

**OUR  
FOCUS ON CUSTOMERS  
ENABLES US TO  
GROW EXPONENTIALLY.**



**Aditya Birla  
Finance Ltd.**

(A part of Aditya Birla Capital Ltd.)



**ADITYA BIRLA  
CAPITAL**

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Explore online Visit website to find more:  
<https://abfl.adityabirlacapital.com/>

# Our focus on customers enables us to grow exponentially

ABFL always strives to prioritise the trust that its customers have bestowed upon us. Empowering our customers with tailor-made financial solutions which will take them many leaps forward in their lives to achieve their goals, is our primary agenda.

We have developed a distinctive approach in order to streamline our customer-centric services. Our strategy is built on the 5C model, which enables us to define and accomplish our goals while enhancing operational efficiency and customer satisfaction. The strategy incorporates creative customer acquisition techniques which are bolstered by purposeful channels and a continual emphasis on increasing customer value through effective upselling.

Providing superior customer service is only a part of this equation. We are constantly working on improving the efficiency of our customer analytics, which gives us the knowledge and insight we need to make a real difference in our customers' lives, as well as fostering a culture of entrepreneurship among our employees.

## Key highlights

**₹56,969 Crore**

Balance sheet size

**21.8%**

Capital adequacy ratio

**₹55,180 Crore**

Loan assets

**6.25%**

Net interest margin

**₹5,797 Crore**

Total income

**₹24,018 Crore\*\***

Disbursements

**₹18,826 Crore**

Wealth management AUA\*

**ICRA – A1+/AAA**

**Care – AAA**

Credit ratings

\* AUA – Asset Under Administration

\*\* Excluding CMG bond book, TID, Treasury lending, DCM (INFRA) and Line of credit

## Corporate overview

# Simplifying access to financing

Aditya Birla Finance Limited (ABFL) is a subsidiary of Aditya Birla Capital Limited (ABCL), one of India's most diverse financial services conglomerates. At ABFL, we offer a wide array of financing and wealth management solutions to a diverse customer base comprising retail, HNI, ultra HNI, micro-businesses, SMEs and mid and large sized corporations.

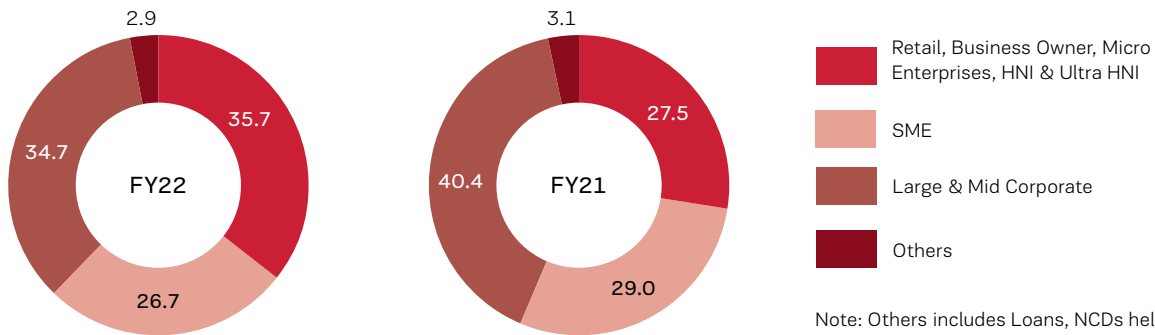
Our customised solutions include personal finance, mortgage finance, SME finance, corporate finance, loan syndications, debt capital markets (DCM) and wealth management, among others. We have also developed a one-of-a-kind online financing platform, ABFLDirect.com, which delivers rapid, easy and hassle-free services to retail and MSME customers.





## CUSTOMER SEGMENT - WISE PORTFOLIO MIX

(In %)



## OUR VISION

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

## OUR VALUES



Integrity



Commitment



Passion



Seamlessness



Speed

36,24,470

Customer base (Grown by 17 times over the last year)

159

Branches

2,850

Employees

## ABOUT ABCL

ABCL is a subsidiary of Grasim Industries Limited, part of the Aditya Birla Group, a Fortune 500 Company, and is the holding company for its financial services businesses. ABCL companies offer protecting, investing, financing and advising solutions with 1,048 branches, over 2,00,000 agents/channel partners, various bank partners and more than 30,500 employees. ABCL had about ₹3,706 Billion in assets under management, a consolidated lending book of over ₹672 Billion and an active client base of over 35 Million via its subsidiaries and joint ventures, as of 31<sup>st</sup> March 2022.



## Product portfolio

# Catering to diverse customer segments

ABFL leverages the years of experience to utilise wide product mix to achieve greater profitability while creating value for our customers. The Company's services are targeted to fulfil the needs of Retail, HNI, Ultra HNI, Micro enterprises, SMEs and Corporate customers. ABFL is also focusing on higher-margin MSME and retail lending.

Loan book of

**₹55,180 Crore**

↑ 13% Y-o-Y

Gross disbursal of

**₹24,018 Crore\***

↑ 63% Y-o-Y

Retail + SME + HNI Mix

**62%**

56% in March-21

\* Excluding CMG bond book, TID, Treasury lending, DCM (Infra) and Line of credit





## PRODUCT OFFERING BY CUSTOMER GROUP

**Retail / HNI /  
Business Owner /  
Micro Enterprises**

- Loan Against Property (LAP)
- Unsecured Personal Loans
- Unsecured Business Loans
- Small ticket Secured and Unsecured Loans
- Unsecured Loan for Travel, Health, and Education
- Buy Now Pay Later
- Checkout EMI
- Wealth Business

**Ultra HNI**

- Loan Against Property (LAP)
- Promoter Funding
- Loan against Securities (LAS)
- IPO Financing
- Debt Syndication
- Wealth Business

**SME**

- Term Loan
- Working Capital Demand Loan (WCDL)
- Loan against Property (LAP)
- Lease Rental Discounting (LRD)
- Vendor Financing
- Channel Financing
- Broker Funding
- Wealth Business

**Mid Corporates**

- Term Loan
- Working Capital Demand Loan (WCDL)
- Structured Finance
- Construction Finance
- Debt Syndication
- Debt Capital Market Desk
- Treasury Services
- Wealth Business

**Large Corporates**

- Term Loan
- Structured Finance
- Project Finance
- Debt Syndication
- Debt Capital Market Desk
- Treasury Services
- Wealth Business



## Our services

1

### Personal finance

ABFL provides personal loans to salaried persons with a strong credit score for consolidation, medical crisis, purchases of household or electronic items, children's education, wedding expenditures, home renovation and vacation. It primarily addresses an individual's current financial needs. All salaried adults between the ages of 23 to 60 are usually offered unsecured loans at a set interest rate.

2

### Loan against securities

ABFL provides different securities to take a higher leap towards progress.

- Loan Against Shares
- Loan Against Mutual Funds
- Loan Against Life Insurance Policy
- ESOP Financing
- IPO Financing
- Promoter Funding
- Margin Trade Funding

3

### SME finance

ABFL understands how small or medium enterprise owners have to manage business operations and expansion. The Company finances SMEs by enabling them to scale up and capitalise on opportunities to anticipate future demands.

The Company offer finance through:

- Line of Credit
- Unsecured Business Loan
- Secured Business Loan
- Working Capital Demand Loan
- Supply Chain Financing Solutions – Invoice Discounting

4

### Mortgage finance

The Company offers mortgage financing to enable businesses to expand in an effective way. We provide

- Loans Against Property
- Construction Finance
- Lease Rental Discounting
- Commercial Property Purchase





## 5

**Corporate finance**

ABFL offers business owners with corporate finance so that they can work on their scalability, thereby optimising the business operations to enhance profitability. Furthermore, the corporate finance is an excellent solution for short-term and long-term financial issues.

We offer

- Project Finance
- Structured Finance
- Working Capital
- Term Loans

## 6

**Wealth management**

ABFL is uniquely positioned to provide highly personalised wealth management solutions to clients across segments. We provide:

- Mutual Funds
- Group Health Insurance
- Personal Loan
- Home Loan
- Digital Gold
- Tax Filing

## 7

**DCM and loan syndication**

The Debt Capital Market (DCM) business aims to provide solutions by leveraging its knowledge and insight into the debt capital markets in India. These are coupled with robust distribution and structuring capabilities.

In contrast, the Loan Syndication services provide corporate clients with comprehensive options. The Company assists with projects, acquisitions, general business needs, syndicating corporate debt across industries as diversified as manufacturing, infrastructure, healthcare, hospitality, logistics and IT Parks, with several lenders throughout the lending spectrum.

DCM

- Conventional Corporate Bonds
- Short-term Financing
- Credit Enhancement Structures
- Securitization
- Collateralised Lending
- Mezzanine Funding
- Acquisition Finance

Loan syndication

- Project Finance – Greenfield and Brownfield
- Last Mile Financing Stages
- Acquisition and Structured Finance
- Mezzanine Loans
- Subordinated Debt
- Securitisation of Receivables
- External Commercial Borrowing
- Buyer's Credit
- Bank Guarantees
- Bill Discounting Lines
- Letter of Credit

## Presence

# Expanding our reach across India

ABFL is primarily focusing on maximising the use of our branch network, digital channels, partnerships and presence in various ecosystems to grow our customer base. The Company is strategically spreading our footprint to the Country's Tier III and Tier IV cities, which have high untapped potential.

The AUM of the Indian MF industry has increased 6 times over the last decade from ₹6.6 Trillion to ₹37.6 Trillion on Mar-22 as per AMFI website. This rapid growth reflects the attractiveness of the industry. However, the MF industry penetration is surprisingly low compared to other global markets.

159

Branches

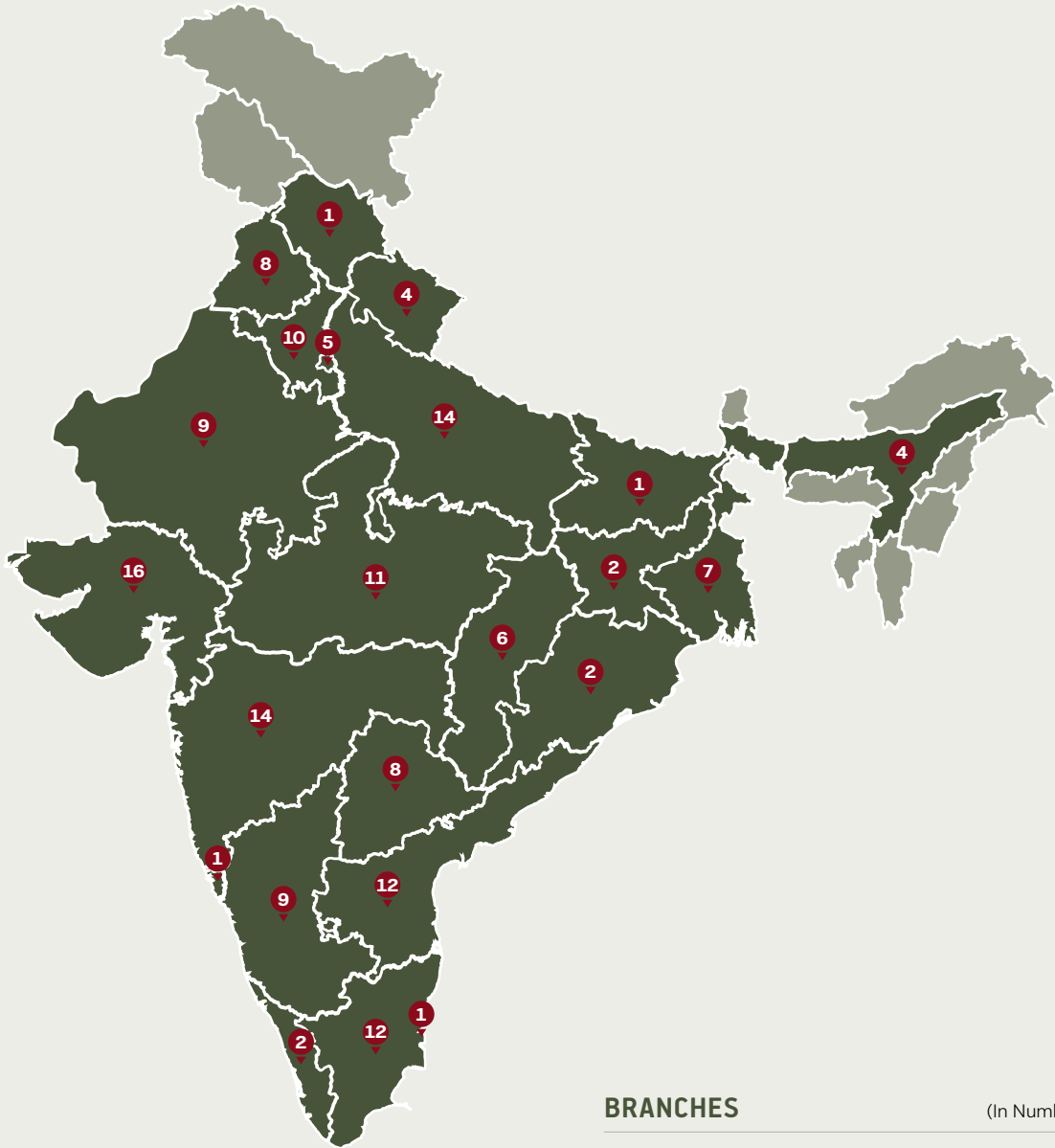
76%

Branches in Tier III and IV cities

320+

Branches targeted by March-23





Number of branches

Note: Map not to scale

### BRANCHES

(In Numbers)



**69%** Y-o-Y growth

## CEO's message

# Growing with a new approach

Dear Stakeholders,

FY22 has been challenging with the second wave of the pandemic. However, India's accelerated vaccination drive provided much-awaited relief and led to the resurgence of the Indian economy. With the learnings and experience of the previous year and exercising prudence, we at ABFL have emerged more robust than earlier by keeping the customer needs at the centre of all our initiatives. We are proud of the hard work of our teams and the significant progress we have made during this time.







## Year in review

The year gone by has been filled with several external challenges. ABFL has always strived to be a Company that is distinctive, united and unafraid to push the boundaries. This desire to always improve and look at things differently has benefited the Companies' growth.

While economic activity was severely hit by the 2<sup>nd</sup> wave of the pandemic, the last two quarters of FY22 witnessed revival in domestic economic activity with an uptick in most of the high frequency indicators of economic activity. This revival was supported by continuing fiscal measures and congenial financial conditions engendered by monetary, regulatory and liquidity initiatives undertaken by the Reserve Bank. Private consumption, the mainstay of aggregate demand in India, partially recuperated which led to gradual pick-up in bank credit, especially in the personal and consumer loans segment.

Credit growth also accelerated in agriculture, MSMEs and select services. Industrial credit growth improved steadily after Q1 FY22 and accelerated to 7.1% in March 2022. Medium-sized industries, in particular, registered a growth of 71.4% in March 2022, as compared with 34.5% a year ago. Credit to micro and small industries also posted a faster growth of 21.5% in March 2022 from 3.9% a year ago. The growth recorded in the MSME sector's credit demand is largely attributable to the government's impetus and the Reserve Bank's policies to revive the sector.

ABFL is set to leverage on the untapped potential from underpenetrated and underserved regions in the country where the formal financial services have less to no presence. The Company is continuously expanding presence in the Tier III and Tier IV cities. During the year, ABFL focused on developing our capabilities in the digital space, improve customer experience and product offerings. The Company added 65 branches, taking the total count to 159 at the end of the year under review.

## Performance

While the operations were severely impacted during the initial months, the Company closed the year with a 13% growth in our Loan Book, which stood at ₹55,180 Crore as against ₹48,689 Crore at the end of FY 2020-21. The Net Interest Income increased to ₹3,091 Crore from ₹2,512 Crore, primarily led by growth in the lending book along with optimised borrowing cost with a 10% reduction. The revenue and PAT increased to ₹5,797 Crore and ₹1,108 Crore from ₹5,528 Crore and ₹769 Crore, respectively. Further, the Company maintained strong liquidity with cash and liquid investments of ₹693 Crore and unutilized bank credit

lines of ₹5,262 Crore as on 31<sup>st</sup> March 2022. The Cost of Borrowing (COB) and Cost of Funds (COF) reduced to 6.88% and 5.49%, respectively, during the year. ABFL also raised long-term funds through multiple sources, amounting to ₹12,719 Crore, thus taking our outstanding debt to ₹46,052 Crore – which was as a testament to our dynamic liquidity management.

## Credit quality

During the year, the stressed assets stood at ₹1,733 Crore, amounting to ~3.1% of our GS3 book of the previous financial year. At the same time, the Company further increased our GS3 provision coverage to ₹773 Crore from ₹590 Crore by the end of the year and created a floating COVID-19 provision of ₹186 Crore. 73% of the total loan portfolio is secured and an additional 4% of the portfolio is guaranteed under the CGTSME guarantee scheme (SIDBI). ABFL held security value of ₹1,00,800 Crore as against loan book of ₹55,180 Crore and security value of ₹1,771 Crore as against Net Stage 3 assets of ₹960 Crore thereby closing the year with a net security cover of 1.8x.

## Digitalisation

The Company continues to invest in its digital capabilities. The Company always strives to enhance client experiences and quality of our services. ABFL is seamlessly onboarding new consumers and partners via digital channels. The cutting-edge LOS and LMS are upgraded to increase process accessibility and transparency. In addition, the Company has developed numerous digital customer self-service platforms to increase consumer engagement. Additionally, ABFL was able to enhance the quality of our collections through the use of digital interventions.

## Way forward

Moving forward into FY23, we are confident in the strengths of our fantastic brand portfolio, dedicated team, and strong customer relationships. As a result, we are more resilient, better prepared and positioned to create more value for our stakeholders. At the same time, we are focused on implementing cutting-edge digitalisation initiatives to enhance the quality of our services further.

I am grateful to all our customers, investors, employees, partners, vendors, and governing bodies for placing their trust in us and supporting us over the years. I hope to receive your continued support in our exciting journey ahead.

### Mr. Rakesh Singh

Managing Director and CEO



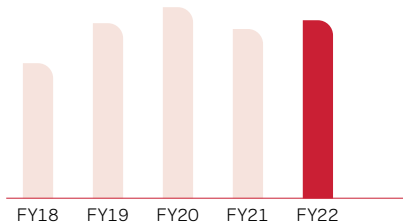
## Performance indicators

# Delivering consistent performance

### Total Income

(₹ in Crore)

4,481 5,613 6,089 5,528 5,797

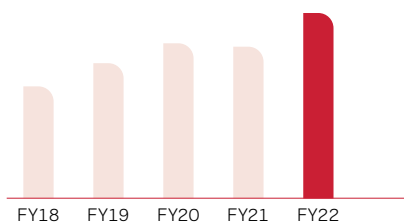


↑ 5.3%

### Net Interest Income (NII)

(₹ in Crore)

1,841 2,273 2,528 2,512 3,091

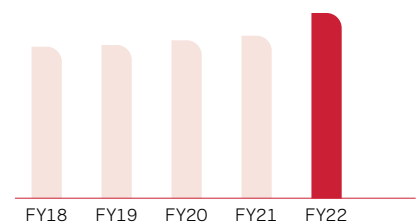


↑ 10.9%

### Net Interest Margin (NIM)

(%)

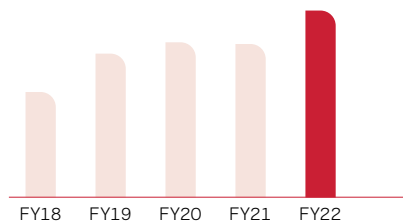
4.54 4.91 5.11 5.34 6.25



### Pre-provision Operating Profit

(₹ in Crore)

1,254 1,535 1,760 1,713 2,141

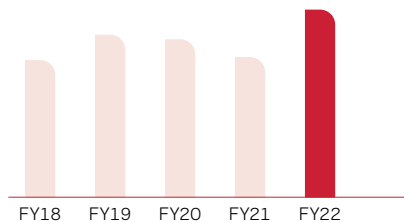


↑ 11.3%

### Profit After Tax (PAT)

(₹ in Crore)

731 869 805 769 1,108

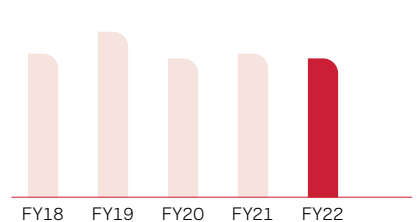


↑ 8.7%

### Cost Income Ratio (CIR)

(%)

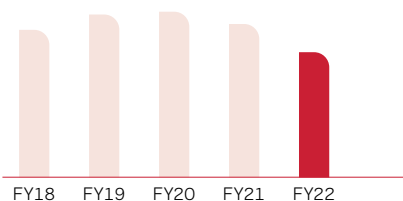
31 34 30 31 30



### Cost of Borrowing

(%)

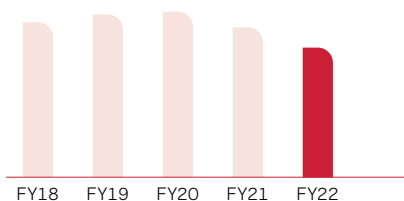
7.83 8.13 8.22 7.58 6.88



### Cost of Funds (CoF)

(%)

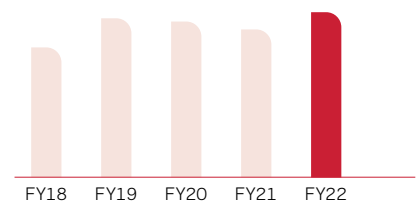
6.75 7.02 7.13 6.35 5.49



### Borrowings

(₹ in Crore)

36,247 44,360 43,409 41,223 46,052



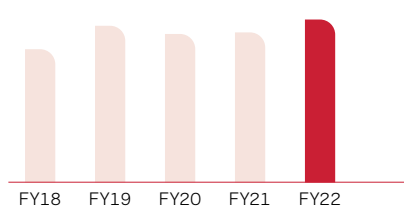
↑ 4.9%

↑ 5-year CAGR

**Loan Assets**

(₹ in Crore)

43,242 51,714 47,057 48,689 55,180

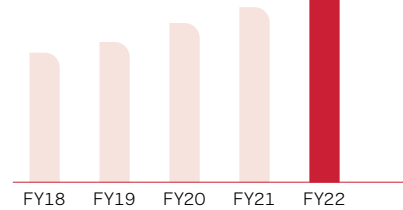


↑ 5%

**Net worth**

(₹ in Crore)

6,229 7,287 8,078 8,838 9,860

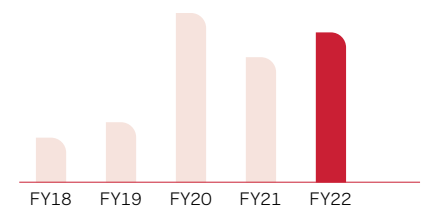


↑ 9.6%

**Gross Non-Performing Assets (GNPA)**

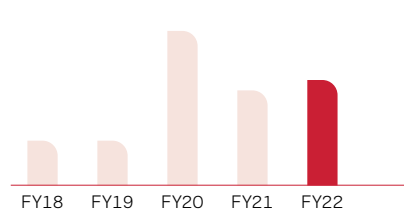
(%)

0.92 1.19 3.61 2.68 3.14

**Net Non-Performing Assets (NNPA)**

(%)

0.65 0.65 2.40 1.47 1.74

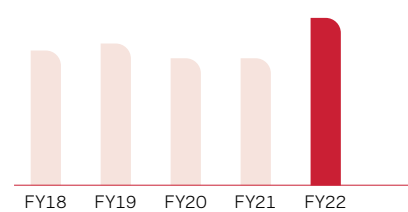


↑ 5-year CAGR

**Return on Assets (RoA)**

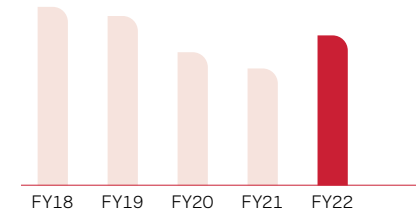
(%)

1.8 1.9 1.7 1.7 2.3

**Return on Equity (RoE)**

(%)

14.2 13.7 11.0 9.6 12.5



## Performance indicators

### LOAN BOOK

(₹ in Crore)

#### SME + Retail + HNI

Fiscal Year	Loan Book (₹ in Crore)
FY18	20,102
FY19	25,528
FY20	23,590
FY21	27,500
FY22	34,433

↑ 11.4%

#### Large + Mid Corporate

Fiscal Year	Loan Book (₹ in Crore)
FY18	21,707
FY19	24,426
FY20	21,344
FY21	19,690
FY22	19,170

↓ -2.5%

#### Others

Fiscal Year	Loan Book (₹ in Crore)
FY18	1,432
FY19	1,761
FY20	2,123
FY21	1,499
FY22	1,576

↑ 1.9%

↑ 5-year CAGR

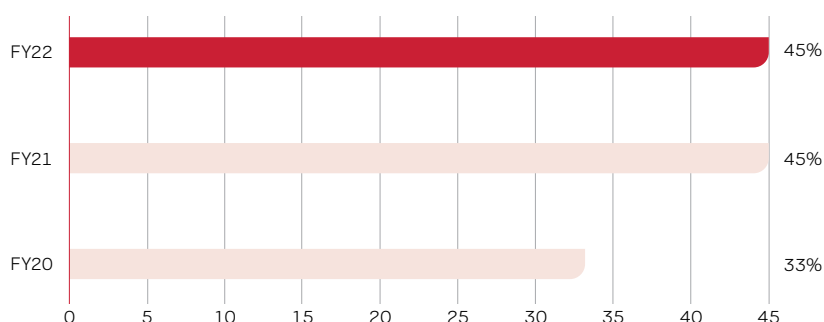




## Stable asset quality

The Company has a significant advantage in maintaining a good asset quality with ideal risk-reward assessments due to a diverse client base. ABFL safeguards the quality of assets by rigorous due diligence and structured credit risk management while constantly monitoring external, environmental and operational risks for timely provisioning against volatility and preservation of the asset quality.

## Stage 3 Provisioning Coverage Ratio (PCR)



# 77%

Total loan book secured

Total floating COVID-19 provision at

# 34 bps

of Loan Book as of March 2022

# 99.6%

Collection Efficiency

# ₹186 Crore

of Floating COVID-19 provision

## Net Security Cover

Customer Segment	GS3	Provision	NS3	Security Value	Net Security Cover <sup>1</sup>
SME	255	105	150	341	2.3x
Retail	518	216	302	353	1.2x
Large Corp and Mid Corp	959	451	508	1,077	2.1x
<b>Total Book</b>	<b>1,733</b>	<b>773</b>	<b>960</b>	<b>1,771</b>	<b>1.8x</b>

<sup>1</sup> Net Security Cover = Security Value/(GS3 – Provision)

## Adequate provisioning and security cover across segments with Net Security

### Cover of 1.8 times

- 73% of total loan book secured. In addition, 4% secured through CGTMSE guarantee scheme resulting to 77% of book being secured.
- Security Cover:
  - Overall Loan Book: Security value of ₹1,00,800 Crore Vs loan Book of ₹55,180 Crore
  - Net Stage 3 Book: Security value of ₹1,771 Crore Vs. Net Stage 3 assets of ₹960 Crore
  - 64% of existing MSME Unsecured Loans are covered under credit guarantee with SIDBI (CGTMSE Program)
- Total disbursement under ECLGS scheme during FY 2021-22 of ₹392 Crore. A large portion of disbursement was done for retail and SME segments.

## Wealth management

# Providing solutions for wealth creation

Over the years, ABFL has enhanced and expanded the portfolio and positioned this organisation as a one-stop shop for the varied financial needs of customers. The Company continues to adopt cutting-edge technology to enhance the offering and make it reliable for all financial products.

The direct-to-customer business provides tremendous synergies in acquisition, fulfilment, engagement and cross-selling. IFAs (Independent Financial Advisers) and channel partners help the Company reach millions of retail clients across the country, notably in Tier II and III locations, which present us with a great growth opportunity. Partners help us grow by reducing the time-to-market and increasing our ability to reach a larger geographic area at reduced prices. The Company has brought in ONL, which is an all-in-one technological solution for self-directed persons, who are comfortable utilising technology to meet their financial requirements. Overall, technology-enabled solutions make the business smooth, financially feasible and scalably expandable.

### BUSINESS VERTICALS

ABFL has divided the wealth business into two verticals – Non-Retail and Retail, which cater to different segments of the business that are High Net-worth Individual Business, Corporate and Treasury Services, Business Partner Group and Online Business.

#### High Net-worth Individual Business (HNI)

ABFL cater to HNIs and UHNIs to fulfil their requirements with an aim to provide customised investments options to meet their long-term goals.

#### Corporate and Treasury Services (CTS)

The Company has developed CTS in order to meet the changing requirements of SMEs, Mid and Large Corporates and provide them with customised investment solutions. ABFL is continuously working to develop and execute investment solutions for the diverse corporate client base. The Company leverage our research and advisory services to further enhance our offerings.

#### Business Partner Group (BPG)

The Business Partner Group (BPG) is meant for the Independent Financial Advisors (IFAs) and Channel Partners, who work with retail clients across the Country, especially in Tier II and III locations. They acquire and service these clients across multiple products (e.g. Mutual Funds) for a revenue share with the Company. Business partners work to boost sales, decrease time-to-market and provide access to markets with relatively low fixed costs.

## ₹18,826 Crore

Asset Under Administration (21% growth y-o-y)

## 19,326

Business partners

## 3,06,646

Customers  
(68% growth y-o-y)

#### Online Business (ONL)

The current portfolio of Aditya Birla 'MyUniverse' has been fully incorporated with the Wealth Management Business and is now classified as an Online Business (ONL). The clients in this sector are self-directed people who are comfortable using technology to meet their financial requirements, including investment and financing options.





The clients usually are provided with different investment options such as Mutual Funds, direct equity via referral to Aditya Birla Money, Digital Gold and Fixed Deposits. When it comes to financing, the clients are provided with options of Personal Loans, Home Loans and Business Loans.

Significant potential synergies exist for these tech offerings with the existing channels of Wealth Management, especially the Business Partner Group, which caters to retail customers across the country. The tech platform makes acquisition, fulfilment, engagement & cross-sell to the retail clients, more accessible and seamless.





## BUSINESS VERTICALS

SEGMENT	CUSTOMERS	SOLUTION PROVIDED	AUA
<b>Non-Retail</b>			
 <b>HIGH NET-WORTH INDIVIDUAL BUSINESS</b>	<b>HNIs and UHNIs</b>	Customised investment options to meet long-term goals	<b>₹7,064 Crore</b> GROWTH OF 10%
 <b>CORPORATE AND TREASURY SERVICES</b>	<b>SMEs, mid and large corporates</b>	Customised investment solutions to meet short and long-term investment requirements  Develop and execute investment through our research and advisory services	<b>₹9,120 Crore</b> GROWTH OF 44%
<b>Retail</b>			
 <b>BUSINESS PARTNER GROUP (BPG)</b>	<b>IFAs and channel partners</b>	Multiple products, especially Mutual Funds	<b>₹1,650 Crore</b> GROWTH OF -7%
 <b>ONLINE BUSINESS (ONL)</b>	<b>Individuals</b>	Investment – Mutual Funds, direct equity via referral to Aditya Birla Money, Digital Gold, Fixed Deposits.  Financing – Personal Loans, Home Loans, Business Loans.	<b>₹993 Crore</b> GROWTH OF 1%

## Digital transformation and data analytics

# Digitalisation – a new way to the future

ABFL has continually adopted and deployed the best available technologies in the operations. This has improved business capacities, understand the customers' needs and eventually provide the highest quality services.

The Company delivers a unique digital experience to the customers throughout the loan process, from onboarding to disbursement to payment facilities and other services. Furthermore, ABFL is using technology to expand the Company's presence by cross-selling, lowering turnaround time, offering pre-approved loans and making better-informed lending decisions. The Company has primarily relied on data analytics solutions for sourcing, underwriting and increasing efficiency in servicing and collections.



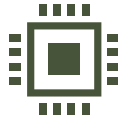


## FOCUS AREAS



### Product-suite expansion

The first pillar of the Company's strategy is its product portfolio expansion with enhanced customer segmentation. Adding relevant products to cater to varied customer needs and expanding from traditional to new channels of sourcing continues to be a key emphasis point for ABFL. The Company is steadily investing in broadening its portfolio towards small ticket loans, checkout financing, education loans and merchant loans.



### Cutting-edge technology

ABFL has consistently leveraged technology to make its business future-ready by implementing the best technologies available at each stage of its journey. A large part of its customer acquisition and collections during the year has been through digital platforms, leading to accelerated growth. ABFL plans to use technology to up-sell and cross-sell products to derive a higher customer lifetime value. The Company constantly evaluates emerging technologies in areas such as customer onboarding, underwriting, servicing, and collections.



### Deeper distribution

To increase its footprints in the Retail and SME space, ABFL is investing in its branch and IT infrastructure post considerate analysis of cost and outcomes. The Company's branch presence grew from 94 to 159 in FY22, with plans to increase the branch count to 320+ in FY23. The 'ABC One Branch' strategy enables ABFL to add to its presence organically at a lower cost. In conjunction with expanding its sourcing from Direct & Digital channels, ABFL also plans to leverage the ABC and ABG ecosystem.



## Employees

# Fostering a culture of growth and success

ABFL actively strives to safeguard the well-being of the Employees by providing a positive work environment and a multitude of opportunities for their personal and professional development. In order to build a high-performance culture, the Company built policies and processes that assists in attracting and recruiting talent aligned with the Company's values.

ABFL prioritises the overall development of the employees' potential by providing them with opportunities for education, experience and exposure to a wide range of behavioural and technical skills. The Company conducts regular evaluations of employees. Based on their performance, employees are recognised and awarded.

# 2,850

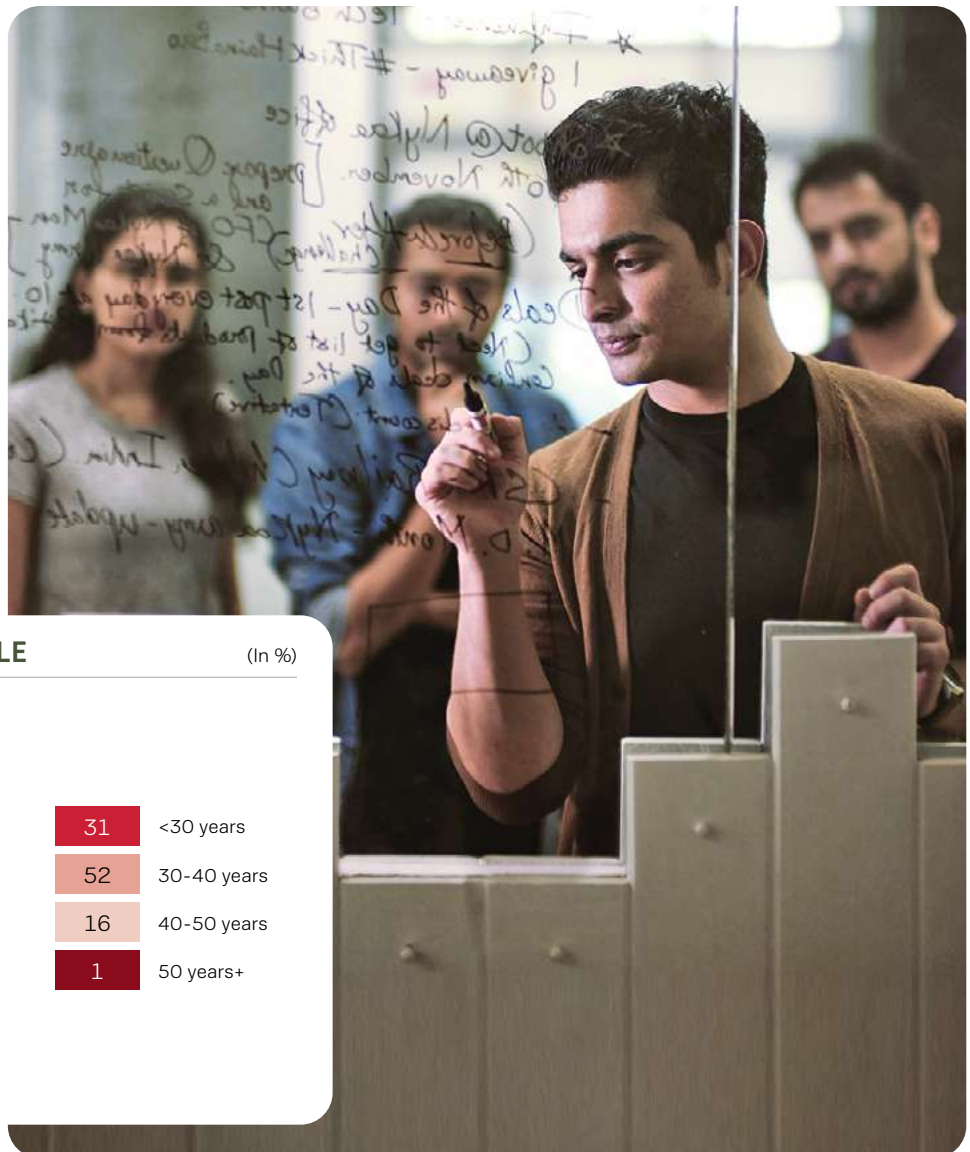
Employees

# 82%

Millennials

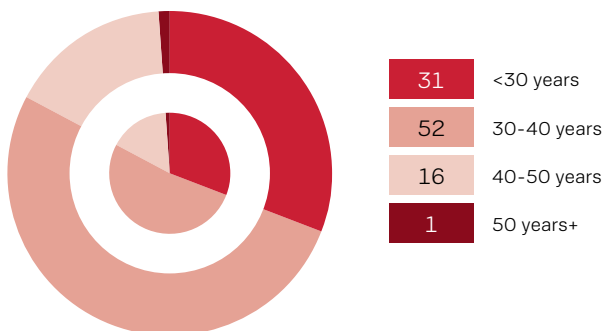
# 14%

Female employees



### EMPLOYEES – AGE PROFILE

(In %)







## EMPLOYEE VALUE PROPOSITION

### Recruitment and selection

The Company uses a variety of psychometric tests to evaluate potential applicants, taking into account not only their experience and qualifications but also their behaviour and intellectual capabilities.

### Induction and onboarding

ABFL has a thorough in-house onboarding programme to promote employee engagement and integrate the organisation's strategic objectives, goals and culture. In order to improve the Company's processes, ABFL takes feedback from our employees and analyse the inputs and incorporate to improve our onboarding and induction process.

### Learning and development

ABFL is focused on building functional, behavioural and leadership capabilities and has multiple learning and development programmes for our employees, including new-age learning methods and formats.

### Evolve

The Company's in-house ABFL Learning Academy is an aggregator of all behavioural learning initiatives and conducts periodic behavioural training programmes, interventions and online training.

### Employee wellness and engagement

The Company is highly cognisant of the importance of the mental and physical well-being of the employees, especially during such unprecedented times. ABFL provides them with a comprehensive support mechanism while continuously undertaking initiatives that enhance their emotional connect with the organisation and camaraderie across the business units.

### Talent identification and leadership development programme

In addition to having a succession plan in place, the Company continuously identify resources across levels, evaluating them on the basis of multiple critical parameters. The key talent identified are then developed and mobilised to build a talent pipeline to take on leadership roles.

### Rewards and recognition

ABFL believes motivated employees are key to the success of the organisation and the Company has instituted multiple programmes to recognise exceptional employee performance.





## Board of Directors

### Guiding to achieve excellence



**Mr. Ajay Srinivasan**  
Non-Executive Director

Ajay Srinivasan is a Non-Executive Director of our Company with over three decades of experience in financial services and has been on the Board of our Company since July 2007. He is the Chief Executive Officer at ABCL, the holding company for the financial services businesses of the Aditya Birla Group. He joined the Aditya Birla Group in 2007 and since then has successfully led and transformed Aditya Birla Capital Limited (ABCL) into a universal financial solutions provider focusing on protecting, investing and financing needs of its customers.

