,98,767.84	2,03,868.56	5,549.56	1,32,712.26	1,38,261.82
Interest on borrowings other than debt securities	-	4,18,297.29	4,18,297.29	-	2,25,301.00	2,25,301.00
Interest on subordinated liabilities	-	22,291.91	22,291.91	-	20,769.48	20,769.48
Finance cost on lease liability	-	1,849.67	1,849.67	-	1,005.54	1,005.54
Others	-	514.79	514.79	-	379.93	379.93
Total	5,100.72	6,41,721.50	6,46,822.22	5,549.56	3,80,168.21	3,85,717.77

NOTE 37: IMPAIRMENT ON FINANCIAL INSTRUMENTS

The below table shows impairment loss on financial instruments charged to Statement of Profit and Loss based on category of financial instrument:

(₹ in Lakh)

Particulars	Year ended 31 st March, 2024			Year ended 31 st March, 2023		
	On Financial Instruments measured at Fair Value through OCI	On Financial Instruments measured at Amortised Cost	Total	On Financial Instruments measured at Fair Value through OCI	On Financial Instruments measured at Amortised Cost	Total
Bad debts/advances written off (net of recoveries)	-	1,44,162.94	1,44,162.94	-	36,133.71	36,133.71
Impairment loss allowance on -						
Loans (Stage III)	-	16,450.49	16,450.49	-	38,505.40	38,505.40
Less: Delinquency support	-	(25,611.55)	(25,611.55)	-	-	-
Sub Total	-	(9,161.06)	(9,161.06)	-	-	-
Loans (Stage I & II)	-	1,255.73	1,255.73	-	14,340.78	14,340.78
Trade receivable	-	289.31	289.31	-	42.03	42.03
Direct assignment	-	21.66	21.66	-	-	-
Investments	-	(1,325.23)	(1,325.23)	-	1,325.62	1,325.62
Total	-	1,35,243.35	1,35,243.35	-	90,347.54	90,347.54



Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 38: EMPLOYEE BENEFITS EXPENSES

Particulars	(₹ in Lakh)	
	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Salaries and wages	82,657.66	65,197.04
Contribution to provident and other funds	3,328.24	2,376.80
Contribution to gratuity funds	789.58	705.01
Share based payments to employees	3,986.55	1,729.90
Staff welfare expenses	3,026.67	2,274.64
Total	93,788.70	72,283.39

NOTE 39: DEPRECIATION, AMORTISATION AND IMPAIRMENT

Particulars	(₹ in Lakh)	
	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Depreciation of tangible assets	3,194.99	1,714.46
Amortisation of intangible assets	3,990.54	3,939.13
Depreciation and amortisation on lease assets	4,850.94	2,959.69
Total	12,036.47	8,613.28

NOTE 40: OTHER EXPENSES

Particulars	(₹ in Lakh)	
	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Rent	2,779.03	2,249.53
Repairs and maintenance		
- Plant and machinery	246.61	82.30
- Others	1,337.07	1,526.51
Communication costs	1,058.41	690.06
Printing and stationery	521.33	506.97
Advertisement and publicity	3,253.98	582.71
Directors' fees, allowances and expenses	30.98	89.34
Auditor's fees and expenses	255.34	209.62
Legal and professional charges	10,312.59	9,864.94
Insurance	8,636.29	3,745.75
Business support expenses	15,409.59	10,706.63
Travelling and conveyance	3,668.89	2,356.60
Water and electricity expenses	745.94	488.21
Rates and taxes	202.61	131.64
Contract service charges	2,216.38	1,243.54
Information technology expenses	9,520.83	6,042.91
Postage expenses	230.23	270.23
Bank charges	396.85	253.43
Brokerage and commission	140.77	204.66
Corporate social responsibility (CSR) expenses	3,011.36	2,226.19
Sub-brokerage and fees	622.59	580.70
Recruitment expenses	911.14	703.60
Loss on property, plant and equipment's (net)	12.85	33.10
Collection cost	21,318.79	13,818.66
Miscellaneous expenses	3,006.15	2,179.52
Total	89,846.60	60,787.35

Notes to the Financial Statements

for the year ended 31st March, 2024

Auditor's Fees and Expenses (net of GST credit availed)

Particulars	(₹ in Lakh)	
	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Statutory audit	210.00	176.80
Expenses reimbursed	9.51	5.52
Certification and other service	4.75	3.99
Tax audit	10.00	6.00
Goods and services tax (net of input credit)	21.08	17.31
Total	255.34	209.62

Details of CSR Expenditure

Particulars	(₹ in Lakh)	
	Year ended 31 st March, 2024	Year ended 31 st March, 2023
a) Gross amount required to be spent by the Company during the year	3,011.36	2,226.19
b) Amount spent during the year	2,905.29	2,801.89
c) Shortfall at the end of the year*	97.58	(8.49)
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	2,905.29	2,801.89
d) Total of previous years shortfall/(Excess)	97.58	(8.49)
e) Reason for shortfall	NA	NA
f) Nature of CSR activities	Refer Note 1	Refer Note 1
g) Details of related party transactions	NA	NA
h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	NA	NA

CSR Activities: Note: 1

For FY 2023-24: Promoting education including providing education in anganwadi centres and government school and remedial classes for tribal students, health care, ensuring environment sustainability by increasing water availability and livelihoods, training to support athletes qualifying in asian games and empowering women.

For FY 2022-23: Promoting education including for children of covid impacted families and scholarship to underprivileged girls and children of martyred soldiers, Health care, Employment enhancing vocation skills to youths, Training to promote nationally recognised and olympic sports including athlete mentorship programmes and Empowering women.

*There is a change in the Regulation stating that if the CSR contribution of ABFL lying in the bank account of the respective NGO is unspent at the end of a FY, the same is required to be returned to ABFL and has to be maintained in a separate bank account by ABFL. The balance shown here is the same unspent amounts transferred back by NGOs.

NOTE 41: INCOME TAX

The components of income tax expense are as under:

Particulars	(₹ in Lakh)	
	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Current tax*	82,360.54	68,583.07
Deferred tax relating to origination and reversal of temporary differences	(5,739.54)	(14,940.44)
Total tax charge	76,621.00	53,642.63

* Includes tax of earlier years of ₹ 760.54 Lakh.



Notes to the Financial Statements

for the year ended 31st March, 2024

OCI Section: Deferred tax related to items recognised in OCI as under:

Particulars	(₹ in Lakh)	
	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Net loss/(gain) on remeasurements	(483.17)	242.22
Income tax expense charged to OCI	(483.17)	242.22

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at enacted corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by enacted domestic tax rate for the year ended 31st March, 2024 and year ended 31st March, 2023 are as follows:

Particulars	(₹ in Lakh)	
	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Accounting profit before tax	2,98,706.60	2,09,018.38
Enacted corporate tax rate	25.17%	25.17%
Tax expense at enacted corporate tax rate	75,178.48	52,605.75
The effects of disallowances of earlier years net of adjustments to DTA	772.86	583.51
Tax on non deductible expenses	669.66	453.37
Income tax expense reported in the statement of profit and loss	76,621.00	53,642.63
Effective income tax rate for the year	25.65%	25.66%

Deferred Tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

Particulars	(₹ in Lakh)				
	Deferred Tax Assets	Deferred Tax Liabilities	Profit and Loss (Income)/Loss	OCI	Transition Reserve
	31 st March, 2024	31 st March, 2024	31 st March, 2024	31 st March, 2024	31 st March, 2024
Expected credit loss allowances	42,643.69	-	(3,586.51)	-	-
Employee benefit provisions and other residual	2,779.76	-	(1,744.97)	(483.17)	-
Depreciation/Amortisation	1,452.39	-	(408.05)	-	-
Total	46,875.84	-	(5,739.53)	(483.17)	-
Net	46,875.84				

Particulars	(₹ in Lakh)				
	Deferred Tax Assets	Deferred Tax Liabilities	Profit and Loss (Income)/Loss	OCI	Transition Reserve
	31 st March, 2023	31 st March, 2023	31 st March, 2023	31 st March, 2023	31 st March, 2023
Expected credit loss allowances	39,057.18	-	(16,540.59)	-	-
Employee benefit provisions and other residual	551.62	-	1,889.79	242.22	-
Depreciation/Amortisation	1,044.34	-	(289.64)	-	-
Total	40,653.14	-	(14,940.44)	242.22	-
Net	40,653.14				

Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 42: EARNINGS PER SHARE

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

Diluted EPS is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares of the Company.

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Net profit attributable for equity shareholders	2,22,085.60	1,55,375.75
Weighted average number of ordinary shares for basic earnings per share	67,26,68,526	66,21,00,822
Effect of dilution:		
Employee stock options	2,07,736	88,818
Weighted average number of ordinary shares for diluted earnings per share	67,28,76,262	66,21,89,640
Earnings per share		
Basic earnings per share (₹)	33.02	23.47
Diluted earnings per share (₹)	33.01	23.46

NOTE 43(A): RETIREMENT BENEFIT PLAN

Defined Contribution Plan

The Company makes Provident Fund, Pension Fund, Employee State Insurance Scheme, Maharashtra Labour Welfare Fund, and National Pension Scheme contributions which are defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

Particulars	31 st March, 2024	31 st March, 2023
(i) Contribution to Employees Provident Fund	2,313.46	1,683.54
(ii) Contribution to Employees Pension Fund	738.52	514.26
(iii) Contribution to Employees State Insurance Corporation	9.80	4.89
(iv) Contribution to Maharashtra Labour Welfare Fund	2.63	1.55
(v) Contribution to National Pension Scheme	263.83	172.56
Total	3,328.24	2,376.80

Defined Benefit Plan

The Company has a defined benefit gratuity plan (funded). The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and last drawn salary. The fund is managed by Aditya Birla Sun Life Insurance Company Limited which is fellow subsidiary of the Company.

The following tables summarises the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the gratuity plan.



Notes to the Financial Statements

for the year ended 31st March, 2024

Changes in the defined benefit obligation and fair value of Reimbursement Rights as at 31st March, 2024 are as under:

(₹ in Lakh)

Particulars	Gratuity cost charged to profit or loss					Benefits Paid
	01 st April, 2023	Service Cost	Net interest expense	Group Company Allocation	Sub-total included in Profit or Loss	
Defined benefit obligation	(3,662.62)	(831.18)	(266.10)	41.60	(1,055.68)	(58.45)
Fair value of reimbursement rights	2,735.20	-	198.72	-	198.72	-
Benefit / (Liability)	(927.42)	(831.18)	(67.38)	41.60	(856.96)	(58.45)

(₹ in Lakh)

Particulars	Remeasurement gains/(losses) in other comprehensive income								31 st March, 2024
	Return on Reimbursement Rights (excluding amounts included in net interest expense)	Group Company Allocation	Actuarial changes arising from changes in Demographic Assumptions	Actuarial changes arising from changes in Financial Assumptions	Experience Variance	Sub-total included in OCI	Contributions by Employer	Transfer in/out	
Defined benefit obligation	-	(41.60)	691.36	(389.91)	270.95	530.80	-	-	(4,245.95)
Fair value of Reimbursement Rights	142.48	-	-	-	-	142.48	500.00	-	3,576.40
Benefit / (Liability)	142.48	(41.60)	691.36	(389.91)	270.95	673.28	500.00	-	(669.55)

Changes in the defined benefit obligation and fair value of Reimbursement Rights as at 31st March, 2023 are as under:

(₹ in Lakh)

Particulars	Gratuity cost charged to profit or loss					Benefits paid
	01 st April, 2022	Service cost	Net interest expense	Group Company Allocation	Sub-total included in profit or loss	
Defined benefit obligation	(3,217.03)	(696.56)	(194.49)	55.33	(835.72)	(95.36)
Fair value of reimbursement rights	2,161.98	-	130.71	-	130.71	-
Benefit / (Liability)	(1,055.05)	(696.56)	(63.78)	55.33	(705.01)	(95.36)

(₹ in Lakh)

Particulars	Remeasurement Gains/(Losses) in Other Comprehensive Income								31 st March, 2023
	Return on Reimbursement Rights (excluding amounts included in net interest expense)	Group Company Allocation	Actuarial changes arising from changes in Demographic Assumptions	Actuarial changes arising from changes in Financial Assumptions	Experience Variance	Sub-total included in OCI	Contributions by Employer	Transfer in/out	
Defined benefit obligation	-	(55.33)	22.70	356.85	161.27	485.49	-	-	(3,662.62)
Fair value of reimbursement rights	(57.49)	-	-	-	-	(57.49)	500.00	-	2,735.20
Benefit / (Liability)	(57.49)	(55.33)	22.70	356.85	161.27	428.00	500.00	-	(927.41)

Notes to the Financial Statements

for the year ended 31st March, 2024

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	31 st March, 2024	31 st March, 2023
Expected return on reimbursement rights	7.15%	7.25%
Discount rate	7.15%	7.25%
Salary escalation rate	8.01%	7.00%
Retirement age	60 Years	60 Years
Mortality rate	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2012-14)

Attrition / Withdrawal rates, based on age: (per annum)

Particulars	31 st March, 2024	31 st March, 2023
Up to 30 years	37.00%	34.00%
31 - 40 years	34.00%	25.00%
41 - 50 years	19.00%	13.00%
Above 50 years	7.00%	2.00%

Note: The above information is certified by actuary, and this has been relied upon by the auditors.

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields as at Balance Sheet date.

Disaggregation of Reimbursement Rights:

Particulars	31 st March, 2024	31 st March, 2023
Unquoted investments:		
Insurer managed funds (Investments with Aditya Birla Sun Life Insurance Company Limited)	3,576.40	2,735.20
Total	3,576.40	2,735.20

(₹ in Lakh)

A quantitative sensitivity analysis for significant assumption is as shown below:

Assumptions	Discount rate		Salary	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Sensitivity level				
Impact on defined benefit obligation - (31 st March, 2024)	4,130.56	4,367.42	4,366.24	4,130.57
Impact on defined benefit obligation - (31 st March, 2023)	3,531.50	3,802.15	3,802.11	3,530.33

(₹ in Lakh)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the year.



Notes to the Financial Statements

for the year ended 31st March, 2024

The following payments are expected contributions to the defined benefit plan in future years:

	(₹ in Lakh)	
Expected payment for future years	31 st March, 2024	31 st March, 2023
Within the next 12 months (next annual reporting year)	671.52	410.06
Between 2 and 5 years	2,394.63	1,614.09
Between 6 and 9 years	1,301.51	1,273.08
10 years and above	2,482.67	3,710.88
Total expected payments	6,850.33	7,008.11

The Company expects to contribute ₹ 1,495.84 Lakh (31st March, 2023: ₹ 1,618.73 Lakh) to the fund in the next financial year.

The weighted average duration of the defined benefit obligation as at 31st March, 2024 is 6 years (31st March, 2023: 7 years).

Other Long Term Incentive Benefits

Liability for the scheme is determined based on actuarial valuations.

Employee Stock Option Plan (ESOP) by Aditya Birla Capital Limited

Pursuant to ESOP Plan being established by the holding company (i.e. Aditya Birla Capital Limited), stock options were granted to the employees of the Company. Total cost incurred by the holding company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of ₹ 2,907.02 Lakh (31st March, 2023 ₹ 1,244.83 Lakh) has been recovered from the Company during the year, which has been charged to the Statement of Profit and Loss. The balance sum of ₹ 4,541.11 Lakh will be recovered in future years.

NOTE 43(B): EMPLOYEE STOCK OPTION PLAN

The Nomination and Remuneration Committee of the Company has approved the following grants to select senior level executives of the Company in accordance with the Stock Option Scheme. Details of grants are given as under:

As at 31st March, 2024

Grant date	Exercise Price (₹)	Fair Value of Options	Options Granted	(₹ in Lakh)				
				Options Vested and Exercisable	Options Unvested	Options Exercised	Options Lapsed	Options Outstanding
05 th November, 2022	283.20	131.90	21,78,706	-	21,78,706	-	2,03,886	19,74,820
31 st January, 2023	283.20	141.10	10,169	-	10,169	-	-	10,169
30 th September, 2023	354.70	150.80	90,715	-	90,715	-	-	90,715
01 st November, 2023	354.70	153.60	17,636	-	17,636	-	-	17,636
30 th January, 2024	354.70	138.60	18,726	-	18,726	-	-	18,726
			23,15,952	-	23,15,952	-	2,03,886	21,12,066

As at 31st March, 2023

Grant date	Exercise Price (₹)	Fair Value of Options	Options Granted	(₹ in Lakh)				
				Options Vested and Exercisable	Options Unvested	Options Exercised	Options Lapsed	Options Outstanding
05 th November, 2022	283.20	131.90	21,78,706	-	21,78,706	-	89,786	20,88,920
31 st January, 2023	283.20	141.10	10,169	-	10,169	-	-	10,169
			21,88,875	-	21,88,875	-	89,786	20,99,089

Notes to the Financial Statements

for the year ended 31st March, 2024

Weighted average fair value of stock options granted during the year is as follows:

Particulars	(₹ in Lakh)	
	31 st March, 2024	31 st March, 2023
No. of options granted	1,27,077	21,88,875
Weighted average fair value (₹)	149.39	131.94

Following table depicts range of exercise prices and weighted average remaining contractual life:

As at 31st March, 2024

For all grants	No. of Options	Range of Exercise Prices (₹)	Weighted Average Exercise Price (₹)	(₹ in Lakh)
				Weighted Average remaining Contractual Life (years)
Outstanding at the beginning of the year	20,99,089	283.20	283.20	2.11
Granted during the year	1,27,077	354.70	354.70	2.06
Cancelled during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	2,03,886	-	-	-
Outstanding at the end of the year	20,22,280	283.20 to 354.70	287.12	1.16
Exercisable at the end of the year	-	-	-	-

As at 31st March, 2023

For all grants	No. of Options	Range of Exercise Prices (₹)	Weighted Average Exercise Price (₹)	(₹ in Lakh)
				Weighted Average remaining Contractual Life (years)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	21,88,875	283.20	283.20	2.11
Cancelled during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	89,786	-	-	-
Outstanding at the end of the year	20,99,089	283.20	283.20	2.11
Exercisable at the end of the year	-	-	-	-

Method used for accounting for share-based payment plan:

The Company has used the fair value method to account for the compensation cost of stock options to employees. The fair value of options used are estimated on the date of grant using the Black-Scholes Model. The key assumptions used in Black-Scholes Model for calculating fair value as on the date of respective grants are:

Grant date	Life of Option (in Years)	Risk Free Rate	Dividend Yield	Volatility
05 th November, 2022	4.10	7.50%	0.70%	36.3%
31 st January, 2023	3.80	7.40%	0.70%	37.3%
30 th September, 2023	3.30	7.30%	0.70%	34.4%
01 st November, 2023	3.10	7.50%	0.70%	27.8%
30 th January, 2024	2.90	7.16%	0.80%	26.0%

Weighted average fair value of share for options outstanding as on 31st March, 2024 is ₹ 320.59 per share.