Before joining the Aditya Birla Group, he has had experience in leadership positions with financial institutions having operations in India and internationally such as Prudential ICICI AMC and Prudential Corporation Asia. Prior to his stint at Prudential ICICI AMC, he was Deputy Chief Executive Officer and Chief Investment Officer for ITC Threadneedle Asset Management.

He began his career with ICICI Ltd. He is the Chairman of the CII National Committee on NBFCs. He holds a B.A. in Economics (Honours) from St Stephen's College, University of Delhi and a Post Graduate Diploma in Management from the Indian Institute of Management, Ahmedabad.



**Mr. Darius J Kakalia**  
Independent Director

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

Over the years he has specialized in the power sector, acting for large Power Companies and has advised consortiums for the bids with respect to the 4000 Mw Ultra Mega Power projects that have recently been proposed by the Power Corporation of India.

He has regularly appeared before the MERC, the Bombay High Court and in the Supreme Court of India with respect to various litigations relating to disputes in the power sector. He has extensive experience in power projects.



**Mr. Jitender Balakrishnan**  
Independent Director

Mr. Balakrishnan was a former Whole time Director of IDBI Bank Ltd designated as Deputy Managing Director & Group Head (Corporate), responsible for credit advances of USD 25 billion. He served as a member on IDBI's Credit Committee, Asset Liability Management Committee and Investment Committee.

He has wide experience in sectors like Oil and Gas, Refineries, Power, Telecom, Airports, Roads, Ports, Steel, Cement, Fertilizers, Petrochemical, Hotel, Pharmaceuticals, Paper. Mr. Balakrishnan has been an Advisor to former IDFC Bank Ltd. He serves on the board of various companies. Besides, he is also Chairman/ Member of various Committees of these Boards.



**Mr. Ashwani Kumar Puri**  
Independent Director

Mr. Puri is a financial and accounting professional with extensive experience in investment/acquisition and advisory services, valuation and decision analysis, business and financial restructurings, dispute analysis and forensics.

He was with PriceWater House Coopers (PwC) for 34 years, 22 of these as Partner/ Executive Director and has served in various positions. His selected Financial Services Clients include Asian Development Bank, Asset Reconstruction Company (India) Limited, Cerberus, Citigroup, Deutsche Bank, ICICI bank, IDBI, IFCI, Industrialization Fund for Developing Countries! Denmark, Standard Chartered Bank, USAID, WL Ross and World Bank.



**Ms. Alka Bharucha**  
Independent Director

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

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

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



**Mr. Subhash Chandra Bhargava**  
Independent Director

Mr. Bhargava is a retired Ex. Director (Investments) of L.I.C. He was in Investment department for 13 years and involved in almost all activities related to finance & investments like project financing, short term, long term loans, dealing in equity, debt, Government securities, monitoring of corporates etc.

Mr. Bhargava has attended various programmes in IIM, Manchester School of Management etc. related to Finance. He was also a member of Technical Advisory of RBI on Money, Foreign Exchange and Govt Security Markets from May 2004 to July 2005.

## Board of Directors



**Mr. Rakesh Singh**  
Managing Director and  
Chief Executive Officer

Rakesh Singh is the Managing Director and Chief Executive Officer at Aditya Birla Finance Limited (ABFL). He also serves as a Director on the Aditya Birla Housing Finance Limited's board. Rakesh has been part of the Aditya Birla Group since 2011 and has played a crucial role in driving the growth trajectory of both NBFC and Housing Finance businesses. He has more than 27 years of experience in the financial services industry, cutting across Banking and Non-Banking financial institutions.

Rakesh is a part of several industry forums, including the Confederation of Indian Industry and the Federation of Indian Chambers of Commerce and Industry. In addition, he lends his expertise as a FICCI's Banking and Financial Institutions Committee member. He is also a board member at the Narsee Monjee Institute of Management Studies.

Before joining ABFL, Rakesh spent 16 years with Standard Chartered Bank. He was the Head of Mortgages Business, India, and his last assignment with Standard Chartered Bank was as General Manager & Head SME Banking, India, and South Asia.

Rakesh has attended advanced management programs at Harvard Business School and the Indian Institute of Management, Kolkata, and holds a post-graduation degree in International Relations.



**Mr. Kamlesh Rao**  
Non-Executive Director

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

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

In his earlier stint, Kamlesh has been a part of several prestigious committees including the NSE & BSE Advisory Committees and Secondary Market Advisory Committee (SMAC). He holds a degree in Engineering and is a Management graduate. Kamlesh is a part of the Senior Management Team at Aditya Birla Capital. At ABSLI, he is focused towards taking the company to a leadership position within the private life insurance space.



## Leadership team

# Driving the growth at ABFL

## Key Managerial Personnel



**Mr. Rakesh Singh**  
Managing Director and  
Chief Executive Officer



**Mr. Tushar Shah**  
Chief Executive Officer –  
PSFG & KMP



**Mr. Pradeep Agrawal**  
Chief Financial Officer



**Mr. Ankur Shah**  
Company Secretary

## Leadership Team



**Mr. Deep Pal Singh**  
Chief Risk Officer



**Ms. Sujatha Sudheendra**  
Head - Human Resources &  
Administration



**Mr. Kumar Ashish**  
Head - Retail, Consumer  
& Micro Business



**Mr. Udayan Sharma**  
Head – SME, Wealth  
Management and  
Emerging Businesses



**Mr. Santanu Basu**  
Head – Mortgages



**Mr. Devang Rawal**  
Head – Corporate and  
Institutional



**Mr. Arnab Basu**  
Chief Operating Officer  
- PSFG



**Mr. Ajay Singh**  
Head – Risk, Compliance  
and Legal – PSFG



**Mr. Nikesh Gupta**  
Chief Operations Officer



**Mr. Ramesh Mallya**  
Chief Technology Officer

## Corporate information

### BOARD OF DIRECTORS

**Mr. Ajay Srinivasan**

Non-Executive Director

**Mr. Ashwani Puri**

Independent Director

**Mr. Darius J Kakalia**

Independent Director

**Mr. Jitender Balakrishnan**

Independent Director

**Ms. Alka Bharucha**

Independent Director

**Mr. S C Bhargava**

Independent Director

**Mr. Rakesh Singh**

Managing Director & Chief Executive Officer

**Mr. Kamlesh Rao**

Non-Executive Director

### COMMITTEES OF THE BOARD

#### Audit

Mr. Ashwani Puri

Mr. Darius J Kakalia

Ms. Alka Bharucha

Mr. Ajay Srinivasan

#### Nomination and Remuneration

Mr. Jitender Balakrishnan

Mr. Darius J Kakalia

Mr. Ajay Srinivasan

#### Corporate Social Responsibility

Mr. Ashwani Puri

Mr. Ajay Srinivasan

Mr. Rakesh Singh

#### Stakeholders' Relationship

Mr. S C Bhargava

Mr. Darius J Kakalia

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

### SENIOR MANAGEMENT

**Mr. Deep Pal Singh**

Chief Risk Officer

**Ms. Sujatha Sudheendra**

Head - Human Resources & Administration

**Mr. Ajay Singh**

Head - Credit & Legal - PSFG

### JOINT STATUTORY AUDITORS

**Deloitte Haskins & Sells LLP**

Chartered Accountants

**M/s. Singhi & Co.**

Chartered Accountants

### SECRETARIAL AUDITORS

**BNP & Associates****Company Secretaries**

### DEBENTURES TRUSTEES

Vistra ITCL (India) Ltd.

The IL&FS Financial Centre

Plot C-22, G- Block, 6<sup>th</sup> Floor

Bandra Kurla Complex, Bandra (E),

Mumbai - 400 052

Tel: +91 22 2659 3535

Fax no: +91 22 2653 3297

E-mail Id: mumbai@vistra.com

### REGISTRAR & 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;

Fax no: +91 22 4918 6060

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: abfl.adityabirlacapital.com

### CORPORATE OFFICE

One World Centre,

Tower-1 C, 18<sup>th</sup> Floor,

Jupiter Mill Compound,

841, Senapati Bapat Marg,

Elphinstone Road,

Mumbai - 400 013

Tel: +91 22 4356 7100

Fax no: +91 22 4356 7266





# Management Discussion and Analysis

## OVERVIEW OF GLOBAL ECONOMY

The year started with pandemic impacting Q1 severely, however, by the end of FY 2022, the impact of the same had abated to a great extent. Moving into the new financial year, we witnessed a gradual normalization of economic activities due to wide availability of vaccines & a focus shifting to live with Covid. Even though the impact of COVID-19 has declined in most parts of the World, the economic fallout from Russia's invasion of Ukraine has increased.

War-induced supply disruptions and escalating sanctions imposed on the Russian Federation led to global commodity prices spiking and remaining higher than 2021's already elevated levels. In 2022, global trade growth is projected to slow down markedly, after a strong rebound in 2021. Geopolitical and economic uncertainties are dampening business confidence and investment and further weakening short-term economic prospects.

The war in Ukraine was an additional push on prices that have reached new historical highs. The world economy was faced with substantial inflationary pressures. What was initially deemed 'transitory' inflation, showed strength and surprised all at multi-decade highs in developed economies. The Russian invasion of Ukraine triggered unprecedented sanctions from the West causing energy prices to spike from already elevated levels on the back of resurgent demand and OPEC+ led supply control.

Global inflation is projected to increase to 6.7% in 2022, twice the average of 2.9% recorded during 2010-2020. Global food prices have surpassed the peaks of the 2007-2012 food crises after relentless rises since mid-2020. Surging food inflation is also worsening the food insecurity as it is pushing people below the poverty line in developing countries as they are still recovering from the shock of the pandemic & the supply chain disruption.

Fiscal Year 2023 can once again be expected to be a period of stabilizing the economy from the effects of the pandemic while dealing with multiple uncertainties of the war, inflation, debt-ridden economies, and government policies & economy stabilizing activities are going to play a key role in providing the necessary stimuli to the economy in the upcoming financial year.

## OVERVIEW OF INDIAN ECONOMY

After a 6.6 per cent contraction in FY 2020-21, the Indian economy rebounded to 8.9 per cent in FY 2021-22 as per the second advance estimates released by NSO. The strong Delta wave in the beginning of the fiscal had a significant negative impact on growth in the first half of the fiscal. While economy has shown steady recovery from Q2 FY22 onwards, it has largely been a K shaped recovery with informal and contact intensive sectors lagging and industrial sector and agriculture doing

much better. The Omicron wave in early 2022 also impacted growth, although to a much lesser extent than the Delta wave.

Falling infections, rapid vaccination coverage and quick normalisation of mobility have facilitated the recovery in economic activity in India over the last year. Rural demand has remained resilient while urban demand has also recovered with pent-up demand supporting the recovery in contact-intensive sectors. Private consumption sentiment have been weak. However, recovery has moved much further in industrial sector, construction and exports.

Inflation also rose in India in line with rest of the world, but largely remained within the RBI tolerance band. Higher inflation in India has largely been due to high commodity prices and global supply disruptions. After remaining ultra-accommodative and giving preference to growth over inflation, high inflation has finally resulted in pivot by RBI giving importance to rising inflation, although remaining accommodative.

The Union Budget for FY 2022-23 was focused on growth revival, budgeting for an aggressive capex spending while setting a fiscal deficit target at an elevated level of 6.4% of GDP. Consequently, government borrowing remains elevated. High inflation, hawkish RBI, sharp increase in bond yields and the large borrowing program have caused a sharp rise in interest rates in India.

Exports and Imports both jumped sharply in FY22 as high oil prices, demand for gold and strong global growth supported both imports and exports. India's trade deficit rose from \$102.63 bn in FY 2020-21 to \$192.24 bn in FY 2021-22 and CAD is also expected to have widened to 1.5% of GDP from 0.9% of GDP surplus in FY21. Going forward, oil prices will be the most important variable for the Indian economy as the same impacts India's GDP growth, inflation as well as BOP dynamics.

## INDUSTRY STRUCTURE AND DEVELOPMENTS

NBFCs have a competitive advantage in their understanding of regional dynamics, which coupled with last mile connectivity has empowered them to provide customized financial products in a technology backed agile environment to emerge as a key player in Indian financing sector. The NBFCs' credit intensity to GDP ratio has risen to 13.7% in 2021<sup>1</sup> from 8.6% in 2013 & has grown at a faster pace than the credit growth for Banks during the said period. Timely policy measures by the Reserve Bank along with liquidity support, bolstered market confidence and reduced borrowing costs for NBFCs. As financial conditions and market access of NBFCs improved, many NBFCs also adopted prudent debt recycling to pay off their high-cost borrowings for new debt at a lower cost.

<sup>1</sup>Source: RBI's Dec 2021 Publication on NBFIs | The GDP is on current market price basis

## Management Discussion and Analysis (Contd.)

During FY22, NBFCs strengthened their balance sheet through deleveraging, increased their provisions and continued with cautious credit growth with the support provided by regulatory initiatives. Provisions against NPAs increased during the year reflective of NBFCs bracing for a potential increase in impaired assets after lifting of the asset classification standstill. Net profits of NBFCs-ND-SI witnessed a significant improvement in the aftermath of the first wave of COVID-19 as their cost to income ratios dropped. Total expenses of NBFCs moderated during the year as interest expenses declined, due to reduction in interest burden on bank credit. Operating expenses declined during the year as NBFCs successfully reined in administrative costs by leveraging technology.

### BUSINESS OVERVIEW

Headquartered in Mumbai, Aditya Birla Finance Limited (“the Company / ABFL”) offers lending and wealth management solutions to a diverse set of customers. ABFL is among the top 5 premier diversified non-bank financier in India. Over the last 10 years, ABFL has proliferated upon a distinctive approach to diversify its portfolio across a wide range of customer segments, needs, channels and geographies with focus on retail and SME segments.

The Company is pursuing its strategy on the following three pillars, which will drive its next level of growth.

- **Product-suite expansion**

The first pillar of the Company’s strategy is its product portfolio expansion with enhanced customer segmentation. Adding relevant products to cater to varied customer needs and expanding from traditional to new channels of sourcing continues to be a key emphasis point for ABFL. The Company is steadily investing in broadening its portfolio towards small ticket loans including buy now pay later, checkout financing, education loans and merchant loans. Some of the new products have grown with significant traction, e.g., the Company added 3.8+ Million customers through its buy now pay later product in FY22. The small ticket and digital ecosystem products grew ~3x in last 2 years.

- **Deeper distribution**

The Company continues to accelerate investments in its infrastructure. This is done in a calibrated manner with control on both costs and outcomes and it has supported its strategy to sharpen its focus on Retail and SME segments. As a result, the Company’s branch

presence grew from 94 in March 2021 to 159 as of March 2022. To drive further penetration in retail segments, the Company plans to double its footprint in FY23 to nearly 320+ branches, primarily in Tier 3 and 4 markets. Our branch presence mix in Tier 3 and 4 markets has grown from 48% in FY20 to 76% in FY22.

The ‘ABC One Branch’ strategy enables ABFL to add to its presence organically at a lower cost. Additionally, ABFL is also expanding its distribution channels and sourcing increasingly from Direct & Digital Ecosystems. The overall share of direct and digital ecosystems sourcing for the Retail segment increased from 19% in FY20 to 49% in FY22. The Company also plans to leverage the ABC and ABG ecosystem in terms of expanding outreach.

- **Cutting-edge technology**

Another pillar of the Company’s strategy is to leverage technology in order to make its business future ready. To that end, ABFL has consistently implemented the best technologies available at each stage of its journey. With these investments, a large part of its customer acquisition and collections during the year has been through digital platforms leading to accelerated growth. 4.1+ Million customers were acquired via digital ecosystems in FY 22. 37% of retail segment disbursements were through digital ecosystems forming 15% of the overall Retail assets portfolio. This share has grown significantly in the last few years, and we attribute our right to win in this segment due to our strong balance sheet, lowest cost of borrowings amongst peers, end-to-end agile, plug and play API tech stack, partner specific bespoke underwriting policies and product bundling for customer’s overall financial needs.

ABFL has initiated personal loan cross-sell on the buy-now-pay-later customers acquired through Digital Ecosystems and we plan to scale it up for further up-sell and cross-sell opportunities to derive a higher customer lifetime value.

The grid alongside illustrates significant progress made by ABFL across digital vectors contributing to customer acquisition, service and process efficiencies.

Looking forward, the Company is constantly evaluating emerging technologies to provide significant thrust to areas such as customer on-boarding, underwriting, servicing, collections, amongst others. Going forward, the adoption of digitalisation will help catalyse growth, scalability and efficiency.



## Management Discussion and Analysis (Contd.)

<b>Revenue Enablement through digital customer acquisition</b>	<b>96%</b> Customers onboarded digitally in FY22	<b>4.1+ Mn</b> Customers acquired through digital ecosystems in YTD FY22	<b>37%</b> Retail disbursements in FY22 through Digital Ecosystems
<b>Customer Advocacy through Self Service Channels</b>	<b>98%</b> EMIs collected digitally in FY22	<b>11</b> Voice Bots for inbound and outbound calls across	<b>85%</b> Digital service interactions in FY22
<b>Scalability &amp; Automation of back-end processes and Systems</b>	<b>3+ Lakh</b> Calls to customers using Audio Visual Voice Bots in H2 FY22	<b>84</b> RPA Robots live in operations processes in FY22	<b>2.9+ Lakh</b> Emails handled through AI Bot in FY22

The Company has made significant progress in delivering on its growth strategy and has demonstrated a strong performance track record against the key metrics. The progressive trend signifies that the product suite and branch expansion strategy are supporting ABFL's strategy to deliver the desired Retail and SME mix along with increasing Net Interest Margins. With an overall profit growth of 44% year on year, the RoA improved by 63 bps from 1.7% in FY21 to 2.3% in FY22.

(%)

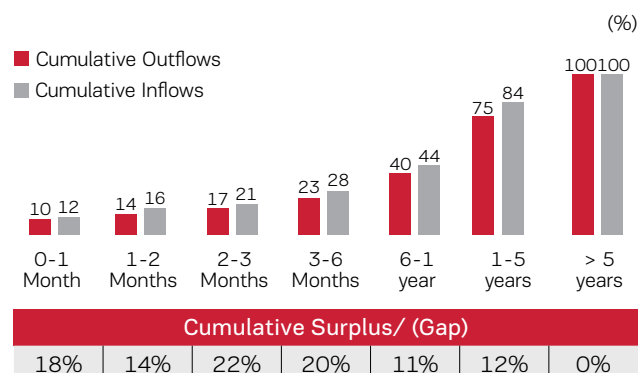
Key Metrics	FY18	FY19	FY20	FY21	FY22
Retail + SME + HNI mix	46	49	50	56	62
Net Interest Margin	4.54	4.91	5.11	5.34	6.25
Return on Assets	1.8	1.9	1.7	1.7	2.3

The Company has a strong balance sheet to support its growth strategy with one of the finest cost of borrowings in the industry.

- Positive ALM and surplus liquidity to enable growth:**

Asset Liability Management is addressed optimally and within the norms stipulated by RBI. ABFL is well positioned to meet its liquidity needs by maintaining positive ALM and surplus liquidity to ensure both, timely loan repayments and support the business growth. It intends to continue to ensure the same for uninterrupted growth in its business.

### ALM optimised for liquidity and costs 31<sup>st</sup> Mar 2022



## Management Discussion and Analysis (Contd.)

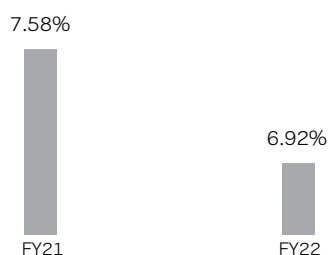
- The Net worth of the Company as of 31<sup>st</sup> March 2022 was ₹9,860 Crore as against ₹8,838 Crore in the previous year. Total borrowing outstanding at amortized cost as of 31<sup>st</sup> March 2022 was ₹46,052 Crore (previous year ₹41,215 Crore). The Company has not raised any fixed deposits from the public.

### Cost of borrowing:

The Company has strong funding access with adequate liquidity surplus and amongst lowest cost of borrowing in the industry, demonstrated over the last 2 years of economic cycles. During the year, the Cost of Borrowing (COB) of the Company fell by 66 bps on y-o-y basis.

### Cost of borrowing

(%)



Note: The Cost of Fund (COF) which is defined as total interest costs divided by average loan assets, has reduced by 77 bps on Y-o-Y basis.

### Capital adequacy ratio (CAR):

As on 31<sup>st</sup> March 2022 the Capital Adequacy Ratio for the Company was 21.77% (previous year 22.70%) against a minimum of 15% as required by RBI. The Tier I capital of the Company was 18.07% (previous year 18.43%) and Tier II capital was 3.70% (previous year 4.27%).

### Rating:

ICRA, CARE and India Ratings continue with the AAA long-term debt rating of the Company.

## BUSINESS PERFORMANCE

To execute its business strategy, ABFL continues to increase its presence, physically and digitally. It has increased its geographic presence from 94 branches in FY21 to 159 branches in India as on 31<sup>st</sup> March 2022, with 76% branches in Tier III/IV markets.

Majority of these new lean branches were opened in smaller cities / semi urban areas to tap into Retail and SME segments in new markets.

The Company caters to the following diverse set of customers:

- Retail
- SME
- HNI
- Large / Mid Corporates

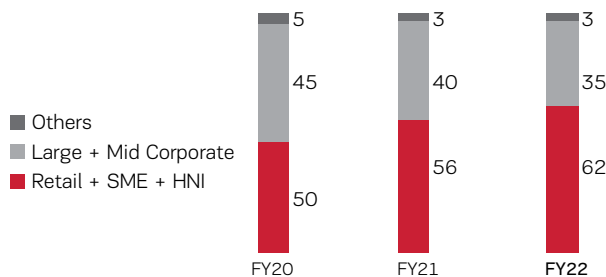
ABFL continues to primarily focus on cash flow-based underwriting. The secured loan book is at ~73% of total book and an additional 4% is secured through CGTMSE guarantee scheme as on 31<sup>st</sup> March 2022. ABFL believes that diversification is a key method of risk mitigation. Its exposures are diversified across sectors, customer segments and products. The loan book of the Company stood at ₹55,180 Crore as on 31<sup>st</sup> March 2022. The Company has been right sizing its wholesale business. The strategic reduction in this segment was offset by focused growth in Retail, MSME and SME segments. The number of customers of the Company has grown 17x over the previous year. The assets under advice (AuA) of the Wealth Management business grew at 21% to ₹18,826 Crore.

ABFL continues its focus on diversification across customers and product categories with a focus on growing higher margin MSME and Retail lending sustainably. Diversification of our customer segments has a significant benefit as it allows us to pick and choose segments that work on a risk-return basis. The Retail, SME and HNI segments grew to ~62% of the portfolio in the last year.

### Change in Loan Book Mix

Loan Book (₹ in Cr.)	47,057	48,689	55,180
Book Growth		<b>SME + Retail + HNI</b>	
13% ↑ y-o-y		56% → 62%	

(%)





## Management Discussion and Analysis (Contd.)

Customer segment wise portfolio details as compared to previous year is given below:

Customer Segment	₹ in Crore)		
	March 2022	March 2021	Change %
Retail	17,620	11,326	56%
SME	14,759	14,107	7%
HNI & Others	3,631	3,566	2%
Large / Mid Corporate	19,170	19,690	(3)%
<b>Total lending book</b>	<b>55,180</b>	<b>48,689</b>	<b>13%</b>
Wealth management (AuA)	18,826	15,543	21%

### i) Retail segment:

ABFL caters to individuals / small business owners / micro enterprise segments to fulfil their business, personal and investment needs and to help them meet their expansion plans, asset acquisition and other requirements. ABFL has built an entire spectrum of lending, financing and wealth management solutions including (i) secured loans, (ii) unsecured personal loans, (iii) unsecured business loans, (iv) small ticket secured and unsecured loans, (v) loan against securities (LAS)

- A) Personal Loan: Financial solution for salaried segment without any collateral
- B) Business Loan: Unsecured loan offerings to Micro / Medium / Business enterprises for business expansion or working capital
- C) Small ticket unsecured loan – Collateral free loan to small traders for business or personal purpose
- D) Small ticket secured loan – Loan against property for Business or personal purposes.

ABFL also offers wealth management solutions to customers through distribution of third-party products.

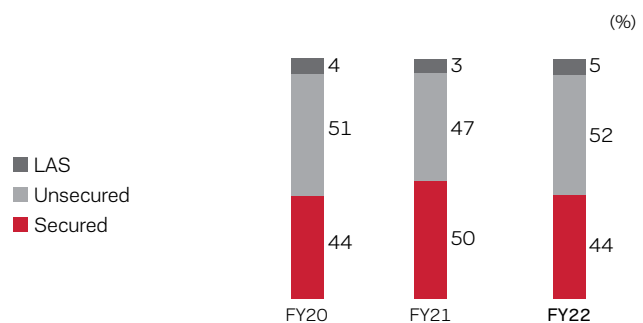
The Company is steadily investing in broadening its portfolio towards small ticket loans including buy now pay later, checkout financing, education loans and merchant loans. This also synchronises well with its efforts toward retailisation and digitalisation.

The contribution from the small ticket loans and the customized ecosystem products like Buy Now Pay Later, Checkout financing, Education Loans, Merchant Loans, etc. has grown nearly 3x in the last two years. The Company has supported its deserving customers with the Emergency Credit Line Guarantee Scheme (100% Credit Guarantee

from NCGTCL) for top-up loans to existing Retail and SME clients. The Company is also availing the CGTMSE (SIDBI) Program for new unsecured loans to MSME customers to minimize the risk from this segment. The Company has created a unique online financing platform with lead acquisition, assessment and servicing performed end-to-end through an all-digital Loan Origination system. Digital Lending has further enhanced ABFL's capability to offer unique lending solutions to customers of strategic alliance partners. Keeping up with the rapidly evolving digital solutions, the Company has been able to create a vast range of lending offerings for its partner platforms and their captive customer base. It has developed a plug-and-play ecosystem which allows faster integration across partner journeys with improved customer experience, significant cost savings, consistency in the credit approval process and real-time loan disbursements. This offering not only provides an extended outreach but an opportunity to assess and service customers using alternate data and machine learning models.

### Retail

Loan book (₹ in Cr.)	8,838	11,326	17,620
% Mix	19%	23%	32%
ATS (₹ Lakhs)	4.4	5.4	0.5



## Management Discussion and Analysis (Contd.)

This segment in line with the Company's focus on moving to a granular loan book grew strongly throughout the year with growth rate of 56%, to close the year with a book of ₹17,620 Crore, up from ₹11,326 Crore as on 31<sup>st</sup> March 2021. In line with the philosophy of reducing ticket sizes, the average ticket size is about ₹0.5 Lakh, down from ₹5 Lakh in FY21. This segment's contribution to the overall book expanded to 32% in FY22 from 23% in FY21.

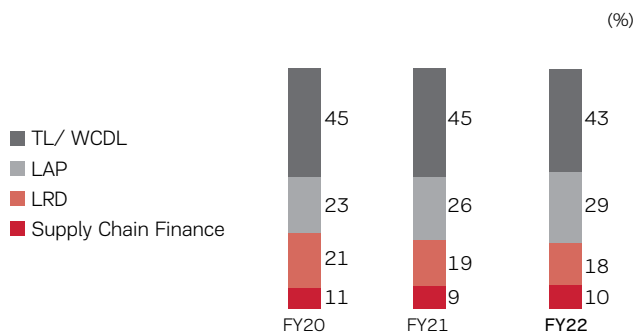
### ii) SME segment:

With the Indian economy expected to emerge as one of the leading economies in the world, a major impetus is being given to the SME sector which acts as the backbone of the economy. ABFL reaches out to this segment largely through relationship managers.

ABFL caters to the needs of this segment by financing their requirements through solutions like term loans, working capital facilities, capex funding requirements through our diversified product solutions. ABFL also caters to the demand arising out of working capital requirements through its solutions like vendor financing and channel financing. It also offers products like Lease rental discounting (LRD) to enable clients to finance business expansion and asset creation by monetizing and unlocking value of their property with rent from lessees becoming the source of repayment. The Company is live in 30 SME industry-micro market cluster locations. This year, the Company has also launched its Digital MSME platform for sourcing across the value chain. The platform will be enabling simplified processes & better TATs to enhance its presence in B2B digital platforms that are emerging marketplaces for merchant ecosystems.

### SME

Loan book (₹ in Cr.)	12,778	14,107	14,759
% Mix	27%	29%	27%
ATS (₹ Crore)	5.3	5.5	4.9



This segment achieved a closing portfolio of ₹14,759 Crore as on 31<sup>st</sup> March 2022 from ₹14,107 Crore as on 31<sup>st</sup> March 2021. This was in line with the strategy to increase granularity of the overall portfolio. The average ticket size for the SME book remained at ~₹5 Crore. Overall, the contribution of this segment after an absolute growth of 7%, reduced marginally from 29% in FY21 to 27% of total loan book of the Company as on 31<sup>st</sup> March 2022, due to the growth in the overall loan book.

### iii) HNI & others:

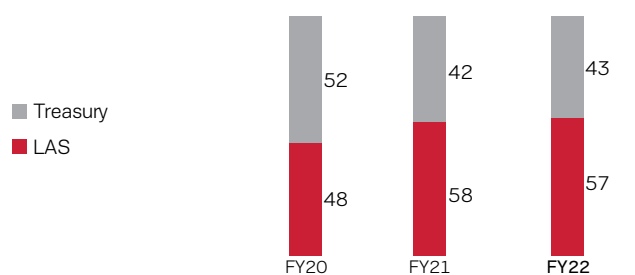
This segment caters to ultra-high net worth individuals including promoters of companies. ABFL offers funding against financial securities to meet needs of this client segment to expand and grow by starting new operations, entering new markets and introducing new products or increasing stake in their companies through warrants conversion, subscribing to rights issues, equity infusion in other businesses etc. The Company provides solutions in the form of Loans against shares, IPO financing etc. to allow this segment to raise funds quickly against security of shares, mutual fund units, bonds, or a combination thereof.

This segment's book marginally increased by 2% during the year to reach ₹3,631 Crore as on 31<sup>st</sup> March 2022 from ₹3,566 Crore as on 31<sup>st</sup> March 2021. This segment contributed 7% to total loan book of the Company as on 31<sup>st</sup> March 2022. The average ticket size of the LAS product has been right sized to ₹29 Crore in FY22 from ₹46 Crore in the previous year.

### HNI + Others

Loan book (₹ in Cr.)	4,098	3,566	3,631
% Mix	9%	7%	7%
LAS ATS (₹ Crore)	35.3	45.9	28.9

(%)







## Management Discussion and Analysis (Contd.)

### iv) Large / Mid corporates segment:

ABFL serves corporates across sectors such as Renewable Energy, Roads and Transport, Pharmaceuticals, FMCG, Automotive, Education, Specialty Chemicals etc. It caters to these segments with term loans, project finance, as well as customized products such as structured finance. Mid-corporate clients seek customized solutions to meet their long-term working capital requirements, short-term business loans, acquisition finance and other funding requirements, apart from conventional balance sheet loans to operating companies. In select markets, ABFL also provides construction finance to builders. ABFL helps the corporate clients' treasuries by offering third party investment products such as mutual funds, commercial papers, NCDs and alternate assets through its wealth management services. Through its dedicated Debt Capital Markets desk, ABFL offers innovative structures and syndication services to its corporate clients. The project loan financing segment funds projects with ring fenced cash flows. In the project loan portfolio, all the exposures are fully backed by project cash flows. In the structured finance portfolio, the loans are typically structured with recourse to cash flows of the obligor and sponsor entities with adequate security coverage. In construction finance, ABFL deals with top category developers having a significant track record.

The size of the portfolio for this segment was ₹19,690 Crore at the beginning of FY22. With a conscious strategic reduction of ₹520 Crore of assets, it closed the year at ₹19,170 Crore, thereby registering 3% degrowth in FY22. The book is down by ₹5,500 Crore since its peak in FY19. The average ticket size of the loans was strategically lowered to ₹47 Crore/customer from ₹53 Crore in FY21. Large and mid-sized corporate portfolio constitutes 35%

of the overall book in FY22, down from 40% in FY21. This is in line with the Company's objective to diversify and increase granularity of its loan book. The Company continues to see opportunities in this space but believe that this segment will grow slower than the others.

## WEALTH MANAGEMENT BUSINESS

Aditya Birla Wealth Management business comprises of two segments:

### 1. Aditya Birla Wealth - HNI + CTS

#### High Net-worth individual business

Wealth Management segment (WMS) caters to the requirements of High Net worth and Ultra High net Worth individuals and aims to provide customized investment options to meet their goals.

#### Corporate and treasury services

The Corporate and Treasury Services (CTS) caters to the requirements of SMEs, Mid and Large Corporates and aims to provide customized investment solutions to meet their investment requirements.

### 2. Aditya Birla Wealth - Retail

#### Business partner group

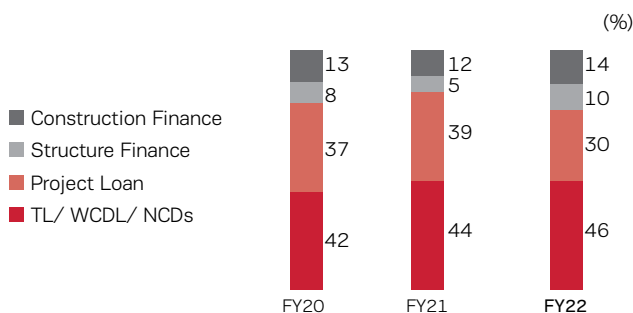
The Business Partner Group (BPG) caters to the IFA's and Channel Partners who work with retail clients across the country, especially in Tier II and III locations. They acquire and service these clients across multiple products especially Mutual Funds for a revenue share with the Company. Business partners work to boost sales, decrease time to market and provide access to markets, with relatively low fixed costs.

#### Online business

The clients in this segment are the self-directed individuals who are comfortable with the use of technology for their financial needs – across Investment (Mutual Funds, direct equity via referral to Aditya Birla Money Ltd., Digital Gold, Fixed Deposits, etc.) & Financing (Personal Loans, Home Loans, Business Loans, etc.) product choices. There are significant potential synergies for these tech offerings with the existing channels of Wealth Management especially the Business Partner Group, which caters to retail customers across the country. The tech platform makes the acquisition, fulfilment, engagement & cross sell to the retail clients easier and more seamless, more financially viable and very scalable; and is in line with our intent to provide unbiased offerings for clients across financial service products.

### Large/ Mid Corporate

Loan book (₹ in Cr.)	21,344	19,690	19,170
% Mix	45%	40%	35%
ATS (₹ Crore)	59.3	53.4	46.9



## Management Discussion and Analysis (Contd.)

The AuA under Wealth Management has grown at a rate of 21% from ₹15,543 Crore as on 31<sup>st</sup> March 2021 to ₹18,826 Crore as on 31<sup>st</sup> March 2022. This is in line with the rise in equity markets in the same period.

### Financial performance

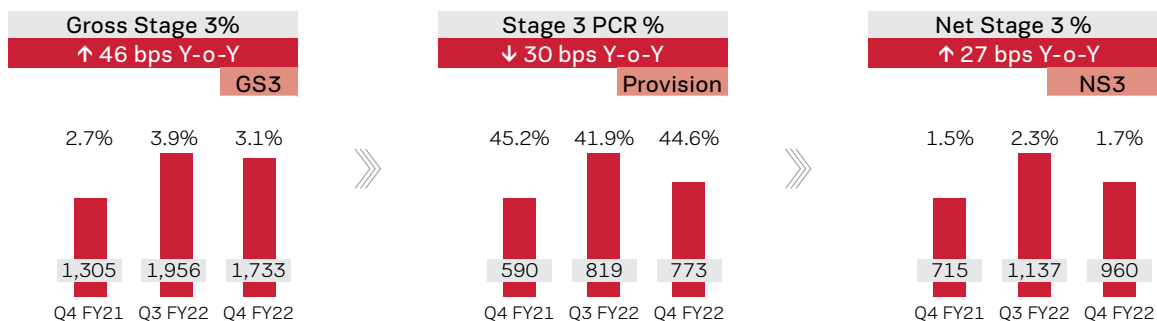
ABFL has consistently increased margins year-on-year. The year 2021-22 witnessed a growth in the Net Interest Margin (including fee income) expanding by 91 bps to 6.25%, through higher retail mix, and margin improvement measures driven by product mix changes and targeted customer selection throughout the year. This reflects the increased proportion of higher margin segments in the portfolio and optimised borrowing costs.

During the year under review, revenues of the Company grew by 5% to ₹5,797 Crore, driven by growth in the loan book and higher NIM. ABFL's PBT and PAT showed a healthy growth of 44% to ₹1,487 Crore from ₹1,031 Crore and to ₹1,108 Crore from ₹769 Crore, respectively, due to margin expansion, supported with reducing Cost Income Ratio. Networth of ABFL as on 31<sup>st</sup> March 2022 was ₹9,860 Crore.

### Key financials

Key performance parameters	₹ in Crore	
	FY22	FY21
Lending Book	55,180	48,689
Revenue	5,797	5,528
Average Yield (incl. Fee income)	11.74%	11.69%
Interest Cost / Avg. Lending Book	5.49%	6.35%
Net Interest Margin (incl. Fee Income)	6.25%	5.34%
Cost to Income Ratio	30.2%	31.2%
Opex/ Avg. Lending book	1.94%	1.70%
Credit Provisioning % of Avg. Lending Book	1.39%	1.51%
Profit Before Tax	1,487	1,031
Profit After Tax	1,108	769
Net profit margin	19.16%	13.93%
Net Worth	9,860	8,838
Debt equity ratio	4.66	4.66
Return on Assets	2.3%	1.7%
Return on Equity	12.5%	9.6%
Liquidity coverage ratio	90.94%	160.10%
Capital adequacy ratio	21.77%	22.70%

### Stage-wise assets and ECL provisioning (%) (on POS)



The growth of the loan book has been accompanied by strong credit appraisal and risk management practices, which have helped the Company deliver stable risk-adjusted returns, improve the quality of its book and deliver strong collections efficiency



## Management Discussion and Analysis (Contd.)

of 99.6% at higher than pre-covid levels. Approximately 73% of ABFL's portfolio is secured as of March 2022, with a net security cover >1.8x. An additional 4% of the portfolio is guaranteed under the CGTMSE (SIDBI) scheme. 71% of retail portfolio is secured through asset & government guarantee schemes. Restructured book at ₹1,667 Crore comprises 3% of overall loan book. The largely secured book provided an additional safety layer in such uncertain times, despite an increase in the Expected Credit Loss (ECL) provisions.

## OPPORTUNITIES AND THREATS FOR THE COMPANY

### Opportunities

- Under-penetration of formal financial services in India providing opportunity 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

### Threats

- Impact of ongoing geopolitical conflicts, rising inflation and increasing interest rates on portfolio credit quality, profitability and industry growth

## RISKS 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 among them are credit risk, market risk (which includes liquidity risk and price risk) and operational risk. The measurement, monitoring and management of risks remains 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 best practices in the market.

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

## MATERIAL DEVELOPMENTS IN HUMAN RESOURCES (HR)

Your Company has always aspired to be an organization and a workplace which attracts, retains and provides a canvas for talent to operate. The Company's vision to be a leader and a role model 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 organization, 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 31<sup>st</sup> March 2022, the employee strength of the Company was 2,850 employees, comprising of more than **82%** millennials and **14%** women. The age profile of the employees of the Company is as shown in the graph:

### Age Profile



## Management Discussion and Analysis (Contd.)

### TALENT MANAGEMENT:

Building a strong future ready talent pool and robust leadership succession pipeline continue to be priority areas for us in Talent Management. We continued to give prominence to identifying and developing our high potential employees across every line of business and have steered towards more holistic, comprehensive and future oriented development interventions for them. We have immense focus on creating well rounded leaders who are passionate about value creation for customers and execution excellence.