Notes to the Financial Statements

for the year ended 31st March, 2024

Basis of Volatility

List of comparable companies used in historical volatility assessment (50% weight to listed comparable companies and 50% weight to Nifty Financial Services Index)

Characteristics of ESOPs issued

Grant date	31 st January, 2024	01 st November, 2023	30 th September, 2023	31 st January, 2023	05 th November, 2022
Conversion	On exercise, 1 ESOP converts to 1 equity share of ABFL	On exercise, 1 ESOP converts to 1 equity share of ABFL	On exercise, 1 ESOP converts to 1 equity share of ABFL	On exercise, 1 ESOP, converts to 1 equity share of ABFL	On exercise, 1 ESOP converts to 1 equity share of ABFL
Vesting date*	50% each at the end of 2 nd and 3 rd year from grant date	50% each at the end of 2 nd and 3 rd year from grant date	50% each at the end of 2 nd and 3 rd year from grant date	50% each at the end of 2 nd and 3 rd year from grant date	50% each at the end of 2 nd and 3 rd year from grant date
Additional condition	ESOPs can be exercised only once equity share of ABFL are listed on stock exchange	ESOPs can be exercised only once equity share of ABFL are listed on stock exchange	ESOPs can be exercised only once equity share of ABFL are listed on stock exchange	ESOPs can be exercised only once equity share of ABFL are listed on stock exchange	ESOPs can be exercised only once equity share of ABFL are listed on stock exchange
Exercise price (in INR) per ESOP	354.7	354.7	354.7	283.2	283.2
Exercise period*	5 year from the date of vesting	5 year from the date of vesting	5 year from the date of vesting	5 year from the date of 1 st grant i.e. 05 th November, 2022	5 year from the date of vesting
Settlement	Settlement of equity shares of ABFL	Settlement of equity shares of ABFL	Settlement of equity shares of ABFL	Settlement in equity shares of ABFL	Settlement of equity shares of ABFL

* Exercise period as per management's assessment

Details related to Share based payments for KMPs

Count of ABFL ESOP's Granted as on

Particulars	31 st March, 2024	31 st March, 2023
Rakesh Singh	2,84,742	2,84,742
Pradeep Kumar Agrawal	42,650	42,650
Ankur Deepak Bhai Shah	9,063	9,063
Tushar Shah	1,22,032	1,22,032

NOTE 44: MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations.

(₹ in Lakh)

Particulars	31 st March, 2024			31 st March, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	19,030.95	-	19,030.95	38,763.43	-	38,763.43
Bank balance other than cash and cash equivalents	100.00	-	100.00	-	-	-
Derivative financial instruments	30.43	1,010.18	1,040.61	9.81	73.83	83.64

Notes to the Financial Statements

for the year ended 31st March, 2024

(₹ in Lakh)

Particulars	31 st March, 2024			31 st March, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Trade and other receivables	2,891.50	-	2,891.50	4,030.61	-	4,030.61
Loans*	29,36,103.60	74,54,423.21	1,03,90,526.80	21,49,618.63	57,35,331.47	78,84,950.10
Investments	5,80,324.74	5,912.94	5,86,237.68	3,41,516.04	28,753.58	3,70,269.62
Other financial assets	4,580.00	3,494.93	8,074.93	11,740.15	3,011.64	14,751.79
Non-financial Assets						
Current tax asset (net)	-	2,850.33	2,850.33	-	15,150.75	15,150.75
Deferred tax assets (net)	-	46,875.85	46,875.85	-	40,653.14	40,653.14
Property, plant and equipments	-	9,084.93	9,084.93	-	5,130.16	5,130.16
Intangible assets under development	-	1,078.52	1,078.52	-	890.07	890.07
Other intangible assets	-	4,455.55	4,455.55	-	6,244.06	6,244.06
Right of use Lease Assets	34.20	27,401.69	27,435.89	-	18,749.72	18,749.72
Other non-financial assets	15,143.09	6,349.02	21,492.11	8,345.89	4,269.43	12,615.32
Total assets	35,58,238.51	75,62,937.14	1,11,21,175.65	25,54,024.56	58,58,257.85	84,12,282.41
Liabilities						
Financial Liabilities						
Derivative financial instruments	276.93	8,395.81	8,672.74	27.74	1,341.50	1,369.24
Trade payables	57,688.19	-	57,688.19	69,756.46	-	69,756.46
Debt securities	12,39,582.99	18,13,127.50	30,52,710.49	9,77,818.72	13,75,666.79	23,53,485.51
Borrowings (other than debt security)	22,37,423.32	36,51,880.06	58,89,303.38	14,89,474.28	29,89,123.18	44,78,597.46
Subordinated liabilities	21,801.14	2,65,400.00	2,87,201.14	20,590.45	2,24,400.00	2,44,990.45
Lease liabilities	6,177.28	22,919.24	29,096.52	4,359.45	15,288.75	19,648.20
Other financial liabilities	2,27,427.24	-	2,27,427.24	68,919.82	-	68,919.82
Non-financial liabilities						
Current tax liabilities (net)	25,654.85	-	25,654.85	13,664.09	-	13,664.09
Provisions	2,084.26	5,836.19	7,920.45	734.66	5,729.06	6,463.72
Other non-financial liabilities	11,147.23	-	11,147.23	12,766.33	-	12,766.33
Total liabilities	38,29,263.43	57,67,558.80	95,96,822.23	26,58,112.00	46,11,549.28	72,69,661.28

* Stage 3 loans have been considered in after 12 months bucket.

Note: Classification of loans under the different maturity buckets is based on the due date, which has been relied upon by the auditors.

NOTE 45: CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

(₹ in Lakh)

Particulars	As at 01 st April, 2023	Cash Flows	Other (Non-Cash)	As at 31 st March, 2024
Debt securities	23,53,485.51	6,80,600.00	18,624.98	30,52,710.49
Borrowings other than debt securities	44,78,597.46	14,06,934.74	3,771.18	58,89,303.38
Subordinate liabilities	2,44,990.45	40,500.00	1,710.69	2,87,201.14
Total liabilities from financing activities	70,77,073.42	21,28,034.74	24,106.85	92,29,215.01

(₹ in Lakh)



Notes to the Financial Statements

for the year ended 31st March, 2024

Particulars	As at 01 st April, 2022	Cash Flows	Other (Non-Cash)	As at 31 st March, 2023
Debt securities	15,78,125.70	7,81,720.00	(6,360.19)	23,53,485.51
Borrowings other than debt securities	27,71,715.04	16,94,861.67	12,020.75	44,78,597.46
Subordinate liabilities	2,48,733.99	(3,500.00)	(243.54)	2,44,990.45
Total liabilities from financing activities	45,98,574.73	24,73,081.67	5,417.02	70,77,073.42

Note: The above amounts are including interest accrued but not due.

NOTE 46: CONTINGENT LIABILITIES, COMMITMENTS AND LEASING ARRANGEMENTS

(A) Contingent Liabilities

(₹ in Lakh)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Disputed income tax liability*	4,081.05	4,081.05
Disputed service tax/GST liability**	179.55	69.84
Claims against the Company not acknowledged as debts	230.47	768.47
Corporate guarantees, Guarantee on overdraft, Letter of credit and letter of comfort given by the Company on behalf of the clients***	7,592.10	8,007.94
Total	12,083.17	12,927.30

* (i) Disputed Income Tax Liability

(₹ in Lakh)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Disallowances of depreciation on intangibles, Disallowance of donation forming part of CSR expenditure u/s 80G, Disallowance of certain expenses, Disallowance under Section 14A, Disallowance of PF/ESIC, Disallowance of CENVAT credit w/off.	1,049.41	1,049.41
Interest on non performing assets (NPA)	3,031.64	3,031.64
Total	4,081.05	4,081.05

Note: Interest and consequential charges, if any arising on settlement of those contingent liabilities are not ascertainable.

**(ii) Show Cause cum demand notice No. ST/Audit-III/P-3/Gr-7/Aditya Birla/SCN/2016 dated 09th May, 2017 was issued to the Company demanding service tax of ₹ 69.84 Lakh on penal/ default interest.

***(iii) Represents the limit utilised by client of the Guarantee/ Overdraft/Letter of credit and letter of comfort given by the Company.

(B) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) on account of property, plant and equipment ₹ 763.22 Lakh (31st March, 2023: ₹ 1,420.62 Lakh) and on account of intangible assets ₹ 1,945.73 Lakh (31st March, 2023: ₹ 1,275.20 Lakh).

Undisbursed commitments where the Company does not have an unconditional rights to cancel the undrawn/un-availed/ unused portion of the loan at any time during the subsistence of the loan ₹ Nil.

Notes to the Financial Statements

for the year ended 31st March, 2024

(C) Lease Disclosures

(i) Following are the changes in the carrying value of right of use assets for the year ended 31st March, 2024:

Particulars	(₹ in Lakh)
	Amount
Gross carrying value	
Balance as at 01 st April, 2022	16,602.82
Additions	10,501.68
Deletion	1,429.49
Balance as at 31st March, 2023	25,675.01
Additions	15,311.16
Deletion	4,447.86
Balance as at 31st March, 2024	36,538.31
Accumulated amortisation	
As at 01 st April, 2022	4,415.49
Additions	2,959.69
Deletion	449.89
Balance as at 31st March, 2023	6,925.29
Additions	4,850.94
Deletion	2,673.81
Balance as at 31st March, 2024	9,102.42
Net carrying value as at 31st March, 2023	18,749.72
Net carrying value as at 31st March, 2024	27,435.89

(ii) Amounts recognised in Profit and Loss for the year ended 31st March, 2024:

Particulars	(₹ in Lakh)	
	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Depreciation expense on right-of-use assets	4,850.94	2,959.69
Interest expense on lease liabilities	1,849.67	1,005.54
Expense relating to leases of low value assets	2,779.03	2,249.53
Income from subleasing right-of-use assets	(1,728.09)	(1,067.78)
(Gain)/loss on pre-mature lease closure	(369.44)	(124.76)

(iii) The Maturity analysis of lease liabilities as at 31st March, 2024:

Particulars	(₹ in Lakh)	
	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Within 12 months	6,177.28	4,359.45
After 12 months	22,919.24	15,288.75
Total	29,096.52	19,648.20



Notes to the Financial Statements

for the year ended 31st March, 2024

(iv) The following is the movement in lease liabilities during the year ended 31st March, 2024:

Particulars	(₹ in Lakh)	
	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Balance as at 01 st April, 2023	19,648.21	12,910.38
Additions	14,495.36	9,944.49
Surrender of premises	(1,955.22)	(1,047.04)
Finance cost accrued during the year	1,849.67	1,005.54
Payment of lease liabilities	(4,941.50)	(3,165.16)
Balance as at 31 st March, 2024	29,096.52	19,648.21

(v) The table below provides details regarding the contractual maturities of lease liabilities as at 31st March, 2024 on an undiscounted basis:

Particulars	(₹ in Lakh)	
	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Less than one year	6,383.35	4,502.29
One to five years	21,253.94	13,968.01
More than five years	8,611.71	5,614.53
Total	36,249.00	24,084.83

When measuring lease liabilities of the Company, lease payments have been discounted using its incremental borrowing rate at 01st April, 2023. The weighted average rate applied ranges between 7.90% p.a. - 8.10% p.a.

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

NOTE 47: RELATED PARTY DISCLOSURES

I) List of Related Parties as per IND AS -24

(A) Ultimate holding company

Grasim Industries Limited

(B) Holding company

Aditya Birla Capital Limited

(C) Subsidiaries / fellow subsidiaries

Fellow Subsidiaries

Aditya Birla Money Limited

Aditya Birla Money Insurance Advisory Services Limited

Aditya Birla Capital Technology Services Limited

Aditya Birla Wellness Private Limited

Aditya Birla Sun Life Insurance Company Limited

Aditya Birla Financial Shared Services Limited

Aditya Birla Housing Finance Limited

Aditya Birla ARC Limited

Aditya Birla Money Mart Limited

Aditya Birla Sun Life Pension Management Limited

Aditya Birla Stressed Asset AMC Private Limited

Aditya Birla PE Advisors Private Limited

Aditya Birla Insurance Brokers Limited

Aditya Birla Special Situations Fund - I

Aditya Birla Capital Digital Limited

Aditya Birla Trustee Company Private Limited

Aditya Birla Sun Life Trustee Private Limited

Notes to the Financial Statements

for the year ended 31st March, 2024

(D) Subsidiary/associates of ultimate holding company

Ultratech Cement Limited

ABREL EPC Limited(ABREPC)

(E) Associates of holding company

Aditya Birla Capital Foundation

Aditya Birla Health Insurance Co. Limited
(w.e.f. 21st October, 2022)

Aditya Birla Sunlife AMC Limited

(F) Other related parties in which directors of holding company are interested

Aditya Birla Management Corporation Private Limited

Aditya Birla Renewables Green Power Private Limited
(formerly known as Waacox Energy Private Limited)

(G) Promoter group company

Essel Mining & Industries Limited

Hindalco Industries Limited

(H) Key managerial personnel/Directors

Mr. Rakesh Singh (Managing Director & Chief Executive Officer)

Mr. Tushar Shah (CEO-PFSG)

Mr. Pradeep Kumar Agrawal (CFO)

Mr. Kamlesh Rao (Director)(Ceased to be a Director with effect from 29th August, 2023)

Mr. Ankur Deepak Shah (Company Secretary)

Mr. D J Kakalia (Ceased to be a Director with effect from 8th March, 2023)

Mr. Jitender Balakrishnan (Ceased to be a Director with effect from 8th March, 2023)

Mr. Ashwani Puri (Ceased to be a Director with effect from 8th March, 2023)

Ms. Alka Bharucha (Director)(Ceased to be a Director with effect from 27th August, 2023)

Ms. Vishakha Mulye (Director with effect from 21st October, 2022)

Mr. Nagesh Pinge (Director with effect from 9th March, 2023)

Mr. Ajay Srinivasan (Ceased to be a Director with effect from 03rd August, 2022)

Mr. Subhash Chandra Bhargava (Director)

Mr. Rajat Jain (Director with effect from 9th March, 2023)

Mr. Sunil Srivastav (Director)

(I) Close Member of key managerial personnel/Directors

Ms. Anahita Singh (Daughter - Mr. Rakesh Singh)

Ms. Anushka Singh (Daughter - Mr. Rakesh Singh)

Ms. Vibha Singh (Spouse - Mr. Rakesh Singh)

Notes:-

- a) The related party relationships have been as identified by the management on the basis of the requirements of the Indian Accounting Standard IND AS-24 'Related Party Disclosures' and the same have been relied upon by the Auditors.
- b) The relationships disclosed above are for the entities where control exists and with whom transactions have taken place during the year.
- c) Transactions shown above are excluding GST, if any.
- d) Managerial remuneration excludes provision for gratuity, pension and compensated absences, since it is provided on actuarial basis for the company as a whole and includes director sitting fees.
- e) The NCD balance shown above includes purchase and sale from secondary market and are held by related party as on reporting dates.



Notes to the Financial Statements

for the year ended 31st March, 2024

II) Disclosure in respect of transactions with related parties during the year & balance outstanding as at reporting date

Particulars	(₹ in Lakh)	
	Year ended 31 st March, 2024	Year ended 31 st March, 2023
	(Audited)	(Audited)
Holding Company		
Reimbursement of Employee Cost		
Aditya Birla Capital Limited	2,907.02	1,244.83
Business Support Expenses		
Aditya Birla Capital Limited	4,501.83	3,676.62
Employee Cost Recovered		
Aditya Birla Capital Limited	27.35	26.96
Paid up Equity Share Capital Outstanding		
Aditya Birla Capital Limited	68,939.69	66,210.08
Equity Share Premium Outstanding		
Aditya Birla Capital Limited	4,78,366.45	3,21,096.08
Issue of Equity Share Capital		
Aditya Birla Capital Limited	2,729.61	-
Security Premium on Equity Share Capital Issued		
Aditya Birla Capital Limited	1,57,270.37	-
Purchase of Assets		
Aditya Birla Capital Limited	15.52	-
Payable		
Aditya Birla Capital Limited	1,568.45	493.77
Statutory Dues (GST) Recovered		
Aditya Birla Capital Limited	154.12	37.26
Ultimate Holding Company		
Reimbursement of Employee Cost		
Grasim Industries Limited	21.40	15.43
MF/FD Commission Received on Behalf of Investment done by Related Party		
Grasim Industries Limited	26.41	35.63
Payable		
Grasim Industries Limited	1.01	-
Receivable		
Grasim Industries Limited	-	3.51
Reimbursement of Rent Expenses		
Grasim Industries Limited	0.60	-
Employee cost Recovered		
Grasim Industries Limited	-	3.51
Sale of Assets		
Grasim Industries Limited	-	20.97
Business Support Expenses		
Grasim Industries Limited	0.75	-

Notes to the Financial Statements

for the year ended 31st March, 2024

Particulars	(₹ in Lakh)	
	Year ended 31 st March, 2024 (Audited)	Year ended 31 st March, 2023 (Audited)
Interest paid on Inter Corporate Borrowings		
Grasim Industries Limited	23.82	-
Inter Corporate Borrowings		
Grasim Industries Limited	5,000.00	-
Inter corporate Borrowings Payable		
Grasim Industries Limited	5,000.00	-
Interest Accrued on Inter Corporate Borrowings		
Grasim Industries Limited	23.82	-
Subsidiary/Associate of Ultimate Holding Company		
MF/FD Commission Received on Behalf of investment done by Related Party		
Ultratech Cement Limited	19.66	25.99
Interest Income		
ABREL EPC Limited(ABREPC)	2,434.64	338.81
Loans and Advances		
ABREL EPC Limited(ABREPC)	23,773.00	20,507.00
Repayment of Loans and Advances		
ABREL EPC Limited(ABREPC)	28,600.00	-
Loans and Advances Given		
ABREL EPC Limited(ABREPC)	31,866.00	20,507.00
Assignment of Receivables		
Ultratech Cement Limited	903.96	-
Promoter Group		
MF/FD Commission Received on Behalf of Investment done by Related Party		
Essel Mining And Industries Ltd.	5.79	-
Hindalco Industries Limited	6.87	41.86
Reimbursement of Employee Cost		
Hindalco Industries Limited	-	0.78
Inter Corporate Borrowings		
Hindalco Industries Limited	80,000.00	-
Interest paid on ICB		
Hindalco Industries Limited	1,881.00	-
Repayment of ICB		
Hindalco Industries Limited	80,000.00	-
Payable		
Hindalco Industries Limited	0.78	0.78
Associates/Joint Venture		
Paid to CSR Fund		
Aditya Birla Capital Foundation	2,846.00	2,727.06



Notes to the Financial Statements

for the year ended 31st March, 2024

Particulars	(₹ in Lakh)	
	Year ended 31 st March, 2024	Year ended 31 st March, 2023
	(Audited)	(Audited)
Reimbursement of Administrative Expenses		
Aditya Birla Sunlife AMC Limited	0.07	3.62
Reimbursement of Rent Expenses		
Aditya Birla Health Insurance Company Limited	42.61	4.70
Aditya Birla Sunlife AMC Limited	185.41	208.39
Reimbursement of Employee Cost		
Aditya Birla Health Insurance Company Limited	0.13	2.43
Aditya Birla Sunlife AMC Limited	0.56	1.73
Employee Cost Recovered		
Aditya Birla Sunlife AMC Limited	9.61	17.90
Aditya Birla Health Insurance Company Limited	12.27	0.97
Brokerage / Commission Income		
Aditya Birla Health Insurance Co Ltd.	2,352.95	-
Aditya Birla Sunlife AMC Limited	265.05	642.36
Rent Recovered		
Aditya Birla Sunlife AMC Limited	120.21	60.19
Aditya Birla Health Insurance Company Limited	279.89	76.13
Administrative Expenses Recovered		
Aditya Birla Sunlife AMC Limited	1.11	2.51
Aditya Birla Health Insurance Company Limited	-	1.93
Receivable		
Aditya Birla Health Insurance Company Limited	1,219.00	66.34
Aditya Birla Sunlife AMC Limited	9.93	13.68
Deposit Payable		
Aditya Birla Sunlife AMC Limited	14.96	14.96
Aditya Birla Health Insurance Company Limited	37.51	21.69
Deposit Receivable		
Aditya Birla Sunlife AMC Limited	126.03	120.00
Aditya Birla Health Insurance Company Limited	3.68	3.68
Deposit Placed (Transaction during the period)		
Aditya Birla Sunlife AMC Limited	6.02	-
Aditya Birla Health Insurance Company Limited	-	3.68
Deposit Received		
Aditya Birla Sunlife AMC Limited	-	14.96
Aditya Birla Health Insurance Company Limited	15.82	21.69
MF/FD/Alternate Asset Commission Received on Behalf of Investment done by Related Party		
Aditya Birla Health Insurance Company Limited	0.59	1.78

Notes to the Financial Statements

for the year ended 31st March, 2024

Particulars	(₹ in Lakh)	
	Year ended 31 st March, 2024 (Audited)	Year ended 31 st March, 2023 (Audited)
Fellow Subsidiaries		
Brokerage Expenses/ Service Charges		
Aditya Birla Money Limited	38.08	22.29
Aditya Birla Capital Digital Limited	179.25	-
Aditya Birla Money Insurance Advisory Services Limited	459.90	911.25
Reimbursement of Administrative Expenses		
Aditya Birla Wellness Private Limited	30.96	34.17
Aditya Birla Money Limited	12.03	1.07
Aditya Birla Capital Technology Services Limited	-	8.29
Aditya Birla Sun Life Insurance Company Limited	0.43	0.05
Aditya Birla Financial Shared Services Limited	577.97	475.27
Business Support Expenses		
Aditya Birla Financial Shared Services Limited	3,597.55	2,221.50
Aditya Birla Housing Finance Limited	175.37	159.22
Aditya Birla Capital Digital Ltd.	29.33	-
IT Support Expenses		
Aditya Birla Capital Technology Services Limited	442.30	253.06
Custodian Charges Expenses		
Aditya Birla Money Limited	5.16	3.88
Insurance Premium Paid		
Aditya Birla Sun Life Insurance Company Limited	363.03	313.86
Interest Expenses		
Aditya Birla Sun Life Insurance Company Limited	3,616.49	1,528.36
Reimbursement of Rent Expenses		
Aditya Birla Insurance Brokers Limited	-	2.62
Aditya Birla Sun Life Insurance Company Limited	817.18	629.19
Reimbursement of Employee Cost		
Aditya Birla Money Limited	472.02	331.97
Aditya Birla Financial Shared Services Limited	0.50	31.91
Aditya Birla Housing Finance Limited	17.28	95.62
Aditya Birla Sun Life Insurance Company Limited	85.81	0.39
Aditya Birla ARC Limited	-	39.48
Aditya Birla Capital Digital Limited	8.97	-
Employee Cost Recovered		
Aditya Birla Money Limited	1.23	24.75
Aditya Birla Sun Life Insurance Company Limited	37.94	68.83
Aditya Birla ARC Limited	11.13	-



Notes to the Financial Statements

for the year ended 31st March, 2024

Particulars	(₹ in Lakh)	
	Year ended 31 st March, 2024	Year ended 31 st March, 2023
	(Audited)	(Audited)
Aditya Birla Capital Technology Services Limited	-	2.93
Aditya Birla Money Mart Limited	-	3.86
Aditya Birla Housing Finance Limited	31.44	59.43
Aditya Birla Money Insurance Advisory Services Limited	9.55	9.91
Aditya Birla Insurance Brokers Limited	2.49	2.87
Aditya Birla Wellness Private Limited	-	3.62
Aditya Birla Financial Shared Services Limited	31.80	64.71
Referral Fees Income		
Aditya Birla Money Limited	26.34	20.19
Brokerage / Commission Income		
Aditya Birla Money Limited	558.21	383.55
Aditya Birla Sun Life Insurance Company Ltd.	1,610.09	-
Rent Recovered		
Aditya Birla Money Insurance Advisory Services Limited	16.62	76.48
Aditya Birla Insurance Brokers Limited	2.15	2.39
Aditya Birla Money Limited	22.38	19.34
Aditya Birla Sun Life Insurance Company Limited	539.76	189.06
Aditya Birla Housing Finance Limited	723.67	644.19
Aditya Birla Capital Digital Ltd.	3.18	-
Administrative Expenses Recovered		
Aditya Birla Money Insurance Advisory Services Limited	18.00	50.25
Aditya Birla Money Limited	-	0.50
Aditya Birla ARC Limited	-	10.02
Aditya Birla Insurance Brokers Limited	-	0.79
Aditya Birla Financial Shared Services Limited	3.23	236.42
Aditya Birla Sun Life Insurance Company Limited	-	4.73
Aditya Birla Capital Digital Limited	392.40	-
Aditya Birla Stressed Asset AMC Private Limited	-	1.93
Business Support Expenses Recovered		
Aditya Birla Housing Finance Limited	114.63	616.31
Sale of Assets		
Aditya Birla ARC Limited	-	0.65
Purchase of Assets		
Aditya Birla Housing Finance Limited	8.60	0.09
Aditya Birla Financial Shared Services Ltd.	39.69	-
Aditya Birla Insurance Brokers Limited	-	9.71
Aditya Birla Sun Life Insurance Company Limited	-	24.80
Prepaid Expenses		
Aditya Birla Capital Technology Services Limited	26.04	4.68
Aditya Birla Financial Shared Services Limited	132.60	129.58

Notes to the Financial Statements

for the year ended 31st March, 2024

Particulars	(₹ in Lakh)	
	Year ended 31 st March, 2024 (Audited)	Year ended 31 st March, 2023 (Audited)
Redeemable NCDs		
Aditya Birla Sun Life Insurance Company Limited	57,737.21	25,704.22
Payable		
Aditya Birla Capital Technology Services Limited	38.62	13.20
Aditya Birla Sun Life Insurance Company Limited	-	35.45
Aditya Birla Financial Shared Services Limited	937.37	389.18
Aditya Birla Money Insurance Advisory Services Limited	16.11	108.77
Receivable		
Aditya Birla Money Limited	123.26	43.45
Aditya Birla Insurance Brokers Limited	0.23	-
Aditya Birla Housing Finance Limited	158.97	250.20
Aditya Birla ARC Limited	2.03	-
Aditya Birla Sun Life Insurance Company Limited	40.40	-
Aditya Birla Capital Digital Ltd.	51.11	-
Aditya Birla Wellness Private Limited	0.00	0.24
Deposit Payable		
Aditya Birla Money Limited	9.93	9.93
Aditya Birla Sun Life Insurance Company Limited	54.67	54.67
Aditya Birla Housing Finance Limited	30.28	30.28
Deposit Receivable		
Aditya Birla Money Limited	5.24	5.24
Aditya Birla Sun Life Insurance Company Limited	193.58	158.01
Deposit Placed (Transaction during the period)		
Aditya Birla Sun Life Insurance Company Limited	35.57	63.42
Aditya Birla Money Limited	-	5.24
Deposit Received		
Aditya Birla Money Limited	-	9.93
Aditya Birla Sun Life Insurance Company Limited	-	54.67
Aditya Birla Housing Finance Limited	-	30.28
Purchase of Aditya Birla Special Situations Fund I		
Aditya Birla Money Mart Ltd.	-	14,383.01
Aditya Birla Capital Technology Services Ltd.	-	7,501.29
Insurance Claim Settlement received		
Aditya Birla Sun Life Insurance Company Limited	533.90	293.49
Interest Income		
Aditya Birla Special Situations Fund - I	3,231.67	-
Investment in Fund made		
Aditya Birla Special Situations Fund - I	8,569.19	20.41
Redemption from Investment		
Aditya Birla Special Situations Fund - I	25,688.79	5.75



Notes to the Financial Statements

for the year ended 31st March, 2024

Particulars	(₹ in Lakh)	
	Year ended 31 st March, 2024 (Audited)	Year ended 31 st March, 2023 (Audited)
Investment in Fund Outstanding		
Aditya Birla Special Situations Fund - I	1,155.29	22,535.12
Director		
Brokerage / Commission Income		
Ashwani Kumar Puri(Director) (Resigned w.e.f 08 th March, 2023)	-	6.78
MF/FD/Alternate asset Commission Received on Behalf of investment done by Related Party		
Mr. Rakesh Singh (MD & CEO)	7.95	32.36
Mr. D J Kakalia-Director(Resigned w.e.f. 08 th March, 2023)	-	0.32
Mr. Ajay Srinivasan-Director(Resigned w.e.f 03 rd August, 2022)	-	1.47
Close Member of Key Managerial Person		
MF/FD/Alternate Asset Commission Received on Behalf of investment done by Related Party		
Anushka Singh (Director's Relative)	0.23	0.17
Vibha Singh (Director's Relative)	0.38	0.26
Scholarship Expenses		
Anahita Singh (Director's relative)	25.43	23.81
Entities in which Director is Interested		
Business Support Expenses		
Aditya Birla Management Corporation Private Limited	5,235.26	3,828.25
Payable		
Aditya Birla Management Corporation Private Limited	845.93	538.86
Deposit Receivable		
Aditya Birla Management Corporation Private Limited	615.12	615.12
MF/FD/Alternate Asset Commission Received on Behalf of Investment done by Related Party		
Aditya Birla Renewables Green Power Private Limited (formerly known as Waacox Energy Private Limited)	0.81	2.81
Interest Income		
Aditya Birla Renewables Green Power Private Limited (formerly known as Waacox Energy Private Limited)	522.12	394.09
Loans and Advances		
Aditya Birla Renewables Green Power Private Limited (formerly known as Waacox Energy Private Limited)	5,356.04	5,602.16
Repayment of Loans and Advances		
Aditya Birla Renewables Green Power Private Limited (formerly known as Waacox Energy Private Limited)	246.12	257.84
Loans and advances given		
Aditya Birla Renewables Green Power Private Limited (formerly known as Waacox Energy Private Limited)	-	1,503.42
Director Sitting Fees		
Mr. D J Kakalia	-	15.00
Mr. Jitender Balakrishnan	-	12.50
Mr. Ashwani Puri	-	11.00
Ms. Alka Bharucha	6.00	10.25
Mr. Sunil Srivastav	2.00	-
Mr. Subhash Chandra Bhargava	18.00	12.75
Mr. Nagesh Pinge	13.00	1.75
Mr. Rajat Kumar Jain	11.50	1.00

Notes to the Financial Statements

for the year ended 31st March, 2024

Particulars	(₹ in Lakh)	
	Year ended 31 st March, 2024	Year ended 31 st March, 2023
	(Audited)	(Audited)
Remuneration to KMPs*		
Mr. Rakesh Singh (MD & CEO)		
(a) Short-term employee benefits	837.42	720.60
(b) Post-employment benefits	9.46	8.60
(c) Other long-term benefits	94.50	700.00
(d) Termination benefits	-	-
(e) Share-based payment	465.23	-
Mr. Tushar Shah (CEO-PFSG)		
(a) Short-term employee benefits	498.95	508.74
(b) Post-employment benefits	6.51	6.11
(c) Other long-term benefits	40.50	420.61
(d) Termination benefits	-	-
(e) Share-based payment	-	-
Mr. Pradeep Kumar Agrawal (CFO)		
(a) Short-term employee benefits	165.85	209.56
(b) Post-employment benefits	2.45	2.53
(c) Other long-term benefits	14.15	-
(d) Termination benefits	-	-
(e) Share-based payment	-	-
Mr. Ankur Deepak Shah (CS)		
(a) Short-term employee benefits	58.45	76.23
(b) Post-employment benefits	0.99	0.92
(c) Other long-term benefits	3.01	-
(d) Termination benefits	-	-
(e) Share-based payment	-	-

Notes:

- a) The related party relationships have been as identified by the management on the basis of the requirements of the Indian Accounting Standard IND AS-24 'Related Party Disclosures' and the same have been relied upon by the Auditors.
- b) The relationships disclosed above are for the entities where control exists and with whom transactions have taken place during the year.
- c) Transactions shown above are excluding GST, if any.
- d) Managerial Remuneration excludes provision for gratuity, pension and compensated absences, since it is provided on actuarial basis for the Company as a whole and includes director sitting fees.
- e) The NCD balance shown above includes purchase and sale from secondary market and are held by related party as on reporting dates.

*The above numbers is in the nature of short-term employee benefits as per Ind AS 24.



Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 48: CAPITAL

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a capital adequacy ratio, which is weighted assets divided by total capital derived as per the RBI requirements. As per the RBI guidelines, Company being a Non Banking Finance Company has to maintain 15% of capital adequacy ratio.

The actual capital adequacy ratio is as under:

Particulars	31 st March, 2024	31 st March, 2023
Capital adequacy ratio	16.24%	16.38%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2024 and 31st March, 2023.

NOTE 49: FINANCIAL INSTRUMENTS

Note 49.1: Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

(a) Category-wise classification for applicable financial assets

Particulars	₹ in Lakh)	
	As at 31 st March, 2024	As at 31 st March, 2023
(I) Measured at amortised cost:		
i) Cash and cash equivalents	19,030.95	38,763.43
ii) Bank balance other than Cash and cash equivalents	100.00	-
iii) Trade receivables	2,891.50	4,030.61
iv) Loans	1,03,90,526.80	78,84,950.10
v) Investment in debentures	384.99	7,482.74
vi) Investment in security receipts	-	1,317.50
vii) Other financial assets	8,074.93	14,751.79
Sub Total	1,04,21,009.17	79,51,296.17
(II) Measured at fair value through profit or loss (FVTPL)		
i) Investment in govt. securities	5,02,556.03	2,47,031.28
ii) Investment in equity instruments	68.14	34.82
iii) Investment in preference shares	-	3,500.00
iv) Investment in alternate funds	1,180.48	24,643.33
v) Investment in debentures	81,651.31	85,430.31
vi) Investment in mutual funds	-	520.91
Sub Total	5,85,455.96	3,61,160.65

Notes to the Financial Statements

for the year ended 31st March, 2024

(₹ in Lakh)

Particulars	As at	
	31 st March, 2024	31 st March, 2023
(III) Designated at fair value through profit or loss (FVTPL)		
i) Derivative financial instruments	7.63	50.96
Sub Total	7.63	50.96
(IV) Measured at fair value through other comprehensive income (FVTOCI):		
i) Investment in equity instruments	396.73	308.73
ii) Derivative financial instruments	1,032.98	32.68
Sub Total	1,429.71	341.41
Total (I+II+III+IV)	1,10,07,902.47	83,12,849.19

(b) Category-wise classification for applicable financial liabilities

(₹ in Lakh)

Particulars	As at	
	31 st March, 2024	31 st March, 2023
(I) Measured at amortised cost:		
i) Trade Payables	57,688.19	69,756.46
ii) Debt securities	30,02,923.74	22,64,078.68
iii) Borrowings (other than debt securities)	58,89,303.38	44,78,597.46
iv) Subordinated liabilities	2,87,201.14	2,44,990.45
v) Lease Liabilities	29,096.52	19,648.20
vi) Other financial liabilities	2,27,427.24	68,919.82
Sub Total	94,93,640.21	71,45,991.07
(II) Measured at fair value through profit or loss (FVTPL)		
Sub Total	-	-
(III) Designated at fair value through profit or loss (FVTPL)		
i) Derivative financial Instruments not designated as cash flow hedges	362.17	654.22
ii) Debt securities	49,786.75	89,406.83
Sub Total	50,148.92	90,061.05
(IV) Measured at fair value through other comprehensive income (FVTOCI):		
i) Derivative financial Instruments designated as cash flow hedges	8,310.57	715.02
Sub Total	8,310.57	715.02
Total (I+II+III+IV)	95,52,099.70	72,36,767.14

(c) Fair value of financial assets and financial liabilities measured at amortised cost

(₹ in Lakh)

Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Loans	1,03,90,526.80	1,03,90,526.80	78,84,950.10	78,84,950.10
Investment in debentures	384.99	384.99	7,482.74	7,482.74
Investment in security receipts	-	-	1,317.50	1,317.50
Total	1,03,90,911.79	1,03,90,911.79	78,93,750.34	78,93,750.34
Financial liabilities				
Debt securities	30,02,923.74	30,06,617.20	22,64,078.68	22,58,590.22
Borrowings (other than debt securities)	58,89,303.38	58,89,303.38	44,78,597.46	44,78,597.46
Subordinated liabilities	2,87,201.14	2,85,725.29	2,44,990.45	2,39,559.35
Lease liabilities	29,096.52	29,096.52	19,648.20	19,648.20
Total	92,08,524.78	92,10,742.39	70,07,314.79	69,96,395.23



Notes to the Financial Statements

for the year ended 31st March, 2024

Valuation methodologies of financial instruments not measured at fair value: Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only.

Short-term financial assets and liabilities: The carrying amounts of cash & cash equivalents, bank balance, trade receivables, other financial assets, trade payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

Borrowings

Floating Rate Borrowings: Floating rate borrowings are valued on the basis of applicable benchmark (viz; Tenor Linked T-Bill, Repo Rate, Tenor Linked MCLR, or any external benchmark as the case may be) + Spread, if applicable.

Fixed Rate Borrowings: Fixed rated borrowing are valued on the basis of valuation report shared by ICRA.