Significant attention has been given to greater alignment, synergies and stronger collaboration amongst businesses and leaders across levels.

In the last two years:

- The Company has invested significantly over the last year in identifying and developing talent across levels. Out of 589 employees across Middle & Senior Management, 22% are part of our talent pool most of whom have been covered in the Leadership Development Program. These programs are aimed at fast tracking high potential employees of the organization.
- 190 employees have undergone a role change as a part of career progression.

Additionally, focus on building future ready skills in the areas of Digital, Technology, risk and Analytics has been at the center point for last year. Through various initiatives and partnerships with global organizations, the Company has continued its focus on building skills in these areas.

### Employee wellness and engagement

Our endeavour to provide a happy, vibrant and engaging work environment continued this year. We welcomed employees back to work and significant attention was given to help them restart and settle comfortably through support mechanisms and flexibility.

Revitalising a culture of connect and camaraderie has been yet another area of significant attention for us. Bringing people together through events, townhalls, leadership connect sessions and celebration of milestones enabled this.

Availability of medical infrastructure and support systems were a huge challenge in the initial days of the pandemic and the Company devised a comprehensive support mechanism through which the employees were provided at home testing support, on call doctor assistance, hospitalization support etc. A 24\*7 helpline number 18002702020 was used for central dissemination of information for employees to reach out for any help on this regard.

A comprehensive wellness program was launched recently which is aimed at helping employees improve their physical as well as emotional wellbeing. This will continue to be a key area of focus for the Company. **16%** of the employees have adopted the AB Multiply App, - a integrated wellness program exclusively launched for employees across Aditya Birla Capital.

In FY 22 more **than 39%** of the employees have been recognized across various internal platforms like ABC Inspiration Awards, Udaan Awards- Annual, On the Spot and Quarterly Awards.

We are also reinforcing the importance of health and wellbeing through wellness programs and initiatives. We continued to support our employees and their family members through medical infrastructure support and assistance programs during Wave 2 and 3 of COVID. Along with that, the Company ran specific vaccination programs to ensure that all the employees and their family members are the earliest to get protection against Covid -19.

The Company was also the first in the industry, with the relaxation of the lockdowns to open offices and branches, indicating our commitment towards the customers. Our preparations before reopening covered all aspects of safety protocols for our customers and employees.

### Learning:

At ABFL, our philosophy is to provide every employee with equal and continuous opportunities to learn & grow. Our learning interventions create an organisation wide impact as these are focused on enabling employees to do better at work both in functional as well as behavioral domain. Employees are encouraged to own their learning journey by identifying their development needs in the Management Development Program tool. K-cart is the knowledge management portal at ABFL. This platform has been created with a purpose of dissemination and assessment of knowledge across all levels.

Evolve – the ABFL Learning Academy is an aggregator of all behavioural learning initiatives. All behavioural learning interventions planned are collated under EVOLVE. An annual and monthly calendar of behavioural training programs, interventions, online modules is circulated to all employees.

The Learning Web – This is the umbrella initiative for all Functional learning and development initiatives, most of which are done in a virtual setting. All pre and post functional training interventions are driven through The Learning Web and a monthly calendar is circulated to all employees under THE FUNCTIONAL EXPRESS newsletter.

Last year the L&D team went through a transformational shift wherein all traditional classroom sessions were given a face lift through virtual instructor led programs. These programs enabled us to cover **88%** of our employees across the length



## Management Discussion and Analysis (Contd.)

and breadth of the country giving the employees the flexibility to learn anytime and from anywhere. Additionally, with **3000+** E Learning courses and **19K+** video-based modules, 300 micro-learning modules in ABC University, our employees have accelerated their learnings for their benefit. **85%** of our employees in Middle and Junior management have undergone more than 1 e-learning course in FY22. Building the right skillsets in the most challenging times was one of the priorities for the team which led to building special focus on Channel Management, Distribution Building and Team Productivity. TARA was a unique women leadership development initiative with senior women leaders mentoring young women within the organization. Productivity and profitability initiatives were executed under Functional Learning and Development for various Sales functions such as League of Leaders (for managerial capability development), FTR (to improve the proposal and CAM quality and to facilitate faster decision making), CRMC (for building risk evaluation and mitigation capability) among others. To support the Retail Branch expansion a comprehensive Day-0 Functional Induction was launched, which has resulted into a faster activation and higher productivity of new joiners, where the number of employees earning incentives within 30 days of joining has risen from 19% in FY21 to 52% in FY22.

### FY2023 – Way forward and outlook on domestic growth

Economic activity was recovering from the ebbing of the Omicron wave when the fallout of the Ukraine- Russia conflict has overcast the near-term outlook with heightened uncertainties. Growth and inflation outcomes are at high risk across the world as well as in India. In the face of this extraordinary risk, the positive effects expected from the release of pent-up demand, especially for contact-intensive services, the government's thrust on infrastructure and capital expenditure, congenial financial conditions and improving capacity utilisation appear ephemeral. Updated forecasts indicate that headline inflation, which was expected to ease from current elevated levels as food inflation gets contained on the back of record production and abundant stocks, is now subject to a geopolitical shock. The escalation of war, continued supply chain disruptions, global financial market volatility emanating from monetary policy normalisation in major advanced economies and the evolving COVID-19 trajectory pose downside risks to growth and

upside risks to the inflation outlook and could get exacerbated significantly by the intensification of geopolitical tensions. The concomitant surge in global oil and commodity prices to multi-year highs has increased risk aversion as reflected in jumps in financial market volatility and these developments could increasingly shape the economic prospects globally and for India.

### NBFC outlook

NBFCs are expected to begin the year with sufficient capital buffers, stable margins, and sizeable on-balance sheet provisioning, while adequate system liquidity would aid funding. Nevertheless, an expected increase in systemic interest rates and asset quality issues in some segments due to the lagged impact of pandemic may act as a drag on the operating performance.

The sector has been facing increased regulatory oversight and push towards convergence with banks through various measures such as scale-based regulation, realignment in asset quality classification and Prompt Corrective Action norm. The incremental impact of the notification on NPA recognition however will be moderate as the NBFCs are holding adequate provisions.

### Cautionary statement

Statements in this Management Discussion and Analysis describing the Company's plan and objectives, financial conditions, business prospects, estimates and expectations may be forward looking statements which are based on the current belief, assumptions, projections of the Directors and the management of the Company. These statements do not guarantee the future performance and are subject to known and unknown risks, uncertainties, and other factors some of which may be beyond the control of the Company. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include unavailability of finance at competitive rates, significant changes in political and economic environment in India or key markets abroad, tax laws, litigations, exchange rate fluctuations, interest, and other costs.



# 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 31<sup>st</sup> (Thirty First) Annual Report and the Audited Financial Statements (Standalone) of the Company for the financial year ended 31<sup>st</sup> March 2022 ("**financial year under review**").

## FINANCIAL SUMMARY AND HIGHLIGHTS

The Company's financial performance for the financial year ended 31<sup>st</sup> March 2022 as compared to the previous financial year ended 31<sup>st</sup> March 2021 is summarised below:

Particulars	(₹ in Crore)	
	Year ended 31 <sup>st</sup> March	
	2022	2021
Total Income	5,797	5,527
Less: Finance cost	2,709	3,020
<b>Net Interest Income</b>	<b>3,088</b>	<b>2,507</b>
Less: Total Operating Expenses	947	794
<b>Pre provision Operating Profit</b>	<b>2,141</b>	<b>1,713</b>
Less: Impairment on financial instruments	653	682
Profit before Tax	1,487	1,031
Less: Tax expenses	379	263
<b>Profit after Tax</b>	<b>1,108</b>	<b>769</b>
Add: Other comprehensive income (net of tax)	24	(9)
<b>Total comprehensive income (net of tax)</b>	<b>1,132</b>	<b>760</b>
Transfer to Special Reserve	244	154

The above is an extract 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 31<sup>st</sup> March 2022 are as under:**

### a) Key highlights

- During the year under review, the total income ended at ₹5,797 Crore as against ₹5,527 Crore in

the previous year with a growth of 5%, primarily led by growth in the lending book.

- The Net Interest Income grew by 23% to ₹3,088 Crore from ₹2,507 Crore in the previous year. This was primarily led by growth in the lending book along with optimized borrowing cost with a 10% reduction.
- The operating expenses grew by 19% to ₹947 crore from ₹794 crore primarily due to expansion in retail segment.
- The provisions for impairment of financial instruments at ₹653 Crore was marginally lower than previous year at ₹682 Crore.
- Operating profit for the year grew by 25% to ₹2,141 Crore from the ₹1,713 Crore in the previous year.
- With the combination of factors mentioned above, both profit before tax and profit after tax increased by 44% to ₹1,487 Crore from ₹1,031 Crore and to ₹1,108 Crore from ₹769 Crore.

### b) Business

The Company offers lending, financing and wealth management solutions to Retail, HNI, Ultra HNI, Micro

**Board's Report (Contd.)**

SME, SME and corporate customers as indicated in the table below. The portfolio is well diversified across various customer segments, sectors and products.

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

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

**c) Portfolio quality**

During the FY22, planned strategic reductions in Corporate / wholesale loans and focused growth in the retail and SME segments resulted in growth of 13% in its loan book. During the financial year the Company also enhanced its footprint by opening 65 branches in Tier 3 & 4 cities with a strategic reduction and rebalancing in Tier 1 & 2 cities. During this period of turbulence, the Company has been able to maintain / improve the credit quality through strengthening of credit underwriting and enhancement of its collection capabilities. Additionally, during the financial year, the Company extended to its eligible customers relief measures like guaranteed emergency credit line (GECL) under the Emergency Credit Line Guarantee Scheme (ECLGS) of the National Credit Guarantee Corporation Ltd. (NCGTC- a Govt. of India organization) and extension of DCCO, restructuring under the guidelines of the RBI.

Gross Stage 3 book was at ₹1,733 Crore (3.1%) and Stage 3 Provisions were at ₹773 Crore as on 31<sup>st</sup> March 2022 (Previous year Gross Stage 3 book was at ₹1,305 Crore and Stage 3 Provisions was at ₹590 Crore). The provision coverage ratio (PCR) for stage 3 assets was almost stable from 45.2% in FY21 to 44.6% in FY22. The total floating provision was increased to ₹186 Crore (34 bps of loan book) as on 31<sup>st</sup> March 2022 as compared to ₹129 Crore

(26 bps of loan book) as on 31<sup>st</sup> March 2021. Restructured assets at ₹1,667 Crore comprised 3% of loan book as on 31<sup>st</sup> March 2022.

**d) Treasury**

During the year, the Company has been able to raise Long Term money of ₹12,719 Crore (Term Loans of ₹9,460 Crore from banks and ₹2,939 Crore through Debentures and ₹320 Crore through Sub-ordinated debt). The Company primarily sources funds through Banks (Term loans, WC DL/cash credit) and Debt markets (Non-Convertible Debentures (NCDs), Sub-ordinated Debt, perpetual debt and Commercial Paper (CP)). The outstanding debt (amortized) as on 31<sup>st</sup> March 2022 was ₹46,052 Crore as compared to ₹41,223 Crore as on 31<sup>st</sup> March 2021.

As per RBI mandate, from 1<sup>st</sup> December 2020, the Company has started maintaining liquidity in the form of High Quality Liquid Asset (HQLA) i.e. Government securities, T-Bill, Cash, etc., as against the investment of surplus cash in liquid MF units.

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 liquidity through diversification. 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 31<sup>st</sup> March 2022, 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 [www.adityabirlafinance.com](http://www.adityabirlafinance.com).

## MATERIAL EVENTS DURING THE YEAR

### Impact on the Business Continuity amidst the spread of Covid-19:

The outbreak of COVID-19 pandemic continued with the second wave and third wave during the financial year under review. The Company continued its operations under its Business Continuity Plan (BCP) and implemented a business normalization plan thereby mitigating the business impact. While following COVID-19 protocol as mandated by the Government, the Company gave utmost importance to the health and well-being of its employees and continued the operations in business continuity mode using technology and digital tools at all functional levels and serving customers at all locations.

Vaccination was identified as a key component in the fight against COVID-19 pandemic. To safeguard the health of the employees and their families, the Company also embarked on a vaccination drive for them and extended complete care and assistance at all levels during the pandemic. Towards the end of the year, COVID-19 infections started ebbing and conditions started normalizing resulting in resumption of normal business operations by the Company in line with staggered relaxations notified by the Government. The details of BCP with reference to COVID-19 is covered comprehensively under the Business Continuity section.

## 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 31<sup>st</sup> March 2022 an amount of ₹244 Crore was transferred to Special Reserve in terms of Section 45-IC of the Reserve Bank of India Act, 1934.

## DIVIDEND

During the year under review, the Board had approved an interim dividend of ₹1.65 per equity share (16.5%) amounting to ₹109.25 Crore which was paid out of the profits of the Company for FY 2021-22 to the equity shareholders of the Company. The Interim Dividend was paid to the sole shareholder Aditya Birla Capital Limited on 30<sup>th</sup> March 2022. Your Directors do not recommend any final dividend for the financial year under review.

## SHARE CAPITAL

As on 31<sup>st</sup> March 2022, the Company's paid-up Equity Share Capital was ₹6,62,10,08,220 divided into 66,21,00,822 Equity Shares of ₹10 each.

Due to healthy CRAR and adequate capital being available, there was no capital infusion during the year in the Company.

## DEPOSITORY

As on 31<sup>st</sup> March 2022, out of the Company's total equity paid-up share capital comprising of 66,21,00,822 Equity Shares, 66,21,00,796 Equity Shares (99.99%) were held in dematerialized mode.

## RESOURCE MOBILISATION

During the financial year under review, funds have been mobilised by way of Non-Convertible Debentures (NCD), sub-ordinate debt, Term Loans / Working Capital Demand Loan (WC DL) from banks or through Commercial Paper. Further details on the same are in the Treasury section of this Report and in the Management Discussion & Analysis.



## Board's Report (Contd.)

### CREDIT RATING

The credit ratings enjoyed by the Company from various rating agencies as on 31<sup>st</sup> March 2022 is detailed below:

(₹ in Crore)

Facility	ICRA	Rated amount	India rating	Rated amount	CARE	Rated amount
Commercial Paper	ICRA A1+	12,000	IND A1+	12,000	NA	-
Commercial Paper – IPO	ICRA A1+	8,000	IND A1+	8,000	NA	-
Non-Convertible Debentures	ICRA AAA Stable	26,541	IND AAA, (Stable)	15,906	NA	-
Subordinate Bonds	ICRA AAA Stable	2,500	IND AAA, (Stable)	2,150	CARE AAA, (Stable)	250
Market Linked Debentures	NA	NA	IND PP-MLD AAA emr Stable	523	NA	-
Bank Lines	ICRA A1+ / ICRA AAA Stable	30,000	IND AAA, (Stable)	35,000	NA	-
Perpetual Debt	ICRA AA+ (hyb) Stable	700	IND AA+, (Stable)	700	NA	-
NCD – Public Issue	ICRA AAA Stable	5,000	IND AAA, (Stable)	5,000	NA	-
NCD – Unsecured	ICRA AAA Stable	1,500	NA	-	NA	-

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 Systemically Important Non-Banking Finance Company 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 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.
- The Company is associated with ViaGreen, an organization 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 panel are installed at its Bengaluru 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

## Board's Report (Contd.)

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 ₹117.82 Crore as compared to ₹114.27 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.

### CHANGE IN NATURE OF BUSINESS

During the year under review, there has been no change in the nature of business of the Company.

### EMPLOYEE STOCK OPTION

Employee Stock Options have been recognized 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.

In view of the above, Aditya Birla Capital Limited had 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 19<sup>th</sup> 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 9<sup>th</sup> August 2017 had approved the extension of benefits of the Aditya Birla Capital Limited Employee Stock Option Scheme 2017 ("Scheme 2017") to the permanent employees in the management cadre 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 Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, 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 Securities and Exchange Board of India. Corporate Governance principles form an integral part of the core values of the Company. Report on Corporate Governance forming part of 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 optimize the returns that go with that risk. The Company has a robust Risk Management framework which proactively addresses risks while looking to optimize 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





## Board's Report (Contd.)

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 organization is, we believe, 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 business. The Company continually upgrades necessary security measures, including cybersecurity measures, to ensure mitigation of cyber threats and risks.

Risk management in ABFL 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 of the Board (RMC) – the apex body for risk management and the Executive Level Committees, which meet periodically. Some of the executive level committees are the Asset Liability Committee (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 IT Strategy & 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 for identification, measurement, monitoring and controlling risks embedded in the business of taking credit exposures.

ABFL has an early warning monitoring mechanism to facilitate early identification of stress and mitigation thereof. The Company through its Risk Policy & Monitoring unit tracks all key components like Key financial indicators, covenants and documentation. An escalation matrix is built in to enable continuous monitoring and timely resolution. Risk Monitoring unit tracks the entire credit portfolio across all segments, including monitoring of early warning signals, identifies portfolio trends and generates portfolio level MIS, covering various credit quality indicators. Further, it independently reviews credit policies and programs.

**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 ORM lies with the Board, the Board has delegated this responsibility to the Risk Management Committee of the Board (RMC). 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 for 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.

ABFL during the financial year ended 31<sup>st</sup> March 2022, conducted online training to enhance the awareness of operational risk.

**4. Liquidity risk** – ABFL has sharpened its 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

## Board's Report (Contd.)

from there and assessing the regulatory requirements to ensure stake holder 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.

### Business continuity

The Company have a well-documented Business Continuity Management Programme which has been designed to ensure continuity of critical processes during any disruption. The continual disruptions caused by the COVID-19 pandemic and the lockdowns tested the Business Continuity Policy of the Company. Nevertheless, it continued to operate in line with the procedures outlined in its Business Continuity Plan, which was modified to take care of the evolving situation and a Pandemic Plan was developed keeping in view the interest of various stakeholders like employees, customers, partners, distributors, etc. within the overall regulatory requirements and guidelines. As a result, the Company was able to continue to operate and serve customers while taking care of the health of their employees.

The Business Continuity Plan was also supplemented with a Business Normalisation plan. This enabled the Company to resume Business Operations wherever the conditions had normalised. As the COVID-19 pandemic continues to evolve, the efforts will be to support an effective return to work while ensuring safety of employees, distribution partners and customers.

The world seems to be moving beyond Pandemic now and all the offices of the Company have resumed normal business operations from its various locations throughout the Country. However, there is still an element of uncertainty from different Covid variants emerging globally. We continue to monitor the situation and will act in best interest of our stakeholders in case of any eventuality. In view of the increased move to digital and adoption of new technologies, there was a continued focus on Cyber Security and the Company has continued to invest in a strong Cyber Defence Programme.

### 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 the Rule 8 of Companies (Accounts of Companies) Rules, 2014, is not applicable.

Prior omnibus approval (in the revised format) is obtained for Related Party Transactions ("RPTs") which are of a repetitive nature and entered into 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 and published on the Company's website at: [www.adityabirlafinance.com](http://www.adityabirlafinance.com). A Board approved RPT Policy is in place with the amendments mandated as per the SEBI Listing Regulations.

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.

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: [www.adityabirlafinance.com](http://www.adityabirlafinance.com).

### INTERNAL FINANCIAL CONTROLS

The Board of Directors confirms that the Company has laid down a set of standards, processes and structure which enables implementation of Internal Financial controls across the organization with reference to Financial Statements and that such controls are adequate, are operating effectively and are commensurate with the nature of its business and size and scale and complexity of its operations. Standard operating procedures (SOP) and Risk Control Matrices are in place designed to provide a reasonable assurance and are being continuously monitored and updated. During the year under review, no material or serious observation was observed for inefficacy or inadequacy of such controls.

Assurance on the effectiveness of internal financial controls is obtained through management reviews, control self-assessment, continuous monitoring by functional experts as well as testing of the internal financial control systems by the internal auditors during the course of their audit. During the year under review, no material or serious observation has been received from the Auditors of the Company, citing inadequacy of such controls.

Your Company also periodically engages outside experts to carry out independent review of the effectiveness of various business



## Board's Report (Contd.)

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 adequate internal audit framework to monitor 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 organization'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 approach.

The internal audit plan is developed based on the risk profile of business activities of the organization. The audit plan covers process audits at the head office and across various branches of the organization. The audits are carried out by an independent external firm and the in-house internal audit team. The audit plan is approved by the Audit Committee, which regularly reviews the compliance to the plan.

The Company has implemented a Risk Based Internal Audit (RBIA) Programme in accordance with the requirements of RBI circular dated February 3, 2021. Internal audits are undertaken on periodic basis to independently validate the existing controls as per scope assigned to Internal Audit Function. The Internal audit program is approved by the Audit Committee at the beginning of the year to ensure that the coverage of the areas is adequate. Internal Audit Reports are regularly reviewed by the management and corrective action is initiated to strengthen controls and enhance the effectiveness of existing systems.

Significant audit observations, if any, are presented to the Audit Committee along with the status of management actions and the progress of implementation of recommendations.

The Board of Directors at their meeting held on 11<sup>th</sup> May 2022 appointed M/s. Aneja Associates as a specialized service provider for the financial year 2022-23 to assist the Internal Audit Team of the Company. The Risk Based Internal Audit scope and plans for the said financial year were also approved by the Audit Committee.

### 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 31<sup>st</sup> March 2022, 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 of 31<sup>st</sup> March 2022 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 31<sup>st</sup> March 2022 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.

## DIRECTORS / KEY MANAGERIAL PERSONNEL

### Appointment / Resignation of directors

As on 31<sup>st</sup> March 2022, the Board of Directors comprised of 8 (eight) Directors out of which 5 (five) are Independent Directors (including 1 Woman Director).

The Board of Directors at its meeting held on 4<sup>th</sup> February 2021 appointed Mr. Kamlesh Rao (DIN: 07665616) as an Additional Non-Executive Director of the Company subject to the approval of Reserve Bank of India (RBI). The said approval was received on 7<sup>th</sup> July 2021 from RBI.

Mr. Baldev Raj Gupta (DIN: 00020066) retired as an Independent Director of the Company with effect from 27<sup>th</sup> July 2021 on expiration of his term as an Independent Director. The Board of Directors expressed its deep appreciation and gratitude towards the contribution made by Mr. Gupta during his tenure as a Director of the Company.

### Retirement by rotation

Pursuant to Section 152 of the Act read with the Articles of Association of the Company, Mr. Kamlesh Rao (DIN: 07665616), Non-Executive Director retires from the Board by rotation and being eligible, offers himself for re-appointment at the AGM of the Company.

## Board's Report (Contd.)

The Nomination and Remuneration Committee of the Company and the Board of Directors have recommended the re-appointment of Mr. Kamlesh Rao. A detailed profile of the Director seeking re-appointment is provided in the Notice of the 31<sup>st</sup> Annual General Meeting of the Company.

### Declaration by independent directors

All Independent Directors have submitted the declaration of independence, pursuant to Section 149(7) of the Act read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, stating that they meet the 'criteria of Independence' as prescribed under Section 149(6) of the Act.

### 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.

Mr. Pradeep Agrawal was appointed as CFO and Mr. Tushar Shah, CEO – PSFG was additionally designated as KMP, by the Board of Directors with effect from 8<sup>th</sup> October 2021.

### Fit and proper criteria

All the Directors meet the fit and proper criteria stipulated under the Master Circular – Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015, 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.

Pursuant to the provisions of the Act and SEBI Listing Regulations and in terms of the Framework of the Board Performance Evaluation, the Nomination and Remuneration Committee 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 manner in which the evaluation had been 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 [www.adityabirlafinance.com](http://www.adityabirlafinance.com).

### Outcome of the evaluation

The Directors of the Company were satisfied with the functioning of the Board and its Committees. The Committees are functioning well and besides covering the Committees' terms of reference, as mandated by law, 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, the Board met 8 (Eight) times on 13<sup>th</sup> May 2021, 14<sup>th</sup> June 2021, 4<sup>th</sup> August 2021, 8<sup>th</sup> October 2021, 30<sup>th</sup> October 2021, 2<sup>nd</sup> February 2022, 3<sup>rd</sup> March 2022 and 25<sup>th</sup> March 2022.

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.





## Board's Report (Contd.)

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 a 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 [www.adityabirlafinance.com](http://www.adityabirlafinance.com).

### Other committees

The Board of Directors has also constituted the following Committees:

- Corporate Social Responsibility Committee
- Stakeholders Relationship Committee
- Risk Management Committee
- PIT Regulation Committee
- Asset Liability Management Committee
- IT Strategy & Information Security Steering Committee

The details of all the Committees of the Board 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 2021-22 is available on the website of the Company and can be accessed at [www.adityabirlafinance.com](http://www.adityabirlafinance.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, NBFCs (including HFCs), the Members of the Company, on the recommendation of the Audit Committee and the Board of Directors, had approved the reduction of tenure of M/s. Deloitte Haskins & Sells LLP, as the Statutory Auditors of the Company to three years at their meeting held on 16<sup>th</sup> August 2021.

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. 16<sup>th</sup> December 2021, of the Company for a term of 3 (Three) years i.e. till the conclusion of 33<sup>rd</sup> Annual General Meeting of the Company.

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.

### 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. BNP & 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. BNP & Associates, Company Secretaries, is attached as Annexure IV to the Board's Report. The Secretarial Audit Report is 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.

### 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 [www.adityabirlafinance.com](http://www.adityabirlafinance.com).

As a part of its initiatives under CSR, the Company has undertaken projects in the areas of Health care, Education, women empowerment & sustainable livelihood and 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 ₹15.18 Crore (including administrative overheads) towards CSR projects and the unspent amount of ₹5.77 Crore pertaining to ongoing



## Board's Report (Contd.)

projects were transferred to a separate Unspent CSR account on March 31, 2022 opened for that purpose. The details of the CSR projects are available on the Company's website at [www.adityabirlafinance.com](http://www.adityabirlafinance.com).

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: [www.adityabirlafinance.com](http://www.adityabirlafinance.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, there were no complaints received / cases filed / cases pending under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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 Systemically Important Company.

### HUMAN RESOURCES

The Company believes that human resources are at the core of sustaining and building our organization and will play a critical role in its future growth. With an unswerving focus on nurturing and retaining talent, the Company provides avenues for learning and development through functional, behavioral and leadership training programs, knowledge exchange conferences and providing communication channels for information sharing, to name a few of the initiatives. Additional details on human

resources are provided in the Management Discussion and Analysis report.

### 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.

### AWARDS AND CERTIFICATIONS

During the financial year under review, the Company has been felicitated with the CSR Journal Excellence Award for its work in the area of Olympic sports. With an aim to put India on the world map in International sports and ensure India's promising and elite talents receive the support they need to make the nation proud at mega events, the Rahul Dravid Athlete Mentorship Programme (RDAMP) was instituted in 2014. We partnered with GoSports Foundation to execute - Rahul Dravid Athlete Mentorship program. Under this program 25 athletes are supported for high performance training, sports science expertise, strength and conditioning assessments, nutritional counselling, mental conditioning etc. In FY 2021-22, these athletes made country proud at national & international level by winning medals, in total they won 71 medals, out of that 43 at national level & 28 at international level.

### 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 public issue, rights issue, bonus issue or preferential issue, etc.



## Board's Report (Contd.)

- 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. 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 institution, in the ordinary course of its business.

The Board also acknowledges the contribution of Company's bankers, clients, business associates, shareholders, Stock Exchanges, Registrar of Companies, Depositories, the Reserve Bank of India, Securities and Exchange Board of India, Central and State Governments and other regulatory bodies who have always supported and helped the Company to achieve its 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.

### 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 Regulatory bodies.

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

**Kamlesh Rao**  
Director  
DIN – 07665616

**Rakesh Singh**  
Managing Director & CEO  
DIN – 07006067

Place: Mumbai  
Date: 11<sup>th</sup> May 2022

# 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 2021-22

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 97.53

2 Percentage increase in remuneration of each Director, CFO, CEO, CS or Manager, in the FY 2021-22

Mr. Rakesh Singh, MD & CEO	Mr. Tushar Shah, CEO – PSFG	Mr. Sanjay Miranka, CFO (Resigned w.e.f June 23, 2021)	Mr. Pradeep Agrawal, CFO (Appointed w.e.f October 8, 2021)	Mr. Ankur Shah, CS
10%	8%	-	NA	10%

3 Percentage increase in median remuneration of employees in the FY  
10%

4 No. of permanent employees on rolls of the Company  
2,850

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 remuneration

Average percentile increase in the salaries of employees other than the managerial personnel in the last financial year – 11%

Average percentile increase in the salaries of the managerial personnel in the last financial year – 10%

6 It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company.



# Corporate Governance Report

## OUR VISION

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

The Company aspires to be a leader by being amongst the top 3 NBFCs in Book size, profitability and Retail book size. The Company also endeavours to be a role model by fair dealing, inter alia, with its employees, customers, partners and Regulators.

The Company continuously strives to achieve excellence in Corporate Governance through its values – Integrity, Commitment, Passion, Seamlessness and Speed.

## OUR VALUES

### Integrity



Acting and taking decisions in a manner that is fair and honest. Following the highest standards of professionalism and being recognised for doing so. Integrity for us means not only financial and intellectual integrity but encompasses all other forms as are generally understood.

### Commitment



On the foundation of integrity, doing all that is needed to deliver value to all stakeholders. In the process, being accountable for our own actions and decisions, those of our team and those on the part of the organisation for which we are responsible.

### Passion



An energetic, intuitive zeal that arises from emotional engagement with the organisation that makes work joyful and inspires each one to give his or her best. A voluntary, spontaneous and relentless pursuit of goals and objectives with the highest level of energy and enthusiasm

### Seamlessness



Thinking and working together across functional groups, hierarchies, businesses and geographies. Leveraging diverse competencies and perspectives to garner the benefits of synergy while promoting organisational unity through sharing and collaborative efforts.

### Speed



Responding to internal and external customers with a sense of urgency. Continuously striving to finish before deadlines and choosing the best rhythm to optimise organisational efficiencies.

## 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, the 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.

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

The Company is one of the young and new age business ventures of Aditya Birla Group having a strong parentage and

## Corporate Governance Report (Contd.)

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, the 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 the 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 detailed reports on the Company's performance periodically.

### COMPLIANCE WITH CORPORATE GOVERNANCE GUIDELINES

The 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, during the financial year ended 31<sup>st</sup> March 2022 ("financial year under review") are as follows:

#### I. BOARD OF DIRECTORS

##### Composition

The Board of Directors of the Company ("the Board") comprises of 8 (eight) Directors including 2 (two) Non-Executive Directors, 1 (one) Managing Director & CEO and 5 (five) Independent Directors, of whom one is a Woman Director. The Companies Act, 2013 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 Companies Act, 2013 ("the Act") and Reg. 17 of the SEBI Listing Regulations. In terms of the provisions of the Act, the

Directors submit necessary disclosures regarding the positions held by them on the Board and/or Committees of other Companies, from time to time.

On the basis of such disclosures, it is confirmed that as on the date of this report, none of the Directors:

- a) hold Directorships in more than 10 (Ten) public Companies;
- b) hold Directorships in more than 7 (Seven) listed entities;
- c) serve as an Independent Director in more than 7 (Seven) listed entities;
- d) is a Member of more than 10 (Ten) Committees or Chairperson of more than 5 (Five) Committees across all the public Companies in which he/she is a Director; (Only Audit Committee and Shareholders' Grievance/ Stakeholders Relationship Committee of all public limited companies are considered for this purpose) and
- e) are related to each other.

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, 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 [www.adityabirlafinance.com](http://www.adityabirlafinance.com) and is also mentioned at the beginning of this Annual Report.

The details of the Directors of the Company with regard to their outside Directorships, Committee positions, including that in listed entities, as on 31<sup>st</sup> March 2022 are as follows:





## Corporate Governance Report (Contd.)

Name of the Director	Category of Directorship held in your Company	No. of outside Directorship(s) in other Public companies <sup>1</sup>	Outside Committee Positions held <sup>2</sup>		Names of other listed entities where Director is an Independent Director (excluding the Company) <sup>3</sup>
			Member	Chairperson	
Mr. Ajay Srinivasan (DIN – 00121181)	Non-Executive Non-Independent	5	6	0	Aditya Birla Sun Life AMC Limited
Mr. Darius J Kakalia (DIN – 00029159)	Independent	1	4	0	-
Mr. Jitender Balakrishnan (DIN – 00028320)	Independent	6	4	1	India Glycols Ltd.; Polyplex Corporation Ltd.; Sarda Energy & Minerals Ltd.
Mr. Ashwani Puri (DIN – 00160662)	Independent	2	0	3	Titan Company Ltd.; Coforge Ltd.
Ms. Alka Bharucha (DIN – 00114067)	Independent	8	6	4	Ultratech Cement Ltd.; Hindalco Industries Ltd.; Orient Electric Ltd.; Honda India Power Products Ltd.; Birlasoft Ltd.; Aditya Birla Sun Life AMC Limited
Mr. Subhash Chandra Bhargava (DIN- 00020021)	Independent	6	2	3	Aditya Birla Capital Limited; A K Capital Services Ltd.
Mr. Rakesh Singh (DIN- 07006067)	Managing Director & CEO	1	1	1	-
Mr. Kamlesh Rao (DIN- 07665616)	Non-Executive Non-Independent	2	1	0	-

## Notes:

1. Excluding Directorship in the Company, Foreign Companies, Private Limited Companies and Companies formed under Section 8 of the Act.
2. Only two Committees viz. Audit Committee and Stakeholders Relationship Committee of all Public Limited Companies including ABFL are considered.
3. Only equity listed companies are considered.

## Brief Profile of Directors:

Sr. No.	Name of Director	Qualification	Field of Specialisation
1.	Mr. Ajay Srinivasan	BA with Honours in Economics from St. Stephens College, University of Delhi and Post Graduate Diploma in Management from the Indian Institute of Management, Ahmedabad	Banking & Financial Services
2.	Mr. Darius J Kakalia	B.com, LL.B.	Legal
3.	Mr. Jitender Balakrishnan	B.E. (Mech) National Institute of Technology (NIT), Madras University; Post Graduate Diploma in Industrial Management, Bombay University	Banking & Financial Services
4.	Mr. Ashwani Puri	Chartered Accountant, the Chartered Institute of Management Accountants, London.	Finance & Accounting
5.	Ms. Alka Bharucha	B.A. (Hons) and LL.B from University of Bombay & LL.M from University of London	Legal

## Corporate Governance Report (Contd.)

Sr. No.	Name of Director	Qualification	Field of Specialisation
6.	Mr. Subhash Chandra Bhargava	Chartered Accountant	Investment and Financial Services
7.	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
8.	Mr. Kamlesh Rao	MBA, Narsee Monjee Institute of Management Studies; B.E. Instrumentation, Vivekanand Education Society's Institute of Technology	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 Directors are professionals, possessing wide experience and expertise in their areas of function - strategy; finance; governance and legal; insurance, amongst others, which together with their collective wisdom fuel the Company's growth.

### Mode of Conducting Meetings

Video-conferencing facility is provided to enable the Directors present at other locations to be able to participate in the meetings. The same is conducted in due compliance with the applicable laws. In accordance with the relaxations provided by the Securities and Exchange Board of India and Ministry of Corporate Affairs, during the financial year under review, due to the prevailing Covid conditions, meetings of the Board and its Committees were held in audio visual mode.

With a view to leverage technology, save paper and support sustainability, the Company has adopted a web based application for circulation of all the documents relating to a meeting, including agenda, explanatory notes and any other document required to be placed at the meeting, to the Directors in electronic form. These documents can be accessed through browsers or iPads and are also circulated through emails. The application meets high standards of security and integrity required for storage and transmission of meeting related documents.

### Board's functioning and procedure

The 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 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 the 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, to enable larger participation of Directors in Meetings. The necessary quorum was present for all the Board and Committee Meetings.

8 (Eight) 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 and number of Directors present are as follows:



## Corporate Governance Report (Contd.)

Date of Board Meeting	Board Strength	No. of Directors Present
13 <sup>th</sup> May 2021	8	8
14 <sup>th</sup> June 2021	8	8
4 <sup>th</sup> August 2021	8	8
8 <sup>th</sup> October 2021	8	7
30 <sup>th</sup> October 2021	8	6
2 <sup>nd</sup> February 2022	8	7
3 <sup>rd</sup> March 2022	8	8
25 <sup>th</sup> March 2022	8	8

The Board has unfettered and complete access to any information within the 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 the applicable rules and regulations and in particular reviews and approves corporate strategies, business plans, annual budgets and capital expenditure, etc. The Board provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholders' 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 16<sup>th</sup> August 2021, held on MS Teams, are as follows:

Name of the Director	No. of Board Meetings		Attended Last AGM
	Held	Attended	
Mr. Ajay Srinivasan	8	8	No
Mr. Darius J Kakalia	8	8	No
Mr. Jitender Balakrishnan	8	8	Yes
Mr. Ashwani Puri	8	8	Yes
Ms. Alka Bharucha	8	7	No
Mr. Subhash Chandra Bhargava	8	8	No
Mr. Rakesh Singh	8	8	Yes
Mr. Kamlesh Rao#	6	3	No
Mr. Baldev Raj Gupta*	2	2	NA

#Appointed with effect from 7<sup>th</sup> July 2021

\*Resigned with effect from 27<sup>th</sup> July 2021

### 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 [www.adityabirlafinance.com](http://www.adityabirlafinance.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.

### 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. 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 [www.adityabirlafinance.com](http://www.adityabirlafinance.com).

### Performance evaluation of the Board

A formal evaluation mechanism has been adopted for evaluating the performance of the Board, the Committees thereof and individual Directors. The evaluation is based on criteria which include, amongst others, providing strategic perspective, time devoted and preparedness for the 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. The Directors completed questionnaires providing feedback on functioning of the Board and Committees.

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. Invests time in understanding the Company and its unique requirements;
2. Brings in external knowledge and perspective to the table for discussions at the Meetings;
3. Expresses his/her views on the issues discussed at the Board; and
4. Keeps himself/herself current on areas and issues that are likely to be discussed at the Board level.

### Separate meeting of Independent Directors

In accordance with the provisions of Schedule IV of the Act, Regulation 25 (3) of the SEBI Listing Regulations and SS 2.3 of the Secretarial Standard on the Meetings of Board of Directors, a Meeting of the Independent Directors of the Company was held on 25<sup>th</sup> March 2022 without the presence of the Non-Independent Directors and the Members of the Management. The Meeting was attended by all the 5 (Five) Independent Directors. They discussed matters, including the performance/functioning of the Company, reviewing the performance of other Non-Executive 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, the 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 the Company.

The Company has in place, a manual 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 persons 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 the Company's policy for determination on 'legitimate purposes' as per the requirements of the SEBI (Prohibition of Insider Trading) Regulations and is available on the website of the Company at [www.adityabirlafinance.com](http://www.adityabirlafinance.com).

The Board and designated persons covered under the Insider Code have affirmed compliance with the Insider Code. 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

The 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 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 Chairpersons 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.

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



## Corporate Governance Report (Contd.)

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 & Information Security Steering 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 and Regulation 18 of the SEBI Listing Regulations.

The Audit Committee acts as a link between the Management, the Statutory and Internal Auditors and the Board. All the Members of the Audit Committee are financially literate. The Chairperson 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 Chairman of the Audit Committee, Mr. Ashwani Puri, attended the Annual General Meeting of the Company held on 16<sup>th</sup> August 2021.

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 integrity of the accounts of the Company and the transactions are recorded 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 the Company.