Note 49.2: Disclosure pursuant to Ind AS 113 "Fair Value Measurement"

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method, market comparable method, recent transactions happened in the Company and other valuation models.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, units of mutual funds (open ended) and traded bonds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

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

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

Notes to the Financial Statements

for the year ended 31st March, 2024

(A) Fair value hierarchy of financial assets and financial liabilities

(a) Measured at amortised cost

As at 31st March, 2024

(₹ in Lakh)

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Loans	-	-	1,03,90,526.80	1,03,90,526.80	Discounted cash flow approach
Investment in debentures	-	384.99	-	384.99	
Investment in security receipts	-	-	-	-	
Total financial assets	-	384.99	1,03,90,526.80	1,03,90,911.79	
Financial liabilities:					
Debt securities	-	20,34,870.33	9,71,746.87	30,06,617.20	Discounted cash flow approach
Borrowings (other than debt securities)	-	-	58,89,303.38	58,89,303.38	Discounted cash flow approach
Subordinated liabilities	-	2,85,725.29	-	2,85,725.29	
Lease liabilities	-	-	29,096.52	29,096.52	Discounted cash flow approach
Total financial liabilities	-	23,20,595.62	68,90,146.77	92,10,742.39	

As at 31st March, 2023

(₹ in Lakh)

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Loans	-	-	78,84,950.10	78,84,950.10	Discounted cash flow approach
Investment in debentures	-	7,482.74	-	7,482.74	
Investment in security receipts	-	-	1,317.50	1,317.50	Discounted cash flow approach
Total financial assets	-	7,482.74	78,86,267.60	78,93,750.34	
Financial liabilities:					
Debt securities	-	15,96,738.84	6,61,851.38	22,58,590.22	Discounted cash flow approach
Borrowings (other than debt securities)	-	-	44,78,597.46	44,78,597.46	Discounted cash flow approach
Subordinated liabilities	-	2,39,559.35	-	2,39,559.35	
Lease liabilities	-	-	19,648.20	19,648.20	Discounted cash flow approach
Total financial liabilities	-	18,36,298.19	51,60,097.04	69,96,395.23	



Notes to the Financial Statements

for the year ended 31st March, 2024

(b) Measured at fair value through profit or loss (FVTPL)

As at 31st March, 2024

(₹ in Lakh)

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Investment in govt. securities	-	5,02,556.03	-	5,02,556.03	
Investment in equity instruments-MOIL Limited	68.14	-	-	68.14	
Investment in preference shares	-	-	-	-	
Investment in alternate funds	-	1,180.48	-	1,180.48	
Investment in debentures	-	81,651.31	-	81,651.31	
Investment in mutual funds	-	-	-	-	
Total financial assets	68.14	5,85,387.82	-	5,85,455.96	

As at 31st March, 2023

(₹ in Lakh)

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Investment in govt. securities	-	2,47,031.28	-	2,47,031.28	
Investment in equity instruments	34.82	-	-	34.82	
Investment in preference shares	-	3,500.00	-	3,500.00	
Investment in alternate funds	-	24,643.33	-	24,643.33	
Investment in debentures	-	85,430.31	-	85,430.31	
Investment in mutual funds	520.91	-	-	520.91	
Total financial assets	555.73	3,60,604.92	-	3,61,160.65	

(c) Designated at fair value through profit or loss (FVTPL)

As at 31st March, 2024

(₹ in Lakh)

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Derivative financial Instruments	-	7.63	-	7.63	
Total financial assets	-	7.63	-	7.63	
Financial liabilities:					
Derivative financial Instruments not designated as cash flow hedges	-	362.17	-	362.17	
Debt securities	-	49,786.75	-	49,786.75	
Total financial liabilities	-	50,148.92	-	50,148.92	

Notes to the Financial Statements

for the year ended 31st March, 2024

As at 31st March, 2023

(₹ in Lakh)

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Derivative financial instruments	-	50.96	-	50.96	
Total financial assets	-	50.96	-	50.96	
Financial liabilities:					
Derivative financial instruments not designated as cash flow hedges		654.22		654.22	
Debt securities		89,406.83		89,406.83	
Total financial liabilities	-	90,061.05	-	90,061.05	

(d) Measured at fair value through Other Comprehensive Income (FVTOCI)

As at 31st March, 2024

(₹ in Lakh)

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Investment in equity instruments	-	-	396.73	396.73	refer (e)
Derivative financial instruments	-	1,032.98	-	1,032.98	
Total financial assets	-	1,032.98	396.73	1,429.71	
Financial liabilities:					
Derivative financial instruments designated as cash flow hedges	-	8,310.57	-	8,310.57	
Total financial liabilities	-	8,310.57	-	8,310.57	

As at 31st March, 2023

(₹ in Lakh)

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Investment in equity instruments	-	-	308.73	308.73	refer (e)
Derivative financial instruments	-	32.68	-	32.68	
Total financial assets	-	32.68	308.73	341.41	
Financial liabilities:					
Derivative financial instruments designated as cash flow hedges	-	715.02	-	715.02	
Total financial liabilities	-	715.02	-	715.02	

(e) Valuation techniques

Equity instruments: The majority of equity instrument are actively traded on stock exchanges with readily available active prices on a regular basis. Such instruments are classified as Level 1. Unlisted equity securities are classified at Level 3.

Investment in preference shares: Investment made in preference share is not actively traded on stock exchange and such instrument are classified as Level 2.



Notes to the Financial Statements

for the year ended 31st March, 2024

Investment in govt. securities: The fair values of investments made in Government Securities is based on valuation report from Financial Benchmarks India Private Ltd. as at the reporting period and the same are classified under Level 2.

Investment in alternate funds and mutual funds: Units held in funds of AIF are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions. Such instruments are generally Level 2. NAV represents the price at which the issuer will issue further units of AIF and the price at which issuers will redeem such units from the investors.

Investment in debt securities: Fair value of these instrument is derived based on the indicative quote of price and yields prevailing in the market as at reporting date. Company has used quoted price of national stock exchange wherever bonds are traded actively. In cases where debt securities are not actively traded company has used CRISIL corporate bond valuer model for measuring fair value i.e. fair value has been computed using the Fixed Income Money Market and Derivatives Association of India ('FIMMDA') data on corporate bond spreads and such instruments are classified as Level 2.

Derivative financial instruments: A generally accepted framework for the valuation of the swap explains the position in each leg of the swap as a 'bond'. Therefore, a receive floating - pay fixed swap can be viewed as a portfolio consisting a short position in fixed bond and long position a floating rate bond. The value of the swap is the net proceeds from such bond positions i.e. Receipt - Payment. The swaps were valued on and with inputs from the swap providers using the terms of the swap contract.

Equity shares measured at fair value through other comprehensive income: Unquoted equity shares are measured at fair value through other comprehensive income on the basis of the net worth of the investee company and are classified as Level 3.

The Company has determined that the carrying values of cash and cash equivalents, bank balances, trade receivables, loans, investment in debentures, trade payables, short-term debts, borrowings, bank overdrafts and other current liabilities are a reasonable approximation of their fair value and hence their carrying values are deemed to be fair values.

(B) Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value:

For the year ended 31st March, 2024

(₹ in Lakh)

Particulars	As at 01 st April, 2023	Purchase / (Sales)	Transfers into / (from) Level 3	Net Interest Income, net Trading Income and Other Income	Other Comprehensive Income	As at 31 st March, 2024
Investment in equity instrument						
Birla Management Centre Services Limited	308.73	-	-	-	88.00	396.73
Total financial investments classified in level 3	308.73	-	-	-	88.00	396.73
Total financial assets measured at fair value on a recurring basis	308.73	-	-	-	-	396.73

Notes to the Financial Statements

for the year ended 31st March, 2024

For the year ended 31st March, 2023

(₹ in Lakh)

Particulars	As at 01 st April, 2022	Purchase / (Sales)	Transfers into / (from) Level 3	Net Interest Income, net Trading Income and Other Income	Other Comprehensive Income	As at 31 st March, 2023
Investment in equity instrument						
Investment in equity instrument	235.26	-	-	-	73.47	308.73
Total financial investments classified in level 3	235.26	-	-	-	73.47	308.73
Total financial assets measured at fair value on a recurring basis	235.26	-	-	-	-	308.73

(C) Sensitivity of fair value measurements to changes in unobservable market data

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

(₹ in Lakh)

Particulars	Fair Value as at		Rates for Sensitivity	Impact of Increase in Rates on Total Comprehensive Income statement			
	31 st March, 2024	31 st March, 2023		31 st March, 2024	31 st March, 2024	31 st March, 2023	31 st March, 2023
				Favourable	Unfavourable	Favourable	Unfavourable
Investment in equity instrument*	396.73	308.73	5.00%	19.84	(19.84)	15.44	(15.44)

*Above instruments are measured at fair value through other comprehensive income on the basis of the net worth of the investee company

NOTE 50: REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES (ROC)

Company has complied with the charge creation or satisfaction registration with ROC within the statutory year.

NOTE 51: RELATIONSHIP WITH STRUCK OFF COMPANIES

(₹ in Lakh)

Name of struck off Company	Nature of transactions with Struck-off Company	Balance Outstanding		Relationship with the Struck off Company
		31 st March, 2024	31 st March, 2023	
Emirate Fashions Private Limited	Outstanding balance (loan given)	10.20	10.00	No
Chennai School Of Ship Management Private Limited	Outstanding balance (loan given)	80.53	81.00	No
Uttam Consultancy Private Limited	Outstanding balance (loan given)	-	659.00	No
Total		90.73	750.00	

The above disclosure has been prepared basis the relevant information compiled by the Company on best effort basis which has been relied upon by the auditors.



Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 52: RISK MANAGEMENT

(a) Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings (including debt securities & subordinate liabilities) and trade and other payables. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets include loans, investments, cash and cash equivalents and other receivables that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Risk Management Committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Risk Committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors review and agree policies for managing each of these risks, which are summarised below.

The Company has identified and implemented comprehensive policies and procedures to assess, monitor and manage risk throughout the Company. The risk management process is continuously reviewed, improved and adapted in the changing risk scenario and the agility of the risk management process is monitored and reviewed for its appropriateness in the changing risk landscape. The process of continuous evaluation of risks includes taking stock of the risk landscape on an event-driven basis.

The Company has an elaborate process for risk management. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Operational & business risk

Loss of Risk that is related to activities carried out within an entity, arising from incomplete structure, failure of systems, untrained people, inefficient products or processes. To make the structure more robust a Board approved Operational Risk Management Framework has been put in place which is implemented by a dedicated team within the Risk Management function. A bottom up risk control self-assessment process identifies high risk areas, potential gaps and serves as an early warning system so that remedial measures can be initiated in a timely manner.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. In the case of the Company, market risk primarily comprises of interest rate risk. Financial instruments affected by market risk include loans and borrowings.

The analysis exclude the impact of movements in market variables on the carrying values of gratuity, other post-retirement obligations and provisions.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31st March, 2024 and 31st March, 2023.

Interest rate risk

Interest rate risk is the risk of loss in company's net income out of change in level of interest rates and/or their implied volatility. To mitigate the interest rate risk, ALM policy of the Company stipulates interest rate sensitivity gap of all the time buckets. The Interest rate sensitivity statement is prepared every month and placed before Asset liability committee ("ALCO"). The statement captures the duration of rate sensitive assets & liabilities of the Company. The impact of change in interest rate on the earning of the Company is also measured every month and same is presented to ALCO.

Notes to the Financial Statements

for the year ended 31st March, 2024

		(₹ in Lakh)			
Market Indices	Change in Interest Rate	31 st March, 2024		31 st March, 2023	
		Impact on Profit Before Tax	Impact on Equity	Impact on Profit Before Tax	Impact on Equity
Interest rate	25 Basis point down	6,345.66	4,717.94	4,706.50	3,498.62
	50 Basis point down	12,691.31	9,435.87	9,412.99	6,997.24
	25 Basis point up	(6,345.66)	(4,717.94)	(4,706.50)	(3,498.62)
	50 Basis point up	(12,691.31)	(9,435.87)	(9,412.99)	(6,997.24)

The following table sets forth, for the periods indicated, the break-up of borrowings into variable rate and fixed rate.

			(₹ in Lakh)	
Particulars			31 st March, 2024	31 st March, 2023
Variable rate borrowings			25,38,262.12	18,82,598.62
Fixed rate borrowings			65,98,152.15	50,24,505.21
Total borrowings			91,36,414.27	69,07,103.83

Note - Borrowings having contractual tenor less than 12 months are considered as floating rate

Foreign exchange risk

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of fluctuation in foreign exchange rates primarily relates to its External Commercial Borrowings. The Company uses derivative instruments like cross currency swaps to hedge exposure to foreign currency risk.

The Company has taken foreign currency floating rate borrowings, which are linked to USD SOFR or JPY TONA. For managing the foreign currency risk and interest rate risk, arising from changes in applicable benchmark (USD SOFR or JPY TONA) on such borrowings, the Company has entered into Cross Currency Swap (CCS) for the entire loan liability covering the entire tenor of the loan along with the interest payable. Under the terms of the CCS, the Company pays interest at the fixed rate to the swap counterparty in INR and receives the floating interest payments based on the applicable benchmark (USD SOFR or JPY TONA) in foreign currency.

Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount

of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

The Company has established a credit quality review process to provide early identification of possible changes in the credit worthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective action.

Impairment assessment

The ECL model Credit loss provisioning approach has now moved from incurred model. This forces entity to understand the significance of credit risk and its movement since its initial recognition. This model ensures (a) timely recognition of ECLs (b) assessment of significant increase in credit risk which will provide better disclosure (c) ascertainment of better business ratios.

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of material accounting policy information in Note 4.



Notes to the Financial Statements

for the year ended 31st March, 2024

- An explanation of the Company's internal grading system (Note definition of default below)
- How the Company defines, calculates and monitors the probability of default, exposure at default and loss given default (Note 'The Company's internal rating and PD estimation process', 'Probability of Default', 'Exposure at Default' below)
- When the Company considers there has been a significant increase in credit risk of an exposure (Note 'Significant increase in credit risk' below)
- The Company's policy of segmenting financial assets where ECL is assessed on a collective basis (Note 'Grouping financial assets measured on a collective basis' below)
- The details of the ECL calculations for Stage 1, Stage 2 and Stage 3 assets (Notes 'Probability of default', 'Exposure at default' and 'loss given default' below).

Definition of default

The Company considers a financial instrument defaulted and therefore Stage 3 (credit impaired) for ECL calculations generally in most cases when the borrower becomes 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikeness to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

- a) Significant financial difficulty of the borrower or issuer;
- b) A breach of contract such as a default or past due event;
- c) The restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or

- e) The disappearance of an active market for a security because of financial difficulties and the customer has delay in his repayments over a month.

The Company's internal rating and PD estimation process

- a) **Internal Rating:** A robust internal credit rating framework is vital for effective credit risk management. It is specified by RBI on credit risk management that lenders should have an internal rating framework and the lenders must have independent Credit Risk Control Units (CRCU) or equivalents that are responsible for the design or selection, implementation and performance of their internal rating systems. Accordingly the Company also have an internal rating framework developed along with CRISIL, with ratings being assigned to all the customer/ portfolio pool – (eligible customers for Ratings) and used extensively in internal decision-making.
- b) It is further specified in the policy that Internal rating/ grading/ scoring of the borrower/ client is at least Investment grade rating as per the Company's internal credit rating model or valid/ live external rating.

Probability of default (PD)

PD is calculated basis likelihood that the borrower will default within one year horizon (Basis for Stage 1), for Stage 2 – it is defined as significant increase in credit risk and probability is defined as borrower's probability to default in lifetime.

Exposure at default

Gross exposure/potential gross exposure under a facility (i.e. the amount that is legally owed to the lender) at the time of default by a borrower. Exposure at Default gives an estimate of the amount outstanding.

Loss given default (LGD)

LGD is usually shown as the percentage of exposure at default that the lender might lose in case the borrower defaults. It depends, among others, on the type of collateral, it's value and the expected proceeds from the sale (e.g. sales proceeds from sales of collaterals/ securities) of the assets, NPV net of recovery costs.

Notes to the Financial Statements

for the year ended 31st March, 2024

Significant increase in credit risk

- a) There is significant increase in credit risk, when there is deterioration in account performance and expected resolution is not available.
- b) Further, for large borrowers after assessing the following risks in totality and deterioration in each factor, it is then assessed whether there is a significant increase in credit risk
 - i. Industry risk
 - ii. Business risk
 - iii. Management risk
 - iv. Financial risk
 - v. Banking conduct & facility level conduct.

- c) Significant increase in credit risk is also gauged through Credit rating. Credit rating is an opinion of capacity of borrower to meet its financial obligations to the depositor or bondholder (i.e. lender of money) on a particular issue or type of instrument (i.e. a domestic or foreign currency: short-term or medium or long-term, etc.) in a timely manner. The rating measures the relative risk of an issuers ability and willingness to repay both interest and principal over the period of the rated instrument. i.e. rating signifies the risk of default of the borrower that is rated.

Collateral Security:

The Company's net exposure to credit risk, after taking into account credit risk mitigation, have been tabulated below:

(₹ in Lakh)

Particulars	As at 31 st March, 2024			As at 31 st March, 2023		
	Outstanding	Cash Collateral	Nature of Non-Cash Collateral	Outstanding	Cash Collateral	Nature of Non-Cash Collateral
Financial assets						
Cash and cash equivalents	19,030.95	-		38,763.43	-	
Bank balance other than cash and cash equivalents	100.00	-		-	-	
Derivative financial instruments	1,040.61			83.64		
Trade receivables	2,891.50	-		4,030.61	-	
Loans	1,03,90,526.80	-	Refer footnote below	78,84,950.10	-	Refer footnote below
Investments	5,86,237.68	-		3,70,269.62	-	
Other financial assets	8,074.93	-		14,751.79	-	
Total	1,10,07,902.47	-		83,12,849.19	-	

The Company by way of loan sanction letter and other loan securing documents agrees with its customers on collateral security to be provided by the customers in secured loan exposures that are subject to credit risk. Collateral security enables us to recover all or part of the outstanding exposure by liquidating the collateral asset provided, in cases where the borrower is unable or unwilling to fulfil its primary obligations.

Collateral security accepted by the Company could be in the form of:

- a) Financial collateral in the form of pledge of equity shares, units of mutual funds, assignment of life insurance policies;
- b) Current assets in the form of inventories meant for sale or receivables arising out of the sale of finished goods
- c) Fixed asset (in the form of immovable properties – real estate, Plant and Machinery, Equipments);
- d) Third-party obligation (in the form of irrevocable unconditional guarantee issued by bank, Third party);



Notes to the Financial Statements

for the year ended 31st March, 2024

- e) Risk participation from Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE);
- f) Assignment of borrower's rights and interests under agreements with third parties.

In addition, the Company also stipulates escrow of cash flows and a Debt Service Reserve Account (DSRA) for project loans.

Collateral serves to mitigate the inherent risk of credit loss in an exposure, by either improving recoveries in the event of a default or substituting the borrower.

As part of the assessment of a credit transaction the availability, adequacy and suitability of collateral for the transaction is evaluated and decided upon. The Company's processes includes verification of the title to the collateral offered and valuation by technical experts where warranted. The Company accept as collateral only securities of good quality and have in place legally effective and enforceable documentation.

For guarantee's taken, the guarantor's creditworthiness is assessed during the credit assessment process of the transaction. The Company has collateral type specific haircuts in place which are reviewed at intervals as appropriate to the type of collateral.

The Company recognises that collateral can be a credit mitigant (alternative source of repayment), but does not replace or dilute the underwriting standards the Company adopts to underwrite credit exposures.

(b) Forward-looking Information

The Company is required to provide for impairment allowance basis expected credit loss (ECL), which is calculated using empirical portfolio performance and adjusted for forward-looking macroeconomic factors, as prescribed by Ind AS. The overall provisioning made through this approach, continues to be in excess of the floor provisions as prescribed by RBI for NBFCs.

The assessment of credit risk and estimation of ECL is statistically validated. It considers all relevant information about past events, current conditions and some elements of predicted performance of the portfolio.

ECL has been calculated using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD).

In the process of determining the PD, the macro economic impact is intrinsically built in in our current approach. The overall performance through the life cycle of the loan, considers the impact of macro-economic parameters like GDP or once in events like de-monetisation etc. Most of the portfolios have seen one to two complete economic cycles and hence the default probabilities experienced by the Company takes into account the upturn, downturn and central (balanced) economic scenario.

In the internally rated portfolio, the Industry rating module (sourced from CRISIL under agreement) recognises factors like demand prediction, supply side glut / constraints, impact of imports and exports and the government policies which are more forward looking and making the through-the-cycle default probabilities to point-in-time default probability.

Grouping financial assets measured on a collective basis

The Company calculates ECLs either on a collective or an individual basis.

Asset classes where the Company calculates ECL on an individual basis include:

1. Corporate portfolio

Asset classes where the Company calculates ECL on a collective basis include:

1. Retail portfolio

The ECL methodology allows for individual assessment for corporates and therefore these loans are generally measured individually as each of these exposures have unique characteristics and structuring. For retail exposures and exposures which can be clubbed in homogenous pools, ECL is measured on a collective basis. This has been arrived at based on common characteristics like nature of product, customer profile etc.

Notes to the Financial Statements

for the year ended 31st March, 2024

(c) Analysis of risk concentration

Concentration analysis are presented for Portfolio pool, Location, Top borrower exposures, Group exposures etc. These are regularly analysed and presented for further review/action. Based on the exposures of the Company towards various sectors, analysis is as follows:

Top 20 Industry Sectors	As at 31 st March, 2024 %
Commercial real estate (CRE and CRE- RH)	10.67%
Commercial real estate (CRE and CRE- RH) LAP	7.38%
Real estate activities - Builders and Contractors	4.11%
Other trade (Wholesale/ Retail)	2.66%
Energy renewable	2.58%
Hotels, Motels and Resorts	2.34%
Finance - Investment / Others	2.25%
NBFCs against receivable	2.13%
Transportation, Logistics & Allied services	2.11%
NBFCs others	2.08%
Textiles, Readymade garments, Apparels - Spinning, Manufacturing and Trading	1.96%
Food & Beverages	1.53%
Real estate activities - Builders and Contractors - LAP	1.52%
Construction/Maintenance of roads	1.48%
Automobiles & Ancillaries	1.40%
Chemical & related products	1.37%
Hospital & medical business	1.34%
Business & Self-Employed	1.28%
Education	1.23%
Brokers / Traders - Shares, Securities	0.85%
Top 20 Industry Exposures	52.27%

Top 20 Industry Sectors	As at 31 st March, 2023 %
Real estate activities - builders and contractors	17.28%
Other trade (Wholesale/ Retail)	3.17%
NBFCs	3.73%
Hotels, Motels and resorts	2.86%
Construction - Infrastructure	2.57%
Finance - Investment / Others	2.41%
Lease rental discounting	2.30%
Textiles, Readymade garments, Apparels - Spinning, Manufacturing and trading	2.26%
Energy renewable	2.24%
Energy trans & Distr	2.20%



Notes to the Financial Statements

for the year ended 31st March, 2024

Top 20 Industry Sectors	As at 31 st March, 2023
	%
Construction/Maintenance of roads	2.16%
Food & Beverages	1.65%
Education	1.54%
Transportation, Logistics & Allied services	1.44%
Hospital & medical business	1.18%
Professional services (except Medical)	1.03%
Electricals & Electronics equipments	0.97%
Chemical & related products	0.96%
Automobiles & Ancillaries	0.95%
Metals (Mfg of basic & Structural, casting)	0.81%
Top 20 Industry Exposures	53.71%

Note: Industry Sectors tagging on loans is done by the Company's management as per internal MIS which have been relied upon by the auditors.

(d) Liquidity risk and funding management

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances.

The Company manages its liquidity requirement by analysing the maturity pattern of Company's cash flows of financial assets and financial liabilities. The Asset Liability Management of the Company is periodically reviewed by its Asset Liability Management Committee.

The Company maintains a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flow. The Company also has lines of credit that it can access to meet liquidity needs. In accordance with the Company's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company. Net liquid assets consist of cash. The ratios during the year were, as follows:

Advances to borrowings ratios

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Year-end	112.58%	111.42%
Maximum	112.58%	114.84%
Minimum	110.77%	111.42%
Average	111.78%	113.08%

Borrowings from banks and financial institutions and issue of debentures are considered as important sources of funds to finance lending to customers. They are monitored using the advances to borrowings ratio, which compares loans and advances to customers as a percentage of secured and unsecured borrowings.

Notes to the Financial Statements

for the year ended 31st March, 2024

Analysis of financial liabilities by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial liabilities:

As at 31st March, 2024

Particulars	(₹ in Lakh)		
	Within 12 months	After 12 months	Total
Financial liabilities			
Derivative financial liability	276.93	8,395.81	8,672.74
Trade payables (refer note 1 below)			
- Micro and small enterprises	365.09	-	365.09
- Other than micro and small enterprises	57,323.10	-	57,323.10
Debt securities (refer note 2 below)	13,37,002.07	23,37,204.92	36,74,206.99
Borrowings (other than debt securities)	26,20,649.25	41,19,733.31	67,40,382.55
Subordinated liabilities	33,183.33	3,69,583.35	4,02,766.68
Lease liabilities	6,383.35	29,865.65	36,249.00
Other financial liabilities	2,27,427.24	-	2,27,427.24

As at 31st March, 2023

Particulars	(₹ in Lakh)		
	Within 12 months	After 12 months	Total
Financial liabilities			
Derivative financial liability	27.74	1,341.50	1,369.24
Trade payables (refer note 1 below)			
- Micro and small enterprises	288.81	-	288.81
- Other than micro and small enterprises	69,467.65	-	69,467.65
Debt securities (refer note 2 below)	10,48,893.02	17,72,258.94	28,21,151.95
Borrowings (other than debt securities)	17,06,994.67	34,85,831.54	51,92,826.21
Subordinated liabilities	30,606.83	3,11,737.40	3,42,344.23
Lease liabilities	4,502.29	19,582.53	24,084.82
Other financial liabilities	68,919.82	-	68,919.82

Notes:

- Trade payables is based on the estimate of actual payment.
- Commercial papers shown are net of unamortised discounting charges ₹ 16,153.13 Lakh (31st March, 2023 ₹ 10,648.62 Lakh).

The table below shows the contractual expiry by maturity of the Corporate guarantees and Letter of comfort given by the Company on behalf of clients.

As at 31st March, 2024

Particulars	(₹ in Lakh)		
	Within 12 months	After 12 months	Total
Corporate guarantees and Letter of comfort given by the Company on behalf of clients	6,958.40	633.70	7,592.10
Total	6,958.40	633.70	7,592.10

As at 31st March, 2023

Particulars	(₹ in Lakh)		
	Within 12 months	After 12 months	Total
Corporate guarantees and Letter of comfort given by the Company on behalf of clients	4,332.94	3,675.00	8,007.94
Total	4,332.94	3,675.00	8,007.94



Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 53: DISCLOSURE AS REQUIRED BY THE MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS 2023 (DISCLOSURES ARE MADE AS PER IND AS FINANCIAL STATEMENTS EXCEPT OTHERWISE STATED)

(A) Schedule to the Balance Sheet of an NBFC

(₹ in Lakh)

Sr. No	Particulars	31 st March, 2024		31 st March, 2023	
		Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
	Liabilities side:				
1.	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:				
(a)	Debentures: Secured (including interest accrued but not due of ₹ 85,113.62 Lakh; 31 st March, 2023: ₹ 61,458.93 Lakh)	20,59,719.03	-	16,75,533.77	-
	: Unsecured (including interest accrued but not due of ₹ 944.59 Lakh; 31 st March, 2023: ₹ 700.36 Lakh) (other than falling within the meaning of public deposits) (see note 1)	21,244.59	-	16,100.36	-
(b)	Term Loans, External Commercial Borrowings and Working capital demand loans (including interest accrued but not due of ₹ 7,891.18 Lakh; 31 st March, 2023: ₹ 6,267.57 Lakh)	55,67,175.65	-	42,60,288.03	-
(c)	Inter corporate loans and borrowing (including interest accrued but not due of ₹ 6,400.01 Lakh; 31 st March, 2023: ₹ 921.13 Lakh)	2,50,558.01	-	56,966.13	-
(d)	Commercial paper (net of unamortised discount of ₹ 16,153.13 Lakh; 31 st March, 2023: ₹ 10,648.62 Lakh)	9,71,746.87	-	6,61,851.38	-
(e)	Subordinate debt (including interest accrued but not due of ₹ 11,161.01 Lakh; 31 st March, 2023: ₹ 9,467.32 Lakh)(see note 2)	2,66,061.01	-	2,23,867.32	-
(f)	Perpetual debts (including interest accrued but not due of ₹ 1,140.13 Lakh; 31 st March, 2023: ₹ 1,123.13 Lakh) (see note 2)	21,140.13	-	21,123.13	-
(g)	Other loans (Cash Credit & CBLO) (including interest accrued but not due of ₹ 23.67 Lakh; 31 st March, 2023: ₹ 3.84)(see note 2)	71,569.72	-	1,61,343.30	-
	Total	92,29,215.01	-	70,77,073.42	-

Note:

- As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank of India) Directions, 1998.
- During the year ended 31st March, 2024 the Company has raised ₹ Nil (31st March, 2023 ₹ Nil) through perpetual debt instrument. Closing balance as on 31st March, 2024 is ₹ 21,140.13 Lakh (31st March, 2023 ₹ 21,123.13 Lakh), the same is 1.42% (31st March, 2023 1.90%) of tier I Capital as on 31st March, 2024.

Notes to the Financial Statements

for the year ended 31st March, 2024

(₹ in Lakh)

Sr. No	Assets side:	31 st March, 2024	31 st March, 2023
		Amount outstanding	Amount outstanding
2.	Break-up of Loans and Advances including bills receivables (other than those included in (4) below):		
	(a) Secured	76,54,832.66	51,21,307.52
	(b) Unsecured	29,13,729.09	29,23,971.29
	(includes those in nature of loans and excludes advances recoverable in cash or kind or for value to be received, Advance payment of taxes and other deposits)		
		1,05,68,561.74	80,45,278.81
3.	Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities:		
	(a) Lease assets including lease rentals under sundry debtors:		
	(i) Financial lease	-	-
	(ii) Operating lease	-	-
	(b) Stock on hire including hire charges under sundry debtors:		
	(i) Assets on hire	-	-
	(ii) Repossessed assets	-	-
	(c) Other loans counting towards AFC activities		
	(i) Loans where assets have been repossessed	-	-
	(ii) Loans other than (a) above	-	-
	Total	1,05,68,561.74	80,45,278.81
4.	Break-up of Investments:		
	Short-Term investments:		
	(a) Quoted:		
	(i) Shares: (1) Equity	-	-
	(2) Preference	-	-
	(ii) Debentures and Bonds	77,768.70	89,696.04
	(iii) Units of mutual funds	-	520.91
	(iv) Government Securities	5,02,556.03	2,47,031.28
	(v) Others	-	-
	(b) Unquoted:		
	(i) Shares: (1) Equity	-	-
	(2) Preference	-	-
	(ii) Debentures and bonds	-	3,217.00
	(iii) Units of mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others (Security receipts)	-	1,050.80
	Long term investments:		
	(a) Quoted:		
	(i) Shares: (1) Equity	68.14	34.82
	(2) Preference	-	3,500.00
	(ii) Debentures and Bonds	4,064.76	-
	(iii) Units of mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others (Please specify)	-	-



Notes to the Financial Statements

for the year ended 31st March, 2024

(₹ in Lakh)

Sr. No	Assets side:	31 st March, 2024	31 st March, 2023
		Amount outstanding	Amount outstanding
	(b) Unquoted:		
	(i) Shares: (1) Equity	396.73	308.73
	(2) Preference	-	-
	(ii) Debentures and bonds	202.83	-
	(iii) Units of mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others (PMS and Alternate fund)	1,180.48	24,910.03
	Total	5,86,237.68	3,70,269.61

(₹ in Lakh)

5. Borrower group-wise classification of assets financed as in (2) and (3) above:	31 st March, 2024			31 st March, 2023		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Category						
(a) Related parties						
(i) Subsidiaries	-	-	-	-	-	-
(ii) Companies in the same group	29,129.40	34,589.46	63,718.50	26,109.16	-	26,109.16
(iii) Other related parties	-	-	-	-	-	-
(b) Other than related parties						
(i) Companies in the same group	-	-	-	-	-	-
(ii) Other	76,25,703.62	28,79,139.63	1,05,04,843.24	50,95,198.36	29,23,971.29	80,19,169.65
Total	76,54,832.66	29,13,729.09	1,05,68,561.74	51,21,307.52	29,23,971.29	80,45,278.81

(₹ in Lakh)

6. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):	31 st March, 2024		31 st March, 2023	
	Market Value / Break up or Fair Value or NAV	Book Value (Net of Provisions)	Market Value / Break up or Fair Value or NAV	Book Value (Net of Provisions)
Category				
(a) Related Parties				
(i) Subsidiaries	-	-	-	-
(ii) Companies in the same group	1,180.48	1,180.48	22,535.12	22,535.12
(iii) Other related parties	-	-	-	-
(b) Other than related parties				
(i) Companies in the same group	396.73	1,155.49	829.64	829.64
(ii) Other	5,84,660.47	5,73,412.57	3,46,904.86	3,46,904.86
Total	5,86,237.68	5,75,748.54	3,70,269.60	3,70,269.62

Note: Book value represents carrying value of investment.

Notes to the Financial Statements

for the year ended 31st March, 2024

		(₹ in Lakh)	
Particulars	31 st March, 2024	31 st March, 2023	
7. Other information:			
(a) Gross Non-Performing assets (Stage 3):			
(i) Related parties	-	-	
(ii) Other than related parties	2,64,906.00	2,50,709.87	
(b) Net Non-Performing assets (Stage 3):			
(i) Related parties	-	-	
(ii) Other than related parties	1,32,661.09	1,34,915.46	
(c) Assets acquired in satisfaction of debt:	-	-	

The above amounts are including Interest Accrued.

(B) Capital Risk Adequacy Ratio (CRAR)

		(₹ in Lakh)	
Sr. No.	Particulars	31 st March, 2024	31 st March, 2023
(i)	CRAR (%)	16.24	16.38
(ii)	CRAR - Tier I capital (%)	14.13	13.92
(iii)	CRAR - Tier II Capital (%)	2.10	2.46
(iv)	Tier I capital	14,88,188.51	11,13,219.98
(v)	Tier II capital	2,21,589.03	1,96,679.02
(vi)	Amount of subordinated debt raised as Tier-II capital	2,66,061.01	2,23,867.32
(vii)	Amount raised by issue of perpetual debt instruments	21,140.13	21,123.13

Notes:

- Amount of Subordinated debt and Perpetual Debt shown above are outstanding balances (including interest accrued thereon) as on 31st March, 2024 and 31st March, 2023.

(C) Derivatives

(I) Forward Rate Agreement / Interest Rate Swap (also includes currency interest rate swaps)

		(₹ in Lakh)	
Sr. No.	Particulars	31 st March, 2024	31 st March, 2023
(i)	The notional principal of swap agreements	3,21,887.87	1,93,148.62
(ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	1,040.61	83.64
(iii)	Collateral required by the applicable NBFC upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from the swaps	-	-
(v)	The fair value of the swap book	(7,632.13)	(1,285.60)

(II) Exchange Traded Interest Rate (IR) Derivatives

The Company has not traded in Exchange Traded Interest Rate Derivative during the financial year ended 31st March, 2024 (Previous year: NIL).



Notes to the Financial Statements

for the year ended 31st March, 2024

(III) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure - The Company enters into derivative agreements to mitigate the foreign exchange risk and interest rate risk pertaining to its external commercial borrowings & non-convertible debenture. Detailed description of the policies and risk mitigation strategies are disclosed as per Note 4.1(viii), Note 8 and Note 52 of the financial statements.

Quantitative Disclosures

(₹ in Lakh)

Sr. No.	Particulars	31 st March, 2024		31 st March, 2023	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional principal amount) for hedging	3,728.75	3,18,159.12	-	1,93,148.62
(ii)	Marked to market positions				
	(a) Asset (+)	239.79	800.82	-	83.64
	(b) Liability (-)	-	(8,672.74)	-	(1,369.24)
(iii)	Credit exposure	-	-	-	-
(iv)	Unhedged exposures	-	-	-	-

Note: The above disclosure includes non-convertible debentures in Indian currency at variable interest rate amounting to ₹ 10,000.00 Lakh, which is hedged.

(D) Unsecured Advances

(₹ in Lakh)

Sr. No.	Particulars	31 st March, 2024	31 st March, 2023
(i)	Unsecured advances (Inclusive of doubtful advances)	29,13,729.09	29,23,971.29

Out of the above amount, advances for which intangible securities such as charge over the rights, licences, authority, etc. are taken as collateral: NIL

(E) Exposures

(I) Exposure to Real Estate Sector

(₹ in Lakh)

Category	31 st March, 2024	31 st March, 2023
Direct exposure		
i) Residential mortgages	-	-
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented Exposure would also include non-fund based (NFB) limits.		
ii) Commercial real estate	31,23,031.88	21,85,344.20
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.) Exposure would also include non-fund based (NFB) limits		
iii) Investments in mortgage backed securities (MBS) and other securitised exposures		
a) Residential	-	-
b) Commercial real estate	-	-

Notes to the Financial Statements

for the year ended 31st March, 2024

(₹ in Lakh)		
Category	31 st March, 2024	31 st March, 2023
Indirect exposure		
i) Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	-
Total Exposure to Real Estate Sector	31,23,031.88	21,85,344.20

Note: The above excludes loan against property which are not for the purpose of acquiring residential property that is or will be occupied by the borrower or that is rented.

(II) Exposure to Capital Market

(₹ in Lakh)			
Sr. No.	Particulars	31 st March, 2024	31 st March, 2023
i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt; (see note)	68.14	34.82
(ii)	Advances against shares/ bonds/ debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	1,44,768.21	45,540.16
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	3,38,345.67	2,41,871.36
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	64,835.90	392.77
(vi)	Loans sanctioned to corporates against the security of shares/ bonds/ debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	Bridge loans to companies against expected equity flows / issues;	-	-
(viii)	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	-	-
(ix)	Financing to stockbrokers for margin trading;	-	-
(x)	All exposures to Alternative Investment Funds:		
	(a) Category I	-	-
	(b) Category II	1,180.48	24,643.33
	(c) Category III	-	-
	Total Exposure to Capital Market	5,49,198.40	3,12,482.44

Note: The amount comprises investment in listed securities only.



Notes to the Financial Statements

for the year ended 31st March, 2024

(F) Asset Liability Management Maturity pattern of certain items of Assets and Liabilities

As at 31st March, 2024

Particulars	(₹ in Lakh)										Total
	1 to 7 days	8 to 14 days	15 days to 30 days	Over 1 month and up to 2 months	Over 2 months and up to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	
Deposits	-	-	-	-	0.54	-	53.12	2,100.43	1,026.38	728.08	3,908.55
Advances**	2,33,940.33	33,864.34	1,36,586.93	2,69,870.18	2,77,272.99	7,31,797.81	14,08,318.94	30,91,607.48	16,12,539.59	25,94,728.21	1,03,90,526.80
Investments	5,02,556.03	-	384.99	-	75,127.78	-	2,255.94	4,267.59	-	1,645.35	5,86,237.68
Borrowings*	1,04,236.29	35,504.39	5,06,041.74	4,50,627.50	6,97,967.82	5,74,931.34	11,22,052.33	31,96,771.70	16,29,374.31	5,71,502.83	88,89,010.25
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign currency liabilities (also included in borrowings above)	-	-	3,339.16	6,266.27	-	247.31	-	3,30,352.01	-	-	3,40,204.75

As at 31st March, 2023

Particulars	(₹ in Lakh)										Total
	1 to 7 days	8 to 14 days	15 days to 30 days	Over 1 month and up to 2 months	Over 2 months and up to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	
Deposits	713.67	-	-	-	-	17.83	31.27	1,948.36	400.20	663.08	3,774.41
Advances**	2,03,564.26	26,629.00	83,161.55	2,18,979.94	2,05,818.85	4,68,292.18	12,10,666.86	21,07,819.22	12,45,536.60	21,14,481.64	78,84,950.10
Investments	2,47,552.19	-	-	-	92,913.05	-	1,050.80	1,057.41	-	27,696.17	3,70,269.62
Borrowings*	1,08,906.97	1,02,666.67	2,15,095.68	6,00,266.34	3,07,713.98	4,54,433.04	6,98,767.46	27,39,435.07	13,19,718.20	5,30,070.01	70,77,073.42
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign currency liabilities (also included in borrowings above)	-	-	-	-	-	95.92	2,259.84	1,92,666.64	-	-	1,95,022.40

Note: Classification of assets and liabilities under the different maturity buckets is based on the same estimates and assumptions as used by the company for Compiling the return submitted to RBI, which has been relied upon by the auditors.