### Meetings, composition and attendance during the financial year under review

During the financial year under review, the Audit Committee met 7 (Seven) times to deliberate on various matters and the gap between any two Meetings was not more than 120 (One Hundred Twenty) days. The necessary quorum was present for all the Meetings. During the financial year under review, Audit Committee Meetings were held on 30<sup>th</sup> April 2021, 13<sup>th</sup> May 2021, 4<sup>th</sup> August 2021, 27<sup>th</sup> September 2021, 30<sup>th</sup> October 2021, 7<sup>th</sup> January 2022 and 1<sup>st</sup> February 2022.

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

Name of Member	Category	No. of Meetings	
		Held	Attended
Mr. Ashwani Puri (Chairman)	Independent	7	7
Mr. D J Kakalia	Independent	7	7
Mr. Ajay Srinivasan	Non- Executive Non- Independent	7	7
Ms. Alka Bharucha	Independent	7	6

### 2. Nomination and Remuneration Committee (NRC)

The NRC 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 Master Directions. 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



## Corporate Governance Report (Contd.)

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, Chairperson 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 NBFC 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 6 (Six) times to deliberate on various matters and the Meetings were held on 12<sup>th</sup> May 2021, 4<sup>th</sup> August 2021, 28<sup>th</sup> September 2021, 8<sup>th</sup> October 2021, 2<sup>nd</sup> February 2022 and 25<sup>th</sup> March 2022. The necessary quorum was present for all the Meetings.

The Chairman of the Nomination and Remuneration Committee, Mr. Jitender Balakrishnan, attended the Annual General Meeting of the Company held on 16<sup>th</sup> August 2021. The Company Secretary acts as a Secretary to the Committee.

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

Name of Member	Category	No. of Meetings	
		Held	Attended
Mr. Jitender Balakrishnan (Chairman)	Independent	6	6
Mr. Ajay Srinivasan	Non-Executive Non-Independent	6	6
Mr. Darius J Kakalia	Independent	6	6

### Remuneration policy

The Company has adopted an Executive Remuneration Philosophy/Policy. 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 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 received from the shareholders, Debenture holders, other security holders of the Company, 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 12<sup>th</sup> May 2021. The necessary quorum was present at the Meeting. The Company Secretary acts as Secretary to the Committee and is responsible for redressal of investor complaints.

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

Name of Member	Category	No. of Meetings	
		Held	Attended
Mr. Baldev Raj Gupta# (Chairman)	Independent	1	1
Mr. Subhash Chandra Bhargava* (Chairman)	Independent	-	-
Mr. Darius Kakalia	Independent	1	1
Mr. Rakesh Singh	MD & CEO	1	1

#Resigned w.e.f 27th July 2021

\*Appointed w.e.f 2nd February 2022



## Corporate Governance Report (Contd.)

### Number of complaint received so far / number not solved to the satisfaction of security holders / number of pending complaints

The Company did not receive any complaint from any security holder(s) during the financial year 2021-22.

#### 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 3 (Three) times on 28<sup>th</sup> June 2021, 19<sup>th</sup> October 2021 and 7<sup>th</sup> January 2022. The necessary quorum was present for all the Meetings. The Chairman of the Audit Committee is also invited at all Risk Management Committee 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 Member	Category	No. of Meetings	
		Held	Attended
Mr. Jitender Balakrishnan (Chairman)	Independent Director	3	3
Mr. Subhash Chandra Bhargava	Independent Director	3	3
Mr. Ajay Srinivasan	Non-Executive Non-Independent Director	3	3
Mr. A Dhananjaya	CRO - ABCL	3	2
Mr. Rakesh Singh	Managing Director & CEO	3	3
Mr. Tushar Shah*	CEO – PSFG & KMP	3	2
Mr. Sekhar Mosur^	CRO	3	3
Mr. Deep Pal Singh@	CRO	NA	NA
Mr. Ajay Singh	Risk Head - PSFG	3	3
Mr. Ashwani Puri (Invitee)	Independent Director	3	3

\*Resigned as a Member w.e.f 2nd February 2022

^ superannuated w.e.f. March 3, 2022

@ appointed w.e.f. March 25, 2022

#### 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

## Corporate Governance Report (Contd.)

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.

### 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 a Secretary to the Committee.

During the financial year under review, the Corporate Social Responsibility Committee met 3 (Three) times on 13<sup>th</sup> September 2021, 1<sup>st</sup> February 2022 and 25<sup>th</sup> March 2022. The necessary quorum was present for the Meetings.

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

Name of Member	Category	No. of Meetings	
		Held	Attended
Mr. Ashwani Puri (Chairman)	Independent	3	3
Mr. Ajay Srinivasan	Non-Executive Non-Independent	3	3
Mr. Rakesh Singh	MD & CEO	3	3

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 Guidelines 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 11 (Eleven) times. The necessary quorum was present for the Meetings.

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

Name of Member	Category/ Designation	No. of Meetings	
		Held	Attended
Mr. Rakesh Singh (Chairman)	MD & CEO	11	11
Mr. Tushar Shah	CEO - PSFG & KMP	11	11
Mr. Sekhar Mosur&	CRO	10	9
Mr. Sanjay Miranka#	CFO	3	3
Mr. Ajay Singh	Risk Head - PSFG	11	10
Mr. Chandramohan Amritkar	Head - Treasury	11	10
Mr. Ramesh Narayanaswamy*	CTO - ABCL	8	5
Ms. Pinky Mehta	CFO - ABCL	11	10
Mr. Pradeep Agrawal^	CFO	4	4
Mr. Deep Pal Singh@	CRO	2	2

& superannuated w.e.f. March 3, 2022

#Resigned w.e.f. 23rd June 2021

\*Resigned w.e.f. 20th January 2022

^Appointed w.e.f. 30th October 2021

@Appointed w.e.f. 2nd February 2022

## 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



## Corporate Governance Report (Contd.)

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.

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

Name of Member	Category	No. of Meetings	
		Held	Attended
Mr. Subhash Chandra Bhargava	Independent Director	1	1
Mr. Ajay Srinivasan	Non-Executive Non-Independent Director	1	1
Mr. Jitender Balakrishnan	Independent Director	1	1
Mr. Rakesh Singh	MD & CEO	1	1
Mr. Sanjay Miranka*	CFO	1	1
Mr. Pradeep Agrawal#	CFO	-	-

\*Resigned w.e.f 23rd June 2021

#Appointed w.e.f. 30th October 2021

## 8. IT Strategy & Information Security Steering 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 & Information Security Steering (ITSISS) 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 ITSISS 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 ITSISS Committee met twice on 26<sup>th</sup> July 2021 and 20<sup>th</sup> January 2022. The necessary quorum was present for both the Meetings. The Chief Technology Officer / Head of Information Technology act as the Secretary of the Committee.

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

Name of Member	Category	No. of Meetings	
		Held	Attended
Mr. Jitender Balakrishnan (Chairman)	Independent	2	2
Mr. Rakesh Singh	MD & CEO	2	2
Mr. Sekhar Mosur^	CRO	2	2
Mr. Sanjay Miranka*	CFO	0	0
Mr. Ankur Kapoor#	Head - Operations	1	1
Mr. Anindya Karmakar&	Head - Digital lending	1	1
Mr. Gopakumar Panicker	CISO	1	1
Mr. Ramesh Narayanaswamy%	CTO	2	2
Mr. Pradeep Agrawal@	CFO	0	0
Mr. Deep Pal Singh@	CRO	0	0
Mr. Nikesh Gupta@	COO	0	0

^ superannuated w.e.f. March 3, 2022

\*Resigned w.e.f 23<sup>rd</sup> June 2021

# resigned w.e.f. 8<sup>th</sup> October 2021 & transferred w.e.f. 28<sup>th</sup> February 2022

% resigned w.e.f. 20<sup>th</sup> January 2022

@Appointed w.e.f 2<sup>nd</sup> February 2022

### III. WHISTLE BLOWER POLICY / VIGIL MECHANISM

Pursuant to section 177(9) of the Act and Regulation 22 of 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 victimization 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 the Company's website at [www.adityabirlafinance.com](http://www.adityabirlafinance.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 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.

#### Related party transactions

During the financial year under review, the 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 and Regulation 23 of the SEBI Listing Regulations.

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 accounts forming part of this Annual Report. The policy on Related Party Transactions is available on the Company's website at [www.adityabirlafinance.com](http://www.adityabirlafinance.com).

#### Disclosure of accounting treatment

The 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 interests of the Company.

#### Remuneration of Directors

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 is paid to the Directors of the Company. The Company does not pay commission to the Directors of the Company.

Further, the Company arranges for the travelling & stay of outstation Independent Directors and 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 this, the Company is not paying any kind of remuneration/ Commission to its Directors.

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	
Mr. D J Kakalia	8,00,000	5,25,000	-	3,00,000	-	1,50,000		50,000	-	18,25,000
Mr. Jitender Balakrishnan	8,00,000	-	1,50,000	3,00,000	-	-	1,00,000	-	50,000	14,00,000
Mr. Ashwani Puri	8,00,000	5,25,000	-	-	1,50,000				-	14,75,000





## Corporate Governance Report (Contd.)

Name of the Director	Board Meeting	Committees								
		Audit	Risk	NRC	CSR	Finance	IT Strategy	SRC	PIT	Total
Ms. Alka Bharucha	7,00,000	4,50,000	-	-	-	-	-	-	-	11,50,000
Mr. Subhash Chandra Bhargava	8,00,000	-	1,50,000	-	-	-	-	-	50,000	10,00,000
Mr. Baldev Raj Gupta	2,00,000	-	-	-	-	-	-	50,000	-	2,50,000

The details of remuneration paid to Managing Director and CEO have been provided in Note 48 (Related party transactions) of the Financial Statements and in form MGT-7, uploaded on the website of the Company at [www.adityabirlafinance.com](http://www.adityabirlafinance.com).

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 the Company have issued necessary certificate pursuant to the provisions of Regulation 17(8) of the SEBI Listing Regulations, which was placed before the Board at its Meeting held on May 11, 2022, and the same forms part of this Annual Report as Annexure VI.

### 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>.

### Other Disclosures:

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

(₹ in Lakh)

Particulars	FY 2021-22	
	DHS	Singhi & Co.
Audit Fees & Limited Review	120.00	49.05
Tax Audit	6.54	-
Other Services	12.31	-
<b>Total</b>	<b>138.85</b>	<b>49.05</b>

- During the financial year under review, no complaints were received/ cases filed/ disposed or pending under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- As the no. of members of your Company are not exceeding 200, the provisions of passing resolution(s) through postal ballot are not applicable.
- Only the Non-convertible Debentures of your Company are listed on the following Stock Exchanges:

<b>National Stock Exchange of India Limited</b> Listing Department, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400051	<b>BSE Limited</b> P J Towers, Dalal Street, Mumbai - 400001
--	--

- Link Intime India Private Limited (Registration Number : INR000004058) is the Registrar & Share Transfer Agent of your Company;
- 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;
- The list of all credit ratings obtained by the entity is provided in the Boards' report;
- No penalties or strictures are imposed on the Company by stock exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, during the last three years;

## Shareholders & general information

### a) General body meetings

The particulars of the last three Annual General Meetings (AGMs) of the Company are provided in the below Table:

AGM	Year	Date of the AGM	Time	Venue
30 <sup>th</sup>	2021	16 <sup>th</sup> August 2021	02.00 p.m.	Audio visual
29 <sup>th</sup>	2020	10 <sup>th</sup> July 2020	10.00 a.m.	Registered Office
28 <sup>th</sup>	2019	22 <sup>nd</sup> July 2019	10.00 a.m.	Registered Office

### b) Details of special resolutions at Annual General Meetings (AGMs)

The following special resolutions were passed in the previous three AGMs:

Year	Subject matter of special resolutions
2021	Revision of remuneration of Mr. Rakesh Singh, Managing Director & CEO
2020	Appointment of Mr. Rakesh Singh as the Managing Director & CEO
2019	<ul style="list-style-type: none"> <li>a. Appointment of Mr. Subhash Chandra Bhargava as an Independent Director;</li> <li>b. Re-appointment and revision in the terms and conditions of the appointment of Mr. Sekhar Mosur, Manager;</li> <li>c. Increase in the overall borrowings limits;</li> <li>d. Creation of charge(s) on the assets of the Company.</li> </ul>

### c) General shareholder information

Date, Time and Venue of the 31 <sup>st</sup> Annual General Meeting	25 Aug 2022 at 10.30 A.M. through Audio visual
Year	2022
Corporate Identification Number (CIN) / Registration no. of the Company as per Companies Act with the Registrar of Companies	U65990GJ1991PLC064603
Address for correspondence	One World Centre, Tower 1-C, 18th Floor, Jupiter Mill Compound, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013
Registration / licence/ authorisation, obtained from other financial sector regulators	RBI's certificate of Registration no. N.01.00500 dated 9th August, 2011
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 (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 [www.adityabirlafinance.com](http://www.adityabirlafinance.com).

### Website

The Company's website: [www.adityabirlafinance.com](http://www.adityabirlafinance.com) contains a separate section where SEBI and other Regulatory disclosures are available. Further, the annual report of the Company is available under this section on the website in a downloadable form.



# Annexure III

## Executive remuneration philosophy

At the Aditya Birla Group, we expect our executive team to foster a culture of growth and entrepreneurial risk-taking. Our Executive Compensation Philosophy supports the design of programs that align executive rewards – including incentive programs, retirement benefit programs, promotion and advancement opportunities – with the long-term success of our stakeholders. Our reward programs recognize and reward executives who display initiative, deliver superior individual performance, and contribute to sustainable corporate and business success.

### OUR BUSINESS AND ORGANIZATIONAL MODEL

Our Group is a conglomerate and organized in a manner such that there is sharing of resources and infrastructure. This results in uniformity of business processes and systems thereby promoting synergies and exemplary customer experiences.

#### I. Objectives of the executive remuneration program

Our executive compensation program is designed to attract, retain, and reward talented executives who will contribute to our long-term success and thereby build value for our shareholders.

Our executive compensation program is intended to:

1. Provide for monetary and non-monetary remuneration elements to our executives on a holistic basis
2. Emphasize “Pay for Performance” by aligning incentives with business strategies to reward executives who achieve or exceed Group, business and individual goals.

#### II. Covered executives

Our Executive Compensation Philosophy applies to the following:

1. Directors of the Company
2. Key Managerial Personnel: CFO, CS, any others CEO equivalent (ex: Deputy Managing Director)
3. Senior Management.

#### III. Business and talent competitors

We benchmark our executive pay practices and levels against peer companies in similar industries, geographies and of similar size. In addition to this, we look at secondary reference (internal and external) benchmarks in order to ensure that pay policies and levels across the Group are generally equitable internally and support the Group’s global mobility objectives for executive talent. The additional reference points may take into account the executive pay

practices and pay levels in other markets and industries, recognizing the differences in levels and medium of pay.

#### IV. Executive pay positioning

We aim to provide competitive remuneration opportunities to our executives by positioning target total remuneration (including perks and benefits, annual incentive pay-outs, long term incentive pay-outs at target performance) and target total cash compensation (including annual incentive pay-outs) at target performance directionally between median and top quartile of the primary talent market. We recognize the size and scope of the role and the market standing, skills and experience while positioning our executives.

We use secondary market data only as a reference point for determining the types and amount of remuneration while principally believing that target total remuneration packages should reflect the typical cost of comparable executive talent available in the sector.

#### V. i. Executive pay-mix

Our executive pay-mix aims to strike the appropriate balance between key components: (i) Fixed Cash compensation (Basic Salary + Allowances) (ii) Annual Incentive Plan (iii) Long-Term Incentives (iv) Perks and Benefits.

#### ii. Performance goal setting

We aim to ensure that for both annual incentive plans and long term incentive plans, the target performance goals shall be achievable and realistic.

Threshold performance (the point at which incentive plans are paid out at their minimum, but non-zero, level) shall reflect a base-line level of performance, reflecting an estimated 90% probability of achievement.

Target performance is the expected level of performance at the beginning of the performance cycle, taking into account all known relevant facts likely to impact measured performance.

Maximum performance (the point at which the maximum plan payout is made) shall be based on an exceptional level of achievement, reflecting no more than an estimated 10% probability of achievement.

#### VI. i. Performance measurement Annual Incentive Plan:

We tie annual incentive plan pay-outs of our executives to relevant financial and operational metrics achievement and their individual performance. We

## Executive remuneration philosophy (Contd.)

annually align the financial and operational metrics with priorities/ focus areas for the business.

### **Long-term incentive:**

Our Long-term incentive plans incentivize stretch performance, link executive remuneration to sustained long term growth and act as an attraction and retention tool

We use stock options as the primary long-term incentive vehicle for our executives as we believe that they best align executive incentives with stockholder interests.

We grant restricted stock units, as a secondary long term incentive vehicle, to motivate and retain our executives.

### **ii. Executive benefits and perquisites**

Our executives are eligible to participate in our broad-based retirement, health and welfare, and other employee benefit plans. In addition to these broad-based plans, they are eligible for other benefits plans commensurate with their roles. These benefits are designed to encourage long-term careers with the Group. They are also eligible for certain perquisites with each perquisite serving a clear business purpose or need.

### **Other remuneration elements**

Each of our executives is subject to an employment agreement. Each such agreement generally provides for a total remuneration package for our executives.

We limit other remuneration elements, for e.g. Change in Control (CIC) agreements, severance agreements, to instances of compelling business

need or competitive rationale and we do not provide for any tax gross-ups for our executives.

### **Risk and compliance**

We aim to ensure that the Group's remuneration programs do not encourage excessive risk taking. We review our remuneration programs for factors such as

1. Remuneration mix overly weighted towards annual incentives
2. Uncapped pay-outs
3. Unreasonable goals or thresholds
4. Steep pay-out cliffs at certain performance levels that may encourage short-term decisions to meet pay-out thresholds

### **Claw back clause:**

In an incident of restatement of financial statements due to fraud or non-compliance with any requirement of the Companies Act 2013 and the rules made thereafter, we shall recover from our executives the remuneration received in excess of what would be payable to him / her as per restatement of financial statements the executives is obligated to pertaining to the relevant performance year.

### **Implementation**

The Group and Business Centre of Expertise teams will assist the Nomination & Remuneration Committee in adopting, interpreting and implementing the Executive Remuneration Philosophy. The costs of these services will be established through "arm's length", market-based agreements entered into as needs arise in the normal course of business.



# Annexure IV

## FORM NO. MR-3

### SECRETARIAL AUDIT REPORT

#### For the financial year ended 31<sup>st</sup> march 2022

[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**  
Regd. Office: - Indian Rayon Compound,  
Veraval,  
Gujarat- 362266

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 having CIN U65990GJ1991PLC064603 (hereinafter called the 'Company') for the financial year ended on 31<sup>st</sup> March 2022 (the "Audit Period").

We conducted the Secretarial Audit in a manner that provided us a reasonable basis for evaluating the Company's corporate conducts/ statutory compliances and expressing our opinion thereon.

We are issuing this report based on:

- (i) Our verification of the Company's books, papers, minutes books, soft copies of various records, scanned copies of minutes of Committee, forms and returns filed and other records maintained by the Company during the financial year ended March 31, 2022 as well as before the date of issue of this report;
- (ii) Our observations pursuant to visits to the offices of the Company.
- (iii) Compliance certificates confirming compliance with all laws applicable to the Company as given by the Key Managerial Personnel / Senior Managerial Personnel of the Company and taken on record by the Audit Committee / Board of Directors; and
- (iv) Representations made, documents shown and information provided by the Company, its officers, agents and authorized representatives during our conduct of Secretarial Audit.

We hereby report that, in our opinion, during the audit period covering the financial year ended on 31<sup>st</sup> March 2022, the Company has:

- (i) Complied with the statutory provisions listed hereunder; and

- (ii) Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

The members are requested to read this report along with our letter of even date annexed to this report as Annexure-A.

## 1. COMPLIANCE WITH SPECIFIC STATUTORY PROVISIONS

### We further report that:

- 1.1. We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company during the year according to the applicable provisions / clauses of:
  - (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
  - (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - (iii) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of External Commercial Borrowing made by the Company;
  - (iv) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder to the extent of transfer of securities;
  - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
    - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR);
    - (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.



## Annexure IV (Contd.)

- (vi) Secretarial Standards issued by the Institute of Company Secretaries of India (Secretarial Standards) as applicable mandatorily to the Company
- 1.2 During the period under review, and also considering the compliance related to action taken by the Company after March 31, 2022, but before the date of issue of this report, the Company has, to the best of our knowledge and belief and based on the records, information, explanations and representations furnished to us:
- (i) Complied with the provisions of the Act, Rules, Regulations, Guidelines and Secretarial Standards as mentioned above.
- (ii) Generally complied with the applicable provisions / clauses of:
- (a) The Act and Rules mentioned under paragraph 1.1 (i)
- (b) FEMA to the extent of External Commercial Borrowings mentioned under paragraph 1.1 (iii) and
- (c) The Secretarial Standards on meetings of Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) mentioned under paragraph 1.1 (vi) above to the extent applicable to meetings of the Board and its committees held during the year and the 30<sup>th</sup> Annual General Meeting held on 16<sup>th</sup> August 2021, at shorter notice, with the consent of the members and Extra-Ordinary General Meeting held on 16<sup>th</sup> December 2021. The compliance of the provisions of the Rules made under the Act with regard to the meetings of the Board and its committees held through video conferencing were verified based on the minutes of the meetings provided by the Company.
- 1.3 We are informed that, during the year, the Company was not required to initiate any compliance related action in respect of the following laws / rules / regulations / standards and was consequently not required to maintain any books, papers, minute books or other records or file any forms/ returns thereunder:
- (i) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- (ii) The following Regulations and Guidelines prescribed under the SEBI Act, 1992: -
- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- b. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- c. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, and
- e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018
- f. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- 1.4 We have also examined, on test check basis, the relevant documents and records maintained by the Company with respect to:
- (a) Non-Banking Financial Company- Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended, and other relevant guidelines and circulars issued by the Reserve Bank of India, from time to time.

## 2. BOARD PROCESSES:

### We further report that:

- 2.1 The Board of Directors of the Company as on 31<sup>st</sup> March 2022 comprised of:
- (i) A Managing Director
- (ii) Two Non-Executive Non-Independent Directors; and
- (iii) Five Non-Executive Independent Directors, including a Woman Independent Director
- 2.2 (A) The processes relating to the following changes in the composition of the Board of Directors and Key Managerial Personnel during the year were carried out in compliance with the provisions of the Act and LODR:
- (i) Cessation of Mr. Sanjay Miranka, as Chief Financial Officer and Key Managerial Personnel of the Company w.e.f 23<sup>rd</sup> June 2021 on account of his resignation.

**Annexure IV (Contd.)**

- (ii) The Board of Directors at their meeting held on 8<sup>th</sup> October 2021, has appointed Mr. Pradeep Agrawal as the Chief Financial Officer and Key Managerial Personnel of the Company with effect from the said date.
  - (iii) Appointment of Mr. Kamlesh Rao (DIN: 07665616) as Non-Executive Director w.e.f. 7<sup>th</sup> July 2021, subject to shareholders' approval. His appointment has been approved by the Reserve Bank of India w.e.f 7<sup>th</sup> July 2021 and by the shareholders of the Company at the 30<sup>th</sup> Annual General Meeting held on 16<sup>th</sup> August 2021.
  - (iv) Cessation of Mr. Baldev Raj Gupta (DIN: 00020066), as an Independent Director of the Company w.e.f 27<sup>th</sup> July 2021 consequent upon completion of his term as Independent Director of the Company.
  - (v) Re-appointment of Mr. Ajay Srinivasan (DIN: 00121181), as Non-Executive Director, liable to retire by rotation, at the 30<sup>th</sup> Annual General Meeting held on August 16, 2021.
  - (vi) Appointment of Mr Tushar Shah, Chief Executive Officer – Project & Structured Finance Group, as a Key Managerial Personnel w.e.f 08.10.2021.
- (B) At the Extra-Ordinary General Meeting held on 16<sup>th</sup> December 2021, the shareholders have approved the continuation of directorship of Mr. Subhash Chandra Bhargava (DIN: 00020021), as an Independent Director of the Company, up to 24<sup>th</sup> January 2024.
- 2.3 Adequate notice of the meetings of the Board and its committees were sent to all the directors to enable them to plan their schedule for the meetings of the Board, at least seven days in advance except for few meetings which were convened at a shorter notice with the consent of the Board to transact urgent business, at which more than one independent director was present as required under Section 173 (3) of the Act and SS-1.
- 2.4 Agenda and detailed notes on agenda were sent to the directors at least seven days before the meetings of the Board and its committees, other than in respect of few meetings which were convened at a shorter notice to transact urgent business, and necessary compliance as required under Section 173 (3) of the Act and SS-1 was in place.
- 2.5 Agenda and detailed notes on agenda for the following items were either circulated separately less than seven days before or at the Board meetings and consent of the Board for so circulating them was duly obtained as required under SS-1
- (i) Supplementary agenda notes and annexures in respect of unpublished price sensitive information such as audited financial statement / results, unaudited financial results and connected papers; and
  - (ii) Additional subjects/ information/ presentations and supplementary notes
- 2.6 A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings.
- 2.7 We note from the minutes verified that, at the meetings of the Board held during the year:
- (i) Decisions were carried through majority and
  - (ii) No dissenting views were expressed by any Board member on any of the subject matters discussed, that were required to be captured and recorded as a part of the minutes.
- 3. COMPLIANCE MECHANISM**
- There are reasonably adequate systems and processes in the Company, commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- 4. SPECIFIC EVENTS / ACTIONS**
- 4.1 During the year, the following specific events/ actions having a major bearing on the Company's affairs took place, in pursuance of the above referred laws, rules, regulations and standards:
- a) The Board of Directors of the Company, at their meeting held on 25<sup>th</sup> March 2022 had approved and declared an Interim Dividend of ₹1.65 per equity share (16.5%) amounting to ₹109.25 Crore to be paid out of the profits of the Company for FY 2021-22, subject to deduction of tax thereon, on 66,21,00,822 equity shares of the of face value of Rs.10/- each. As the Company is a wholly owned Subsidiary of Aditya Birla Capital Limited, the dividend was paid by the Company out of its regular Bank Account. The

## Annexure IV (Contd.)

- dividend was paid within five days of its declaration, being the stipulated timelines laid down under the Act.
- b) In compliance with the RBI circular dated 27<sup>th</sup> April 2021, at the 30<sup>th</sup> AGM held on 16<sup>th</sup> August 2021, the Company has reduced the tenure of appointment of M/s Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of the Company to a term of three years i.e., till the conclusion of the 32<sup>nd</sup> Annual General Meeting of the Company, on a remuneration to be fixed by the Board of Directors.
- c) At the 30<sup>th</sup> AGM held on 16<sup>th</sup> August 2021, the shareholders have approved revision in terms of remuneration payable to Mr. Rakesh Singh (DIN: - 07006067), Managing Director and Chief Executive Officer of the Company with effect from July 01, 2021.
- d) In compliance with the RBI circular dated 27<sup>th</sup> April 2021, at the Extra-Ordinary General Meeting held on 16<sup>th</sup> December 2021, the shareholders have
- appointed M/s Singhi & Co. Chartered Accountants as Joint Statutory Auditors of the Company, to hold office till the conclusion of the 33<sup>rd</sup> Annual General Meeting of the Company, at a remuneration to be fixed by the Board of Directors.
- e) During the year under review, the Reserve Bank of India (RBI) had conducted an inspection of the Company under RBI Act, 1934, for the FY 2020-21. In response to the Supervisory Concerns Letter dated 28<sup>th</sup> January 2022 from the RBI via Email on 2<sup>nd</sup> February 2022, the Company has submitted its reply and further communication from RBI, in this regard, is awaited.
- f) The Company has issued, allotted and redeemed Debentures, during the year, in various tranches, as per details given below:

Type of Debentures	Secured Non-Convertible Debentures (₹ in Crores) Listed in BSE and NSE	Unsecured Sub-debt (₹ in Crores)	Perpetual Non-Convertible Debentures (₹ in Crores)	Unsecured Non-Convertible Debentures (₹ in Crores)
Opening Balance as on 01st April 2021	12,460.80	1,879.00	200.00	56.00
Issued during the year	2,890.00	320.00	-	49.00
Sub. Total	15,350.80	2,199.00	200.00	105.00
Redeemed during the year	3,427.50	20.00	-	-
Outstanding balance as on 31st March 2022	11,923.30	2,179.00	200.00	105.00

- g) The Company has issued and listed at the Bombay Stock Exchange and National Stock Exchange of India Limited, Commercial Papers (CP) of ₹73,990 Crore during the year in various tranches and redeemed CP worth ₹73,940 Crore in various tranches. As on 31<sup>st</sup> March 2022, listed Commercial Papers outstanding were amounting to ₹3,180 Crores.



## Annexure IV (Contd.)

- h) We observe that the Company has received a Show Cause Notice from the Securities and Exchange Board of India (SEBI), dated May 25, 2021 ("SCN") under Section 11(1), 11(4), 11B (1), 11B (2) and 11(4A) of the SEBI Act, 1992 in the matter of CG Power and Industrial Solutions Limited ("CG Power"). Pursuant to the said notice, SEBI has alleged inter alia, that in order to benefit its loans getting repaid, the commission and omission on the part of the Company, amounted to participation in the fraudulent scheme for diversion of assets from CG Power for the benefit of BILT Graphic Paper Products Limited to the detriment of CG Power's minority shareholders, violating Regulation 3 (b), (c) (d) and Regulation 4 (1) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 read with Sections 12A (a), (b) and (c) of the SEBI Act. We are informed that the Company has submitted an interim reply dated 15<sup>th</sup> July 2021 and a final reply dated 29<sup>th</sup> July 2021 to SEBI denying the allegations levelled against it in the SCN and prayed for the withdrawal of the SCN, insofar as it relates to the Company. We are also informed that, pursuant to a personal hearing granted by the Whole Time Member of SEBI on 30<sup>th</sup> August 2021 and 31<sup>st</sup> August 2021, the Company has presented its case and responded to the allegations set out against ABFL in the SCN and that the Company has also filed its written submissions in the matter, pursuant to hearing before the learned Whole Time Member, on 4<sup>th</sup> October 2021. The matter is currently pending.

**Venkataraman K. Associate**

Partner

ACS No.: -8897 / COP No.: -12459

For BNP & Associates

Company Secretaries

[Firm Regn. No. P2014MH037400]

[PR No.: -637 / 2019]

UDIN: - A008897D000300331

Place: - Mumbai

Date: - 11<sup>th</sup> May 2022

# Annexure A

To,  
The Members,  
**Aditya Birla Finance Limited**

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. We have considered compliance related actions taken by the Company based on independent legal /professional opinion obtained as being in compliance with law.
4. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices we followed, provide a reasonable basis for our opinion.
5. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
6. We have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
7. Our Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Venkataraman K. Associate**

Partner

ACS No.: -8897 / COP No.: -12459

For BNP & Associates

Company Secretaries

[Firm Regn. No. P2014MH037400]

[PR No.: -637 / 2019]

UDIN: - A008897D000300331

Place: - Mumbai

Date: - 11<sup>th</sup> May 2022





# Annexure V

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

### 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, characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR policy.

### 2. Composition of CSR Committee:

Sr. No.	Name of Directors	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
<b>Members</b>				
1	Mr. Ashwani Puri	Chairman (Independent Director)	3	3
2	Mr. Ajay Srinivasan	Member (Non-Executive Director)	3	3
3	Mr. Rakesh Singh	Member (Managing Director & CEO)	3	3
<b>Permanent Invitees</b>				
4	Mrs. Rajashree Birla	Chairperson, Aditya Birla Centre for Community Initiatives and Rural Development	3	3
5	Dr. Pragnya Ram	Group Executive President, Corporate Communications and CSR	3	3

**3. The composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company which is [www.adityabirlafinance.com](http://www.adityabirlafinance.com)**

**4. Details 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**

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the Financial Year, if any:**

Sr. No.	Financial Year	Amount available for set-off from preceding Financial Years (in ₹)	Amount required to be set-off for the Financial Year, if any (in ₹)
-	-	NIL	NIL

**6. Average net profit of the Company as per section 135(5): ₹1,042.21 Crore**

**7. (a) Two percent of average net profit of the Company as per section 135(5): ₹20.85 Crore**

**(b) Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years: NIL**

**(c) Amount required to be set off for the Financial Year, if any: NIL**

**(d) Total CSR obligation for the Financial Year (7a+7b-7c): ₹20.85 Crore**

**8. (a) CSR amount spent or unspent for the Financial Year:**

		Amount Unspent (in ₹)	
Total Amount Spent for the Financial Year (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
15,17,79,946*	5,77,05,869	March 30, 2022	Not applicable

\* including CSR administrative overheads and impact assessment

**(b) Details of CSR amount spent against ongoing projects for the Financial Year:**

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No)	Location of the project		Project duration (Years)	Amount allocated for the project (in ₹)	Amount spent in the current Financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1	Aga Khan Rural Support Program (India)	Promoting Education	No	Bihar	Muzaffarpur	2	2,00,00,000	1,76,83,503	23,16,497	No	Aditya Birla Capital Foundation	CSR00003351
2	The PRIDE INDIA	Promoting health care including preventive health care	No	Maharashtra	Osmanabad	2	75,00,000	11,33,668	63,66,332	No	Aditya Birla Capital Foundation	CSR00003351
3	Srijan	Conservation of natural resources and maintaining quality of soil, and water	No	Rajasthan	Pali, Karuali, Udaipur	2	1,25,00,000	10,76,619	1,14,23,381	No	Aditya Birla Capital Foundation	CSR00003351
4	Indian Army	Measures for the benefit of armed forces veterans, war widows and their dependents	Yes	Pan India	Pan India	2	1,50,00,000	1,50,00,000	-	No	Aditya Birla Capital Foundation	CSR00003351
5	GoSports Foundation	Training to promote nationally recognised and olympic sports	Yes	Pan India	Pan India	2	1,50,00,000	1,50,00,000	-	No	Aditya Birla Capital Foundation	CSR00003351



## Annexure V (Contd.)

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration (Years)	Amount allocated for the project (in ₹)	Amount spent in the current Financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
6	Don Bosco Tech	Employment enhancing vocation skills to youths	Yes	Maharashtra & Madhya Pradesh	Mumbai, Bhopal, Sehore, Indore, Ratlam	2	1,00,00,000	27,65,496	72,34,504	No	Aditya Birla Capital Foundation	CSR00003351
7	Indian Cancer Society	Promoting health care including preventive health care	Yes	Pan India	Pan India	2	55,00,000	15,68,595	39,31,405	No	Aditya Birla Capital Foundation	CSR00003351
8	Light of Life Trust	Promoting Education	No	Maharashtra	Nandurbar	2	75,00,000	16,00,000	59,00,000	No	Aditya Birla Capital Foundation	CSR00003351
9	i-hear Foundation	Promoting Health care	No	Pan India	Pan India	2	1,50,00,000	63,51,750	86,48,250	No	Aditya Birla Capital Foundation	CSR00003351
10	Aditya Birla Education Trust	Promoting Health care	No	Maharashtra	Pune	2	2,00,00,000	2,00,00,000	-	No	Aditya Birla Capital Foundation	CSR00003351
11	Dhan Foundation	Promoting Health care including preventive health care	No	Tamil Nadu, Orissa	Tiruannamalai, Namakkal, Kalakurchi, Koraput, Mayurbharj	2	1,35,00,000	37,60,000	97,40,000	No	Aditya Birla Capital Foundation	CSR00003351
12	WISH Foundation	Promoting Health care including preventive health care	No	Rajasthan	Banswara, Rajsamand, Baran	2	1,00,00,000	90,45,000	9,55,000	No	Aditya Birla Capital Foundation	CSR00003351
13	Lila Poonawalla Foundation	Promoting Education	No	Maharashtra	Wardha, Amravati, Nagpur	2	65,00,000	53,09,500	11,90,500	No	Aditya Birla Capital Foundation	CSR00003351
14	Buddy 4 Study	Promoting Education for children of Covid impacted families	No	Pan India	Pan India	2	4,60,00,000	4,60,00,000	-	No	Aditya Birla Capital Foundation	CSR00003351
<b>Total</b>							<b>20,40,00,000</b>	<b>14,62,94,131</b>	<b>5,77,05,869</b>			

Annexure V (Contd.)

**(c) Details of CSR amount spent against other than ongoing projects for the Financial Year: None**

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No)	Location of the project		Amount allocated for the project (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
-	-	-	-	-	NIL	-	-	-	-
<b>Total</b>									

**(d) Amount spent in Administrative Overheads: ₹0.35 Crore**

**(e) Amount spent on Impact Assessment, if applicable: ₹0.20 Crore**

**(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹15.18 Crore**

**(g) Excess amount for set off, if any: Nil**

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	
(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)]	

**9. (a) Details of Unspent CSR amount for the preceding three Financial Years:**

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding Financial Years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2020-21	Nil	21,96,03,454	Nil	Nil	NA	Nil
2.	2019-20	Nil	21,53,79,947	Nil	Nil	NA	Nil
3.	2018-19		11,08,30,508				
<b>Total</b>			<b>54,58,13,909</b>				

**(b) Details of CSR amount spent in the Financial Year for ongoing projects of the preceding Financial Year(s):**

Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed / Ongoing
-	-	-	-	-	NIL	NIL	NIL	-
<b>Total</b>								

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year: None**

**(a) Date of creation or acquisition of the capital asset(s):** Not Applicable

**(b) Amount of CSR spent for creation or acquisition of capital asset:** Not Applicable



## Annexure V (Contd.)

(c) **Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc:** Not Applicable

(d) **Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):** Not Applicable

**11. 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

**Ashwani Puri**

Chairman - CSR Committee  
DIN – 00160662



# Impact Assessment Summary Report

## ABOUT SAMHITA SOCIAL VENTURES

Samhita Social Ventures is a social sector consulting practice committed to a 'Better Normal' through forging collaboration between 'Samaj, Sarkar and Bazaar', since Samhita believes that sustainable, scalable solutions to complex development problems require bringing together the private sector, donors, high net-worth individuals to collaborate with Non-Governmental Organizations (NGOs) and social enterprises. Samhita was incepted in 2009 with the support of Nadathur Group, an initiative of Mr N.S. Raghavan, a co-founder of Infosys.

Samhita's social sector consulting practice has worked with more than 250 leading companies and foundations in India to shape their CSR strategy, design and facilitate programme implementation and assess the impact created through research and knowledge support. Some of our noteworthy clients include Bill and Melinda Gates Foundation, Omidyar Network, GIZ, Rockefeller Foundation, International Finance Corporation, USAID, Credit Suisse, Godrej, JSW, Larsen & Toubro, L&T group companies, Godrej Industries, Deshpande Foundation, Aditya Birla Group, ReNew Power, Givaudan Foundation, Johnson & Johnson, Sun Pharmaceuticals, Sandvik Asia, A.P. Moller – Maersk Group, Piramal Group, Pernod Ricard, Reckitt Benckiser and the British High Commission. Supported by a network of over 1000 development partners, Samhita has touched the lives of more than 10 million people, with more than half being women.

Through advisory on a range of social sector projects, Samhita has espoused diverse causes such as education, community empowerment, vocational training, rural livelihoods, financial literacy, healthcare, and many others. Samhita's advantage lies in the extensive grassroots network of NGOs and social enterprises. More than 3,000 NGOs and 150 social enterprises converge at our knowledge portal – Good CSR. We have access to a network of 20,000 NGOs nationwide. This advantage ensures that Samhita is able to effectively manage implementation projects for clients.

Samhita also has a strategic implementation partner in Collective Good Foundation (CGF), a non-profit organisation, for building sectoral capacity and scaling and replicating models of social impact.

Aditya Birla Capital Foundation engaged Samhita Social Ventures to undertake impact assessments of the development programmes implemented in the year FY 2020-2021.

## The overall aim of impact assessment is to assess the:

- The efficiency of processes used to deliver interventions and create impact.
- The effectiveness of programmes in terms of
  - Programme outcomes,
  - Social outcomes, and
  - Improvements in the lives of end beneficiaries.