* Commercial papers shown net of unamortised discounting charges ₹ 16,153.13 Lakh (31st March, 2023 ₹ 10,648.62 Lakh).

** a) Overdue receivable on account of corporate finance activities have been slotted in respective time bucket category as per instructions contained in Appendix 1 of Guidelines for Assets Liabilities Management (ALM) system in NBFC.

b) Advances includes loan and advances in the nature of loans (net of ECL provisions) and excludes deposits.

(G) Details of Single Borrower Limit (SGL)/Group Borrower Limit (GBL) exceeded

The Company has no specific programme for financing its parent company products. However, in its general lending business, the Company may have funded some entities which may have been customer(s) of its ultimate parent company: Grasim Industries Limited. Single Borrower Limit (SGL) or Group Borrower Limit (GBL) did not exceed the limits prescribed under the prudential norms.

Notes to the Financial Statements

for the year ended 31st March, 2024

(H) Disclosures as required for liquidity risk

(I) Funding Concentration based on significant counterparty (both deposits and borrowings)

Particulars	(₹ in Lakh)	
	As at 31 st March, 2024	As at 31 st March, 2023
No. of Significant Counter parties	18	19
Amount	65,53,127.47	53,56,021.13
Percentage of funding concentration to total deposits	NA	NA
Percentage of funding concentration to total liabilities	68.28%	73.68%

Notes:

1. A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFCNDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.
2. The amount represents the outstanding principals as of the reporting date.

(II) Top 20 large deposits – Not Applicable for 31st March, 2024 & 31st March, 2023

(III) Top 10 Borrowings

Particulars	(₹ in Lakh)	
	As at 31 st March, 2024	As at 31 st March, 2023
Total amount of top 10 borrowings	52,44,707.68	44,72,669.95
Percentage of amount of top 10 borrowings to total liabilities	54.65%	61.53%

Note: The amount represents the outstanding principals as of the reporting date.

(IV) Funding concentration based on significant instrument/product

Sr. No.	Name of the Instrument	(₹ in Lakh)			
		As at 31 st March, 2024		As at 31 st March, 2023	
		Amount	% of Total Liabilities	Amount	% of Total Liabilities
1	Term loan	45,72,914.64	47.65%	37,34,866.82	51.38%
2	Non-Convertible debentures (Secured)	20,59,719.03	21.46%	16,75,533.77	23.05%
3	Commercial paper	9,71,746.87	10.13%	6,61,851.38	9.10%
4	Working capital / short-term facilities	7,25,625.98	7.56%	4,47,432.54	6.15%
5	External commercial borrowings	3,40,204.75	3.54%	1,95,022.40	2.68%
6	Subordinate debt	2,66,061.01	2.77%	2,23,867.32	3.08%
7	Intercompany borrowings	2,50,558.01	2.61%	-	0.00%
	Total	91,86,830.29	95.73%	69,38,574.23	95.44%

Notes:

1. A "Significant instrument/product" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFCNDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.
2. Above table does not includes book overdraft.
3. The amount represents the outstanding principals as of the reporting date.

(V) Stock Ratios

Sr No	Particulars	(₹ in Lakh)	
		As at 31 st March, 2024	As at 31 st March, 2023
1	Commercial Papers to Total Liabilities	10.13%	9.10%
2	Commercial Papers to Total Assets	8.74%	7.87%
3	NCDs (Original Maturity < 1 year) to Total Liabilities	Nil	Nil
4	NCDs (original Maturity < 1 year) to Total Assets	Nil	Nil
5	Other Short Term Liabilities** to Total Liabilities	29.78%	27.45%
6	Other Short Term Liabilities** to Total Assets	25.70%	23.72%

** Other Short Term Liabilities excludes Commercial Paper as considered in 1 & 2.



Notes to the Financial Statements

for the year ended 31st March, 2024

(VI) Institutional set-up for liquidity risk management

The Company has an Asset Liability Committee ("ALCO"), a management level committee to handle liquidity risk management. The ALCO meetings are held at periodic intervals. At the apex level, the Risk Committee (RC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RC subsequently updates the Board of Directors on the same.

(i) Quarter on quarter liquidity coverage ratio for the year ended 31st March, 2024

Sr. No. Particulars	Quarter ended 31 st March, 2024		Quarter ended 31 st December, 2023		Quarter ended 30 th September, 2023		Quarter ended 30 th June, 2023	
	Total Unweighted (Average)	Total Weighted (Average)	Total Unweighted (Average)	Total Weighted (Average)	Total Unweighted (Average)	Total Weighted (Average)	Total Unweighted (Average)	Total Weighted (Average)
(₹ in Lakh)								
Total High Quality Liquid Assets (HQLA)	7,11,178.15	7,11,178.15	4,83,090.33	4,83,090.33	4,20,342.24	4,20,342.24	3,73,438.13	3,73,438.13
1 Total High Quality Liquid Assets (HOLA)								
Cash outflows								
2 Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3 Unsecured wholesale funding	3,29,678.42	3,79,130.18	2,30,793.52	2,65,412.54	2,49,829.29	2,87,303.69	2,43,333.78	2,79,833.85
4 Secured wholesale funding	1,67,978.07	1,93,174.78	1,19,923.73	1,37,912.29	1,27,453.47	1,46,571.49	1,49,896.30	1,72,380.75
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	-	-	-	-	-	-	-	-
6 Other contractual funding obligations	5,04,464.16	5,80,133.78	4,92,853.51	5,66,781.54	4,43,264.68	5,09,754.38	3,65,155.94	4,19,929.33
7 Other contingent funding obligations	31,283.47	35,975.99	30,525.06	35,103.82	25,199.28	28,979.17	27,940.22	32,131.25
8 Total cash outflows	10,33,404.12	11,88,414.73	8,74,095.82	10,05,210.19	8,45,746.72	9,72,608.73	7,86,326.24	9,04,275.18
Cash inflow								
9 Secured lending	-	-	-	-	-	-	-	-
10 Inflows from fully performing exposures	2,99,416.41	2,24,562.31	3,05,377.40	2,29,033.05	2,74,510.68	2,05,883.01	2,23,592.00	1,67,694.00
11 Other cash inflows	6,05,565.82	4,54,174.37	5,35,278.26	4,01,458.70	5,26,935.56	3,95,201.67	5,38,637.88	4,03,978.41
12 Total cash inflows	9,04,982.23	6,78,736.68	8,40,655.66	6,30,491.75	8,01,446.24	6,01,084.68	7,62,229.88	5,71,672.41
Total Adjusted Value								
13 Total HQLA	7,11,178.15	7,11,178.15	4,83,090.33	4,83,090.33	4,20,342.24	4,20,342.24	3,73,438.13	3,73,438.13
14 Total net cash outflows	2,58,351.03	5,09,678.05	2,18,523.95	3,74,718.44	44,300.49	3,71,524.05	24,096.37	3,32,602.77
15 Liquidity coverage ratio (%)		140%		129%		113%		112%

Notes to the Financial Statements

for the year ended 31st March, 2024

Quarter on quarter liquidity coverage ratio for the year ended 31st March, 2023:

Sr. No. Particulars	(₹ in Lakh)											
	Quarter ended 31 st March, 2023			Quarter ended 31 st December, 2022			Quarter ended 30 th September, 2022			Quarter ended 30 th June, 2022		
	Unweighted (Average)	Total Weighted (Average)	Total	Unweighted (Average)	Total Weighted (Average)	Total	Unweighted (Average)	Total Weighted (Average)	Total	Unweighted (Average)	Total Weighted (Average)	Total
Total High Quality Liquid Assets (HQLA)												
1	4,13,207.80	4,13,207.80	2,26,268.86	2,18,951.17	1,44,603.13	1,24,621.21	1,06,902.57	1,06,902.57	1,06,902.57	1,06,902.57	1,06,902.57	1,06,902.57
Cash outflows												
2	-	-	-	-	-	-	-	-	-	-	-	-
3	2,14,200.85	2,46,330.98	1,96,253.20	2,25,691.18	1,29,870.14	1,49,350.66	1,51,544.34	1,74,275.99	1,51,544.34	1,74,275.99	1,51,544.34	1,74,275.99
4	1,32,207.36	1,52,038.47	74,802.26	86,022.60	1,01,313.96	1,16,511.05	82,417.90	94,780.59	1,01,313.96	1,16,511.05	82,417.90	94,780.59
5	-	-	-	-	-	-	-	-	-	-	-	-
(i)	-	-	-	-	-	-	-	-	-	-	-	-
(ii)	-	-	-	-	-	-	-	-	-	-	-	-
(iii)	-	-	-	-	-	-	-	-	-	-	-	-
6	4,28,236.78	4,92,472.30	38,899.43	44,734.35	2,32,968.01	2,67,913.21	1,62,799.35	1,87,219.25	2,32,968.01	2,67,913.21	1,62,799.35	1,87,219.25
7	32,009.77	36,811.24	3,00,299.18	3,45,344.05	28,139.31	32,360.20	39,475.79	45,397.16	28,139.31	32,360.20	39,475.79	45,397.16
8	8,06,654.76	9,27,652.99	6,10,254.07	7,01,792.18	4,92,291.42	5,66,135.12	4,36,237.38	5,01,672.99	4,92,291.42	5,66,135.12	4,36,237.38	5,01,672.99
Cash inflow												
9	-	-	-	-	-	-	-	-	-	-	-	-
10	2,76,156.39	2,07,117.29	2,31,165.23	1,73,373.93	2,13,769.21	1,60,326.91	1,92,577.78	1,44,433.34	2,13,769.21	1,60,326.91	1,92,577.78	1,44,433.34
11	6,00,726.65	4,50,544.99	6,01,906.56	4,51,429.92	5,37,748.44	4,03,311.33	5,12,296.48	3,84,222.36	5,37,748.44	4,03,311.33	5,12,296.48	3,84,222.36
12	8,76,883.04	6,57,662.28	8,33,071.79	6,24,803.85	7,51,517.65	5,63,638.24	7,04,874.26	5,28,655.70	7,51,517.65	5,63,638.24	7,04,874.26	5,28,655.70
Total Adjusted Value												
13	4,13,207.80	4,13,207.80	2,26,268.86	2,18,951.17	1,44,603.13	1,24,621.21	1,06,902.57	1,06,902.57	1,44,603.13	1,24,621.21	1,06,902.57	1,06,902.57
14	(70,228.28)	2,69,990.71	(2,22,817.72)	1,75,448.04	(2,59,226.24)	1,41,533.78	(2,68,636.88)	1,25,418.25	(2,59,226.24)	1,41,533.78	(2,68,636.88)	1,25,418.25
15	153%		125%		88%		85%		88%		85%	

Notes:

- In computing the above information, certain estimates/assumptions have been made by the Company's management which have been relied upon by the auditors.
- Unweighted values must be calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).
- Weighted values must be calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.
- The calculation has been arrived based on average daily computation.



Notes to the Financial Statements

for the year ended 31st March, 2024

(ii) Qualitative Disclosure

a) The main drivers of their LCR results and the evolution of the contribution of inputs to the LCR's calculation over time:

RBI had introduced the Liquidity Coverage Ratio (LCR) to ensure that NBFC has an adequate stock of unencumbered High-Quality Liquid Assets (HQLA) to survive a significant liquidity stress lasting for a period of 30 days. LCR is defined as a ratio of HQLA to the total net cash outflows estimated for the next 30 calendar days. At 31st March, 2024, the applicable minimum LCR required to be maintained by NBFC is 85%.

The Company has an Asset Liability Committee (ALCO), a management level committee to handle liquidity risk. The ALCO meets at periodic intervals. At the apex level, the Risk Committee (RC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RC subsequently updates the Board of Directors on the same.

b) Intra-period changes as well as changes over time: The details for the four quarter ended 30th June, 2023; 30th September, 2023; 31st December 2023 and year ended 31st March, 2024 are disclosed in 53-H(VI)(i)).

c) The composition of HQLAs

(₹ in Lakh)

High-Quality Liquid Assets (HQLA)	Quarter ended 31 st March, 2024		Quarter ended 31 st December, 2023		Quarter ended 30 th September, 2023		Quarter ended 30 th June, 2023	
	Unweighted Amount	Weighted Amount	Unweighted Amount	Weighted Amount	Unweighted Amount	Weighted Amount	Unweighted Amount	Weighted Amount
Total	7,11,178.15	7,11,178.15	4,83,090.33	4,83,090.33	4,20,342.24	4,20,342.24	3,73,438.13	3,73,438.13
Cash & callable FDs	72,973.21	72,973.21	55,913.07	55,913.07	48,982.16	48,982.16	47,205.85	47,205.85
G-sec/T-bills	4,63,501.37	4,63,501.37	3,19,211.74	3,19,211.74	3,21,989.85	3,21,989.85	2,43,295.61	2,43,295.61
Others	1,74,703.58	1,74,703.58	1,07,965.52	1,07,965.52	49,370.23	49,370.23	82,936.67	82,936.67

(₹ in Lakh)

High-Quality Liquid Assets (HQLA)	Quarter ended 31 st March, 2023		Quarter ended 31 st December, 2022		Quarter ended 30 th September, 2022		Quarter ended 30 th June, 2022	
	Unweighted Amount	Weighted Amount	Unweighted Amount	Weighted Amount	Unweighted Amount	Weighted Amount	Unweighted Amount	Weighted Amount
Total	4,13,207.80	4,13,207.80	2,26,268.86	2,18,951.17	1,44,603.13	1,24,621.21	1,06,902.57	1,06,902.57
Cash & callable FDs	54,044.41	54,044.41	38,365.16	38,365.16	31,481.29	31,481.29	32,054.34	32,054.34
G-sec/T-bills	1,55,103.78	1,55,103.78	51,395.41	51,395.41	39,202.31	39,202.31	45,903.07	45,903.07
Others	2,04,059.61	2,04,059.61	1,36,508.29	1,29,190.61	73,919.54	53,937.62	28,945.16	28,945.16

d) Concentration of funding sources:

(₹ in Lakh)

Name of the Source	% of Total Liabilities	
	As at 31 st March, 2024	As at 31 st March, 2023
Bank	65.44%	72.67%
Mutual fund	8.32%	8.12%
Insurance	6.02%	6.79%
PF & others	6.79%	6.50%
Corporates	6.84%	4.47%
FI	6.59%	1.45%
Total	100.00%	100.00%

Notes to the Financial Statements

for the year ended 31st March, 2024

- e) **Currency mismatch in the LCR:** The company has taken foreign currency borrowings. The Company has entered into cross currency swap and forward contracts to hedge the foreign currency risk on such borrowing.
- f) **Other inflows and outflows in the LCR calculation that are not captured in the LCR common template but which the institution considers to be relevant for its liquidity profile:** All inflows/outflows considered relevant has been considered for LCR calculation.

(I) Registration/ License/ Authorisation obtained from other Financial Sector Regulators

Regulator	Registration no.	Date of registration/renewal
Insurance Regulatory and Development Authority of India- Corporate Agent	CA0868	Valid from 13 th September, 2023 to 12 th September, 2026
AMFI for distribution of Mutual fund	ARN-118681	Valid from 04 th February, 2023 to 03 rd February, 2026

(J) Penalties levied if any during the year: Nil

(K) Investments

Particulars	(₹ in Lakh)	
	31 st March, 2024	31 st March, 2023
Value of Investments		
(i) Gross value of investments		
(a) In India	5,86,238.07	3,71,595.24
(b) Outside India	-	-
(ii) Provision for depreciation		
(a) In India	0.39	1,325.62
(b) Outside India	-	-
(iii) Net value of investment		
(a) In India	5,86,237.68	3,70,269.62
(b) Outside India	-	-
Movement of provisions held towards depreciation on investments.		
(i) Opening balance	1,325.62	-
(ii) Add: Provisions made during the year	-	1,325.62
(iii) Less: Write-off / write-back of excess provisions during the year	1,325.23	-
(iv) Closing balance	0.39	1,325.62

(L) Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head expenditure in Statement of P&L	(₹ in Lakh)	
	31 st March, 2024	31 st March, 2023
Provisions for depreciation on investment	(1,325.23)	1,325.62
Provision towards NPA*	16,449.35	38,505.77
Provision made towards Income tax	76,621.00	53,642.63
Other provision and contingencies (with details)	-	-
Provision for standard assets**	1,256.87	14,340.42

*This does not include provision created and written off during the year.

**Represents impairment loss allowance on stage 1 and stage 2 assets.



Notes to the Financial Statements

for the year ended 31st March, 2024

(M) Concentration of Advances, Exposures and NPAs

(I) Concentration of Advances

Particulars	(₹ in Lakh)	
	31 st March, 2024	31 st March, 2023
Total advances to twenty largest borrowers (including interest accrued)	6,86,400.11	5,53,363.93
Percentage of advances to twenty largest borrowers to Total Advances of the NBFC	6.49%	6.88%

(II) Concentration of Exposures

Particulars	(₹ in Lakh)	
	31 st March, 2024	31 st March, 2023
Total Exposure to twenty largest borrowers / customers* (including interest accrued)	6,86,400.11	5,58,058.06
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	6.15%	6.63%

*The above calculation is as per loans outstanding as at year end.

(III) Concentration of NPAs

Particulars	(₹ in Lakh)	
	31 st March, 2024	31 st March, 2023
Total Exposure to top four NPA (Stage 3) accounts (including interest accrued)	47,309.66	47,189.91

(IV) Sector-wise NPAs (Stage 3)

Sr. No.	Sector	31 st March, 2024	31 st March, 2023
		Percentage of NPAs (Stage 3 loans) to Total Advances in that sector	Percentage of NPAs (Stage 3 loans) to Total Advances in that sector
(i)	Agriculture & allied activities	1.19%	1.18%
(ii)	MSME	2.52%	4.29%
(iii)	Corporate borrowers	1.99%	3.40%
(iv)	Services	2.42%	3.60%
(v)	Unsecured working capital loans	3.76%	1.99%
(vi)	Auto loans	0.00%	0.00%
(vii)	Other personal loans	2.80%	1.61%

(V) Movement of NPAs (Stage 3)

Particulars	(₹ in Lakh)	
	31 st March, 2024	31 st March, 2023
(i) Net NPAs to Net Advances (%)	1.27%	1.70%
(ii) Movement of NPAs (Gross Stage 3 assets)		
(a) Opening balance	2,50,709.88	1,95,603.41
(b) Additions during the year	1,08,308.46	1,16,875.72
(c) Reductions during the year	(94,112.34)	(61,769.26)
(d) Closing balance	2,64,906.00	2,50,709.87

Notes to the Financial Statements

for the year ended 31st March, 2024

(₹ in Lakh)

Particulars	31 st March, 2024	31 st March, 2023
(iii) Movement of net NPAs (Net Stage 3 assets)		
(a) Opening balance	1,34,915.47	1,18,314.77
(b) Additions during the year	36,162.95	59,692.84
(c) Reductions during the year	(38,417.33)	(43,092.15)
(d) Closing balance	1,32,661.09	1,34,915.46
(iv) Movement of provisions for NPAs (Stage 3 Provision)		
(a) Opening balance	1,15,794.41	77,288.64
(b) Provisions made during the year	72,145.51	57,182.88
(c) Write-off / write-back of excess provisions	(55,695.01)	(18,677.11)
(d) Closing balance	1,32,244.91	1,15,794.41

Note: The above amounts are including Interest Accrued.

(N) Details of ratings assigned by credit rating agencies and migration of ratings during the year

Instrument	Credit Rating Agency	31 st March, 2024	31 st March, 2023
Commercial paper	ICRA Limited	[ICRA] A1+	[ICRA] A1+
	India Ratings & Research Private Limited	IND A1+	IND A1+
Non-Convertible Debentures (NCD)	ICRA Limited	[ICRA] AAA Stable	[ICRA] AAA Stable
	India Ratings & Research Private Limited	IND AAA Stable	IND AAA Stable
Sub-debt	CARE Limited	CARE AAA Stable	CARE AAA Stable
	ICRA Limited	[ICRA] AAA Stable	[ICRA] AAA Stable
	India Ratings & Research Private Limited	IND AAA Stable	IND AAA Stable
Unsecured NCD	ICRA Limited	[ICRA] AAA Stable	[ICRA] AAA Stable
Perpetual Debt	ICRA Limited	[ICRA] AA+ Stable	[ICRA] AA+ Stable
	India Ratings & Research Private Limited	IND AA+ Stable	IND AA+ Stable
Principal protected market linked debenture	India Ratings & Research Private Limited	IND PP-MLD AAA Stable	IND PP-MLD AAA Stable
Public issue of NCDs	ICRA Limited	[ICRA] AAA Stable	[ICRA] AAA Stable
	India Ratings & Research Private Limited	IND AAA Stable	IND AAA Stable
Long term bank loans	ICRA Limited	[ICRA] AAA	[ICRA] A1+ / [ICRA] AAA
	India Ratings & Research Private Limited	IND AAA Stable	IND AAA Stable
Short term bank loans	ICRA Limited	[ICRA] A1+	[ICRA] A1+ / [ICRA] AAA
	India Ratings & Research Private Limited	IND AAA Stable	IND AAA Stable

(O) Disclosure of complaints

Customer complaints

Sr. No.	Particulars	31 st March, 2024	31 st March, 2023
(a)	No. of complaints pending at the beginning of the year	210	105
(b)	No. of complaints received during the year	4,804	4,456
(c)	No. of complaints redressed during the year	4,878	4,351
(d)	No. of complaints pending at the end of the year	136	210

Note: The above has been extracted from complaint management system (CMS).



Notes to the Financial Statements

for the year ended 31st March, 2024

(P) During FY 2024, there were no draw down from Reserves (Previous year: Nil).

(Q) Overseas assets (for those with joint ventures and subsidiaries abroad): Nil (Previous year: Nil).

(R) Off Balance Sheet SPVs sponsored: Nil (Previous year: Nil).

(S) Frauds committed against the Company

(₹ in Lakh)

Particulars	31 st March, 2024	31 st March, 2023
No. of cases of fraud which occurred during the year	389	25
Amount involved (₹)	1,333.63	192.21
Amount recovered (₹)	184.70	6.00
Amount provided/loss (₹)	1,143.17	126.67

Note: The disclosures given in the above notes pursuant to RBI Notification are only to the extent they are applicable to the Company.

(T) Sectoral exposure

(₹ in Lakh)

Sectors	31 st March, 2024			31 st March, 2023		
	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	24,806.73	295.60	1.19%	26,728.93	315.22	1.18%
2. Industry (2.1 to 2.4)						
2.1 Micro and small	4,95,387.31	14,589.44	2.95%	5,49,382.02	16,422.84	2.99%
2.2 Medium	1,29,386.38	1,692.11	1.31%	27,539.68	770.20	2.80%
2.3 Large	10,30,218.77	32,590.38	3.16%	9,77,873.12	35,437.93	3.62%
2.4 Others, if any, please specify	62,629.66	0.00	0.00%	0.00	0.00	0.00%
Total of Industry	17,17,622.12	48,871.93	2.85%	15,54,794.82	52,630.97	3.39%
3. Services (3.1 to 3.10 equals 3.a to 3.d)						
3.1 Transport operators	45,788.76	1,255.29	2.74%	26,555.08	710.73	2.68%
3.2 Computer software	40,188.29	11,572.45	28.80%	54,240.27	11,682.91	21.54%
3.3 Tourism, hotel and restaurants	2,01,106.78	1,978.90	0.98%	1,76,179.94	921.88	0.52%
3.4 Shipping	0.00	0.00	0.00%	0.00	0.00	0.00%
3.5 Professional services	5,19,378.68	26,672.04	5.14%	4,29,707.55	33,148.21	7.71%
3.6 Trade	5,02,947.29	32,743.51	6.51%	4,02,341.31	25,597.68	6.36%
3.7 Commercial real estate	18,42,997.73	25,526.46	1.39%	11,32,546.06	26,214.54	2.31%
3.8 NBFCs	2,18,931.35	1,196.19	0.55%	1,96,862.26	9,650.10	4.90%
3.9 Aviation	0.00	0.00	0.00%	0.00	0.00	0.00%
3.10 Other services	15,18,145.33	22,960.38	1.51%	9,17,434.44	19,146.25	2.09%
Total of Services	48,89,484.21	1,23,905.22	2.53%	33,35,866.91	1,27,072.30	3.81%

Notes to the Financial Statements

for the year ended 31st March, 2024

(₹ in Lakh)

Sectors	31 st March, 2024			31 st March, 2023		
	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
4. Retail Loans (4.1 to 4.10)						
4.1 Housing loans (incl. priority sector housing)	0.00	0.00	0.00%	0.00	0.00	0.00%
4.2 Consumer durables	0.00	0.00	0.00%	0.00	0.00	0.00%
4.3 Credit card receivables	0.00	0.00	0.00%	0.00	0.00	0.00%
4.4 Vehicle/Auto loans	0.00	0.00	0.00%	0.00	0.00	0.00%
4.5 Education loans	0.00	0.00	0.00%	0.00	0.00	0.00%
4.6 Advances against Fixed Deposits (incl. FCNR(B), etc.)	0.00	0.00	0.00%	0.00	0.00	0.00%
4.7 Advances to Individuals against Shares, Bonds	2,568.90	-	0.00%	3,009.41	0.00	0.00%
4.8 Advances to Individuals against gold	0.00	0.00	0.00%	0.00	0.00	0.00%
4.9 Micro finance loan/SHG loan	0.00	0.00	0.00%	0.00	0.00	0.00%
4.10 Other Retail loans, if any, Please specify	30,44,227.54	71,169.41	2.34%	24,52,502.62	65,037.83	2.65%
Total of personal loans	30,46,796.44	71,169.41	2.34%	24,55,512.03	65,037.83	2.65%
5. Other Non-food credit, if any	8,89,714.25	20,663.84	2.32%	6,72,327.59	5,653.56	0.84%
Total Loans & advances	1,05,68,423.75	2,64,906.00	2.51%	80,45,230.29	2,50,709.87	3.12%

Note: The classification of sectors into Micro, Small, Medium, and Large is based on the plant and machinery data of the client at the time of onboarding.

(U) Intra-group exposures

(₹ in Lakh)

Particulars	Year ended	
	31 st March, 2024	31 st March, 2023
Total amount of intra-group exposures	64,115.23	26,109.16
Total amount of top twenty intra-group exposures	64,115.23	26,109.16
Percentage of intra-group exposures to total exposure of the Company on borrowers/customers	0.57%	0.31%

(V) Unhedged foreign currency exposure

Company does not have any unhedged foreign currency exposures. Please refer Note 52: Risk Management.



Notes to the Financial Statements

for the year ended 31st March, 2024

(W) Disclosure of Complaints

(a) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No.	Particulars	31 st March, 2024	31 st March, 2023
Complaints received by the Company from its customers			
1	Number of complaints pending at beginning of the year	210	105
2	Number of complaints received during the year	4,804	4,456
3	Number of complaints disposed during the year	4,878	4,351
3.1	Of which, number of complaints rejected by the Company	-	-
4	Number of complaints pending at the end of the year	136	210
Maintainable complaints received by the Company from Office of Ombudsman			
5	Number of maintainable complaints received by the Company from Office of Ombudsman	2,003	1,644
5.1	Of 5, number of complaints resolved in favour of the Company by Office of Ombudsman	1,872	1,582
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	131	62
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the Company	-	-
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

(b) Top five grounds of complaints received by the Company 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
31st March, 2024					
Bureau related	57	1018	(42%)	20	0
Pre-Closure/Closure	49	1160	4%	46	4
Payment related	58	884	13%	15	1
Alleged fraud	15	896	228%	13	1
Customer experience	18	500	71%	23	4
Other	13	346	50%	19	0
Total	210	4804	8%	136	10
31st March, 2023					
Bureau related	31	1764	142%	57	6
Pre-Closure/Closure	37	1117	38%	49	10
Payment related	14	780	86%	58	12
Alleged fraud	6	273	194%	15	1
Customer experience	0	292	1%	18	3
Other	17	230	(30%)	13	5
Total	105	4456	67%	210	37

Notes to the Financial Statements

for the year ended 31st March, 2024

(X) Related Party Disclosure Related party transactions

Related Party	Holding/Ultimate holding company		Fellow Subsidiaries		Associates of Holding Company**		Key Management Personnel		Relatives of Key Management Personnel		Directors		Others		Total	
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
	(₹ in Lakh)															
Borrowings [#]	5,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,000.00
Deposits [#]	-	-	94.89	94.89	52.47	36.65	-	-	-	-	-	-	-	-	-	147.36
Placement of deposits [#]	-	-	198.82	163.25	129.70	123.68	-	-	-	-	-	-	-	615.12	615.12	943.65
Advances [#]	-	-	23,773.00	20,507.00	-	-	-	-	-	-	-	-	-	5,356.04	5,602.16	29,129.04
Investments [#]	-	-	1,155.29	22,535.12	-	-	-	-	-	-	-	-	-	-	-	1,155.29
Purchase of Aditya Birla Special Situations Fund I*	-	-	-	21,884.31	-	-	-	-	-	-	-	-	-	-	-	21,884.31
Purchase of fixed/other assets	15.52	-	48.29	34.60	-	-	-	-	-	-	-	-	-	-	-	63.80
Sale of fixed/other assets	-	20.97	-	0.65	-	-	-	-	-	-	-	-	-	-	-	21.61
Interest paid	23.82	-	3,616.49	1,528.36	-	-	-	-	-	-	-	-	1,881.00	-	5,521.31	
Interest received	-	-	5,666.30	338.81	-	-	-	-	-	-	-	-	522.12	394.09	6,188.43	
Business support expenses*	4,502.58	3,676.62	3,802.24	2,380.72	-	-	-	-	-	-	-	-	5,235.26	3,828.25	13,540.08	
Security premium on equity share capital issued*	1,572,703.37	-	-	-	-	-	-	-	-	-	-	-	-	-	1,572,703.37	
Loans and advances given*	-	-	31,866.00	20,507.00	-	-	-	-	-	-	-	-	-	1,503.42	31,866.00	
Repayment of loans and advances*	-	-	28,600.00	-	-	-	-	-	-	-	-	-	246.12	257.84	28,846.12	
Inter corporate borrowings taken*	5,000.00	-	-	-	-	-	-	-	-	-	-	-	80,000.00	-	85,000.00	
Repayment of inter corporate borrowings*	-	-	-	-	-	-	-	-	-	-	-	-	80,000.00	-	80,000.00	
Redemption of investment*	-	-	25,688.79	5.75	-	-	-	-	-	-	-	-	-	-	25,688.79	
Other transactions	5,866.51	1,363.62	17,729.37	6,154.85	6,138.30	3,792.02	2,197.48	2,653.91	26.04	24.24	58.45	105.19	13.47	303.28	32,029.62	
																14,397.11

Maximum balance outstanding during the year

Related Party	Holding/Ultimate Holding Company		Fellow Subsidiaries		Associates of Holding Company**		Key Management Personnel		Relatives of Key Management Personnel		Directors		Others		Total	
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
	(₹ in Lakh)															
Borrowings	5,023.82	-	57,737.21	25,704.22	-	-	-	-	-	-	-	-	-	81,881.00	-	1,44,642.02
Deposits	-	-	94.89	109.85	52.47	21.69	-	-	-	-	-	-	-	-	-	147.36
Placement of deposits	-	-	813.94	283.26	129.70	3.68	-	-	-	-	-	-	-	615.12	615.12	943.65
Advances	-	-	29,973.00	20,507.00	-	-	-	-	-	-	-	-	-	5,602.16	5,714.05	35,575.16
Investments	-	-	-	-	21,927.90	22,535.12	-	-	-	-	-	-	-	-	-	21,927.90
																22,535.12

*Item shown separately as its total aggregate value exceeds 5% of total related party transactions during the period.

**The above number includes transactions with Aditya Birla Health Insurance Company Limited which has become associate w.e.f. 21st October, 2022. Earlier, it was a fellow subsidiary company.

All the figures shown here pertain to respective financial year.

#Items represents balances outstanding at the end of the reporting period.



Notes to the Financial Statements

for the year ended 31st March, 2024

(Y) Breach of covenant

There are no instances of breach of covenant of loan availed or debt securities issued.

(Z) Divergence in Asset Classification and Provisioning

There is no divergence in asset classification and provisioning

NOTE 54: DISCLOSURE PURSUANT TO RBI NOTIFICATION NO. DOR (NBFC).CC.PD. NO.109/22.10.106/2019-20 DATED 31ST MARCH, 2020.

As at 31st March, 2024

(₹ in Lakh)						
Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	1,00,96,104.08	37,758.74	1,00,58,35.34	47,399.48	(9,640.74)
	Stage 2	1,85,947.54	7,379.55	1,78,567.99	3,774.07	3,605.47
Sub-Total		1,02,82,051.62	45,138.28	1,02,36,913.33	51,173.55	(6,035.26)
Non-Performing Assets (NPA)						
Sub-standard	Stage 1	-	-	-	-	-
	Stage 2	23,475.98	652.41	22,823.57	2,413.53	(1,761.12)
	Stage 3	1,26,660.31	58,938.04	67,722.27	8,038.08	50,899.96
Doubtful - up to 1 year	Stage 3	42,406.60	16,362.92	26,043.68	15,996.57	366.36
1 to 3 years	Stage 3	57,985.53	34,846.43	23,139.10	22,852.38	11,994.05
More than 3 years	Stage 3	37,853.56	22,097.52	15,756.03	19,234.81	2,862.72
Subtotal for doubtful		1,38,245.69	73,306.87	64,938.82	58,083.75	15,223.13
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		2,88,381.99	1,32,897.32	1,55,484.65	68,535.37	64,361.97
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	8,168.40	19.82	8,148.58	2.64	17.18
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		8,168.40	19.82	8,148.58	2.64	17.18
Total	Stage 1	1,01,04,272.48	37,778.56	1,00,66,493.92	47,402.12	(9,623.56)
	Stage 2	2,09,423.52	8,031.96	2,01,391.56	6,187.61	1,844.35
	Stage 3	2,64,906.00	1,32,244.91	1,32,661.09	66,121.83	66,123.08
	Total	1,05,78,602.00	1,78,055.43	1,04,00,546.58	1,19,711.56	58,343.87

Note:

- In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD. No.109/22.10.106/2019-20 dated 13th March, 2020 on Implementation of Indian Accounting Standards, Non-Banking Finance Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the corporation exceeds the total provision required under IRACP (including standard asset provisioning), as at 31st March, 2024 and accordingly, no amount is required to be transferred to impairment reserve.
- Amounts in NPA that have been classified otherwise than as stage-3 represent loan assets that were restructured but have not completed one year of satisfactory performance as at the reporting date.

Notes to the Financial Statements

for the year ended 31st March, 2024

As at 31st March, 2023

(₹ in Lakh)						
Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	75,67,191.38	37,273.37	75,29,918.01	34,520.92	2,752.45
	Stage 2	2,08,390.31	7,018.93	2,01,371.38	4,689.25	2,329.68
Subtotal		77,75,581.69	44,292.30	77,31,289.39	39,210.17	5,082.13
Non-Performing Assets (NPA)						
Substandard	Stage 1	16,132.82	173.51	15,959.31	1,652.10	(1,478.59)
	Stage 2	10,345.41	46.67	10,298.74	1,024.48	(977.81)
	Stage 3	84,482.09	34,049.95	50,432.14	4,207.06	29,842.89
Doubtful - up to 1 year	Stage 3	1,00,102.38	49,918.71	50,183.67	44,876.76	5,041.95
1 to 3 years	Stage 3	42,778.44	22,374.01	20,404.43	14,421.98	7,952.03
More than 3 years	Stage 3	25,981.84	10,769.24	15,212.60	13,059.05	(2,289.80)
Subtotal for doubtful		1,68,862.66	83,061.96	85,800.70	72,357.79	10,704.18
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		2,79,822.98	1,17,332.09	1,62,490.89	79,241.43	38,090.67
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	8,111.85	29.89	8,081.96	3.44	26.45
	Stage 2	100.00	0.06	99.94	0.40	(0.34)
	Stage 3	200.00	-	200.00	20.00	(20.00)
Subtotal		8,411.85	29.95	8,381.90	23.84	6.11
Total	Stage 1	75,91,436.05	37,476.77	75,53,959.28	36,176.46	1,300.31
	Stage 2	2,18,835.72	7,065.66	2,11,770.06	5,714.13	1,351.53
	Stage 3	2,53,544.75	1,17,111.91	1,36,432.84	76,584.85	40,527.06
	Total	80,63,816.52	1,61,654.34	79,02,162.18	1,18,475.44	43,178.90

NOTE 55: DISCLOSURE OF RESTRUCTURED ACCOUNTS

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring:-

As at 31st March, 2024

(₹ in Lakh)											
Sr. No.	Type of Restructuring	Under CDR Mechanism					Under SME Debt Restructuring Mechanism				
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured accounts at 01 st April, 2023										
	No. of borrowers	-	-	-	-	-	-	-	-	-	
	Amount outstanding	-	-	-	-	-	-	-	-	-	
	Provision thereon	-	-	-	-	-	-	-	-	-	
2	Movement in balance for account appearing in opening balance										
	No. of borrowers	-	-	-	-	-	-	-	-	-	



Notes to the Financial Statements

for the year ended 31st March, 2024

(₹ in Lakh)

Sr. No.	Type of Restructuring Asset Classification Details	Under CDR Mechanism				Under SME Debt Restructuring Mechanism					
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
3	Fresh restructuring during the year ended 31st March, 2024										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
4	Upgradations to restructured standard category during the year ended 31st March, 2024										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
5	Restructured standard advances at 01st April, 2023, which cease to attract higher provisioning and/or additional risk weight at 31st March, 2024 and hence need not be shown as restructured standard advances at 01st April, 2024										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
6	Downgradations of restructured accounts during the year ended 31st March, 2024										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
7	Write-offs of restructured accounts during the year ended 31st March, 2024										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
8	Restructured accounts at 31st March, 2024										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-

Notes to the Financial Statements

for the year ended 31st March, 2024

(₹ in Lakh)