## Research methodology & process:

- Discussion with the NGOs and the Aditya Birla Capital Foundation (ABCF) teams to understand the programme
- Review of supporting documents/evidence; finalising Toc
- Preparation of survey tools and instruments; regular coordination with the partner NGOs
- On-field interviews / telephonic surveys with the key programme stakeholders
- Interaction with secondary stakeholders for qualitative data
- Infrastructure audit of facility, equipment (where applicable)
- Data analysis and reporting




## Key Performance Indicators

### The scale used for assessment is as following:

A total of 10 indicators have been used to rank the programmes (weightage of 1 for each indicator)

- 0 indicates that the indicator is not present
- 0.5 indicates that the indicator has been partially met, but needs improvement
- 1 indicates that the indicator is present and well-executed

## Overall score ranking

Overall score	Interpretation	Inference
7.5 and above 	All objectives met, key indicators present & well executed	Programme well designed, methodically executed, created good societal impact: Extremely Satisfactory
4 to 7.5 	Few programme indicators partially present; needs improvement	Programme well designed, however some indicators need improvement: Satisfactory
Below 4 	Programme indicators not met	Need to rework on programme goal, objective and implementation model: Not Satisfactory



## Impact Assessment Summary Report (Contd.)

## Score of our various projects are as under:

NGO	Overall score	Assessment Feedback
Indian Army	9.5	Extremely Satisfactory
Aditya Birla Memorial Hospital	10	Extremely Satisfactory
CPAA ( Cancer Care Project)	10	Extremely Satisfactory
CPAA (HPV Project)	10	Extremely Satisfactory
WISH Foundation	9	Extremely Satisfactory
GoSports Foundation	10	Extremely Satisfactory

The below table highlights the indicators used to assess each of the programmes funded by ABCF, holistically. In the detailed programme sections, specific outcome and impact indicators have been outlined elaborately. The scale used for the below table is as follows:

Key Indicators	Sub-indicators	Indian Army	Memorial Hospital	CPAA HPV	CPAA Cancer Care	WISH Foundation	GoSports Foundation
Needs Assessment of the target community; Availability of baseline indicators	1. Needs of the intervention outlined and documented (based on primary or secondary research such as government sources)	0.5	1	1	1	1	1
	2. Interaction with primary stakeholders and experts carried out before the programme execution						
	3. Data on baseline indicators available						
Process of documentation, MIS, etc.	1. Presence of a systematic documentation system	1	1	1	1	1	1
	2. Presence of digital documentation system						
	3. Documentation of the theory of change, project plan, M&E framework, periodic reports, etc.						
Adherence to timeline and activities as outlined in the MoU with ABCF	1. Periodic milestones reached	1	1	1	1	0.5	1
	2. Any delays on programme execution communicated and documented						
	3. Alignment of activities in accordance to the Theory of Change of the programme						
Collaboration and convergence	1. Leveraging local institution support / Collaboration with other social purpose organisations	1	1	1	1	1	1
	2. Converging with government policies						
Quality of programme staff and delivery model	1. Holding of trainings/capacity building for staff	1	1	1	1	1	1
	2. Qualification of the staff						
	3. Feedback on the quality of staff						
	4. Robustness of the programme delivery model						

## Impact Assessment Summary Report (Contd.)

Key Indicators	Sub-indicators	Indian Army	Memorial Hospital	CPAA HPV	CPAA Cancer Care	WISH Foundation	GoSports Foundation
Periodic monitoring; documentation of well-defined outcomes and impact	1. Submission of programme reports as per frequency requested by AB	1	1	1	1	1	1
Overall satisfaction of the stakeholders	1. Attribution to programme	1	1	1	1	1	1
Extent to which intended beneficiaries have been reached successfully	1. Intended beneficiaries reached as outlined in programme proposal documents 2. Adequate representation of people from marginalised communities (caste, class, gender, geography)	1	1	1	1	1	1
Extent of achieving positive outcomes and impact	1. Programme impact feedback by stakeholders 2. Observation of status of infrastructure, if any provided 3. The outcomes and the impact outlined in the ToC have been achieved	1	1	1	1	0.5	1
Sustainability of the interventions	1. Presence of post-exit engagement 2. Impact sustained after exit 3. Institutionalisation and documented SOP/training material 4. Appointment of persons for each defined responsibility	1	1	1	1	1	1
Contribution to relevant SDGs	Contribution of the programmes supported by ABCF to achieving the Sustainable Development Goals	SDG 4, 5, 10, 17	SDG 3, 9, 10, 17	SDG 3, 5, 10, 17	SDG 2, 3, 4, 5, 10, 16, 17	SDG 3, 5, 10, 17	SDG 3, 8, 10, 17
<b>Total Scores</b>		<b>9.5</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>9</b>	<b>10</b>

### Indian Army (Directorate of Indian Army Veterans):

Project: Aims to take measures for the benefit of armed forces veterans, war widows and their dependents

- Annual Project Budget: INR 1.50 Cr.
- Implementation partner: Directorate of Indian Army Veterans (DIAV)
- Education scholarship offered: standard 1 to Professional Courses
- Scholarship amount: INR 10 to 50K

#### About DIAV


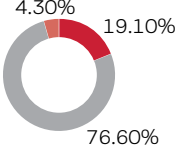

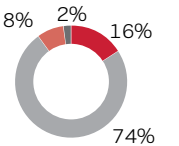

The Directorate of Indian Army Veterans (DIAV) is under the Adjutant General's Branch, Army. The primary role of the DIAV is to provide single window welfare and grievance redress facility to Army veterans, widows, and NOKs (Next of Kins).

A maximum of this population resides in rural areas with an average family income in the range of INR 10,000 to INR 30,000; the major portion of this income is the pension provided by the armed forces.


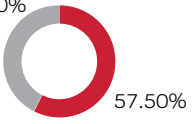



## Impact Assessment Summary Report (Contd.)

## Process Efficiency:

Indicators	Response
<b>Outreach activity by Army for information dissemination</b> 	 <ul style="list-style-type: none"> <li><span style="color: red;">■</span> Acquaintances from the army told me about it</li> <li><span style="color: gray;">■</span> Officials from the army reached out to me</li> <li><span style="color: orange;">■</span> Other</li> </ul>
<b>Ease of submitting the documentation and receiving the grant</b> 	 <ul style="list-style-type: none"> <li><span style="color: red;">■</span> Online</li> <li><span style="color: gray;">■</span> Offline, through the post</li> <li><span style="color: orange;">■</span> Offline, in person</li> <li><span style="color: darkgray;">■</span> Others</li> </ul>
<b>Receiving the grant</b> 	<ul style="list-style-type: none"> <li>• A majority of the respondents of the survey reported that they had received the grant</li> <li>• However, most of them were unaware of the precise timeline for when the grant would be disbursed.</li> </ul>

## Programme Effectiveness:

Indicators	Response
<b>Access to quality education and career</b> 	 <ul style="list-style-type: none"> <li><span style="color: red;">■</span> Due to support able to continue education</li> <li><span style="color: gray;">■</span> Helped to get better education</li> </ul>
<b>Easing financial burden</b> 	<ul style="list-style-type: none"> <li>• Pension was a major source of income of these families.</li> <li>• Financial support received by the family in the form of grants and scholarships greatly reduced the financial burden on the family</li> </ul>

Overall Outcome: Programme well-designed, methodically executed, created a good societal impact

## Impact Assessment Summary Report (Contd.)

### ADITYA BIRLA MEMORIAL HOSPITAL




ABCF has been supporting the Aditya Birla Memorial Hospital (henceforth referred to as ABMH) by funding new equipment and supporting patient treatment since 2017.

- INR 16.26 crore worth of equipment support was extended to ABMH.
- ABCF supported the treatment of patients requiring cleft lip surgery and heart surgery for congenital heart disease (in FY 2018 and in FY 2022).




### About Aditya Birla Memorial Hospital

ABMH is a multi-specialty tertiary hospital located at Pimpri-Chinchwad, Pune. The hospital was started in 2006 to provide affordable quality healthcare to the community.

#### Process Efficiency:

Indicators	Response
<b>Process-driven approach</b> 	<ul style="list-style-type: none"><li>• The assessment of the need for the equipment, proposal submission to ABCF, selection of vendors and the procurement of the equipment have all been highly process-driven</li></ul>
<b>Selection of families for financial support</b> 	<ul style="list-style-type: none"><li>• ABMH conducted medical health camps to spread awareness about the hospital and its low-cost care. The health camps were conducted regularly</li><li>• Hospital had a team of social workers who assessed the financial status of families</li></ul>
<b>Partnership</b> 	<ul style="list-style-type: none"><li>• Doctor Pankaj Sugaonkar is known to be a renowned paediatric cardiologist, who has successfully carried out multiple heart surgeries for children with congenital heart disease; he mobilised deserving community members</li></ul>

#### Programme Effectiveness:

Indicators	Response
<b>Quality of treatment of serious illness</b> 	<ul style="list-style-type: none"><li>• The provision of treatment for cleft lip and congenital heart disease, which are rare in India, has been beneficial in providing a better quality of life to the community</li></ul>
<b>Reduced financial burden</b> 	<ul style="list-style-type: none"><li>• The financial support provided to the families of children undergoing cleft or congenital heart surgery was in the range of INR 50,000 to INR 2,00,000</li></ul>
<b>Quality treatment with high-end equipment</b> 	<ul style="list-style-type: none"><li>• The provision of the latest equipment in the hospital has improved healthcare outcomes and has made treatment more affordable and convenient</li><li>• Advanced technology helped in early diagnosis of severe conditions which enabled doctors to prescribe the relevant treatments for patients before symptoms become debilitating or harder to cure</li></ul>

Overall Outcome: Programme well-designed, methodically executed, created a good societal impact; beneficiary satisfaction was very high.

### GOSPORTS FOUNDATION

GoSports Foundation (herein referred to as GoSports), is a not-for-profit organisation working towards the development and grooming of Indian athletes by providing them with financial aid, sports science assistance, and knowledge-building programmes. It runs athlete development programmes like Rahul Dravid Athlete Mentorship Programme (RDAMP) to support elite Indian Olympic athletes.






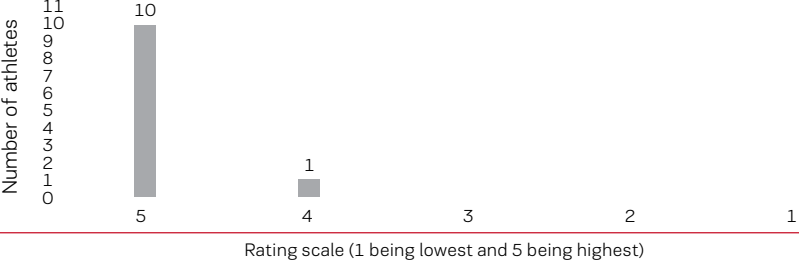



## Impact Assessment Summary Report (Contd.)



### About RDAMP

RDAMP is a scholarship-based mentorship programme launched in 2014. ABCF supports the scholarship of more than 30 athletes representing India in national and international sports, aiming at the Olympics

### Process Efficiency:

Indicators	Response												
<b>Selection Process</b> 	<ul style="list-style-type: none"> <li>5-stage selection process - Identification of eligible able-bodied and para-athletes; performance analysis of the athletes; expert feedback on the shortlisted athletes by the GoSports team; followed by personal interviews</li> </ul>												
<b>Goal setting activity</b> 	<ul style="list-style-type: none"> <li>Goal sheet filling activity was conducted for the athletes with the athlete manager</li> <li>The goals were categorised into physical goals, psychological goals and performance goals. Goal-sheet also helped in deciding the budget for the individual athletes based on the type of support that was requested</li> </ul>												
<b>Support of athlete managers</b> 	<p><b>Support provided by Athlete Managers (N=11)</b></p>  <table border="1"> <caption>Support provided by Athlete Managers (N=11)</caption> <thead> <tr> <th>Rating scale (1 being lowest and 5 being highest)</th> <th>Number of athletes</th> </tr> </thead> <tbody> <tr> <td>5</td> <td>10</td> </tr> <tr> <td>4</td> <td>1</td> </tr> <tr> <td>3</td> <td>0</td> </tr> <tr> <td>2</td> <td>0</td> </tr> <tr> <td>1</td> <td>0</td> </tr> </tbody> </table>	Rating scale (1 being lowest and 5 being highest)	Number of athletes	5	10	4	1	3	0	2	0	1	0
Rating scale (1 being lowest and 5 being highest)	Number of athletes												
5	10												
4	1												
3	0												
2	0												
1	0												
<b>Mentorship design</b> 	<ul style="list-style-type: none"> <li>High-quality mentorship support was provided to the athletes</li> <li>A network of physicians, nutritionists, trainers, etc., was accessible to the athletes through the GoSports network</li> </ul>												

### Programme Effectiveness:

Indicators	Response
<b>Improved financial support</b> 	<ul style="list-style-type: none"> <li>The scholarship amount was decided based on the type of support the athlete would require. The financial support was provided in the form of paying the bills to the sports science experts on a consultation basis, hospital and rehabilitation bills during injury management, monthly stipend, travel expenses, coach fees, equipment, etc.</li> </ul>
<b>Improved access to expert support</b> 	<ul style="list-style-type: none"> <li>The sports science ecosystem involves actors like sports psychologists, sports nutritionists, strength and conditioning experts, and sports medicine. GoSports enabled access to such vital stakeholders for all the athletes supported</li> </ul>

Overall Outcome: Overall beneficiary satisfaction was very high. The support has enabled the revival of unpopular sports in India

### CPAA – ADOPT A CANCER PATIENT PROGRAMME





Aditya Birla Capital Foundation (ABCF) has undertaken two programmes focusing on the prevention and treatment of cancer in various locations of Maharashtra.

#### About CPAA - Adopt a Cancer Patient Scheme




CPAA's Adopt a Cancer Patient Scheme provides child cancer patients from low-income families a total of INR 1 lakh on an annual basis from which they can access medical treatment required for cancer (such as chemotherapy), and medicines required for cancer treatment, and psychosocial counselling to support them.

## Impact Assessment Summary Report (Contd.)

### Process Efficiency:

Indicators	Response
<b>Enrolment process</b> 	<ul style="list-style-type: none"> <li>48% Social workers</li> <li>38% Doctors</li> <li>14% Friends/previous patient</li> </ul>
<b>Approach to care and needs</b> 	<ul style="list-style-type: none"> <li>Holistic approach to cancer care adopted, in line with WHO's CureAll guidelines. 100% survey respondents received funds for cancer treatment</li> <li>96% reported CPAA contacted them to ensure their attendance for appointments</li> </ul>
<b>Coordination &amp; collaboration</b> 	<ul style="list-style-type: none"> <li>Social workers remain in regular contact with guardians, and doctors</li> <li>Chemist has been identified as per proximity to hospitals where patients receive treatment, and due to concessions provided</li> </ul>
<b>Monitoring &amp; reporting</b> 	<ul style="list-style-type: none"> <li>CPAA undertook one-on-one monitoring for each case, and regular updates were taken from hospitals</li> <li>CPAA used an online data entry system for documentation and submitted biannual reports to ABCF</li> </ul>

### Programme Effectiveness:

Indicators	Response
<b>Improved access to treatment</b> 	<p><b>What issues did you face while seeking treatment for your child's cancer at the PHC/SC in your hometown? (N=21)</b></p> <ul style="list-style-type: none"> <li>10% Need to go to another region to get the service my child needs</li> <li>43% Need to go to another city to get the service my child needs</li> <li>48% None</li> </ul> <ul style="list-style-type: none"> <li>90% felt it was easy to obtain healthcare services</li> <li>95% experienced no delays in accessing treatment or support</li> </ul>
<b>Reduced economic burden</b> 	<ul style="list-style-type: none"> <li>71% Affordable to a great extent</li> <li>24% More than affordable</li> <li>5% Somewhat affordable</li> </ul>
<b>Mental wellbeing of families</b> 	<ul style="list-style-type: none"> <li>86% supported to adjust to cancer diagnosis</li> <li>76% received grief counselling</li> <li>71% received support in talking with children about cancer</li> </ul>




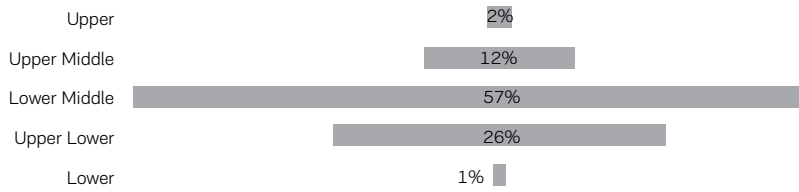


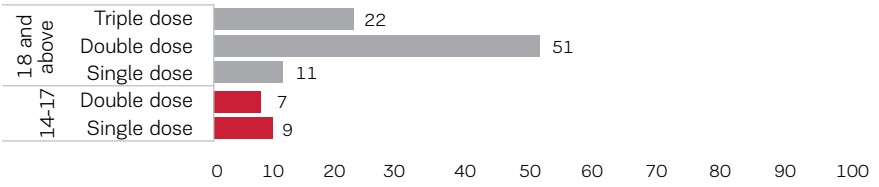


## Impact Assessment Summary Report (Contd.)

**OVERALL OUTCOME: BENEFICIARY SATISFACTION WAS VERY HIGH; PROGRAMME WAS WELL-DESIGNED AND EXECUTED****CPAA – Elimination of Cervical Cancer through HPV Vaccination**

CPAA, with the support of ABCF, has implemented an 'Elimination of Cervical Cancer through HPV vaccination' targeting girls and women from rural areas, and urban informal settlements of Maharashtra since 2018.



HPV vaccination camps were held in Ahmednagar, Usgaon and Mumbai within Maharashtra between 2019-21 during which a total of 2,162 girls and women were vaccinated.

**Process Efficiency:**

Indicators	Response																					
<b>Selection of target population</b> 	 <table border="1"> <thead> <tr> <th>Socioeconomic Status</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Upper</td> <td>2%</td> </tr> <tr> <td>Upper Middle</td> <td>12%</td> </tr> <tr> <td>Lower Middle</td> <td>57%</td> </tr> <tr> <td>Upper Lower</td> <td>26%</td> </tr> <tr> <td>Lower</td> <td>1%</td> </tr> </tbody> </table>	Socioeconomic Status	Percentage	Upper	2%	Upper Middle	12%	Lower Middle	57%	Upper Lower	26%	Lower	1%									
Socioeconomic Status	Percentage																					
Upper	2%																					
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<b>Community outreach</b> 	<ul style="list-style-type: none"> <li>CPAA collaborated with stakeholders within communities such as politicians, social activists, community leaders, and NGOs such as Jan Prahar Foundation &amp; Snehalaya for better reach</li> <li>64% heard about the vaccination camp from social workers, 26% from school teachers, 15% neighbours, friends, or relatives, and 13% through healthcare workers</li> </ul>																					
<b>Vaccine camps and dosage</b> 	<p><b>HPV vaccination doses received so far (N=177)</b></p>  <table border="1"> <thead> <tr> <th>Age Group</th> <th>Dose Type</th> <th>Number of Doses</th> <th>Percentage (%)</th> </tr> </thead> <tbody> <tr> <td rowspan="3">18 and above</td> <td>Triple dose</td> <td>22</td> <td>12.4%</td> </tr> <tr> <td>Double dose</td> <td>51</td> <td>28.8%</td> </tr> <tr> <td>Single dose</td> <td>11</td> <td>6.2%</td> </tr> <tr> <td rowspan="2">14-17</td> <td>Double dose</td> <td>7</td> <td>3.9%</td> </tr> <tr> <td>Single dose</td> <td>9</td> <td>5.1%</td> </tr> </tbody> </table>	Age Group	Dose Type	Number of Doses	Percentage (%)	18 and above	Triple dose	22	12.4%	Double dose	51	28.8%	Single dose	11	6.2%	14-17	Double dose	7	3.9%	Single dose	9	5.1%
Age Group	Dose Type	Number of Doses	Percentage (%)																			
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14-17	Double dose	7	3.9%																			
	Single dose	9	5.1%																			
<b>Vaccine management</b> 	<ul style="list-style-type: none"> <li>CPAA followed a community-based delivery strategy; 100% vaccination free of cost</li> <li>Vaccine orders placed based on number of registrations; vaccine wastage avoided</li> </ul>																					
<b>Monitoring &amp; reporting</b> 	<ul style="list-style-type: none"> <li>Consent forms were signed on paper by recipients of the vaccine, and then data from those forms was entered onto a digital database maintained by CPAA</li> </ul>																					

## Impact Assessment Summary Report (Contd.)

### Programme Effectiveness:

Indicators	Response
<b>Improved awareness</b> 	<ul style="list-style-type: none"> <li>Respondents reported information about what cancer was explained (81%), information about HPV vaccine that prevents cervical cancer was provided (71%), and information about women-specific cancers was shared (68%)</li> </ul>
<b>Wide coverage</b> 	<ul style="list-style-type: none"> <li>Vaccination support and awareness about vaccines (and their importance) have been reached to a high number of marginalised community members</li> </ul>

Overall Outcome: Overall beneficiary satisfaction was very high; programme well-designed and executed

### WISH FOUNDATION


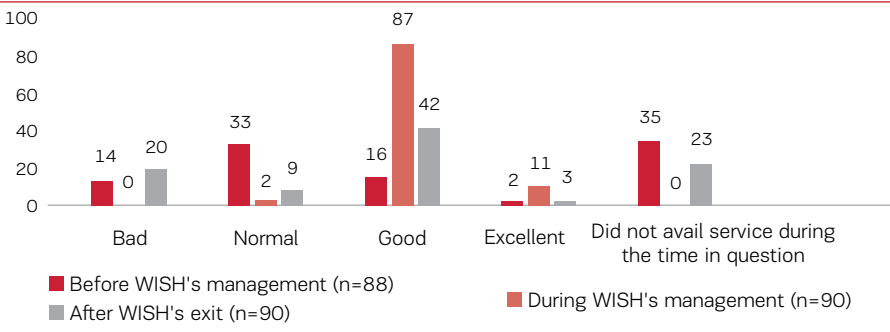


WISH aims to work towards building an equitable healthcare system and making quality primary healthcare accessible and available to underserved populations in the states of Rajasthan, Madhya Pradesh and Odisha.

- Total beneficiaries: 28,000
- Implementation partner: SCALE Rajasthan; duration – 5 years
- Frequency of intervention: 30 Primary Health Centres and their constituent sub-centres.

### About WISH

Lords Education and Health Society (WISH Foundation) works toward building an equitable healthcare system by largely identifying need-based, high-potential innovations and inclusive business models in public and private markets and scaling them up. In FY 2021, ABCF supported the operation of 1 PHC and its associated SCs in Bhadoti, Sawai Madhopur, and infrastructural upgradation at 25 labour rooms at PCs across Rajasthan.


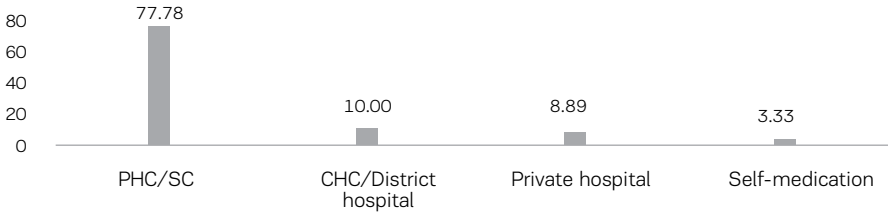



### Process Efficiency:

Indicators	Response																								
<b>PHC Administration</b> 	 <p>The bar chart displays the number of respondents for PHC Administration across five categories: Bad, Normal, Good, Excellent, and Did not avail service during the time in question. The data is split into three periods: Before WISH's management (n=88), During WISH's management (n=90), and After WISH's exit (n=90). The 'Good' category shows the highest number of respondents, with a significant increase during WISH's management.</p> <table border="1"> <thead> <tr> <th>Category</th> <th>Before WISH's management (n=88)</th> <th>During WISH's management (n=90)</th> <th>After WISH's exit (n=90)</th> </tr> </thead> <tbody> <tr> <td>Bad</td> <td>14</td> <td>0</td> <td>20</td> </tr> <tr> <td>Normal</td> <td>33</td> <td>2</td> <td>9</td> </tr> <tr> <td>Good</td> <td>16</td> <td>87</td> <td>42</td> </tr> <tr> <td>Excellent</td> <td>2</td> <td>11</td> <td>3</td> </tr> <tr> <td>Did not avail service during the time in question</td> <td>35</td> <td>0</td> <td>23</td> </tr> </tbody> </table>	Category	Before WISH's management (n=88)	During WISH's management (n=90)	After WISH's exit (n=90)	Bad	14	0	20	Normal	33	2	9	Good	16	87	42	Excellent	2	11	3	Did not avail service during the time in question	35	0	23
Category	Before WISH's management (n=88)	During WISH's management (n=90)	After WISH's exit (n=90)																						
Bad	14	0	20																						
Normal	33	2	9																						
Good	16	87	42																						
Excellent	2	11	3																						
Did not avail service during the time in question	35	0	23																						
<b>Quality of Infrastructure</b> 	<ul style="list-style-type: none"> <li>100% of the respondents reported having access to an individual labour table and washrooms</li> <li>Facilities available were short of LaQshya standards.</li> </ul>																								
<b>Outreach</b> 	<ul style="list-style-type: none"> <li>83% of the respondents reported health outreach camps being held in their villages during WISH's intervention</li> </ul>																								



## Impact Assessment Summary Report (Contd.)

## Programme Effectiveness

Indicators	Response										
<b>Seeking institutional services</b> 	 <table border="1"> <thead> <tr> <th>Service Type</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>PHC/SC</td> <td>77.78</td> </tr> <tr> <td>CHC/District hospital</td> <td>10.00</td> </tr> <tr> <td>Private hospital</td> <td>8.89</td> </tr> <tr> <td>Self-medication</td> <td>3.33</td> </tr> </tbody> </table>	Service Type	Percentage	PHC/SC	77.78	CHC/District hospital	10.00	Private hospital	8.89	Self-medication	3.33
Service Type	Percentage										
PHC/SC	77.78										
CHC/District hospital	10.00										
Private hospital	8.89										
Self-medication	3.33										
<b>Health expenditure</b> 	<ul style="list-style-type: none"> <li>Out-of-pocket expenditure on health subsisted, with over half the respondents spending over INR 3,000 annually on health</li> </ul>										
<b>Maternal and child health services</b> 	<ul style="list-style-type: none"> <li>All FGD participants reported receiving adequate ANC and infant healthcare services as prescribed by government norms</li> </ul>										
<b>Technological Innovations</b> 	<ul style="list-style-type: none"> <li>Only a little over 17% of the respondents availed of services through any technological innovations installed at their local PHC or SC</li> </ul>										

Overall Outcome: Beneficiary Satisfaction was very high; the societal impact was high.



# Annexure VI

## 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 listed entity's internal control system over financial reporting.
- Dated on this 9<sup>th</sup> May 2022**  
For **Aditya Birla Finance Limited**
- |  |   |
|--|---|
| <b>Rakesh Singh</b><br>Managing Director & CEO | <b>Pradeep Agrawal</b><br>Chief Financial Officer |
|--|---|

# 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 31<sup>st</sup> March 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the 'financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2022, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for opinion

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

### Emphasis of matter

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

Our opinion is not modified in respect of this matter.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

## Independent Auditor's Report (Contd.)

Key Audit Matter	Auditors' response
<p><b>Allowances for expected credit losses ("ECL"):</b></p> <p>As at 31 Mar 2022, the carrying value of loan assets measured at amortised cost, aggregated ₹ 53,60,746.02 lakh (net of allowance of expected credit loss ₹1,07,482.53 lakh) constituting approximately 94% of the Company's total assets. Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. ECL on such loan assets measured at amortised cost is a critical estimate involving greater level of management judgement.</p> <p>As part of our risk assessment, we determined that the allowance for ECL on loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements.</p> <p>The elements of estimating ECL which involved increased level of audit focus are the following:</p> <ul style="list-style-type: none"> <li>• Qualitative and quantitative factors used in staging the loan assets measured at amortised cost.</li> <li>• Basis used for estimating Probabilities of Default ("PD"), Loss Given Default ("LGD") and Exposure at Default ("EAD") at product level with past trends;</li> <li>• Judgements used in projecting economic scenarios and probability weights applied to reflect future economic conditions; and</li> <li>• Adjustments to model driven ECL results to address emerging trends.</li> </ul> <p>(Refer Note 4.1, 10 and 52 to the Financial Statements)</p>	<p><b>We performed the following audit procedures:</b></p> <p>We have examined the policies approved by the Board of Directors of the Company that articulate the objectives of managing each portfolio and their business models. We have also verified the methodology adopted for computation of ECL ("ECL Model") that addresses policies approved by the Board of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures measured at amortised cost.</p> <p>Additionally, we have confirmed that adjustments to the output of the ECL Model is consistent with the documented rationale and basis for such adjustments and that the amount of adjustment have been approved by the Audit Committee of the Board of Directors.</p> <p>Our audit procedures related to the allowance for ECL included the following, among others:</p> <ul style="list-style-type: none"> <li>• Testing the design and operating effectiveness of the following: <ul style="list-style-type: none"> <li>– completeness and accuracy of the Exposure at Default ("EAD") and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the qualitative factors to be applied.</li> <li>– completeness, accuracy and appropriateness of information used in the estimation of the PD and LGD for the different stages depending on the nature of the portfolio; and</li> <li>– accuracy of the computation of the ECL estimate including reasonableness of the methodology used to determine macro-economic overlays and adjustments to the output of the ECL Model.</li> </ul> </li> <li>• Test of details on a sample in respect of the following: <ul style="list-style-type: none"> <li>– we tested accuracy and completeness of the input data such as ratings and period of default and other related information used in estimating the PD;</li> <li>– completeness and accuracy of the staging of the loans and the underlying data based on which the ECL estimates have been computed.</li> <li>– we evaluated reasonableness of LGD estimates by comparing actual recoveries post the loan asset becoming credit impaired with estimates of LGD; and</li> <li>– we evaluated the incorporation of the applicable assumptions into the ECL Model and tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company.</li> </ul> </li> <li>• We also evaluated the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL Model and ensured that the adjustment was in conformity with the amount approved by the Audit Committee.</li> <li>• We also assessed the disclosures made in relation to the ECL allowance to confirm compliance with the provisions of Ind AS 107.</li> </ul>
<p><b>Key information technology and general controls</b></p> <p>The Company is dependent on its Information Technology ("IT") systems due to the significant number of transactions that are processed daily across such multiple and discrete IT systems.</p> <p>Also, IT application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner and under controlled environments. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data.</p> <p>On account of the pervasive use of its IT systems, the testing of the general computer controls of the key IT systems used in financial reporting was considered to be a Key Audit Matter</p>	<p>With the assistance of our IT specialists, we obtained an understanding of the Company's IT applications, databases and operating systems relevant to financial reporting and the control environment. For these elements of the IT infrastructure the areas of our focus included access security (including controls over privileged access), program change controls, database management and network operations.</p> <p>In particular:</p> <ul style="list-style-type: none"> <li>• We tested the design, implementation and operating effectiveness of the Company's general IT controls over the key IT systems relevant to financial reporting. This included evaluation of Company's controls over segregation of duties and access rights being provisioned / modified based on duly approved requests, access for exit cases being revoked in a timely manner and access of all users being recertified during the period of audit;</li> <li>• We also tested key automated business cycle controls and logic for the reports generated through the IT infrastructure that were relevant for financial reporting or were used in the exercise of internal financial controls with reference to financial statements. Our tests included testing of the compensating controls or alternate procedures to assess whether there were any unaddressed IT risks that would materially impact the financial statements.</li> </ul>

## Independent Auditor's Report (Contd.)

### Information other than the financial statements and auditors' report thereon

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

We have nothing to report in this regard.

### Management's responsibility for the financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless

management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### Auditors' responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our

## Independent Auditor's Report (Contd.)

opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit of the financial statements, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
- d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2022, taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- g. With respect to the other matters to be included in the Auditors' report in accordance with the requirements of section 197(16) of the Act, as amended,  
  
In our opinion and to the best of our information and according to the explanations given to us the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
  - ii. The Company has made provision, as required under the applicable law or accounting standards for material foreseeable losses, if any, or long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief,

## Independent Auditor's Report (Contd.)

- no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. With respect of dividend declared and paid:
- (a) There was no dividend proposed in the previous year which is declared and paid by the Company during the year.
- (b) The interim dividend declared and paid by the Company during the year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend. No dividend was declared and paid subsequent to the balance sheet date till the date of this report.
2. As required by the Companies (Auditor's Report) Order, 2020 (the 'Order') issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

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

Place: Mumbai  
Date: 11<sup>th</sup> May 2022

For **SINGHI & CO.**  
Chartered Accountants  
(Firm's Registration No. 302049E)

**Amit Hundia**  
Partner  
Membership No. 120761  
UDIN: 22120761AIUYOM3589

Place: Mumbai  
Date: 11<sup>th</sup> May 2022



# ANNEXURE "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on other legal and regulatory requirements' section of our report of even date)

## **Report on the internal financial controls with reference to financial statements under clause (i) of sub-section 3 of section 143 of the companies act, 2013 (the 'act')**

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

### **Management's responsibility for internal financial controls**

The Company's management is responsible for establishing and maintaining Internal Financial Controls based on the internal control with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' responsibility**

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

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

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

### **Meaning of internal financial controls with reference to financial statements**

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

## Independent Auditor's Report (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 Controls with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

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

Place: Mumbai  
Date: 11<sup>th</sup> May 2022

### Opinion

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

For **SINGHI & CO.**  
Chartered Accountants  
(Firm's Registration No. 302049E)

**Amit Hundia**  
Partner  
Membership No. 120761  
UDIN: 22120761AIUYOM3589

Place: Mumbai  
Date: 11<sup>th</sup> May 2022

# ANNEXURE “B” to the Independent Auditor’s Report

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

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

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

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant and Equipment, and the relevant details of Right-of-Use assets.

(B) The Company has maintained proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment, were physically verified during the year by the Management in accordance with a regular programme of verification which in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. No material discrepancies were noticed on such verification.

(c) Based on our examination of the documents provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment (Including Right of Use assets) or intangible assets or both during the year. Accordingly, paragraph 3(i)(d), of the Order is not applicable.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31<sup>st</sup> March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

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

(a) The Company is engaged primarily in lending activities and consequently does not hold any physical inventories. Accordingly, paragraph 3(ii)(a) of the Order is not applicable.

(b) As stated in note no 65, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, by banks or financial institutions on the basis of security of loans (assets) during the year. We have observed differences / reconciliation items in the quarterly returns or statements filed by the Company with such banks or financial institutions as compared to the books of account maintained by the Company. However, we have not carried out a specific audit of such statements. The details of such differences / reconciliation items are given in note no. 65 of the Financial Statements of the Company:

(₹ in Lakhs)

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

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

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

(a) The provisions of paragraph 3(iii)(a) of the Order are not applicable to the Company as its principal business is to give loans;

(b) In our opinion, having regard to the nature of the Company’s business, the investments made, guarantees provided, security given and the terms and conditions for the grant of all loans and advances in the nature of loans and guarantees provided during the year are, prima facie, not prejudicial to the Company’s interest;

(c) In respect of loans and advances in the nature of loans (together referred to as “loan assets”), the schedule of repayment of principal and payment of interest has been stipulated. Note 4.1(v) to the Financial Statements explains the Company’s accounting policy relating to impairment of financial assets which include loans assets. In accordance with that policy, loan assets with balances as at 31 March, 2022,

## Independent Auditor's Report (Contd.)

aggregating ₹195,603.41 lakhs were categorised as credit impaired ("Stage 3") and ₹ 295,576.00 lakhs were categorised as those where the credit risk has increased significantly since initial recognition ("Stage 2"). Disclosures in respect of such loans have been provided in Note 10 to the Financial Statements. Additionally, out of loans and advances in the nature of loans with balances as at the year-end aggregating ₹ 49,77,028.10 lakhs, where credit risk has not significantly increased since initial recognition (categorised as "Stage 1"), delinquencies in the repayment of principal and payment of interest aggregating ₹ 16,927.35 lakhs were also identified, albeit of less than 31 days. In all other cases, the repayment of principal and interest is regular. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified.

- (d) The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at the year-end is ₹ 1,25,930.25 lakhs. Reasonable steps are being taken by the Company for recovery of the principal and interest.
- (e) The provisions of paragraph 3(iii)(e) of the Order are not applicable to the Company as its principal business is to give loans.
- (f) The Company has not granted any loans or advances in the nature of loans that were either repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion, the Company has complied with the provisions of Section 185 of the Companies Act, 2013 in respect of loans granted, investments made and

guarantees provided or security given, as applicable and the provisions of Section 186 of the Companies Act 2013 are not applicable to the Company.

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

- (c) The Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31<sup>st</sup> March 2022, on account of disputes are given below:

(₹ in Lakhs)

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

## Independent Auditor's Report (Contd.)

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	0.49	0.49	AY 2014-15	Income Tax Officer (Assessing Officer)
Income Tax Act, 1961	Income Tax	0.36	0.36	AY 2015-16	Income Tax Officer (Assessing Officer)
Income Tax Act, 1961	Income Tax	1,515.52	1,515.52	AY 2017-18	Commissioner of Income Tax (Appeals)
Finance Act, 1994	Service Tax	69.84	62.86	FY 2014-15 and 2015-16	Custom, Excise and Service Tax Appellate Tribunal, Mumbai
Finance Act, 1994	Service Tax	61.65	57.03	April, 2016 to June, 2017	Commissioner of Central Excise (Appeals) – II
Income Tax Act, 1961	Income Tax	2,256.60	2,256.60	AY 2018-19	Commissioner of Income Tax (Appeals)

\*Includes interest and penalty

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) With respect to reporting requirements of paragraph 3(ix) of the Order:
- (a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, term loans availed by the Company during the year, were applied by the Company for the purposes for which the loans were obtained.
- (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. 31<sup>st</sup> March 2022) falls short of the expected recoveries from financial assets during that period. Further, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.
- (f) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under paragraph 3(x)(a) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partially or optionally) during the year under review and hence reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no material fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under section 143(12) of the Companies Act, 2013, has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report) and provided to us, while determining the nature, timing and extent of our audit procedures.
- (xii) The Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.
- (xiii) In our opinion, the Company has complied with the provisions of Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements, etc., as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

**Independent Auditor's Report (Contd.)**

- (b) We have considered, the internal audit reports, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 ("RBI Act") and it has obtained the registration.
- (b) The Company has conducted the Non-Banking Financial activities with a valid Certificate of Registration ("CoR") from the RBI as per the RBI Act. The Company has not conducted any housing finance activities and is not required to obtain CoR for such activities from the RBI.
- (c) The Company is not a Core Investment Company ("CIC") and hence reporting under paragraph 3(xvi)(c) of the Order is not applicable to the Company.
- (d) The Group does not have more than one CIC as part of the group.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the

financial statements, and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report, indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility ('CSR') on other than ongoing projects requiring transfer to a Fund specified in Schedule VII to the Companies Act, 2013, in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under paragraph 3(xx)(a) of the Order is not applicable for the year.
- (b) In respect of ongoing projects, the Company has transferred the unspent amount towards CSR, to a special account within a period of 30 days from the end of the financial year, in compliance with the provisions of section 135(6) of the Act.
- (xxi) The Company did not have any Subsidiary, Associate or Joint Venture and hence, reporting under the clause (xxi) of the Order is not applicable.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

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

Place: Mumbai  
Date: 11<sup>th</sup> May 2022

For **SINGHI & CO.**  
Chartered Accountants  
(Firm's Registration No. 302049E)

**Amit Hundia**  
Partner  
Membership No. 120761  
UDIN: 22120761AIUYOM3589

Place: Mumbai  
Date: 11<sup>th</sup> May 2022



# Balance Sheet

as at 31<sup>st</sup> March 2022

(₹ in Lakh)

Particulars	Note No.	As at 31 Mar 22	As at 31 Mar 21
<b>I ASSETS</b>			
<b>1 Financial assets</b>			
(a) Cash and cash equivalents	6	59,571.14	151,098.56
(b) Bank balance other than included in (a) above	7	9,681.37	1,913.09
(c) Derivative financial instruments	8	19.02	-
(d) Receivable			
(I) Trade receivables	9	1,243.96	998.86
(II) Other receivables		-	-
(e) Loans	10	5,360,746.02	4,759,743.36
(f) Investments	11	169,403.56	79,290.90
(g) Other financial assets	12	5,361.81	5,117.95
<b>2 Non-financial assets</b>			
(a) Current tax assets (net)	13	34,239.10	23,971.65
(b) Deferred tax assets (net)	41	25,954.92	26,013.31
(c) Property, plant and equipment's	14	1,881.37	1,465.80
(d) Right of use Lease Assets	15	12,187.33	9,405.31
(e) Intangible assets under development	16	1,089.05	1,197.92
(f) Other intangible assets	17	7,008.52	7,149.74
(g) Other non-financial assets	18	8,533.26	8,150.54
<b>Total assets</b>		<b>5,696,920.43</b>	<b>5,075,516.99</b>
<b>II LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>1 Financial liabilities</b>			
(a) Derivative financial instruments	8	7,799.24	3,063.81
(b) Payables			
(I) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	19	696.87	214.66
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises*	19	23,524.76	10,957.65
(II) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises*		-	-
(c) Debt securities	20	1,578,125.70	1,657,875.04
(d) Borrowings (other than debt securities)	21	2,771,715.04	2,245,460.08
(e) Subordinated liabilities	22	248,733.99	218,183.26
(f) Lease liabilities	23	12,910.38	10,224.64
(g) Other financial liabilities	24	47,013.29	31,157.53
<b>2 Non-financial liabilities</b>			
(a) Current tax liabilities (Net)	25	1,513.10	1,466.63
(b) Provisions	26	10,421.69	8,062.51
(c) Other non-financial liabilities	27	8,424.39	5,063.24
<b>Total liabilities</b>		<b>4,710,878.45</b>	<b>4,191,729.05</b>
<b>Equity</b>			
(a) Equity share capital	28	66,210.08	66,210.08
(b) Other equity	29	919,831.90	817,577.86
<b>Total equity</b>		<b>986,041.98</b>	<b>883,787.94</b>
<b>Total liabilities and equity</b>		<b>5,696,920.43</b>	<b>5,075,516.99</b>
Significant Accounting Policies	4		
The accompanying notes are forming part of the financial statements.			