Sr. No.	Type of Restructuring Asset Classification Details	Others				Total					
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured accounts at 01st April, 2023										
	No. of borrowers	707	321	182	-	1,210	707	321	182	-	1,210
	Amount outstanding	59,757.88	40,570.21	14,430.66	-	1,14,758.75	59,757.88	40,570.21	14,430.66	-	1,14,758.75
	Provision thereon	762.17	5,307.06	5,071.20	-	11,140.44	762.17	5,307.06	5,071.20	-	11,140.43
2	Movement in balance for account appearing in opening balance										
	No. of borrowers	(229)	37	(87)	-	(279)	(229)	37	(87)	-	(279)
	Amount outstanding	(18,927.47)	3,464.32	(7,557.43)	-	(23,020.58)	(18,927.47)	3,464.32	(7,557.43)	-	(23,020.58)
	Provision thereon	1,083.16	1,142.13	(10,820.94)	-	(8,595.65)	1,083.16	1,142.13	(10,820.94)	-	(8,595.65)
3	Fresh restructuring during the year ended 31st March, 2024										
	No. of borrowers	58	37	1	-	96	58	37	1	-	96
	Amount outstanding	365.04	2,189.12	53.94	-	2,608.10	365.04	2,189.12	53.94	-	2,608.10
	Provision thereon	309.19	2,658.56	7,028.66	-	9,996.42	309.19	2,658.56	7,028.66	-	9,996.42
4	Upgradations to restructured standard category during the year ended 31st March, 2024										
	No. of borrowers	17	-	(17)	-	-	17	-	(17.00)	-	-
	Amount outstanding	828.41	404.13	(1,232.53)	-	-	828.41	404.13	(1,232.53)	-	-
	Provision thereon	20.03	30.77	(50.80)	-	-	20.03	30.77	(50.80)	-	-
5	Restructured standard advances at 01st April, 2023, which cease to attract higher provisioning and/or additional risk weight at 31st March, 2023 and hence need not be shown as restructured standard advances at 01st April, 2024										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
6	Downgradations of restructured accounts during the year ended 31st March, 2024										
	No. of borrowers	(69)	(154)	223	-	-	(69)	(154)	223	-	-
	Amount outstanding	(6,316.05)	(11,005.24)	17,321.29	-	0.00	(6,316.05)	(11,005.24)	17,321.29	-	-
	Provision thereon	(1,343.77)	(5,357.29)	6,701.06	-	0.00	(1,343.77)	(5,357.29)	6,701.06	-	-
7	Write-offs of restructured accounts during the year ended 31st March, 2024										
	No. of borrowers	(64)	(77)	(62)	-	(203)	(64)	(77)	(62)	-	(203)
	Amount outstanding	(605.11)	(564.81)	(1,361.98)	-	(2,531.90)	(605.11)	(564.81)	(1,361.98)	-	(2,531.90)
	Provision thereon	(48.93)	(276.60)	(626.92)	-	(952.44)	(48.93)	(276.60)	(626.92)	-	(952.45)
8	Restructured accounts at 31st March, 2024										
	No. of borrowers	420	164	240	-	824	420	164	240	-	824
	Amount outstanding	35,102.71	35,057.72	21,653.94	-	91,814.37	35,102.71	35,057.72	21,653.94	-	91,814.37
	Provision thereon	781.85	3,504.64	7,302.25	-	11,588.75	781.85	3,504.64	7,302.25	-	11,588.75

Note: Amount outstanding includes interest receivable.



Notes to the Financial Statements

for the year ended 31st March, 2024

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring:-

As at 31st March, 2023

(₹ in Lakh)

Sr. No.	Type of Restructuring Asset Classification Details	Under CDR Mechanism				Under SME Debt Restructuring Mechanism					
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured accounts at 01 st April, 2022										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
2	Movement in balance for account appearing in opening balance										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
3	Fresh restructuring during the year ended 31 st March, 2023										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
4	Upgradations to restructured standard category during the year ended 31 st March, 2023										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
5	Restructured standard advances at 01 st April, 2021, which cease to attract higher provisioning and/or additional risk weight at 31 st March, 2023 and hence need not be shown as restructured standard advances at 01 st April, 2023										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
6	Downgradations of restructured accounts during the year ended 31 st March, 2023										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
7	Write-offs of restructured accounts during the year ended 31 st March, 2023										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
8	Restructured accounts at 31 st March, 2023										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-

Notes to the Financial Statements

for the year ended 31st March, 2024

(₹ in Lakh)

Sr. No.	Type of Restructuring Asset Classification Details	Others				Total					
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured accounts at 01st April, 2022										
	No. of borrowers	9,899.00	3,715.00	191.00	-	13,805.00	9,899.00	3,715.00	191.00	-	13,805.00
	Amount outstanding	1,15,769.53	61,505.71	1,962.01	-	1,79,237.25	1,15,769.53	61,505.71	1,962.01	-	1,79,237.25
	Provision thereon	4,420.66	9,580.17	752.45	-	14,753.27	4,420.66	9,580.17	752.45	-	14,753.27
2	Movement in balance for account appearing in opening balance										
	No. of borrowers	(7,070.00)	(2,003.00)	(170.00)	-	(9,243.00)	(7,070.00)	(2,003.00)	(170.00)	-	(9,243.00)
	Amount outstanding	(41,165.85)	(15,336.07)	(1,920.18)	-	(58,422.10)	(41,165.85)	(15,336.07)	(1,920.18)	-	(58,422.10)
	Provision thereon	236.53	(959.40)	(730.13)	-	(1,453.00)	236.53	(959.40)	(730.13)	-	(1,453.00)
3	Fresh restructuring during the year ended 31st March, 2023										
	No. of borrowers	1	11	-	-	12	1	11	-	-	12
	Amount outstanding	206.21	1,247.33	-	-	1,453.54	206.21	1,247.33	-	-	1,453.54
	Provision thereon	7.24	3.09	-	-	10.33	7.24	3.09	-	-	10.33
4	Upgradations to restructured standard category during the year ended 31st March, 2023										
	No. of borrowers	17	(17)	-	-	-	17	(17)	-	-	-
	Amount outstanding	1,006.47	(1,006.47)	-	-	-	1,006.47	(1,006.47)	-	-	-
	Provision thereon	16.49	(16.49)	-	-	-	16.49	(16.49)	-	-	-
5	Restructured standard advances at 01st April, 2022, which cease to attract higher provisioning and/or additional risk weight at 31st March, 2023 and hence need not be shown as restructured standard advances at 01st April, 2023										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
6	Downgradations of restructured accounts during the year ended 31st March, 2023										
	No. of borrowers	(289)	107	182	-	-	(289)	107	182	-	-
	Amount outstanding	(11,752.62)	(2,678.04)	14,430.66	-	-	(11,752.62)	(2,678.04)	14,430.66	-	-
	Provision thereon	(3,224.38)	(1,846.83)	5,071.21	-	-	(3,224.38)	(1,846.83)	5,071.21	-	-
7	Write-offs of restructured accounts during the year ended 31st March, 2023										
	No. of borrowers	(1,851)	(1,492)	(21)	-	(3,364)	(1,851)	(1,492)	(21)	-	(3,364)
	Amount outstanding	(4,305.85)	(3,162.26)	(41.83)	-	(7,509.94)	(4,305.85)	(3,162.26)	(41.83)	-	(7,509.94)
	Provision thereon	(694.36)	(1,453.49)	(22.32)	-	(2,170.18)	(694.36)	(1,453.49)	(22.32)	-	(2,170.18)
8	Restructured accounts at 31st March, 2023										
	No. of borrowers	707	321	182	-	1,210	707	321	182	-	1,210
	Amount outstanding	59,757.88	40,570.21	14,430.66	-	1,14,758.75	59,757.88	40,570.21	14,430.66	-	1,14,758.75
	Provision thereon	762.17	5,307.06	5,071.20	-	11,140.44	762.17	5,307.06	5,071.20	-	11,140.44



Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 56: DISCLOSURE IN TERMS OF RBI CIRCULAR - RBI/2018-19/100 DOR.NO.BP. BC.18/21.04.048/2018-19 DATED 01ST JANUARY, 2019; RBI/2019-20/160 DOR.NO.BP. BC.34/21.04.048/2019-20 DATED 11TH FEBRUARY, 2020 ; RBI/2020-21/17 DOR.NO.BP. BC/4/21.04.048/2020-21 DATED 06TH AUGUST, 2020; RBI/2021-22/32 DOR.STR. REC.12/21.04.048/2021-22 DATED 05TH MAY, 2021 (FOR RESTRUCTURING OF ACCOUNTS OF MICRO, SMALL AND MEDIUM ENTERPRISES (MSME) SECTOR-RESTRUCTURING OF ADVANCES' HAVING EXPOSURE LESS THAN OR EQUAL TO ₹ 25 CRORE).

(₹ in Lakh)

Type of Borrower	31 st March, 2024		31 st March, 2023	
	No. of accounts restructured	Amount	No. of accounts restructured	Amount
MSMEs	300	34,782.19	449	50,468.86

NOTE 57: DISCLOSURE IN TERMS OF RBI CIRCULAR - RBI/2020-21/16 DOR.NO.BP. BC/3/21.04.048/2020-21 DATED 06TH AUGUST, 2020; RBI/2021-22/31 DOR.STR. REC.11/21.04.048/2021-22 DATED 05TH MAY, 2021.

For the half year ended 31st March, 2024

(₹ in Lakh)

Type of borrower	(A)	(B)	(C)	(D)	(E)
	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year i.e. 30 th September, 2023	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year**	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year i.e. 31 st March, 2024
Personal loans	5,389.28	140.72	110.33	942.08	4,196.15
Corporate persons*	9,830.16	184.02	68.82	1,660.05	7,917.27
<i>Of which MSMEs</i>	9,830.16	184.02	68.82	1,660.05	7,917.27
Others	1,399.40	-	-	517.58	881.82
Total	16,618.84	324.74	179.15	3,119.71	12,995.24

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

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

Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 58: DISCLOSURES PURSUANT TO MASTER DIRECTION — RESERVE BANK OF INDIA (TRANSFER OF LOAN EXPOSURES) DIRECTIONS, 2021 IN TERMS OF RBI CIRCULAR RBI/DOR/2021-22/86 DOR.STR. REC. 51/21.04.048/2021-22 DATED 24TH SEPTEMBER, 2021, AS AMENDED.

(a) (i) Details of Loans not in default that are acquired during the year ended 31st March, 2024

Count of Loan acquired	1,57,533
Amount of Loan acquired (₹ In Lakh)	4,68,932.62
Wt. Avg. Maturity (Residual maturity)	131.00
Wt. Avg. Holding period (Up to date of acquisition)	15.00
Retention of Beneficial economic interest (MRR of assignor)*	9.21%
Coverage of tangible security coverage*	76.49%
Rating-wise distribution of rated loans	
A-	2.81%
A	0.84%
A+	8.88%
AA+	3.82%
A(SO)	12.90%
A+(SO)	1.68%
BBB-	3.89%
Unrated	65.17%

* Ratio is computed basis weighted average of loans acquired.

(a)(ii) Details of Loans not in default that are transferred during the year ended 31st March, 2024

Particulars	Through Assignment	Through Novation
Count of Loan transferred out	9,973	5
Amount of Loan transferred (₹ In Lakh)	35,667.96	7,842.37
Wt. Avg. Maturity (Residual maturity)	50.00	130.00
Wt. Avg. Holding period (Up to date of acquisition)	20.00	6.00
Retention of Beneficial economic interest (MRR of assignor)	10.00%	0.00%
Coverage of tangible security coverage*	0%	100%
Rating-wise distribution of rated loans		
A+	0.00%	100.00%
Unrated	100%	0%

* Ratio is computed basis weighted average of loans transferred.

(b) Details of stressed loans transferred during the year ended 31st March, 2024

Particulars	To ARCs	To permitted transferees	To other transferees
No. of accounts	-	-	-
Aggregate principal outstanding of loans transferred (₹ In Lakh)	-	-	-
Weighted average residual tenor of the loans transferred	-	-	-
Net book value of loans transferred (at the time of transfer)	-	-	-
Aggregate consideration (₹ In Lakh)	-	-	-
Additional consideration realised in respect of accounts transferred in earlier years	-	-	-



Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 59: EXPENDITURE IN FOREIGN CURRENCY

Particulars	(₹ in Lakh)	
	31 st March, 2024	31 st March, 2023
Finance cost	4,789.68	8,009.78
Employee benefit expenses	174.36	48.39
Information technology expenses	14.06	-
Intangible assets under development	131.15	40.28
Legal and professional charges	52.34	20.43
Miscellaneous expenses	16.67	12.87
Total	5,178.26	8,131.75

Unhedged foreign currency payable & receivable as at 31st March, 2024 & 31st March, 2023 are Nil.

NOTE 60: DISCLOSURE PERTAINING TO STOCK STATEMENT FILED WITH BANKS OR FINANCIAL INSTITUTIONS

The Company has availed of the facility (Secured borrowing) from the lenders *inter alia* on the condition that, the company shall provide or create or arrange to provide or have created, security interest by way of a first *pari pasu* charge of the loans.

Details reported in the quarterly stock statement and as per book of accounts in financial year 2023-24

Quarter ended	(₹ in Lakh)	
	As per Statement filed with Bank	As per Book of Accounts
June 2023	77,64,385.43	77,64,385.42
September 2023	84,58,378.83	84,58,378.83
December 2023	88,51,881.13	88,51,881.13
March 2024	94,74,730.51	94,74,730.51

Details reported in the quarterly stock statement and as per book of accounts in financial year 2022-23

Quarter ended	(₹ in Lakh)	
	As per Statement filed with Bank	As per Book of Accounts
June 2022	50,64,848.25	50,64,848.34
September 2022	57,39,729.70	57,39,730.07
December 2022	64,31,269.35	64,31,268.98
March 2023	73,11,607.37	73,11,607.37

Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 61: ANALYTICAL RATIOS

Analytical ratios for the year ended 31st March, 2024

(₹ in Lakh)

Ratio	Capital to Risk-Weighted Assets Ratio (CRAR)	Tier I CRAR	Tier II CRAR	Liquidity Coverage Ratio
Numerator*	17,09,777.54	14,88,188.51	2,21,589.03	4,97,012.21
Denominator*	1,05,28,456.07	1,05,28,456.07	1,05,28,456.07	3,97,130.83
Current Period	16.24%	14.13%	2.10%	125.15%
Previous Period	16.38%	13.92%	2.46%	121.24%
% Variance	(0.86%)	1.53%	(14.43%)	3.23%
Reason for variance (if above 25%)	NA	NA	NA	NA

Analytical ratios for the year ended 31st March, 2023

(₹ in Lakh)

Ratio	Capital to Risk-Weighted Assets Ratio (CRAR)	Tier I CRAR	Tier II CRAR	Liquidity Coverage Ratio
Numerator*	13,09,899.00	11,13,219.98	1,96,679.02	2,15,920.69
Denominator*	79,96,406.15	79,96,406.15	79,96,406.15	1,78,097.70
Current Period	16.38%	13.92%	2.46%	121.24%
Previous Period	21.77%	18.07%	3.70%	75.47%
% Variance	(24.74%)	(22.96%)	(33.44%)	60.64%
Reason for variance (if above 25%)	NA	NA	Tier II Capital has reduced by ₹ 1,411.05 Lakh and total risk weighted assets has increased by ₹ 26,35,654.20	HQLA has increased by ₹ 50,119.06 Lakh over March 22.

*Average of four quarters

NOTE 62: EVENTS AFTER REPORTING DATE

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

NOTE 63: Money raised by way of borrowing from bank and financial institution have been applied by the Company for the purposes for which they were raised, other than temporary deployment pending application of proceeds.

NOTE 64: ULTIMATE BENEFICIARY

No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

No funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.



Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 65: The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

NOTE 66: No proceedings have been initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

NOTE 67: The Reserve Bank of India vide its press release dated 30th September, 2022 has categorised the Company in the Upper layer under Scale Based Regulation (SBR) for NBFCs. The Company is taking necessary steps in complying with the requirements of SBR as applicable.

NOTE 68: The company has not defaulted in repayment of principal and interest during the year end and as at Balance sheet date 31st March, 2024.

NOTE 69: During the year ended 31st March, 2024, the Finance Committee of the Board of Directors at its meeting held on 21st September, 2023 approved the prospectus for the issue of Secured, Redeemable, Non-Convertible Debentures ("NCDs") of the face value of ₹ 1,000 each for an amount aggregating Up to ₹ 1,00,000 Lakh ("Base Issue Size") with an option to retain oversubscription Up to ₹ 1,00,000 Lakh ("Green Shoe Option") for an aggregate amount up to ₹ 2,00,000 Lakh ("Issue Size"), which is within the overall limit of ₹ 5,00,000 Lakh. Thereafter, the Company has allotted by way of public issue 2,00,00,000 NCDs having face value of ₹ 1,000 each aggregating up to ₹ 2,00,000 Lakh. The said NCDs were subsequently allotted on 09th October, 2023 and listed on the National Stock Exchange of India Limited and the BSE Limited.

NOTE 70: During the year ended 31st March, 2024, the Company has raised funds through Rights Issue in two tranches:-

- i) 1,34,07,220 equity shares of ₹ 10 each at a premium of ₹ 549.4 each amounting to ₹ 75,000 Lakh in the month of September 2023.
- ii) 1,38,88,888 equity shares of ₹ 10 each at a premium of ₹ 602 each amounting to ₹ 85,000 Lakh in the month of December 2023.

NOTE 71: AMENDMENTS IN PREVAILING STANDARDS

On 31st March, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015. The effective date for adoption of these amendments is annual period beginning on or after 01st April, 2023. The significant amendments are as below.

(i) Ind AS 1 - Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policy information rather than their significant accounting policies. The Company has evaluated the amendment and the impact of the amendment is insignificant on its financial statements.

(ii) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The Company has evaluated the amendment and the impact of the amendment is insignificant on its financial statements.

Notes to the Financial Statements

for the year ended 31st March, 2024

NOTE 72: The Board of Directors at its meeting held on 11th March, 2024, approved a Scheme of amalgamation ("Scheme"), for the amalgamation of Aditya Birla Finance Limited with Aditya Birla Capital Limited and their respective shareholders and creditors under Section 230 to 232 read with other applicable provisions of the Companies Act, 2013 and the rules framed thereunder. The appointed date is 01st April, 2024 or such other date as may be approved by the Boards of both the Companies. The Scheme is subject to the receipt of requisite approvals from the statutory and regulatory authorities, and the respective shareholders and creditors, under applicable law.

NOTE 73: The figures for previous year have been regrouped/rearranged/recasted wherever necessary to conform to current period presentation.

As per our report of even date attached.

For MSKA & Associates
Chartered Accountants
ICAI Firm Reg. No.: 105047W

Swapnil Kale
Partner
Membership No.: 117812

Place: Mumbai
Date: 10th May, 2024

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

Amit Hundia
Partner
Membership No.: 120761

Place: Mumbai
Date: 10th May, 2024

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

Vishakha Mulye
Director
DIN: 00203578

Pradeep Agrawal
Chief Financial Officer

Place: Mumbai
Date: 10th May, 2024

Rakesh Singh
Managing Director and Chief Executive Officer
DIN: 07006067

Ankur Shah
Company Secretary

Aditya Birla Finance Limited

CIN: U65990GJ1991PLC064603

Registered Office: Indian Rayon Compound, Veraval - 362 266, Gujarat
+91 2876 243257 | (F) +91 2876 243220

Corporate Office: One World Centre, Tower 1, 18th Floor, Jupiter Mill Compound,
841, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013
+91 22 4356 7100 | (F) +91 22 4356 7266
ankur.shah@adityabirlacapital.com | www.adityabirlafinance.com



**ADITYA BIRLA
CAPITAL**