As per our report of even date attached.  
For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
ICAI Firm Reg. No: 117366W/W-100018

As per our report of even date attached.  
For **Singhi & Co.**  
Chartered Accountants  
ICAI Firm Reg. No: 302049E

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

per **Sanjiv V. Pilgaonkar**  
Partner  
Membership No: 039826

per **Amit Hundia**  
Partner  
Membership No: 120761

**Ajay Srinivasan**  
Director  
DIN - 00121181

**Rakesh Singh**  
Managing Director and  
Chief Executive Officer  
DIN - 07006067

**Pradeep Agrawal**  
Chief Financial Officer

**Ankur Shah**  
Company Secretary

Place: Mumbai  
Date: 11<sup>th</sup> May 2022

Place: Mumbai  
Date: 11<sup>th</sup> May 2022

Place: Mumbai  
Date: 11<sup>th</sup> May 2022



# Statement of Profit and Loss

for the year ended 31<sup>st</sup> March 2022

Particulars	Note No.	(₹ in Lakh)	
		For the year ended 31 Mar 22	For the year ended 31 Mar 21
<b>Revenue from operations</b>			
(i) Interest income	31	553,128.87	528,986.36
(ii) Dividend income	32	285.31	284.75
(iii) Fees and commission income	33	24,880.80	15,251.64
(iv) Net gain on fair value changes	34	190.62	7,277.03
<b>(I) Total revenue from operations</b>		<b>578,485.60</b>	<b>551,799.78</b>
(II) Other income	35	1,201.65	996.48
<b>(III) Total income (I + II)</b>		<b>579,687.25</b>	<b>552,796.26</b>
<b>Expenses</b>			
(i) Finance costs	36	270,909.59	301,990.53
(ii) Impairment on financial instruments	37	65,346.00	68,177.51
(iii) Employee benefit expenses	38	52,072.80	44,892.29
(iv) Depreciation, amortization and impairment	39	6,835.39	5,850.05
(v) Other expenses	40	35,811.83	28,744.65
<b>(IV) Total expenses</b>		<b>430,975.61</b>	<b>449,655.03</b>
<b>(V) Profit before exceptional items and tax (III - IV)</b>		<b>148,711.64</b>	<b>103,141.23</b>
(VI) Exceptional items		-	-
<b>(VII) Profit before tax (V - VI)</b>		<b>148,711.64</b>	<b>103,141.23</b>
<b>(VIII) Tax expense:</b>			
(1) Current tax	41	38,264.50	28,600.00
(2) Deferred tax expenses (credit)	41	(730.52)	(1,648.16)
(3) Tax relating to earlier year(s)	41	344.60	(693.82)
<b>(IX) Profit for the year</b>		<b>110,833.06</b>	<b>76,883.21</b>
<b>(X) Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement gain on defined benefit plan		531.55	439.59
Income tax impact of above		(133.78)	(110.64)
		<b>397.77</b>	<b>328.95</b>
Changes in fair value of equity instruments carried at FVTOCI		24.22	35.36
Income tax impact of above		(6.10)	(8.90)
		<b>18.12</b>	<b>26.46</b>
<b>Items that will be reclassified to profit or loss</b>			
Fair Value change on derivatives designated as cash flow hedge		2,578.79	(1,691.42)
Income tax impact on above		(649.03)	425.70
		<b>1,929.76</b>	<b>(1,265.72)</b>
<b>Other comprehensive income for the year</b>		<b>2,345.65</b>	<b>(910.31)</b>
<b>Total comprehensive income for the year</b>		<b>113,178.71</b>	<b>75,972.90</b>
<b>(XI) Earnings per equity share</b>			
Basic (₹)	42	16.74	11.61
Diluted (₹)	42	16.74	11.61
Summary of significant accounting policies	4		
The accompanying notes are forming part of the financial statements.			

As per our report of even date attached.  
For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
ICAI Firm Reg. No: 117366W/W-100018

per **Sanjiv V. Pilgaonkar**  
Partner  
Membership No: 039826

As per our report of even date attached.  
For **Singhi & Co.**  
Chartered Accountants  
ICAI Firm Reg. No: 302049E

per **Amit Hundia**  
Partner  
Membership No: 120761

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

**Ajay Srinivasan**  
Director  
DIN - 00121181

**Pradeep Agrawal**  
Chief Financial Officer

**Rakesh Singh**  
Managing Director and  
Chief Executive Officer  
DIN - 07006067

**Ankur Shah**  
Company Secretary

Place: Mumbai  
Date: 11<sup>th</sup> May 2022

Place: Mumbai  
Date: 11<sup>th</sup> May 2022

Place: Mumbai  
Date: 11<sup>th</sup> May 2022

# Statement of Cash Flows

for the year ended 31<sup>st</sup> March 2022

(₹ in Lakh)

Particulars	For the year ended 31 Mar 22	For the year ended 31 Mar 21
<b>OPERATING ACTIVITIES</b>		
Profit before tax	148,711.64	103,141.23
<b>Adjustments for reconcile profit before tax to net cash flow:</b>		
Depreciation/Amortisation and Impairment	6,835.39	5,850.05
Impairment on financial instruments	65,346.00	68,177.51
Interest on Deposit with Banks	(1,262.58)	(647.80)
Net (Gain)/Loss on fair value changes	(190.62)	(7,277.03)
(Gain)/Loss on sale of property, plant and equipment	6.00	95.94
Dividend income	(285.31)	(284.75)
Interest income on investment	(7,336.05)	(5,430.12)
Finance cost on lease liability	892.61	897.27
Profit on surrender of lease liability/income from rent concession	(392.09)	(691.99)
<b>Operating Profit before working capital changes</b>	<b>212,324.99</b>	<b>163,830.31</b>
<b>Adjustment for working capital changes</b>		
(Increase) in Loans	(669,763.97)	(229,398.74)
(Increase)/Decrease in Trade Receivables	(329.79)	233.63
(Increase) in Other financial assets	(568.03)	(776.78)
(Increase)/Decrease in Other non-financial assets	(12.69)	1,046.49
Increase in Trade Payables	13,049.32	705.37
(Decrease) in Other financial liabilities	(12,420.51)	(9,369.11)
Increase/(Decrease) in Provisions	2,890.73	(1,201.46)
Increase in Other non-financial liabilities	3,361.16	1,765.05
	(451,468.79)	(73,165.24)
Income taxes paid (Net)	(48,830.08)	(29,871.97)
<b>Net cash flow (used in) operating activities</b>	<b>(500,298.87)</b>	<b>(103,037.21)</b>
<b>Investing activities</b>		
Purchase of Intangible assets including assets under development	(3,302.51)	(3,479.95)
Proceeds from Sale of property, plant and equipment's	155.15	83.74
Purchase of property, plant and equipment's	(1,646.48)	(328.69)
Proceeds from Sale of Long Term Investments	1,500.91	3,017.84
Net (Purchase) / Sale of Short Term Investments	(83,985.92)	256,023.66
Purchase of Long Term Investments	(3,014.37)	-
Dividend received	285.31	284.75
Interest received on deposit with Banks	1,244.03	634.71
Fixed deposits placed during the year	(7,749.73)	(1,900.00)
Interest received on Investment	6,450.11	8,650.27
<b>Net cash flow (used in)/from investing activities</b>	<b>(90,063.50)</b>	<b>262,986.33</b>
<b>Financing activities</b>		
Proceeds from long term borrowings	1,265,274.81	827,599.99
Repayment of long term borrowings	(944,403.00)	(1,122,209.08)
Short-Term Borrowings (Net)	191,743.51	106,501.88



# Statement of Cash Flows

for the year ended 31<sup>st</sup> March 2022

(₹ in Lakh)

Particulars	For the year ended 31 Mar 22	For the year ended 31 Mar 21
Lease Payments	(2,855.71)	(2,785.88)
Dividend Paid	(10,924.66)	-
<b>Net cash flow from/(used in) financing activities</b>	<b>498,834.95</b>	<b>(190,893.09)</b>
Net (Decrease) in Cash and Cash Equivalents	<b>(91,527.42)</b>	<b>(30,943.97)</b>
Cash and cash equivalents at beginning of the year	151,098.56	182,042.53
<b>Cash and cash equivalents at the end of the year</b>	<b>59,571.14</b>	<b>151,098.56</b>
<b>Components of cash and cash equivalents</b>		
Cash/Cheques on hand	-	-
Balance with banks		
In Fixed Deposits	-	-
In current accounts	59,571.14	151,098.56
<b>Total cash and cash equivalents</b>	<b>59,571.14</b>	<b>151,098.56</b>
<b>Cash Flow from Operations includes:</b>		
Interest Received	<b>542,780.97</b>	<b>528,473.44</b>
Interest Paid	<b>298,603.08</b>	<b>331,659.63</b>

## Additional disclosure pursuant to Ind AS 7

(₹ in Lakh)

Particulars	For the year ended 31 Mar 22	For the year ended 31 Mar 21
<b>Opening balance of Debt securities, borrowings (other than debt securities) and subordinated liabilities</b>	<b>4,121,518.38</b>	<b>4,345,528.87</b>
Cash Flow	512,615.32	(188,107.21)
Fair Value Adjustment	(6,972.87)	(5,336.91)
Interest Accrued on borrowings	(28,586.10)	(30,566.37)
<b>Closing balance of Debt securities, borrowings (other than debt securities) and subordinated liabilities</b>	<b>4,598,574.73</b>	<b>4,121,518.38</b>

Summary of significant accounting policies: Note 4

The accompanying notes are forming part of the financial statements.

As per our report of even date attached.  
For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
ICAI Firm Reg. No: 117366W/W-100018

per **Sanjiv V. Pilgaonkar**  
Partner  
Membership No: 039826

Place: Mumbai  
Date: 11<sup>th</sup> May 2022

As per our report of even date attached.  
For **Singhi & Co.**  
Chartered Accountants  
ICAI Firm Reg. No: 302049E

per **Amit Hundia**  
Partner  
Membership No: 120761

Place: Mumbai  
Date: 11<sup>th</sup> May 2022

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

**Ajay Srinivasan**  
Director  
DIN - 00121181

**Pradeep Agrawal**  
Chief Financial Officer

Place: Mumbai  
Date: 11<sup>th</sup> May 2022

**Rakesh Singh**  
Managing Director and  
Chief Executive Officer  
DIN - 07006067

**Ankur Shah**  
Company Secretary

# Statement of Changes in Equity

for the year ended 31<sup>st</sup> March 2022

## (A) EQUITY SHARE CAPITAL

For the year ended 31 March, 2022

(₹ in Lakh)

Particulars	Balance as at 1 April, 2021	Changes in equity share capital due to prior period errors	Restated balance as at 1 April, 2021	Changes in equity share capital during the year	Balance as at 31 March, 2022
Equity shares of Rs. 10 each issued, subscribed and fully paid	66,210.08	-	66,210.08	-	66,210.08

For the year ended 31 March, 2021

(₹ in Lakh)

Particulars	Balance as at 1 April, 2020	Changes in equity share capital due to prior period errors	Restated balance as at 1 April, 2020	Changes in equity share capital during the year	Balance as at 31 March, 2021
Equity shares of Rs. 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 31<sup>st</sup> March 2022

	Reserve and Surplus				Other comprehensive income		Total other equity		
	Special reserve	Securities premium account	Capital reserve	General reserve	Capital redemption reserve	Retained earnings		Equity instruments through other comprehensive income	Cash flow hedge reserve
<b>Balance as at 1 April, 2020</b>	82,608.00	363,738.29	(10,452.11)	13,660.95	1,000.00	292,156.11	127.94	(1,234.22)	741,604.96
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
<b>Restated balance as at 1 April, 2020</b>	82,608.00	363,738.29	(10,452.11)	13,660.95	1,000.00	292,156.11	127.94	(1,234.22)	741,604.96
Profit for the year	-	-	-	-	-	76,883.21	-	-	76,883.21
Fair Value change on derivatives designated as cash flow hedge	-	-	-	-	-	-	-	(1,265.72)	(1,265.72)
Other comprehensive income	-	-	-	-	-	328.95	26.46	-	355.41
<b>Total comprehensive Income</b>	-	-	-	-	-	77,212.16	26.46	(1,265.72)	75,972.90
Transfer to/from retained earnings	15,376.64	-	-	-	-	(15,376.64)	-	-	-
<b>Balance as at 31 March, 2021</b>	97,984.64	363,738.29	(10,452.11)	13,660.95	1,000.00	353,991.63	154.40	(2,499.94)	817,577.86
<b>Balance as at 1 April, 2021</b>	97,984.64	363,738.29	(10,452.11)	13,660.95	1,000.00	353,991.63	154.40	(2,499.94)	817,577.86
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
<b>Restated balance as at 1 April, 2021</b>	97,984.64	363,738.29	(10,452.11)	13,660.95	1,000.00	353,991.63	154.40	(2,499.94)	817,577.86
Profit for the year	-	-	-	-	-	110,833.06	-	-	110,833.06
Fair Value change on derivatives designated as cash flow hedge	-	-	-	-	-	-	-	1,929.76	1,929.76
Dividend Paid (Interim)	-	-	-	-	-	(10,924.66)	-	-	(10,924.66)
Other comprehensive income	-	-	-	-	-	397.77	18.12	-	415.89
<b>Total comprehensive Income</b>	-	-	-	-	-	100,306.17	18.12	1,929.76	102,254.05
Transfer to/from retained earnings	24,366.61	-	-	-	-	(24,366.61)	-	-	-
<b>Balance as at 31 March, 2022</b>	122,351.25	363,738.29	(10,452.11)	13,660.95	1,000.00	429,931.19	172.52	(570.18)	919,831.90

Summary of significant accounting policies: Note 4

The accompanying notes are forming part of the financial statements.

As per our report of even date attached.  
For **Sanjiv V. Pilgaonkar**  
Partner  
Membership No: 039826

Place: Mumbai  
Date: 11<sup>th</sup> May 2022

As per our report of even date attached.  
For and on behalf of the Board of Directors of  
**Aditya Birla Finance Limited**

**Rakesh Singh**  
Managing Director and  
Chief Executive Officer  
DIN - 07006067

**Ankur Shah**  
Company Secretary

per **Amit Hundia**  
Partner  
Membership No: 120761

Place: Mumbai  
Date: 11<sup>th</sup> May 2022

per **Ajay Srinivasan**  
Director  
DIN - 00121181

**Pradeep Agrawal**  
Chief Financial Officer

Place: Mumbai  
Date: 11<sup>th</sup> May 2022



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## NOTE 1: CORPORATE INFORMATION - BRIEF DESCRIPTION ABOUT THE COMPANY

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

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

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

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

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

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

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

## NOTE 2: BASIS OF PREPARATION

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

The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and

expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company are discussed in Note 5 - Significant accounting judgements, estimates and assumptions.

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

## NOTE 3: PRESENTATION OF FINANCIAL STATEMENTS:

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

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

## Functional and Presentation currency

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

## NOTE 4: SIGNIFICANT ACCOUNTING POLICIES:

### Note 4.1: Financial Instruments

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

#### Note 4.1 (i): Classification of financial instruments

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

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

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

1. Financial assets to be measured at amortised cost

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

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

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

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

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

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

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

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

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

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

## Note 4.1 (ii): Financial assets

### Initial recognition and measurement

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

### Subsequent measurement - Financial assets measured at amortised cost

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

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

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

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

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

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

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

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

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

instrument is reported as interest income using the EIR method.

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

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

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

## **Subsequent measurement - Items at fair value through profit or loss**

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

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

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

## **Note 4.1 (iii): Financial Liabilities**

### **Initial recognition and measurement**

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

### **Subsequent measurement**

The measurement of financial liabilities depends on their classification.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised

cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

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

### **Recognition:**

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

### **Derecognition:**

#### **Financial assets**

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

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

#### **Financial Liabilities**

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

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

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## Note 4.1 (v): Impairment of financial assets

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

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

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

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

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

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

### Stage 1: 12-months ECL

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

### Stage 2: Lifetime ECL – not credit impaired

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

### Stage 3: Lifetime ECL – credit impaired

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

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

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

## Note 4.1 (vi): Offsetting of financial instruments

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

## Note 4.1 (vii): Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. The Company reserves the right to recover such written off amount. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

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

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

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

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

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

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

and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

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

## Note 4.1 (ix): Determination of fair value

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

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

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

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

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

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

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



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

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

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

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

## Note 4.2: Revenue from operations

### Note 4.2 (i): Interest Income:

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

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

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

### Note 4.2 (ii): Dividend Income

#### Dividend income is recognised

- When the right to receive the payment is established which is generally when shareholders approve the dividend,
- it is probable that the economic benefits associated with the dividend will flow to the entity and

- the amount of the dividend can be measured reliably

### Note 4.2 (iii): Rental Income

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

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

### Note 4.2 (iv): Fees & Commission Income

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

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

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

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



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

measured at FVTPL is recognised in net gain/(loss) on fair value changes.

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

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

## Note 4.3: Expenses

### Note 4.3 (i): Finance Costs

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

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

### Note 4.3 (ii): Retirement and other employee benefits Short term employee benefit

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

### Post employment employee benefit

#### a) Defined contribution schemes

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

If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the

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

#### b) Defined benefit expenses

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

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

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

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

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

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

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

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

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

## Other long-term employee benefits

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

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

## Note 4.3 (iii): Rent expense

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

## Note 4.3 (iv): Leases

### The Company as a lessee

The Company's lease assets primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (1) the contract involves the use of an identified asset
- (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes right – of – use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For

these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

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

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

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

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

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

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

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly for all contracts as on April 1, 2019, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The weighted average incremental borrowing rate applied to lease liabilities as at 01 April, 2021 is between the range of 4.95% p.a. to 6.95% p.a. for a period varying from 1 to 10 years.

## **Critical accounting judgements and key sources of estimation uncertainty**

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

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

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

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

### **Note 4.3 (v): Other income and expenses**

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

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

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

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

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

### **Note 4.3 (vii): Borrowing Cost**

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

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

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

### **Note 4.3 (viii): Taxes**

#### **Current tax**

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

#### **Deferred tax**

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

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

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

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

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

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

## Note 4.4: Cash and Cash Equivalents

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

cash commitments (rather than for investment or other purposes).

## Note 4.5: Property, Plant and Equipments

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

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

### Depreciation methods, estimated useful lives and residual value

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

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

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

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

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

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

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

## Note 4.6: Intangible Assets

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

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

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

## Note 4.7: Provisions and Contingencies

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the

liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

## Note 4.8: Contingent Liabilities

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

## Note 4.9: Earnings Per Share

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

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

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

## Note 4.10: Segment Reporting

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

## Note 4.11: Dividend

The Company recognises a liability to make cash to equity holders of the Company when the dividend is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, an interim



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

dividend is authorised when it is approved by the Board of Directors and final dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

## Note 4.12: Business Combination under Common Control

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

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

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

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

## NOTE 5: SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised

and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

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

### Note 5.1: Business Model Assessment

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

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

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

Refer Note 4.3 (ii)

### Note 5.3: Fair value measurement:

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



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

## Note 5.4: Impairment of loans portfolio

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

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

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

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

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

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability

of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

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

## Note 5.6: Effective Interest Rate (EIR) method

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

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

Refer Note 4.3 (viii)

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

Refer note 4.5 and 4.6



# Notes to the Financial Statements

as at 31<sup>st</sup> March 2022

## NOTE 6: CASH AND CASH EQUIVALENTS

Particulars	(₹ in Lakh)	
	As at 31 Mar 22	As at 31 Mar 21
<b>Balances with bank in</b>		
- Current Accounts	59,571.14	151,098.56
<b>Total</b>	<b>59,571.14</b>	<b>151,098.56</b>

## NOTE 7: BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	(₹ in Lakh)	
	As at 31 Mar 22	As at 31 Mar 21
Fixed Deposits (with original maturity more than 3 months)	9,681.37	1,913.09
<b>Total</b>	<b>9,681.37</b>	<b>1,913.09</b>

## NOTE 8: DERIVATIVE FINANCIAL INSTRUMENTS

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

Particulars	As at 31 Mar 22			As at 31 Mar 21		
	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
<b>Part I</b>						
<b>(i) Currency derivatives:</b>						
-Forward	7.72	-	0.52	35.55	-	1.26
<b>(ii) Interest rate derivatives:</b>						
-Cross Currency Interest Rate swaps	146,367.54	-	7,770.64	146,367.54	-	3,062.55
-INR Interest Rate swaps	25,000.00	19.02	28.08	-	-	-
<b>Total</b>	<b>171,375.26</b>	<b>19.02</b>	<b>7,799.24</b>	<b>146,403.09</b>	<b>-</b>	<b>3,063.81</b>

Particulars	As at 31 Mar 22			As at 31 Mar 21		
	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
<b>Part II</b>						
<b>Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:</b>						
<b>(i) Fair Value hedging</b>						
-Interest Rate derivatives	25,000.00	19.02	28.08	-	-	-
<b>(ii) Cash flow hedging</b>						
-Cross Currency Interest Rate derivatives	146,367.54	-	7,770.64	146,367.54	-	3,062.55
-Currency derivatives	7.72	-	0.52	35.55	-	1.26
<b>Total</b>	<b>171,375.26</b>	<b>19.02</b>	<b>7,799.24</b>	<b>146,403.09</b>	<b>-</b>	<b>3,063.81</b>

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

## NOTE 8.1 : HEDGING ACTIVITIES AND DERIVATIVES

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

## NOTE 8.2 : DERIVATIVES DESIGNATED AS HEDGING INSTRUMENTS

### Cash flow hedges

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

(₹ in Lakh)

Name of Lender	Foreign Currency Denominated Borrowing Amount		Interest rate type		Notional Amount of swap (₹)		Interest rate swap type	
	31 Mar 22	31 Mar 21	31 Mar 22	31 Mar 21	31 Mar 22	31Mar21	31 Mar 22	31 Mar 21
	JPY Denominated (in JPY lakhs) (Maturity range : Sept 2022 to Feb 2023)	189,366.25	189,366.25	Floating rate interest	Floating rate interest	124,089.54	124,089.54	Fixed rate interest
SMBC Bank (Maturity in Mar 2023) (in USD lakhs)	300.00	300.00	Floating rate interest	Floating rate interest	22,278.00	22,278.00	Fixed rate interest	Fixed rate interest
<b>Total</b>	<b>189,666.25</b>	<b>189,666.25</b>			<b>146,367.54</b>	<b>146,367.54</b>		

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

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

### 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 period	
	31 Mar 22	31 Mar 21	31 Mar 22	31 Mar 21	31 Mar 22	31Mar21	31 Mar 22	31 Mar 21
	Cross currency interest rate swaps	146,367.54	146,367.54	(7,770.64)	(3,062.55)	Derivative financial instruments		(3,518.78)
Currency forward	7.72	35.55	(0.52)	(1.26)	Derivative financial instruments		0.55	(0.64)
<b>Total</b>	<b>146,375.26</b>	<b>146,403.09</b>	<b>(7,771.16)</b>	<b>(3,063.81)</b>			<b>(3,518.23)</b>	<b>(1,265.72)</b>



# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

## Hedge Items

(₹ in Lakh)

Particulars	Change in fair value used for measuring ineffectiveness for the period		Cash flow hedge reserve as at	
	31 Mar 22	31 Mar 21	31 Mar 22	31 Mar 21
Foreign currency denominated floating rate borrowing	5,447.99	(1,265.72)	(570.18)	(2,499.94)
<b>Total</b>	<b>5,447.99</b>	<b>(1,265.72)</b>	<b>(570.18)</b>	<b>(2,499.94)</b>

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 Mar 22	Year ended 31 Mar 21	Year ended 31 Mar 22	Year ended 31 Mar 21
Foreign currency denominated floating rate borrowing	1,929.76	(1,265.72)	-	-
<b>Total</b>	<b>1,929.76</b>	<b>(1,265.72)</b>	<b>-</b>	<b>-</b>

## Movements in Cash Flow Hedging Reserve

(₹ in Lakh)

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

## 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 period	
	31 Mar 22	31 Mar 21	31 Mar 22	31 Mar 21	31 Mar 22	31 Mar 21	31 Mar 22	31 Mar 21
Interest rate swaps	25,000.00	-	(9.06)	-	Derivative financial instruments		(9.06)	-

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

## 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 period	
	31 Mar 22	31 Mar 21	31 Mar 22	31 Mar 21	31 Mar 22	31 Mar 21	31 Mar 22	31 Mar 21
Fixed Rated NCD	25,000.00	-	(3.44)	-	Derivative financial instruments		(3.44)	-

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

Particulars	Hedge ineffectiveness recognised in statement of profit and loss		Line in the statement of profit and loss that includes hedge ineffectiveness
	31 Mar 22	31 Mar 21	
Interest rate swaps	(12.50)	-	Net gain on fair value changes

**NOTE 8.3 : THE FOLLOWING TABLE SHOWS THE MATURITY PROFILE OF HEDGING DERIVATIVES BASED ON THEIR NOTIONAL AMOUNTS.**

(₹ in Lakh)

Particulars	As at 31 Mar 22				As at 31 Mar 21			
	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	146,367.54	-	-	146,367.54	-	146,367.54	-	146,367.54
(ii) Currency forward	7.72	-	-	7.72	35.55	-	-	35.55
(iii) Interest Rate swaps	-	25,000.00	-	25,000.00	-	-	-	-
<b>Total</b>	<b>146,375.26</b>	<b>25,000.00</b>	<b>-</b>	<b>171,375.26</b>	<b>35.55</b>	<b>146,367.54</b>	<b>-</b>	<b>146,403.09</b>

## NOTE 9: TRADE AND OTHER RECEIVABLES

As at 31 March, 2022

(₹ in Lakh)

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

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

## As at 31 March, 2021

(₹ in Lakh)

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

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



# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Particulars	As at 31 March, 2022					As at 31 March, 2021			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	Amortised Cost	Through Other Comprehensive Income	Designated at through profit and loss account		Sub-total
Loans	5,468,207.51	-	-	-	-	4,861,820.53	-	-	-	4,861,820.53
Other Advances	21.04	-	-	-	-	41.48	-	-	-	41.48
<b>Total (A) - Gross</b>	<b>5,468,228.55</b>	-	-	-	-	<b>4,861,862.01</b>	-	-	-	<b>4,861,862.01</b>
Less: Impairment loss allowance	107,482.53	-	-	-	-	102,118.65	-	-	-	102,118.65
<b>Total (A) - Net</b>	<b>5,360,746.02</b>	-	-	-	-	<b>4,759,743.36</b>	-	-	-	<b>4,759,743.36</b>
i) Secured by tangible assets	3,691,252.56	-	-	-	-	3,691,252.56	-	-	-	3,691,252.56
ii) Secured by intangible assets	-	-	-	-	-	-	-	-	-	-
iii) Covered by bank and government guarantee	317,075.12	-	-	-	-	143,439.71	-	-	-	143,439.71
iv) Secured by book debts, inventories, fixed deposit and other working capital items	105,876.53	-	-	-	-	251,038.77	-	-	-	251,038.77
v) Unsecured	1,354,024.34	-	-	-	-	897,877.98	-	-	-	897,877.98
<b>Total (B) - Gross</b>	<b>5,468,228.55</b>	-	-	-	-	<b>4,861,862.01</b>	-	-	-	<b>4,861,862.01</b>
Less: Impairment loss allowance	107,482.53	-	-	-	-	102,118.65	-	-	-	102,118.65
<b>Total (B) - Net</b>	<b>5,360,746.02</b>	-	-	-	-	<b>4,759,743.36</b>	-	-	-	<b>4,759,743.36</b>
<b>Loans in India</b>										
i) Public Sector	42,408.79	-	-	-	-	47,530.39	-	-	-	47,530.39
ii) Others	5,425,819.76	-	-	-	-	4,814,331.62	-	-	-	4,814,331.62
<b>Total - Gross</b>	<b>5,468,228.55</b>	-	-	-	-	<b>4,861,862.01</b>	-	-	-	<b>4,861,862.01</b>
Less: Impairment loss allowance	107,482.53	-	-	-	-	102,118.65	-	-	-	102,118.65
<b>Total - Net</b>	<b>5,360,746.02</b>	-	-	-	-	<b>4,759,743.36</b>	-	-	-	<b>4,759,743.36</b>
<b>Loans outside India</b>										
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-
Total - Net	-	-	-	-	-	-	-	-	-	-
<b>Total (C)</b>	<b>5,360,746.02</b>	-	-	-	-	<b>4,759,743.36</b>	-	-	-	<b>4,759,743.36</b>

(₹ in Lakh)



# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

## NOTE 10.1: DISCLOSURE PURSUANT TO IND AS 107 "FINANCIAL INSTRUMENTS: DISCLOSURES"

### (a) Reconciliation of Gross carrying amount - Loans:

Loans	As at 31 Mar 22				As at 31 Mar 21			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	Opening Balance of Gross carrying amount	4,353,665.99	365,907.30	142,247.24	4,861,820.53	4,386,660.17	121,676.21	182,708.23
New assets originated or purchased	2,427,295.24	22,914.07	16,115.47	2,466,324.78	1,436,871.57	42,176.51	2,344.64	1,481,392.72
Assets derecognised or repaid (excluding write offs)	(1,713,767.84)	(59,110.65)	(23,372.08)	(1,796,250.57)	(1,204,439.47)	(21,783.49)	(27,291.81)	(1,253,514.77)
Transfers to Stage 1	116,820.00	(113,411.08)	(3,408.92)	-	29,095.93	(15,845.90)	(13,250.03)	-
Transfers to Stage 2	(144,932.18)	145,473.36	(541.18)	-	(258,008.40)	258,590.76	(582.36)	-
Transfers to Stage 3	(44,517.45)	(57,965.63)	102,483.08	-	(34,063.60)	(18,906.79)	52,970.39	-
Amounts written-off	(17,535.66)	(8,231.37)	(37,920.20)	(63,687.23)	(2,450.21)	-	(54,651.82)	(57,102.03)
<b>Closing Balance of Gross carrying amount</b>	<b>4,977,028.10</b>	<b>295,576.00</b>	<b>195,603.41</b>	<b>5,468,207.51</b>	<b>4,353,665.99</b>	<b>365,907.30</b>	<b>142,247.24</b>	<b>4,861,820.53</b>

(₹ in Lakh)

### (b) Reconciliation of loss allowance provision - Loans:

ECL	As at 31 Mar 22				As at 31 Mar 21			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	Opening Balance of ECL allowance	23,022.07	20,101.02	58,995.56	102,118.65	21,094.81	10,497.91	56,560.42
Increase in new / existing assets originated or purchased	17,698.11	11,602.97	54,867.40	84,168.48	9,488.24	11,569.24	57,084.73	78,142.21
Assets derecognised or repaid (excluding write offs)	(8,300.97)	(4,213.60)	(2,602.80)	(15,117.37)	(4,547.69)	(969.69)	(1,557.29)	(7,074.67)
Transfers to Stage 1	1,797.50	(975.67)	(821.82)	-	964.07	(305.48)	(658.59)	-
Transfers to Stage 2	(417.36)	468.97	(51.61)	-	(1,025.94)	1,162.76	(136.82)	-
Transfers to Stage 3	(263.85)	(4,558.27)	4,822.11	-	(501.21)	(1,853.72)	2,354.93	-
Amounts written-off	(17,535.66)	(8,231.37)	(37,920.20)	(63,687.23)	(2,450.21)	-	(54,651.82)	(57,102.03)
<b>Closing Balance of ECL allowance</b>	<b>15,999.84</b>	<b>14,194.05</b>	<b>77,288.64</b>	<b>107,482.53</b>	<b>23,022.07</b>	<b>20,101.02</b>	<b>58,995.56</b>	<b>102,118.65</b>

(₹ in Lakh)

### (c) Expected credit loss - Loans:

Particulars	As at 31 Mar 22				As at 31 Mar 21			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	Gross carrying amount	4,977,028.10	295,576.00	195,603.41	5,468,207.51	4,353,665.99	365,907.30	142,247.24
Less: Impairment loss allowance	15,999.84	14,194.05	77,288.64	107,482.53	23,022.07	20,101.02	58,995.56	102,118.65
<b>Net carrying amount</b>	<b>4,961,028.26</b>	<b>281,381.95</b>	<b>118,314.77</b>	<b>5,360,724.98</b>	<b>4,330,643.92</b>	<b>345,806.28</b>	<b>83,251.68</b>	<b>4,759,701.88</b>

(₹ in Lakh)

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

(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:

(₹ in Lakh)

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

## NOTE 11: INVESTMENTS

As at 31 March, 2022

(₹ in Lakh)

Particulars	Amortised Cost	At Fair value			Sub-total	Others	Total
		Through Other Comprehensive Income	Through profit and loss account	Designated at through profit and loss account			
i) Investment in Govt Securities	-	-	47,137.87	-	47,137.87	-	47,137.87
ii) Investment in Equity instruments	-	235.26	45.17	-	280.43	-	280.43
iii) Investment in Preference Shares	-	-	3,500.00	-	3,500.00	-	3,500.00
iv) Investment in Alternate Funds	-	-	8,225.19	-	8,225.19	-	8,225.19
v) Investment in Debentures	-	-	110,260.07	-	110,260.07	-	110,260.07
<b>Total Gross (A)</b>	<b>-</b>	<b>235.26</b>	<b>169,168.30</b>	<b>-</b>	<b>169,403.56</b>	<b>-</b>	<b>169,403.56</b>
(i) Investments in India	-	235.26	169,168.30	-	169,403.56	-	169,403.56
(ii) Investments outside India	-	-	-	-	-	-	-
<b>Total (B)</b>	<b>-</b>	<b>235.26</b>	<b>169,168.30</b>	<b>-</b>	<b>169,403.56</b>	<b>-</b>	<b>169,403.56</b>
Less : Impairment loss allowance (C)	-	-	-	-	-	-	-
<b>Total - Net [D= (A)-(C)]</b>	<b>-</b>	<b>235.26</b>	<b>169,168.30</b>	<b>-</b>	<b>169,403.56</b>	<b>-</b>	<b>169,403.56</b>

As at 31 March, 2021

(₹ in Lakh)

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

### Note:

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



# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

## NOTE 12: OTHER FINANCIAL ASSETS

(₹ in Lakh)

Particulars	As at 31 Mar 22	As at 31 Mar 21
Security Deposits (Carried at amortised cost, unless otherwise stated).	2,772.59	2,486.83
Other Receivables	2,589.22	2,631.12
<b>Total</b>	<b>5,361.81</b>	<b>5,117.95</b>

## NOTE 13: CURRENT TAX ASSETS (NET)

(₹ in Lakh)

Particulars	As at 31 Mar 22	As at 31 Mar 21
Advance Payment of Taxes (Net of provision for taxation ₹ 1,46,294.86 lakhs; 31 March, 2021 ₹ 1,07,694.47 lakhs)	34,239.10	23,971.65
<b>Total</b>	<b>34,239.10</b>	<b>23,971.65</b>

## NOTE 14: PROPERTY, PLANT AND EQUIPMENTS

(₹ in Lakh)

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

Note:

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

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

## NOTE 15: RIGHT OF USE LEASE ASSETS

Particulars	(₹ in Lakh)
Particulars	Amount
<b>Gross book value:</b>	
As at 1 April, 2020	10,021.24
Additions	5,861.15
Disposals	(1,969.94)
<b>As at 31 March, 2021</b>	<b>13,912.45</b>
Additions	7,065.31
Disposals	(4,374.94)
<b>As at 31 March, 2022</b>	<b>16,602.82</b>
<b>Accumulated amortisation:</b>	
As at 1 April, 2020	1,951.79
Additions	2,625.34
Disposals	(69.99)
<b>As at 31 March, 2021</b>	<b>4,507.14</b>
Additions	2,583.08
Disposals	(2,674.73)
<b>As at 31 March, 2022</b>	<b>4,415.49</b>
<b>Net book value:</b>	
As at 1 April, 2020	8,069.45
As at 31 March, 2021	9,405.31
<b>As at 31 March, 2022</b>	<b>12,187.33</b>

## NOTE 16: INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	(₹ in Lakh)
Particulars	Amount
<b>Gross book value:</b>	
As at 1 April, 2020	4,898.29
Additions	805.64
Disposals	-
Transfers	4,506.01
<b>As at 31 March, 2021</b>	<b>1,197.92</b>
Additions	932.03
Disposals	-
Transfers	1,040.90
<b>As at 31 March, 2022</b>	<b>1,089.05</b>



# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

## NOTE 16: INTANGIBLE ASSETS UNDER DEVELOPMENT AGING SCHEDULE

As at 31 March, 2022

(₹ in Lakh)

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	932.03	157.02	-	-	1,089.05
<b>Total</b>	<b>932.03</b>	<b>157.02</b>	<b>-</b>	<b>-</b>	<b>1,089.05</b>

As at 31 March, 2021

(₹ in Lakh)

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	807.28	314.61	24.47	51.56	1,197.92
<b>Total</b>	<b>807.28</b>	<b>314.61</b>	<b>24.47</b>	<b>51.56</b>	<b>1,197.92</b>

The Company does not have any project temporary suspended whose completion is overdue or has exceeded its cost compared to its original plan.

## NOTE 17: OTHER INTANGIBLE ASSETS

(₹ in Lakh)

Particulars	Software
<b>Gross book value:</b>	
As at 1 April, 2020	8,505.78
Additions	7,090.54
Disposals	(89.78)
<b>As at 31 March, 2021</b>	<b>15,506.54</b>
Additions	3,420.36
Disposals	(8.99)
<b>As at 31 March, 2022</b>	<b>18,917.91</b>
<b>Accumulated amortisation:</b>	
As at 1 April, 2020	6,024.64
Additions	-
Disposals	2,332.16
<b>As at 31 March, 2021</b>	<b>8,356.80</b>
Additions	3,552.59
Disposals	-
<b>As at 31 March, 2022</b>	<b>11,909.39</b>
<b>Net book value:</b>	
As at 1 April, 2020	2,481.14
As at 31 March, 2021	7,149.74
<b>As at 31 March, 2022</b>	<b>7,008.52</b>

Note: 1. All intangible assets are other than Internally generated.



# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

## NOTE 18: OTHER NON-FINANCIAL ASSETS

Particulars	(₹ in Lakh)	
	As at 31 Mar 22	As at 31 Mar 21
Deferred lease expenses	-	28.59
Prepaid expenses	4,240.10	2,622.46
Capital advances	396.71	26.68
Goods and Service Tax/Service Tax Receivable	1,734.46	2,805.70
Reimbursement Rights of Gratuity Fund	2,161.99	1,931.77
Others	-	735.34
<b>Total</b>	<b>8,533.26</b>	<b>8,150.54</b>

## NOTE 19: TRADE PAYABLES

### Trade Payables ageing schedule

As at 31 March, 2022

Particulars	(₹ in Lakh)					Total
	Outstanding for following periods from due date of payment					
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	694.04	0.02	2.81	-	696.87
(ii) Others	18,827.81	4,586.24	22.47	57.73	30.51	23,524.76
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>18,827.81</b>	<b>5,280.28</b>	<b>22.49</b>	<b>60.54</b>	<b>30.51</b>	<b>24,221.63</b>

As at 31 March, 2021

Particulars	(₹ in Lakh)					Total
	Outstanding for following periods from due date of payment					
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	213.00	1.63	0.03	-	214.66
(ii) Others	7,572.42	3,217.35	85.28	61.64	20.96	10,957.65
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>7,572.42</b>	<b>3,430.35</b>	<b>86.91</b>	<b>61.67</b>	<b>20.96</b>	<b>11,172.31</b>

### Note:

1. Date of transaction considered as due date of payment.
2. The disclosure regarding micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.



# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

## NOTE 20: DEBT SECURITIES

(₹ in Lakh)

Particulars	As at 31 March, 2022				As at 31 March, 2021			
	At amortised cost	At fair Value through profit and loss Account	Designated at fair value through profit and loss account	Total	At amortised cost	At fair Value through profit and loss account	Designated at fair value through profit and loss account	Total
Redeemable non-convertible debentures (Secured) (Refer Note 20(a))	1,228,682.37	-	24,954.31	1,253,636.68	1,332,116.41	-	-	1,332,116.41
Redeemable non-convertible debentures (Unsecured) (Refer Note 20(b))	10,960.04	-	-	10,960.04	5,821.46	-	-	5,821.46
Commercial papers (Unsecured) (Refer Note 20(c))	313,528.98	-	-	313,528.98	319,937.17	-	-	319,937.17
<b>Total</b>	<b>1,553,171.39</b>	<b>-</b>	<b>24,954.31</b>	<b>1,578,125.70</b>	<b>1,657,875.04</b>	<b>-</b>	<b>-</b>	<b>1,657,875.04</b>
Debt securities in India	1,553,171.39	-	24,954.31	1,578,125.70	1,657,875.04	-	-	1,657,875.04
Debt securities outside India	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,553,171.39</b>	<b>-</b>	<b>24,954.31</b>	<b>1,578,125.70</b>	<b>1,657,875.04</b>	<b>-</b>	<b>-</b>	<b>1,657,875.04</b>

Note:

- The above figures are including interest accrued but not due on borrowings.
- Redeemable Non-Convertible Debentures are secured by way of mortgage on the immovable property and first pari-passu charge on certain Financial Assets of the company.

### Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
7.100% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES G1. DATE OF MATURITY 03/10/2031	1,000,000	October 4, 2021	5,163.31	7.10% p.a.	October 3, 2031	Redeemable at par at end of 3651 days from the date of allotment
7.2600% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES B2. DATE OF MATURITY 30/05/2031	1,000,000	May 31, 2021	79,501.44	7.26% p.a.	25% at the end of 7th Year (May 31, 2028) 25% at the end of 8th Year (May 31, 2029) 25% at the end of 9th Year (May 31, 2030) 25% at the end of 10th Year (May 30, 2031)	Redeemable in instalment's at par - 25% at end of 2557 days, 25% at end of 2922 days 25% at end of 3287 days 25% at end of 3652 days from the date of allotment
7.2400% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K1 FY 2020-21. MATURITY DATE - 18/02/2031	1,000,000	February 18, 2021	2,517.10	7.24% p.a.	February 18, 2031	Redeemable at par at end of 3652 days from the date of allotment

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

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	1,000,000	January 20, 2020	101,521.87	8.15% p.a.	1} 25% at the end of 7 <sup>th</sup> Year (Wednesday, January 20, 2027), 2} 25% at the end of 8 <sup>th</sup> Year (Thursday, January 20, 2028), 3} 25% at the end of 9 <sup>th</sup> Year (Friday, January 19, 2029) & 4} 25% at the end of 10 <sup>th</sup> Year (Friday, January 18, 2030)	Redeemable in instalment's at par - 25% at end of 2557 days, 25% at end of 2922 days 25% at end of 3287 days 25% at end of 3651 days from the date of allotment
8.70% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD D1 FY 2019-2020. DATE OF MATURITY July 04, 2029	1,000,000	July 4, 2019	3,104.01	8.70% p.a.	July 4, 2029	Redeemable at par at end of 3653 days from the date of allotment
9% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD B2 FY 2019-20. MATURITY DATE - 18/05/2029	1,000,000	May 20, 2019	161,585.61	9.00% p.a.	50% - May 19, 2028 50% - May 18, 2029	Redeemable in instalment's at par - 50% at end of 3287 days and 50% at end of 3651 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	1,000,000	December 21, 2018	1,557.37	9.15% p.a.	December 21, 2028	Redeemable at par at end of 3653 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	1,000,000	December 27, 2018	7,163.92	9.15% p.a.	December 21, 2028	Redeemable at par at end of 3647 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	1,000,000	February 12, 2019	3,997.26	9.15% p.a.	December 21, 2028	Redeemable at par at end of 3600 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	1,000,000	March 29, 2019	15,573.75	9.15% p.a.	December 21, 2028	Redeemable at par at end of 3555 days from the date of allotment



# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

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 C1 FY 2017-18. DATE OF MATURITY 11/06/2027	1,000,000	June 13, 2017	723.19	8.00% p.a.	June 11, 2027	Redeemable at par at end of 3650 days from the date of allotment
6.4500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES G2.DATE OF MATURITY 01/10/2026	1,000,000	October 4, 2021	11,854.01	6.45% p.a.	October 1, 2026	Redeemable at par at end of 1823 days from the date of allotment
6.5500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES D1.DATE OF MATURITY 24/07/2026	1,000,000	July 26, 2021	52,152.76	6.55% p.a.	July 24, 2026	Redeemable at par at end of 1824 days from the date of allotment
8.90% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD Z3 FY 2015-16. DATE OF MATURITY 20/03/2026	1,000,000	March 21, 2016	500.89	8.90% p.a.	March 20, 2026	Redeemable at par at end of 3651 days from the date of allotment
8.90% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD X1 FY 2015-16. DATE OF MATURITY 06/03/2026	1,000,000	March 9, 2016	1,004.57	8.90% p.a.	March 6, 2026	Redeemable at par at end of 3649 days from the date of allotment
8.85% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD W3 FY 2015-16. DATE OF MATURITY 23/02/2026	1,000,000	February 23, 2016	1,007.84	8.85% p.a.	February 23, 2026	Redeemable at par at end of 3653 days from the date of allotment
6.2500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1 FY 2020-21. MATURITY DATE – 23/12/2025	1,000,000	December 23, 2020	7,619.44	6.25% p.a.	December 23, 2025	Redeemable at par at end of 1826 days from the date of allotment
8.71% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD S1 FY 2015-16. DATE OF MATURITY 31/10/2025	1,000,000	November 3, 2015	50,645.32	8.71% p.a.	50% on November 01, 2024 & 50% on October 31, 2025	Redeemable in instalment's at par - 50% at end of 3285 days and 50% at end of 3650 days from the date of allotment
8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD Q1 FY 2015-16. DATE OF MATURITY 17/10/2025	1,000,000	October 19, 2015	1,556.76	8.77% p.a.	October 17, 2025	Redeemable at par at end of 3651 days from the date of allotment
6.4000% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES J2.DATE OF MATURITY 22/07/2025	1,000,000	January 21, 2022	35,403.86	6.40% p.a.	July 22, 2025	Redeemable at par at end of 1278 days from the date of allotment

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025	1,000,000	June 26, 2018	5,442.04	8.90 % p.a.	June 26, 2025	Redeemable at par at end of 2557 days from the date of allotment
7.69% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A3 FY 2020-21. MATURITY DATE – 25/04/2025	1,000,000	April 28, 2020	2,675.13	7.69% p.a.	April 25, 2025	Redeemable at par at end of 1823 days from the date of allotment
3M TBILL LINKED SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES 'J1' FY2021-22.DATE OF MATURITY 21/01/2025	1,000,000	January 21, 2022	50,464.85	5.22% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	January 21, 2025	Redeemable at par at end of 1096 days from the date of allotment
5.8500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES E1.DATE OF MATURITY 02/08/2024	1,000,000	August 5, 2021	25,939.67	5.85% p.a.	August 2, 2024	Redeemable at par at end of 1093 days from the date of allotment
Zero Coupon SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES C2.DATE OF MATURITY 14/06/2024	1,000,000	June 17, 2021	7,834.59	Zero Coupon	June 14, 2024	Redeemable at par at end of 1093 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	1,000,000	June 12, 2019	18,484.74	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1827 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	1,000,000	June 24, 2019	21,155.95	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1815 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	1,000,000	June 28, 2019	11,924.26	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1811 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	1,000,000	July 24, 2019	10,545.92	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1785 days from the date of allotment
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD L3 FY 2020-21. MATURITY DATE – 28/03/2024	1,000,000	March 31, 2021	41,990.04	6.15% p.a.	March 28, 2024	Redeemable at par at end of 1093 days from the date of allotment



# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
5.9000% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD G1 FY 2020-21. MATURITY DATE - 29/12/2023	1,000,000	October 22, 2020	33,835.95	5.90% p.a.	December 29, 2023	Redeemable at par at end of 1163 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	1,000,000	December 21, 2018	7,171.61	9.15% p.a.	December 21, 2023	Redeemable at par at end of 1826 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	1,000,000	December 27, 2018	8,298.58	9.15% p.a.	December 21, 2023	Redeemable at par at end of 1820 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	1,000,000	January 7, 2019	1,639.23	9.15% p.a.	December 21, 2023	Redeemable at par at end of 1809 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	1,000,000	July 27, 2018	1,580.49	8.90% p.a.	July 27, 2023	Redeemable at par at end of 1826 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	1,000,000	December 11, 2018	15,278.09	8.90% p.a.	July 27, 2023	Redeemable at par at end of 1689 days from the date of allotment
7.57% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A2 FY 2020-21. MATURITY DATE - 28/06/2023	1,000,000	April 28, 2020	24,073.08	7.75% p.a.	June 28, 2023	Redeemable at par at end of 1156 days from the date of allotment
5.1500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES C1. DATE OF MATURITY 16/06/2023	1,000,000	June 17, 2021	5,200.32	5.15% p.a.	June 16, 2023	Redeemable at par at end of 729 days from the date of allotment
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE - 30/05/2023	1,000,000	February 25, 2021	77,932.47	6.15% p.a.	May 30, 2023	Redeemable at par at end of 824 days from the date of allotment
7.75% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A1 FY 2020-21. MATURITY DATE - 17/05/2023	1,000,000	April 17, 2020	22,009.78	7.75% p.a.	May 17, 2023	Redeemable at par at end of 1125 days from the date of allotment



# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'B1' FY 2021-22-MATURITY DATE – 05/05/2023	1,000,000	May 7, 2021	26,170.69	5.11% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	May 5, 2023	Redeemable at par at end of 728 days from the date of allotment
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L2' FY 2020-21-MATURITY DATE – 19/03/2023	1,000,000	March 19, 2021	25,050.01	5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	March 17, 2023	Redeemable at par at end of 728 days from the date of allotment
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L1' FY 2020-21-MATURITY DATE – 16/03/2023	1,000,000	March 16, 2021	50,124.84	5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	March 16, 2023	Redeemable at par at end of 730 days from the date of allotment
7.75% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1. DATE OF MATURITY 09/12/2022	1,000,000	December 4, 2019	15,361.33	7.75% p.a.	December 9, 2022	Redeemable at par at end of 1101 days from the date of allotment
8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD O1 FY 2015-16. DATE OF MATURITY 12/10/2022	1,000,000	October 12, 2015	2,183.72	8.77% p.a.	October 12, 2022	Redeemable at par at end of 2557 days from the date of allotment
8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD N1 FY 2015-16. DATE OF MATURITY 07/10/2022	1,000,000	October 7, 2015	6,246.41	8.77% p.a.	October 7, 2022	Redeemable at par at end of 2557 days from the date of allotment
8.85% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD L1 FY 2015-16. DATE OF MATURITY 09/09/2022	1,000,000	September 10, 2015	2,096.02	8.85% p.a.	September 9, 2022	Redeemable at par at end of 2556 days from the date of allotment
7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD F1 FY 2017-18. DTE OF MATURITY 07/09/2022	1,000,000	September 7, 2017	33,865.63	7.60% p.a.	September 7, 2022	Redeemable at par at end of 1826 days from the date of allotment
7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E3 FY 2017-18. DTE OF MATURITY 18/08/2022	1,000,000	August 18, 2017	10,462.09	7.60% p.a.	August 18, 2022	Redeemable at par at end of 1826 days from the date of allotment



# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
7.70% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E2 FY 2017-18. DTE OF MATURITY 12/08/2022	1,000,000	August 14, 2017	5,237.92	7.70% p.a.	August 12, 2022	Redeemable at par at end of 1824 days from the date of allotment
7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E4 FY 2017-18. DTE OF MATURITY 19/07/2022	1,000,000	August 23, 2017	15,680.69	7.60% p.a.	July 19, 2022	Redeemable at par at end of 1791 days from the date of allotment
7.8% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C4 FY 2017-18. DATE OF MATURITY 29/06/2022	1,000,000	June 29, 2017	21,163.43	7.80% p.a.	June 29, 2022	Redeemable at par at end of 1826 days from the date of allotment
7.80% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C3 FY 2017-18. DATE OF MATURITY 17/06/2022	1,000,000	June 19, 2017	5,301.86	7.80% p.a.	June 17, 2022	Redeemable at par at end of 1824 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD B1 FY 2019-20. MATURITY DATE - 25/05/2022	1,000,000	May 8, 2019	4,774.73	1 Greater than 50% of Digital Level 8.3026% p.a. (8.30% XIRR (Annualized yield)) 2 Less than or equal to 50% of Digital Level 0 %	May 25, 2022	Redeemable at par at end of 1113 days from the date of allotment
6.7834% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2020-21. MATURITY DATE - 26/04/2022	1,000,000	June 26, 2020	26,288.84	6.78% p.a.	April 26, 2022	Redeemable at par at end of 669 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	October 26, 2018	21,707.87	Zero Coupon	April 8, 2022	Redeemable at par at end of 1260 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	November 6, 2018	2,443.84	Zero Coupon	April 8, 2022	Redeemable at par at end of 1249 days from the date of allotment

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	December 11, 2018	16,246.77	Zero Coupon	April 8, 2022	Redeemable at par at end of 1214 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	December 27, 2018	6,826.37	Zero Coupon	April 8, 2022	Redeemable at par at end of 1198 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	January 7, 2019	4,368.88	Zero Coupon	April 8, 2022	Redeemable at par at end of 1187 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	January 25, 2019	4,164.09	Zero Coupon	April 8, 2022	Redeemable at par at end of 1169 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	April 25, 2019	10,239.58	Zero Coupon	April 8, 2022	Redeemable at par at end of 1079 days from the date of allotment
<b>Total</b>			<b>1,253,636.68</b>			

## Note 20(b): Redeemable non-convertible debentures (Unsecured) as on 31 March, 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
7.57% UNSECURED RATED LISTED REDEEMABLE NON CONVERTIBLE PARTLY PAID DEBENTURES. SERIES ABFL NCD 'EP1' FY 2020-21. DATE OF MATURITY 03/08/2035	3,00,000	August 6, 2020	10,960.04	7.57% p.a.	August 3, 2035	Redeemable at par at end of 5475 days from the date of allotment

## Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2021

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
7.2400% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K1 FY 2020-21. MATURITY DATE - 18/02/2031	1,000,000	February 18, 2021	2,518.17	7.24% p.a.	February 18, 2031	Redeemable at par at end of 3652 days from the date of allotment



# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

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	1,000,000	January 20, 2020	101,585.21	7.75% p.a.	25% at the end of 7th Year (Wednesday, January 20, 2027), 25% at the end of 8th Year (Thursday, January 20, 2028), 25% at the end of 9th Year (Friday, January 19, 2029) & 25% at the end of 10th Year (Friday, January 18, 2030)	Redeemable in instalment's at par - 25% at end of 2557 days, 25% at end of 2922 days, 25% at end of 3287 days, 25% at end of 3651 days from the date of allotment
8.70% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD D1 FY 2019-2020. DATE OF MATURITY July 04, 2029	1,000,000	July 4, 2019	531.58	8.70% p.a.	July 4, 2029	Redeemable at par at end of 3653 days from the date of allotment
8.70% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD D1 FY 2019-2020. DATE OF MATURITY July 04, 2029	1,000,000	July 4, 2019	531.58	8.70% p.a.	July 4, 2029	Redeemable at par at end of 3653 days from the date of allotment
8.70% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD D1 FY 2019-2020. DATE OF MATURITY July 04, 2029	1,000,000	July 4, 2019	489.05	8.70% p.a.	July 4, 2029	Redeemable at par at end of 3653 days from the date of allotment
8.70% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD D1 FY 2019-2020. DATE OF MATURITY July 04, 2029	1,000,000	July 4, 2019	382.74	8.70% p.a.	July 4, 2029	Redeemable at par at end of 3653 days from the date of allotment
8.70% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD D1 FY 2019-2020. DATE OF MATURITY July 04, 2029	1,000,000	July 4, 2019	1,169.47	8.70% p.a.	July 4, 2029	Redeemable at par at end of 3653 days from the date of allotment
9% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD B2 FY 2019-20. MATURITY DATE – 18/05/2029	1,000,000	May 20, 2019	161,687.61	9.00% p.a.	50% - May 19, 2028 50% - May 18, 2029	Redeemable in instalment's at par - 50% at end of 3287 days and 50% at end of 3651 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	1,000,000	December 21, 2018	519.20	9.15% p.a.	December 21, 2028	Redeemable at par at end of 3653 days from the date of allotment

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	1,000,000	December 21, 2018	1,038.40	9.15% p.a.	December 21, 2028	Redeemable at par at end of 3653 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	1,000,000	December 27, 2018	519.20	9.10% p.a.	December 21, 2028	Redeemable at par at end of 3647 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	1,000,000	December 27, 2018	3,634.40	9.10% p.a.	December 21, 2028	Redeemable at par at end of 3647 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	1,000,000	December 27, 2018	415.36	9.10% p.a.	December 21, 2028	Redeemable at par at end of 3647 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	1,000,000	December 27, 2018	2,596.00	9.10% p.a.	December 21, 2028	Redeemable at par at end of 3647 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	1,000,000	February 12, 2019	882.64	9.05% p.a.	December 21, 2028	Redeemable at par at end of 3600 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	1,000,000	February 12, 2019	3,115.20	9.05% p.a.	December 21, 2028	Redeemable at par at end of 3600 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	1,000,000	March 29, 2019	519.20	8.65% p.a.	December 21, 2028	Redeemable at par at end of 3555 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	1,000,000	March 29, 2019	311.52	8.65% p.a.	December 21, 2028	Redeemable at par at end of 3555 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	1,000,000	March 29, 2019	1,557.60	8.65% p.a.	December 21, 2028	Redeemable at par at end of 3555 days from the date of allotment

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	1,000,000	March 29, 2019	13,011.16	8.65% p.a.	December 21, 2028	Redeemable at par at end of 3555 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	1,000,000	March 29, 2019	176.53	8.65% p.a.	December 21, 2028	Redeemable at par at end of 3555 days from the date of allotment
8% XIRR SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C1 FY 2017-18. DATE OF MATURITY 11/06/2027	1,000,000	June 13, 2017	666.25	8.00% p.a.	June 11, 2027	Redeemable at par at end of 3650 days from the date of allotment
8.90% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD Z3 FY 2015-16. DATE OF MATURITY 20/03/2026	1,000,000	March 21, 2016	501.02	8.90% p.a.	March 20, 2026	Redeemable at par at end of 3651 days from the date of allotment
8.90% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD X1 FY 2015-16. DATE OF MATURITY 06/03/2026	1,000,000	March 9, 2016	1,004.88	8.90% p.a.	March 6, 2026	Redeemable at par at end of 3649 days from the date of allotment
8.85% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD W3 FY 2015-16. DATE OF MATURITY 23/02/2026	1,000,000	February 23, 2016	1,008.13	8.85% p.a.	February 23, 2026	Redeemable at par at end of 3653 days from the date of allotment
6.2500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1 FY 2020-21. MATURITY DATE - 23/12/2025	1,000,000	December 23, 2020	2,541.16	6.25% p.a.	December 23, 2025	Redeemable at par at end of 1826 days from the date of allotment
6.2500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1 FY 2020-21. MATURITY DATE - 23/12/2025	1,000,000	December 23, 2020	5,082.33	6.25% p.a.	December 23, 2025	Redeemable at par at end of 1826 days from the date of allotment
8.71% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD S1 FY 2015-16. DATE OF MATURITY 31/10/2025	1,000,000	November 3, 2015	35,443.34	8.99% p.a.	50% on November 01, 2024 & 50% on October 31, 2025	Redeemable in instalment's at par - 50% at end of 3285 days and 50% at end of 3650 days from the date of allotment
8.71% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD S1 FY 2015-16. DATE OF MATURITY 31/10/2025	1,000,000	November 3, 2015	10,126.67	8.99% p.a.	50% on November 01, 2024 & 50% on October 31, 2025	Redeemable in instalment's at par - 50% at end of 3285 days and 50% at end of 3650 days from the date of allotment



# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8.71% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD S1 FY 2015-16. DATE OF MATURITY 31/10/2025	1,000,000	November 3, 2015	5,063.33	8.99% p.a.	50% on November 01, 2024 & 50% on October 31, 2025	Redeemable in instalment's at par - 50% at end of 3285 days and 50% at end of 3650 days from the date of allotment
8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD Q1 FY 2015-16. DATE OF MATURITY 17/10/2025	1,000,000	October 19, 2015	1,557.04	8.77% p.a.	October 17, 2025	Redeemable at par at end of 3651 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025	1,000,000	June 26, 2018	5,336.60	8.90% p.a.	June 26, 2025	Redeemable at par at end of 2557 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025	1,000,000	June 26, 2018	106.73	8.90% p.a.	June 26, 2025	Redeemable at par at end of 2557 days from the date of allotment
7.69% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A3 FY 2020-21. MATURITY DATE - 25/04/2025	1,000,000	April 28, 2020	2,675.47	7.69% p.a.	April 25, 2025	Redeemable at par at end of 1823 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	1,000,000	June 12, 2019	854.89	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1827 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	1,000,000	June 12, 2019	2,671.53	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1827 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	1,000,000	June 12, 2019	1,602.92	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1827 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	1,000,000	June 12, 2019	1,602.92	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1827 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	1,000,000	June 12, 2019	10,686.11	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1827 days from the date of allotment

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	1,000,000	June 12, 2019	1,068.61	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1827 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	1,000,000	June 24, 2019	534.31	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1815 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	1,000,000	June 24, 2019	4,060.72	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1815 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	1,000,000	June 24, 2019	320.58	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1815 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	1,000,000	June 24, 2019	213.72	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1815 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	1,000,000	June 24, 2019	14,960.55	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1815 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	1,000,000	June 24, 2019	1,068.61	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1815 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	1,000,000	June 28, 2019	10,643.37	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1811 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	1,000,000	June 28, 2019	748.03	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1811 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	1,000,000	June 28, 2019	534.31	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1811 days from the date of allotment

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	1,000,000	July 24, 2019	961.75	8.50% p.a.	June 12, 2024	Redeemable at par at end of 1785 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	1,000,000	July 24, 2019	8,228.31	8.50% p.a.	June 12, 2024	Redeemable at par at end of 1785 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	1,000,000	July 24, 2019	288.52	8.50% p.a.	June 12, 2024	Redeemable at par at end of 1785 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	1,000,000	July 24, 2019	1,068.61	8.50% p.a.	June 12, 2024	Redeemable at par at end of 1785 days from the date of allotment
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD L3 FY 2020-21. MATURITY DATE - 28/03/2024	1,000,000	March 31, 2021	41,994.44	6.15% p.a.	March 28, 2024	Redeemable at par at end of 1093 days from the date of allotment
5.9000% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD G1 FY 2020-21. MATURITY DATE - 29/12/2023	1,000,000	October 22, 2020	33,848.68	5.90% p.a.	December 29, 2023	Redeemable at par at end of 1163 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	1,000,000	December 21, 2018	2,561.63	9.15% p.a.	December 21, 2023	Redeemable at par at end of 1826 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	1,000,000	December 21, 2018	2,049.30	9.15% p.a.	December 21, 2023	Redeemable at par at end of 1826 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	1,000,000	December 21, 2018	1,536.98	9.15% p.a.	December 21, 2023	Redeemable at par at end of 1826 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	1,000,000	December 21, 2018	1,024.65	9.15% p.a.	December 21, 2023	Redeemable at par at end of 1826 days from the date of allotment



# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	1,000,000	December 27, 2018	409.86	9.10% p.a.	December 21, 2023	Redeemable at par at end of 1820 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	1,000,000	December 27, 2018	512.33	9.10% p.a.	December 21, 2023	Redeemable at par at end of 1820 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	1,000,000	December 27, 2018	717.26	9.10% p.a.	December 21, 2023	Redeemable at par at end of 1820 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	1,000,000	December 27, 2018	2,561.63	9.10% p.a.	December 21, 2023	Redeemable at par at end of 1820 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	1,000,000	December 27, 2018	2,561.63	9.10% p.a.	December 21, 2023	Redeemable at par at end of 1820 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	1,000,000	December 27, 2018	1,024.65	9.10% p.a.	December 21, 2023	Redeemable at par at end of 1820 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	1,000,000	December 27, 2018	512.33	9.10% p.a.	December 21, 2023	Redeemable at par at end of 1820 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	1,000,000	January 7, 2019	512.33	9.00% p.a.	December 21, 2023	Redeemable at par at end of 1809 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	1,000,000	January 7, 2019	102.47	9.00% p.a.	December 21, 2023	Redeemable at par at end of 1809 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	1,000,000	January 7, 2019	1,024.65	9.00% p.a.	December 21, 2023	Redeemable at par at end of 1809 days from the date of allotment

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	1,000,000	July 27, 2018	1,575.56	8.90% p.a.	July 27, 2023	Redeemable at par at end of 1826 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	1,000,000	December 11, 2018	8,402.98	9.40% p.a.	July 27, 2023	Redeemable at par at end of 1689 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	1,000,000	December 11, 2018	525.19	9.40% p.a.	July 27, 2023	Redeemable at par at end of 1689 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	1,000,000	December 11, 2018	525.19	9.40% p.a.	July 27, 2023	Redeemable at par at end of 1689 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	1,000,000	December 11, 2018	525.19	9.40% p.a.	July 27, 2023	Redeemable at par at end of 1689 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	1,000,000	December 11, 2018	315.11	9.40% p.a.	July 27, 2023	Redeemable at par at end of 1689 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	1,000,000	December 11, 2018	2,625.93	9.40% p.a.	July 27, 2023	Redeemable at par at end of 1689 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	1,000,000	December 11, 2018	210.07	9.40% p.a.	July 27, 2023	Redeemable at par at end of 1689 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	1,000,000	December 11, 2018	1,050.37	9.40% p.a.	July 27, 2023	Redeemable at par at end of 1689 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	1,000,000	December 11, 2018	1,050.37	9.40% p.a.	July 27, 2023	Redeemable at par at end of 1689 days from the date of allotment

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

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 A2 FY 2020-21. MATURITY DATE – 28/06/2023	1,000,000	April 28, 2020	2,675.24	7.57% p.a.	June 28, 2023	Redeemable at par at end of 1156 days from the date of allotment
7.57% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A2 FY 2020-21. MATURITY DATE – 28/06/2023	1,000,000	April 28, 2020	21,401.96	7.57% p.a.	June 28, 2023	Redeemable at par at end of 1156 days from the date of allotment
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE – 30/05/2023	1,000,000	February 25, 2021	5,028.15	6.15% p.a.	May 30, 2023	Redeemable at par at end of 824 days from the date of allotment
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE – 30/05/2023	1,000,000	February 25, 2021	5,028.15	6.15% p.a.	May 30, 2023	Redeemable at par at end of 824 days from the date of allotment
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE – 30/05/2023	1,000,000	February 25, 2021	10,056.30	6.15% p.a.	May 30, 2023	Redeemable at par at end of 824 days from the date of allotment
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE – 30/05/2023	1,000,000	February 25, 2021	10,056.30	6.15% p.a.	May 30, 2023	Redeemable at par at end of 824 days from the date of allotment
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE – 30/05/2023	1,000,000	February 25, 2021	30,168.91	6.15% p.a.	May 30, 2023	Redeemable at par at end of 824 days from the date of allotment
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE – 30/05/2023	1,000,000	February 25, 2021	2,514.08	6.15% p.a.	May 30, 2023	Redeemable at par at end of 824 days from the date of allotment
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE – 30/05/2023	1,000,000	February 25, 2021	15,084.45	6.15% p.a.	May 30, 2023	Redeemable at par at end of 824 days from the date of allotment
7.75% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A1 FY 2020-21. MATURITY DATE – 17/05/2023	1,000,000	April 17, 2020	9,663.05	7.75% p.a.	May 17, 2023	Redeemable at par at end of 1125 days from the date of allotment



# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
7.75% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A1 FY 2020-21. MATURITY DATE – 17/05/2023	1,000,000	April 17, 2020	6,978.87	7.75% p.a.	May 17, 2023	Redeemable at par at end of 1125 days from the date of allotment
7.75% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A1 FY 2020-21. MATURITY DATE – 17/05/2023	1,000,000	April 17, 2020	2,684.18	7.75% p.a.	May 17, 2023	Redeemable at par at end of 1125 days from the date of allotment
7.75% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A1 FY 2020-21. MATURITY DATE – 17/05/2023	1,000,000	April 17, 2020	2,684.18	7.75% p.a.	May 17, 2023	Redeemable at par at end of 1125 days from the date of allotment
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L2' FY 2020-21-MATURITY DATE – 19/03/2023	1,000,000	March 19, 2021	25,049.88	5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	March 17, 2023	Redeemable at par at end of 728 days from the date of allotment
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L1' FY 2020-21-MATURITY DATE – 16/03/2023	1,000,000	March 16, 2021	6,516.53	5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	March 16, 2023	Redeemable at par at end of 730 days from the date of allotment
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L1' FY 2020-21-MATURITY DATE – 16/03/2023	1,000,000	March 16, 2021	6,516.53	5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	March 16, 2023	Redeemable at par at end of 730 days from the date of allotment
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L1' FY 2020-21-MATURITY DATE – 16/03/2023	1,000,000	March 16, 2021	6,015.26	5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	March 16, 2023	Redeemable at par at end of 730 days from the date of allotment
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L1' FY 2020-21-MATURITY DATE – 16/03/2023	1,000,000	March 16, 2021	6,015.26	5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	March 16, 2023	Redeemable at par at end of 730 days from the date of allotment



# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L1' FY 2020-21-MATURITY DATE – 16/03/2023	1,000,000	March 16, 2021	25,063.57	5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	March 16, 2023	Redeemable at par at end of 730 days from the date of allotment
7.75% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1. DATE OF MATURITY 09/12/2022	1,000,000	December 4, 2019	7,680.61	7.75% p.a.	December 9, 2022	Redeemable at par at end of 1101 days from the date of allotment
7.75% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1. DATE OF MATURITY 09/12/2022	1,000,000	December 4, 2019	5,120.41	7.75% p.a.	December 9, 2022	Redeemable at par at end of 1101 days from the date of allotment
7.75% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1. DATE OF MATURITY 09/12/2022	1,000,000	December 4, 2019	2,560.20	7.75% p.a.	December 9, 2022	Redeemable at par at end of 1101 days from the date of allotment
8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD O1 FY 2015-16. DATE OF MATURITY 12/10/2022	1,000,000	October 12, 2015	519.97	8.77% p.a.	October 12, 2022	Redeemable at par at end of 2557 days from the date of allotment
8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD O1 FY 2015-16. DATE OF MATURITY 12/10/2022	1,000,000	October 12, 2015	519.97	8.77% p.a.	October 12, 2022	Redeemable at par at end of 2557 days from the date of allotment
8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD O1 FY 2015-16. DATE OF MATURITY 12/10/2022	1,000,000	October 12, 2015	1,143.94	8.77% p.a.	October 12, 2022	Redeemable at par at end of 2557 days from the date of allotment
8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD N1 FY 2015-16. DATE OF MATURITY 07/10/2022	1,000,000	October 7, 2015	4,164.60	8.77% p.a.	October 7, 2022	Redeemable at par at end of 2557 days from the date of allotment
8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD N1 FY 2015-16. DATE OF MATURITY 07/10/2022	1,000,000	October 7, 2015	2,082.30	8.77% p.a.	October 7, 2022	Redeemable at par at end of 2557 days from the date of allotment
8.85% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD L1 FY 2015-16. DATE OF MATURITY 09/09/2022	1,000,000	September 10, 2015	2,096.17	8.85% p.a.	September 9, 2022	Redeemable at par at end of 2556 days from the date of allotment

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD F1 FY 2017-18. DTE OF MATURITY 07/09/2022	1,000,000	September 7, 2017	20,844.14	7.60% p.a.	September 7, 2022	Redeemable at par at end of 1826 days from the date of allotment
7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD F1 FY 2017-18. DTE OF MATURITY 07/09/2022	1,000,000	September 7, 2017	13,027.59	7.60% p.a.	September 7, 2022	Redeemable at par at end of 1826 days from the date of allotment
7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E3 FY 2017-18. DTE OF MATURITY 18/08/2022	1,000,000	August 18, 2017	10,463.98	7.60% p.a.	August 18, 2022	Redeemable at par at end of 1826 days from the date of allotment
7.70% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E2 FY 2017-18. DTE OF MATURITY 12/08/2022	1,000,000	August 14, 2017	5,237.89	7.70% p.a.	August 12, 2022	Redeemable at par at end of 1824 days from the date of allotment
7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E4 FY 2017-18. DTE OF MATURITY 19/07/2022	1,000,000	August 23, 2017	15,680.24	7.60% p.a.	July 19, 2022	Redeemable at par at end of 1791 days from the date of allotment
7.8% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C4 FY 2017-18. DATE OF MATURITY 29/06/2022	1,000,000	June 29, 2017	21,163.75	7.80% p.a.	June 29, 2022	Redeemable at par at end of 1826 days from the date of allotment
7.80% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C3 FY 2017-18. DATE OF MATURITY 17/06/2022	1,000,000	June 19, 2017	5,301.87	7.80% p.a.	June 17, 2022	Redeemable at par at end of 1824 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD B1 FY 2019-20. MATURITY DATE - 25/05/2022	1,000,000	May 8, 2019	3,487.65	8.30% p.a.	May 25, 2022	Redeemable at par at end of 1113 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD B1 FY 2019-20. MATURITY DATE - 25/05/2022	1,000,000	May 8, 2019	220.88	8.30% p.a.	May 25, 2022	Redeemable at par at end of 1113 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD B1 FY 2019-20. MATURITY DATE - 25/05/2022	1,000,000	May 8, 2019	581.27	8.30% p.a.	May 25, 2022	Redeemable at par at end of 1113 days from the date of allotment

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD B1 FY 2019-20. MATURITY DATE - 25/05/2022	1,000,000	May 8, 2019	116.25	8.30% p.a.	May 25, 2022	Redeemable at par at end of 1113 days from the date of allotment
6.7834% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2020-21. MATURITY DATE - 26/04/2022	1,000,000	June 26, 2020	26,294.50	6.78% p.a.	April 26, 2022	Redeemable at par at end of 669 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	October 26, 2018	7,498.59	9.50% p.a.	April 8, 2022	Redeemable at par at end of 1260 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	October 26, 2018	737.36	9.50% p.a.	April 8, 2022	Redeemable at par at end of 1260 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	October 26, 2018	624.88	9.50% p.a.	April 8, 2022	Redeemable at par at end of 1260 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	October 26, 2018	3,124.41	9.50% p.a.	April 8, 2022	Redeemable at par at end of 1260 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	October 26, 2018	2,874.46	9.50% p.a.	April 8, 2022	Redeemable at par at end of 1260 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	October 26, 2018	1,749.67	9.50% p.a.	April 8, 2022	Redeemable at par at end of 1260 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	October 26, 2018	1,624.69	9.50% p.a.	April 8, 2022	Redeemable at par at end of 1260 days from the date of allotment

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	October 26, 2018	262.45	9.50% p.a.	April 8, 2022	Redeemable at par at end of 1260 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	October 26, 2018	1,249.76	9.50% p.a.	April 8, 2022	Redeemable at par at end of 1260 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	October 26, 2018	124.98	9.50% p.a.	April 8, 2022	Redeemable at par at end of 1260 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	November 6, 2018	1,112.29	9.50% p.a.	April 8, 2022	Redeemable at par at end of 1249 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	November 6, 2018	799.85	9.50% p.a.	April 8, 2022	Redeemable at par at end of 1249 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	November 6, 2018	324.94	9.50% p.a.	April 8, 2022	Redeemable at par at end of 1249 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	December 11, 2018	624.88	9.40% p.a.	April 8, 2022	Redeemable at par at end of 1214 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	December 11, 2018	5,498.97	9.40% p.a.	April 8, 2022	Redeemable at par at end of 1214 days from the date of allotment

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	December 11, 2018	474.91	9.40% p.a.	April 8, 2022	Redeemable at par at end of 1214 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	December 11, 2018	2,499.53	9.40% p.a.	April 8, 2022	Redeemable at par at end of 1214 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	December 11, 2018	2,187.09	9.40% p.a.	April 8, 2022	Redeemable at par at end of 1214 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	December 11, 2018	2,187.09	9.40% p.a.	April 8, 2022	Redeemable at par at end of 1214 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	December 11, 2018	1,249.76	9.40% p.a.	April 8, 2022	Redeemable at par at end of 1214 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	December 11, 2018	149.97	9.40% p.a.	April 8, 2022	Redeemable at par at end of 1214 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	December 27, 2018	6,248.82	9.15% p.a.	April 8, 2022	Redeemable at par at end of 1198 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	January 7, 2019	2,124.60	8.90% p.a.	April 8, 2022	Redeemable at par at end of 1187 days from the date of allotment



# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	January 7, 2019	1,249.76	8.90% p.a.	April 8, 2022	Redeemable at par at end of 1187 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	January 7, 2019	624.88	8.90% p.a.	April 8, 2022	Redeemable at par at end of 1187 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	January 25, 2019	687.37	8.90% p.a.	April 8, 2022	Redeemable at par at end of 1169 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	January 25, 2019	499.91	8.90% p.a.	April 8, 2022	Redeemable at par at end of 1169 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	January 25, 2019	2,499.53	8.90% p.a.	April 8, 2022	Redeemable at par at end of 1169 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	January 25, 2019	124.98	8.90% p.a.	April 8, 2022	Redeemable at par at end of 1169 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	1,000,000	April 25, 2019	9,373.24	8.47% p.a.	April 8, 2022	Redeemable at par at end of 1079 days from the date of allotment
8% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD L 5 FY 2016-17. DATE OF MATURITY 24/03/2022	1,000,000	March 24, 2017	14,023.17	8.00% p.a.	March 24, 2022	Redeemable at par at end of 1826 days from the date of allotment
8% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD L 4 FY 2016-17. DATE OF MATURITY 18/03/2022	1,000,000	March 20, 2017	20,052.27	8.00% p.a.	March 18, 2022	Redeemable at par at end of 1824 days from the date of allotment



# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
9.4750% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G8 FY 2018-19. DATE OF MATURITY 18/03/2022	1,000,000	October 31, 2018	501.82	9.50% p.a.	March 18, 2022	Redeemable at par at end of 1234 days from the date of allotment
9.4750% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G8 FY 2018-19. DATE OF MATURITY 18/03/2022	1,000,000	October 31, 2018	10,036.34	9.50% p.a.	March 18, 2022	Redeemable at par at end of 1234 days from the date of allotment
9.4750% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G8 FY 2018-19. DATE OF MATURITY 18/03/2022	1,000,000	October 31, 2018	1,003.63	9.50% p.a.	March 18, 2022	Redeemable at par at end of 1234 days from the date of allotment
8% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD L 3 FY 2016-17. DATE OF MATURITY 10/03/2022	1,000,000	March 10, 2017	25,116.23	8.00% p.a.	March 10, 2022	Redeemable at par at end of 1826 days from the date of allotment
7.7937% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD I FY 2017-18. DATE OF MATURITY 28/02/2022	1,000,000	December 28, 2017	25,166.24	7.80% p.a.	February 28, 2022	Redeemable at par at end of 1523 days from the date of allotment
9.15% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD AK FY 2014-15. DATE OF MATURITY 13/01/2022	1,000,000	January 13, 2015	1,016.95	9.15% p.a.	January 13, 2022	Redeemable at par at end of 2557 days from the date of allotment
9.15% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD AK FY 2014-15. DATE OF MATURITY 13/01/2022	1,000,000	December 11, 2018	6,101.70	9.40% p.a.	January 13, 2022	Redeemable at par at end of 1129 days from the date of allotment
9.15% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD AK FY 2014-15. DATE OF MATURITY 13/01/2022	1,000,000	December 11, 2018	5,084.75	9.40% p.a.	January 13, 2022	Redeemable at par at end of 1129 days from the date of allotment
9.15% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD AK FY 2014-15. DATE OF MATURITY 13/01/2022	1,000,000	December 11, 2018	508.47	9.40% p.a.	January 13, 2022	Redeemable at par at end of 1129 days from the date of allotment
9.15% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD AK FY 2014-15. DATE OF MATURITY 13/01/2022	1,000,000	December 11, 2018	15,254.24	9.40% p.a.	January 13, 2022	Redeemable at par at end of 1129 days from the date of allotment

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
9.15% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD AK FY 2014-15. DATE OF MATURITY 13/01/2022	1,000,000	December 11, 2018	1,525.42	9.40% p.a.	January 13, 2022	Redeemable at par at end of 1129 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021	1,000,000	October 26, 2018	623.47	9.50% p.a.	October 12, 2021	Redeemable at par at end of 1082 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021	1,000,000	October 26, 2018	623.47	9.50% p.a.	October 12, 2021	Redeemable at par at end of 1082 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021	1,000,000	October 26, 2018	586.06	9.50% p.a.	October 12, 2021	Redeemable at par at end of 1082 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021	1,000,000	October 26, 2018	498.78	9.50% p.a.	October 12, 2021	Redeemable at par at end of 1082 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021	1,000,000	October 26, 2018	374.08	9.50% p.a.	October 12, 2021	Redeemable at par at end of 1082 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021	1,000,000	October 26, 2018	324.21	9.50% p.a.	October 12, 2021	Redeemable at par at end of 1082 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021	1,000,000	October 26, 2018	299.27	9.50% p.a.	October 12, 2021	Redeemable at par at end of 1082 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021	1,000,000	October 26, 2018	249.39	9.50% p.a.	October 12, 2021	Redeemable at par at end of 1082 days from the date of allotment

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021	1,000,000	October 26, 2018	1,621.03	9.50% p.a.	October 12, 2021	Redeemable at par at end of 1082 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021	1,000,000	October 26, 2018	1,496.34	9.50% p.a.	October 12, 2021	Redeemable at par at end of 1082 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021	1,000,000	October 26, 2018	1,246.95	9.50% p.a.	October 12, 2021	Redeemable at par at end of 1082 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021	1,000,000	October 26, 2018	187.04	9.50% p.a.	October 12, 2021	Redeemable at par at end of 1082 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021	1,000,000	October 26, 2018	124.69	9.50% p.a.	October 12, 2021	Redeemable at par at end of 1082 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C3 FY 2018-19. DATE OF MATURITY 24/09/2021	1,000,000	June 26, 2018	2,668.74	8.91% p.a.	September 24, 2021	Redeemable at par at end of 1186 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C3 FY 2018-19. DATE OF MATURITY 24/09/2021	1,000,000	July 6, 2018	3,202.48	8.91% p.a.	September 24, 2021	Redeemable at par at end of 1176 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C3 FY 2018-19. DATE OF MATURITY 24/09/2021	1,000,000	July 6, 2018	2,668.74	8.91% p.a.	September 24, 2021	Redeemable at par at end of 1176 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C3 FY 2018-19. DATE OF MATURITY 24/09/2021	1,000,000	August 9, 2018	3,202.48	8.81% p.a.	September 24, 2021	Redeemable at par at end of 1142 days from the date of allotment

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C3 FY 2018-19. DATE OF MATURITY 24/09/2021	1,000,000	August 9, 2018	2,134.99	8.81% p.a.	September 24, 2021	Redeemable at par at end of 1142 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C3 FY 2018-19. DATE OF MATURITY 24/09/2021	1,000,000	September 4, 2018	16,012.42	8.81% p.a.	September 24, 2021	Redeemable at par at end of 1116 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C3 FY 2018-19. DATE OF MATURITY 24/09/2021	1,000,000	September 4, 2018	5,337.47	8.81% p.a.	September 24, 2021	Redeemable at par at end of 1116 days from the date of allotment
8.90% XIRR SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD X3 FY 2015-16. DATE OF MATURITY 23/08/2021	1,000,000	March 9, 2016	308.02	8.90% p.a.	August 23, 2021	Redeemable at par at end of 1993 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G7 FY 2018-19. DATE OF MATURITY 16/08/2021	1,000,000	October 31, 2018	5,604.48	9.50% p.a.	August 16, 2021	Redeemable at par at end of 1020 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G7 FY 2018-19. DATE OF MATURITY 16/08/2021	1,000,000	October 31, 2018	12,454.41	9.50% p.a.	August 16, 2021	Redeemable at par at end of 1020 days from the date of allotment
8.81% XIRR SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E1 FY 2018-19. DATE OF MATURITY 26/07/2021	1,000,000	August 3, 2018	1,064.25	8.81% p.a.	July 26, 2021	Redeemable at par at end of 1088 days from the date of allotment
8.81% XIRR SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E1 FY 2018-19. DATE OF MATURITY 26/07/2021	1,000,000	August 3, 2018	813.84	8.81% p.a.	July 26, 2021	Redeemable at par at end of 1088 days from the date of allotment
8.81% XIRR SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E1 FY 2018-19. DATE OF MATURITY 26/07/2021	1,000,000	August 3, 2018	3,130.16	8.81% p.a.	July 26, 2021	Redeemable at par at end of 1088 days from the date of allotment

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8.81% XIRR SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E1 FY 2018-19. DATE OF MATURITY 26/07/2021	1,000,000	August 3, 2018	2,754.54	8.81% p.a.	July 26, 2021	Redeemable at par at end of 1088 days from the date of allotment
8.81% XIRR SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E1 FY 2018-19. DATE OF MATURITY 26/07/2021	1,000,000	August 3, 2018	1,752.89	8.81% p.a.	July 26, 2021	Redeemable at par at end of 1088 days from the date of allotment
8.90% XIRR SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD X2 FY 2015-16. DATE OF MATURITY 23/07/2021	1,000,000	March 9, 2016	539.04	8.90% p.a.	July 23, 2021	Redeemable at par at end of 1962 days from the date of allotment
T-BILL LINKED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D1 FY 2018-19. DATE OF MATURITY 20/07/2021	1,000,000	July 20, 2018	10,594.34	8.58% p.a.	July 20, 2021	Redeemable at par at end of 1096 days from the date of allotment
T-BILL LINKED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D1 FY 2018-19. DATE OF MATURITY 20/07/2021	1,000,000	July 20, 2018	16,950.95	8.58% p.a.	July 20, 2021	Redeemable at par at end of 1096 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C2 FY 2018-19. DATE OF MATURITY 25/06/2021	1,000,000	June 26, 2018	44,312.33	8.90% p.a.	June 25, 2021	Redeemable at par at end of 1095 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C2 FY 2018-19. DATE OF MATURITY 25/06/2021	1,000,000	June 26, 2018	12,660.67	8.90% p.a.	June 25, 2021	Redeemable at par at end of 1095 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C2 FY 2018-19. DATE OF MATURITY 25/06/2021	1,000,000	July 6, 2018	2,342.22	8.90% p.a.	June 25, 2021	Redeemable at par at end of 1085 days from the date of allotment
8.75% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C4 FY 2016-17. DATE OF MATURITY 24/06/2021	1,000,000	June 24, 2016	5,333.54	8.75% p.a.	June 24, 2021	Redeemable at par at end of 1826 days from the date of allotment

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8.70% XIRR SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD U2 FY 2015-16. DATE OF MATURITY 10/06/2021	1,000,000	January 7, 2016	2,321.48	8.71% p.a.	June 10, 2021	Redeemable at par at end of 1981 days from the date of allotment
8.67% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C1 FY 2016-17. DATE OF MATURITY 02/06/2021	1,000,000	June 2, 2016	535.99	8.67% p.a.	June 2, 2021	Redeemable at par at end of 1826 days from the date of allotment
8.67% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C1 FY 2016-17. DATE OF MATURITY 02/06/2021	1,000,000	June 12, 2019	1,071.99	8.10% p.a.	June 2, 2021	Redeemable at par at end of 721 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021	1,000,000	May 18, 2018	50,635.05	8.55% p.a.	May 18, 2021	Redeemable at par at end of 1096 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021	1,000,000	September 7, 2018	860.80	8.75% p.a.	May 18, 2021	Redeemable at par at end of 984 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021	1,000,000	September 7, 2018	734.21	8.75% p.a.	May 18, 2021	Redeemable at par at end of 984 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021	1,000,000	September 7, 2018	430.40	8.75% p.a.	May 18, 2021	Redeemable at par at end of 984 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021	1,000,000	September 7, 2018	367.10	8.75% p.a.	May 18, 2021	Redeemable at par at end of 984 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021	1,000,000	September 7, 2018	303.81	8.75% p.a.	May 18, 2021	Redeemable at par at end of 984 days from the date of allotment



# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021	1,000,000	September 7, 2018	1,734.25	8.75% p.a.	May 18, 2021	Redeemable at par at end of 984 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021	1,000,000	September 7, 2018	240.52	8.75% p.a.	May 18, 2021	Redeemable at par at end of 984 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021	1,000,000	September 7, 2018	240.52	8.75% p.a.	May 18, 2021	Redeemable at par at end of 984 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021	1,000,000	September 7, 2018	177.22	8.75% p.a.	May 18, 2021	Redeemable at par at end of 984 days from the date of allotment
8.75% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B4 FY 2016-17. DATE OF MATURITY 06/05/2021	1,000,000	May 6, 2016	1,078.96	8.75% p.a.	May 6, 2021	Redeemable at par at end of 1826 days from the date of allotment
8.75% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B4 FY 2016-17. DATE OF MATURITY 06/05/2021	1,000,000	May 6, 2016	1,078.96	8.75% p.a.	May 6, 2021	Redeemable at par at end of 1826 days from the date of allotment
8.75% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B4 FY 2016-17. DATE OF MATURITY 06/05/2021	1,000,000	May 6, 2016	431.58	8.75% p.a.	May 6, 2021	Redeemable at par at end of 1826 days from the date of allotment
8.75% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B4 FY 2016-17. DATE OF MATURITY 06/05/2021	1,000,000	May 6, 2016	1,618.44	8.75% p.a.	May 6, 2021	Redeemable at par at end of 1826 days from the date of allotment
8.75% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B4 FY 2016-17. DATE OF MATURITY 06/05/2021	1,000,000	May 31, 2019	10,789.59	8.45% p.a.	May 6, 2021	Redeemable at par at end of 706 days from the date of allotment

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8.75% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B4 FY 2016-17. DATE OF MATURITY 06/05/2021	1,000,000	May 31, 2019	5,394.79	8.45% p.a.	May 6, 2021	Redeemable at par at end of 706 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD K1 FY 2018-19. MATURITY DATE - 04/05/2021	1,000,000	February 14, 2019	5,972.76	8.70% p.a.	May 4, 2021	Redeemable at par at end of 810 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD K1 FY 2018-19. MATURITY DATE - 04/05/2021	1,000,000	April 26, 2019	1,791.83	8.15% p.a.	May 4, 2021	Redeemable at par at end of 739 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD K1 FY 2018-19. MATURITY DATE - 04/05/2021	1,000,000	April 26, 2019	597.28	8.15% p.a.	May 4, 2021	Redeemable at par at end of 739 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD K1 FY 2018-19. MATURITY DATE - 04/05/2021	1,000,000	April 26, 2019	597.28	8.15% p.a.	May 4, 2021	Redeemable at par at end of 739 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD K1 FY 2018-19. MATURITY DATE - 04/05/2021	1,000,000	April 26, 2019	1,314.01	8.15% p.a.	May 4, 2021	Redeemable at par at end of 739 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD K1 FY 2018-19. MATURITY DATE - 04/05/2021	1,000,000	April 26, 2019	238.91	8.15% p.a.	May 4, 2021	Redeemable at par at end of 739 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD K1 FY 2018-19. MATURITY DATE - 04/05/2021	1,000,000	May 16, 2019	1,564.86	8.15% p.a.	May 4, 2021	Redeemable at par at end of 719 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD K1 FY 2018-19. MATURITY DATE - 04/05/2021	1,000,000	May 16, 2019	1,194.55	8.15% p.a.	May 4, 2021	Redeemable at par at end of 719 days from the date of allotment



# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD K1 FY 2018-19. MATURITY DATE - 04/05/2021	1,000,000	May 16, 2019	119.46	8.15% p.a.	May 4, 2021	Redeemable at par at end of 719 days from the date of allotment
8.70% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD A3 FY 2016-17. DATE OF MATURITY 12/04/2021	1,000,000	April 12, 2016	1,084.23	8.70% p.a.	April 9, 2021	Redeemable at par at end of 1823 days from the date of allotment
<b>Total</b>			<b>1,332,116.41</b>			

## Note 20(b): Redeemable non-convertible debentures (Unsecured) as on 31 March, 2021

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
7.57% UNSECURED RATED LISTED REDEEMABLE NON CONVERTIBLE PARTLY PAID DEBENTURES. SERIES ABFL NCD 'EP1' FY 2020-21. DATE OF MATURITY 03/08/2035	160,000	August 6, 2020	5,821.46	7.57% p.a.	August 3, 2035	Redeemable at par at end of 5475 days from the date of allotment

## Note 20(c): Commercial papers (Unsecured) as at 31 March, 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL/2021-22/CP201	500,000	14 February, 2022	19,153.81	5.10%	10 February, 2023	Redeemable at par at end of 361 days from the date of allotment
ABFL/2021-22/CP196	500,000	07 January, 2022	9,636.28	4.91%	06 January, 2023	Redeemable at par at end of 364 days from the date of allotment
ABFL/2021-22/CP195	500,000	04 January, 2022	19,280.35	4.91%	03 January, 2023	Redeemable at par at end of 364 days from the date of allotment
ABFL/2021-22/CP204	500,000	18 February, 2022	2,410.77	4.97%	27 December, 2022	Redeemable at par at end of 312 days from the date of allotment
ABFL/2021-22/CP169	500,000	16 December, 2021	14,507.95	4.85%	12 December, 2022	Redeemable at par at end of 361 days from the date of allotment
ABFL/2021-22/CP204	500,000	18 February, 2022	14,540.01	4.97%	18 November, 2022	Redeemable at par at end of 273 days from the date of allotment
ABFL/2021-22/CP092	500,000	26 October, 2021	19,511.90	4.50%	21 October, 2022	Redeemable at par at end of 360 days from the date of allotment
ABFL/2021-22/CP041	500,000	12 July, 2021	4,942.40	4.40%	07 July, 2022	Redeemable at par at end of 360 days from the date of allotment
ABFL/2021-22/CP208	500,000	15 March, 2022	32,206.78	4.40%	14 June, 2022	Redeemable at par at end of 91 days from the date of allotment
ABFL/2021-22/CP206	500,000	24 February, 2022	54,678.17	4.27%	20 May, 2022	Redeemable at par at end of 85 days from the date of allotment

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL/2021-22/CP201	500,000	14 February, 2022	59,719.04	4.28%	10 May, 2022	Redeemable at par at end of 85 days from the date of allotment
ABFL/2021-22/CP168	500,000	07 December, 2021	62,941.52	4.25%	08 April, 2022	Redeemable at par at end of 122 days from the date of allotment
<b>Total</b>			<b>313,528.98</b>			

## Note 20(c): Commercial papers (Unsecured) as at 31 March, 2021

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL/2020-21/CP141	500,000	24 March, 2021	4,782.96	4.70%	18 March, 2022	Redeemable at par at end of 359 days from the date of allotment
ABFL/2020-21/CP142	500,000	30 March, 2021	4,793.83	4.45%	18 March, 2022	Redeemable at par at end of 353 days from the date of allotment
ABFL/2020-21/CP143	500,000	31 March, 2021	4,793.80	4.45%	18 March, 2022	Redeemable at par at end of 352 days from the date of allotment
ABFL/2020-21/CP100	500,000	23 February, 2021	9,661.75	4.65%	31 December, 2021	Redeemable at par at end of 311 days from the date of allotment
ABFL/2020-21/CP101	500,000	23 February, 2021	4,830.87	4.65%	31 December, 2021	Redeemable at par at end of 311 days from the date of allotment
ABFL/2020-21/CP073	500,000	22 December, 2020	4,854.58	4.22%	17 December, 2021	Redeemable at par at end of 360 days from the date of allotment
ABFL/2020-21/CP074	500,000	22 December, 2020	4,854.58	4.22%	17 December, 2021	Redeemable at par at end of 360 days from the date of allotment
ABFL/2020-21/CP019	500,000	09 September, 2020	19,605.00	4.67%	08 September, 2021	Redeemable at par at end of 364 days from the date of allotment
ABFL/2020-21/CP010	500,000	10 July, 2020	49,574.33	4.99%	04 June, 2021	Redeemable at par at end of 329 days from the date of allotment
ABFL/2020-21/CP009	500,000	29 May, 2020	24,780.20	5.80%	28 May, 2021	Redeemable at par at end of 364 days from the date of allotment
ABFL/2020-21/CP097	500,000	16 February, 2021	49,772.33	3.78%	14 May, 2021	Redeemable at par at end of 87 days from the date of allotment
ABFL/2020-21/CP098	500,000	16 February, 2021	4,977.23	3.78%	14 May, 2021	Redeemable at par at end of 87 days from the date of allotment
ABFL/2020-21/CP099	500,000	17 February, 2021	24,888.47	3.70%	14 May, 2021	Redeemable at par at end of 86 days from the date of allotment
ABFL/2020-21/CP053	500,000	19 November, 2020	12,959.84	3.81%	30 April, 2021	Redeemable at par at end of 162 days from the date of allotment
ABFL/2020-21/CP054	500,000	19 November, 2020	4,984.55	3.81%	30 April, 2021	Redeemable at par at end of 162 days from the date of allotment
ABFL/2020-21/CP076	500,000	22 January, 2021	24,942.21	3.85%	22 April, 2021	Redeemable at par at end of 90 days from the date of allotment
ABFL/2020-21/CP077	500,000	22 January, 2021	24,942.21	3.85%	22 April, 2021	Redeemable at par at end of 90 days from the date of allotment
ABFL/2020-21/CP075	500,000	15 January, 2021	39,938.43	3.75%	15 April, 2021	Redeemable at par at end of 90 days from the date of allotment
<b>Total</b>			<b>319,937.17</b>			

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

## NOTE 21: BORROWINGS OTHER THAN DEBT SECURITIES

(₹ in Lakh)

Particulars	As at 31 March, 2022			As at 31 March, 2021				
	At amortised cost	At fair Value through profit and loss Account	Designated at fair value through profit and loss account	Total	At amortised cost	At fair Value through profit and loss account	Designated at fair value through profit and loss account	Total
Term Loan from Banks (Secured)	2,100,005.16	-	-	2,100,005.16	1,757,030.47	-	-	1,757,030.47
Cash Credit from Banks (Secured)	26,262.23	-	-	26,262.23	-	-	-	-
External Commercial Borrowings from foreign banks (secured)	241,699.63	-	-	241,699.63	248,525.21	-	-	248,525.21
Book Overdraft	184,848.14	-	-	184,848.14	136,392.15	-	-	136,392.15
Working Capital Demand Loan from Bank (Secured)	218,899.88	-	-	218,899.88	103,512.25	-	-	103,512.25
<b>Total</b>	<b>2,771,715.04</b>	<b>-</b>	<b>-</b>	<b>2,771,715.04</b>	<b>2,245,460.08</b>	<b>-</b>	<b>-</b>	<b>2,245,460.08</b>
Borrowings in India	2,530,015.41	-	-	2,530,015.41	1,996,934.87	-	-	1,996,934.87
Borrowings outside India	241,699.63	-	-	241,699.63	248,525.21	-	-	248,525.21
<b>Total</b>	<b>2,771,715.04</b>	<b>-</b>	<b>-</b>	<b>2,771,715.04</b>	<b>2,245,460.08</b>	<b>-</b>	<b>-</b>	<b>2,245,460.08</b>

Note:

1. The above figures are including interest accrued but not due on borrowings.

### Note 21(a): Term Loan from Banks as at 31 March, 2022 : Secured

(₹ in Lakh)

Repayment Term	Tenure	Interest Range	Amount
Bullet	Up to 5 years	Up to 7.00%	148,840.16
		7.01% - 8.00%	167,378.68
Annually	Up to 5 years	Up to 7.00%	281,570.31
		7.01% - 8.00%	123,888.39
Half Yearly	Up to 5 years	Up to 7.00%	301,658.18
		7.01% - 8.00%	342,180.96
Quarterly	Up to 5 years	Up to 7.00%	122,735.57
		7.01% - 8.00%	426,022.84
Monthly	Up to 5 years	Up to 7.00%	94,294.29
		7.01% - 8.00%	14,163.32
<b>Total</b>			<b>2,100,005.16</b>

**Nature of Security:** Term Loan from Bank is secured by hypothecation of receivables.

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

## Note 21(b): External Commercial Borrowings as at 31 March, 2022 : Secured

(₹ in Lakh)			
Repayment Term	Tenure	Interest Range	Amount
Bullet	Up to 5 years	Up to 7.00%	22,741.50
		7.01% - 8.00%	117,554.55
	Above 5 Years	Up to 7.00%	101,403.58
<b>Total</b>			<b>241,699.63</b>

**Nature of Security:** External Commercial Borrowings Loan is secured by hypothecation of receivables.

## Note 21(c): Loan repayable on Demand from Banks as at 31 March, 2022: Secured

(₹ in Lakh)				
Nature	Repayment Term	Tenure	Interest Range	Amount
Working Capital Demand Loan	Bullet	Up to 5 years	Upto 7.00%	218,899.88
Cash Credit	Bullet	Up to 5 years	7.01% - 8.00%	26,262.23
<b>Total</b>				<b>245,162.11</b>

**Nature of Security:** Loan repayable on demand from Bank is secured by hypothecation of receivables.

## Note 21(a): Term Loan from Banks as at 31 March, 2021 : Secured

(₹ in Lakh)			
Repayment Term	Tenure	Interest Range	Amount
Bullet	Up to 5 years	Up to 7.00%	102,890.61
		7.01% - 8.00%	298,243.66
Annually	Up to 5 years	Up to 7.00%	10,071.36
		7.01% - 8.00%	361,583.08
Half Yearly	Up to 5 years	Up to 7.00%	25,114.25
		7.01% - 8.00%	367,201.33
Quarterly	Up to 5 years	Up to 7.00%	140,284.32
		7.01% - 8.00%	331,914.41
Monthly	Up to 5 years	Up to 7.00%	69,727.45
<b>Total</b>			<b>1,757,030.47</b>

**Nature of Security:** Term Loan from Bank is secured by hypothecation of receivables.

## Note 21(b): External Commercial Borrowings as at 31 March, 2021 : Secured

(₹ in Lakh)			
Repayment Term	Tenure	Interest Range	Amount
Bullet	Up to 5 years	Up to 7.00%	21,937.15
		7.01% - 8.00%	125,179.58
	Above 5 Years	Up to 7.00%	101,408.48
<b>Total</b>			<b>248,525.21</b>

**Nature of Security:** External Commercial Borrowings Loan is secured by hypothecation of receivables.



# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

## Note 21(c): Loan repayable on Demand from Banks as at 31 March, 2021: Secured

(₹ in Lakh)

Nature	Repayment Term	Tenure	Interest Range	Amount
Working Capital Demand Loan	Bullet	– Up to 5 years	Upto 7.00%	89,010.31
			7.01% - 8.00%	14,501.94
<b>Total</b>				<b>103,512.25</b>

**Nature of Security:** Loan repayable on demand from Bank is secured by hypothecation of receivables.

## NOTE 22: SUBORDINATED LIABILITIES

(₹ in Lakh)

Particulars	As at 31 March, 2022				As at 31 March, 2021			
	At amortised cost	At fair Value through profit and loss Account	Designated at fair value through profit and loss account	Total	At amortised cost	At fair Value through profit and loss account	Designated at fair value through profit and loss account	Total
Perpetual debt instruments to the extent they do not qualify as equity instruments (Unsecured) (Refer Note 22(a))		-	-			-	-	
(i) from banks	-	-	-	-	-	-	-	-
(ii) from other parties	21,111.98	-	-	21,111.98	21,116.57	-	-	21,116.57
Subordinate debt (Unsecured) (Refer Note 22(b))	227,622.01	-	-	227,622.01	197,066.69	-	-	197,066.69
<b>Total</b>	<b>248,733.99</b>	<b>-</b>	<b>-</b>	<b>248,733.99</b>	<b>218,183.26</b>	<b>-</b>	<b>-</b>	<b>218,183.26</b>
Subordinate liabilities in India	248,733.99	-	-	248,733.99	218,183.26	-	-	218,183.26
Subordinate liabilities outside India	-	-	-	-	-	-	-	-
<b>Total</b>	<b>248,733.99</b>	<b>-</b>	<b>-</b>	<b>248,733.99</b>	<b>218,183.26</b>	<b>-</b>	<b>-</b>	<b>218,183.26</b>

### Note:

1. The above figures are including interest accrued but not due on borrowings.

## Note 22(a): Perpetual debt instruments as at 31 March, 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL Perpetual 'PD1' FY2017-18	1,000,000.00	July 21, 2017	21,111.98	8.70% p.a.	July 21, 2027	Redeemable at par at end of 3652 days from the date of allotment

## Note 22(b): Subordinate debt (Unsecured) as at 31 March, 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL Sub debt NCD Series 'S11' FY2021-22	10,000,000.00	December 6, 2021	3,516.51	7.43% p.a.	December 5, 2031	Redeemable at par at end of 3651 days from the date of allotment
ABFL Sub debt NCD Series 'S11' FY2021-22	10,000,000.00	February 28, 2022	21,099.06	7.43% p.a.	December 5, 2031	Redeemable at par at end of 3567 days from the date of allotment



# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL Sub Debt Series 'SC 1' FY 20-21	1,000,000.00	June 11, 2021	7,899.19	7.34% p.a.	June 11, 2031	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub debt Series 'SI 1' FY 20-21	1,000,000.00	December 29, 2020	8,108.50	7.43% p.a.	December 27, 2030	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	1,000,000.00	June 6, 2019	21,526.55	8.95% p.a.	June 6, 2029	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	1,000,000.00	December 30, 2019	10,763.27	8.95% p.a.	June 6, 2029	Redeemable at par at end of 3446 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	1,000,000.00	February 13, 2020	5,381.64	8.95% p.a.	June 6, 2029	Redeemable at par at end of 3401 days from the date of allotment
ABFL Sub Debt Series 'SI1' FY 2018-19	1,000,000.00	December 4, 2018	25,681.34	9.76% p.a.	December 4, 2028	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'SB1' FY 2017-18	1,000,000.00	May 18, 2017	17,645.00	8.50% p.a.	May 18, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SL1' FY 2016-17	1,000,000.00	March 9, 2017	1,000.30	8.25% p.a.	March 9, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SH1' FY 2016-17	1,000,000.00	November 21, 2016	20,545.15	8.90% p.a.	November 20, 2026	Redeemable at par at end of 3651 days from the date of allotment
ABFL Sub Debt Series 'SF1' FY 2016-17	1,000,000.00	September 29, 2016	20,803.39	8.90% p.a.	September 29, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD1' FY 2016-17	1,000,000.00	July 28, 2016	10,574.49	8.97% p.a.	July 28, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD2' FY 2016-17	1,000,000.00	July 28, 2016	7,919.72	8.95% p.a.	July 28, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2016-17	1,000,000.00	June 23, 2016	5,599.55	9.10% p.a.	June 23, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'E1' FY 2015-16	1,000,000.00	March 10, 2016	803.17	9.10% p.a.	March 10, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'F1' FY 2015-16	1,000,000.00	March 18, 2016	2,551.40	9.10% p.a.	March 10, 2026	Redeemable at par at end of 3644 days from the date of allotment
ABFL Sub Debt Series 'D1' FY 2015-16	1,000,000.00	March 8, 2016	2,507.29	9.10% p.a.	March 6, 2026	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'C1' FY 2015-16	1,000,000.00	August 25, 2015	3,473.06	9.25% p.a.	August 22, 2025	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'B1' FY 2015-16	1,000,000.00	July 14, 2015	3,188.75	9.25% p.a.	July 11, 2025	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'A1' FY 2015-16	1,000,000.00	June 17, 2015	2,678.76	9.25% p.a.	June 6, 2025	Redeemable at par at end of 3642 days from the date of allotment
ABFL Sub Debt Series 'B' FY 2014-15	1,000,000.00	January 9, 2015	4,584.67	9.45% p.a.	January 9, 2025	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'A' FY 2014-15	1,000,000.00	December 12, 2014	5,133.94	9.75% p.a.	December 12, 2024	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series '1' FY 2013-14	1,000,000.00	June 4, 2013	10,795.08	9.85% p.a.	June 2, 2023	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series '1' FY 2011-12	1,000,000.00	February 22, 2012	1,117.72	10.60% p.a.	May 20, 2022	Redeemable at par at end of 3740 days from the date of allotment
ABFL Sub Debt Series '1' FY 2012-13	1,000,000.00	May 25, 2012	2,724.51	10.50% p.a.	May 20, 2022	Redeemable at par at end of 3647 days from the date of allotment
<b>Total</b>			<b>227,622.01</b>			



# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

## Note 22(a): Perpetual debt instruments as at 31 March, 2021

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL Perpetual 'PD1' FY2017-18	1,000,000.00	July 21, 2017	21,116.57	8.70% p.a.	July 21, 2027	Redeemable at par at end of 3652 days from the date of allotment

## Note 22(b): Subordinate debt (Unsecured) as at 31 March, 2021

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL Sub Debt Series 'SC1' FY 2019-20	1,000,000.00	June 6, 2019	21,527.99	8.95% p.a.	June 6, 2029	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	1,000,000.00	December 30, 2019	10,764.00	8.95% p.a.	June 6, 2029	Redeemable at par at end of 3446 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	1,000,000.00	February 13, 2020	5,382.00	8.95% p.a.	June 6, 2029	Redeemable at par at end of 3401 days from the date of allotment
ABFL Sub Debt Series 'SI1' FY 2018-19	1,000,000.00	December 4, 2018	5,106.62	9.76% p.a.	December 4, 2028	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'SI1' FY 2018-19	1,000,000.00	December 4, 2018	17,600.87	9.76% p.a.	December 4, 2028	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'SI1' FY 2018-19	1,000,000.00	December 4, 2018	1,541.23	9.76% p.a.	December 4, 2028	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'SI1' FY 2018-19	1,000,000.00	December 4, 2018	1,438.48	9.76% p.a.	December 4, 2028	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'SB1' FY 2017-18	1,000,000.00	May 18, 2017	3,529.87	8.50% p.a.	May 18, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SB1' FY 2017-18	1,000,000.00	May 18, 2017	534.83	8.50% p.a.	May 18, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SB1' FY 2017-18	1,000,000.00	May 18, 2017	534.83	8.50% p.a.	May 18, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SB1' FY 2017-18	1,000,000.00	May 18, 2017	5,348.29	8.50% p.a.	May 18, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SB1' FY 2017-18	1,000,000.00	May 18, 2017	2,674.14	8.50% p.a.	May 18, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SB1' FY 2017-18	1,000,000.00	May 18, 2017	4,492.56	8.50% p.a.	May 18, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SB1' FY 2017-18	1,000,000.00	May 18, 2017	534.83	8.50% p.a.	May 18, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SL1' FY 2016-17	1,000,000.00	March 9, 2017	1,000.53	8.25% p.a.	March 9, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SH1' FY 2016-17	1,000,000.00	November 21, 2016	20,550.91	8.90% p.a.	November 20, 2026	Redeemable at par at end of 3651 days from the date of allotment
ABFL Sub Debt Series 'SF1' FY 2016-17	1,000,000.00	September 29, 2016	20,809.60	8.90% p.a.	September 29, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD1' FY 2016-17	1,000,000.00	July 28, 2016	5,288.78	8.97% p.a.	July 28, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD1' FY 2016-17	1,000,000.00	July 28, 2016	3,702.15	8.97% p.a.	July 28, 2026	Redeemable at par at end of 3652 days from the date of allotment

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL Sub Debt Series 'SD1' FY 2016-17	1,000,000.00	July 28, 2016	1,586.63	8.97% p.a.	July 28, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD2' FY 2016-17	1,000,000.00	July 28, 2016	1,056.29	8.95% p.a.	July 28, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD2' FY 2016-17	1,000,000.00	July 28, 2016	1,584.44	8.95% p.a.	July 28, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD2' FY 2016-17	1,000,000.00	July 28, 2016	5,281.45	8.95% p.a.	July 28, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2016-17	1,000,000.00	June 23, 2016	2,667.29	9.10% p.a.	June 23, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2016-17	1,000,000.00	June 23, 2016	2,667.29	9.10% p.a.	June 23, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2016-17	1,000,000.00	June 23, 2016	160.04	9.10% p.a.	June 23, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2016-17	1,000,000.00	June 23, 2016	106.69	9.10% p.a.	June 23, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'E1' FY 2015-16	1,000,000.00	March 10, 2016	803.40	9.10% p.a.	March 10, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'F1' FY 2015-16	1,000,000.00	March 18, 2016	1,701.43	9.10% p.a.	March 10, 2026	Redeemable at par at end of 3644 days from the date of allotment
ABFL Sub Debt Series 'F1' FY 2015-16	1,000,000.00	March 18, 2016	200.17	9.10% p.a.	March 10, 2026	Redeemable at par at end of 3644 days from the date of allotment
ABFL Sub Debt Series 'F1' FY 2015-16	1,000,000.00	March 18, 2016	100.08	9.10% p.a.	March 10, 2026	Redeemable at par at end of 3644 days from the date of allotment
ABFL Sub Debt Series 'F1' FY 2015-16	1,000,000.00	March 18, 2016	350.29	9.10% p.a.	March 10, 2026	Redeemable at par at end of 3644 days from the date of allotment
ABFL Sub Debt Series 'F1' FY 2015-16	1,000,000.00	March 18, 2016	200.17	9.10% p.a.	March 10, 2026	Redeemable at par at end of 3644 days from the date of allotment
ABFL Sub Debt Series 'D1' FY 2015-16	1,000,000.00	March 8, 2016	1,003.26	9.10% p.a.	March 6, 2026	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'D1' FY 2015-16	1,000,000.00	March 8, 2016	1,003.26	9.10% p.a.	March 6, 2026	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'D1' FY 2015-16	1,000,000.00	March 8, 2016	501.63	9.10% p.a.	March 6, 2026	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'C1' FY 2015-16	1,000,000.00	August 25, 2015	842.14	9.25% p.a.	August 22, 2025	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'C1' FY 2015-16	1,000,000.00	August 25, 2015	315.80	9.25% p.a.	August 22, 2025	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'C1' FY 2015-16	1,000,000.00	August 25, 2015	2,315.89	9.25% p.a.	August 22, 2025	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'B1' FY 2015-16	1,000,000.00	July 14, 2015	3,189.48	9.25% p.a.	July 11, 2025	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'A1' FY 2015-16	1,000,000.00	June 17, 2015	1,071.34	9.25% p.a.	June 6, 2025	Redeemable at par at end of 3642 days from the date of allotment
ABFL Sub Debt Series 'A1' FY 2015-16	1,000,000.00	June 17, 2015	535.67	9.25% p.a.	June 6, 2025	Redeemable at par at end of 3642 days from the date of allotment
ABFL Sub Debt Series 'A1' FY 2015-16	1,000,000.00	June 17, 2015	1,071.34	9.25% p.a.	June 6, 2025	Redeemable at par at end of 3642 days from the date of allotment



# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL Sub Debt Series 'B' FY 2014-15	1,000,000.00	January 9, 2015	3,565.98	9.45% p.a.	January 9, 2025	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'B' FY 2014-15	1,000,000.00	January 9, 2015	1,018.85	9.45% p.a.	January 9, 2025	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'A' FY 2014-15	1,000,000.00	December 12, 2014	4,620.79	9.75% p.a.	December 12, 2024	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'A' FY 2014-15	1,000,000.00	December 12, 2014	513.42	9.75% p.a.	December 12, 2024	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series '1' FY 2013-14	1,000,000.00	June 4, 2013	539.77	9.85% p.a.	June 2, 2023	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series '1' FY 2013-14	1,000,000.00	June 4, 2013	539.77	9.85% p.a.	June 2, 2023	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series '1' FY 2013-14	1,000,000.00	June 4, 2013	539.77	9.85% p.a.	June 2, 2023	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series '1' FY 2013-14	1,000,000.00	June 4, 2013	647.72	9.85% p.a.	June 2, 2023	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series '1' FY 2013-14	1,000,000.00	June 4, 2013	8,528.32	9.85% p.a.	June 2, 2023	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series '1' FY 2011-12	1,000,000.00	February 22, 2012	40.51	10.60% p.a.	May 20, 2022	Redeemable at par at end of 3740 days from the date of allotment
ABFL Sub Debt Series '1' FY 2011-12	1,000,000.00	February 22, 2012	60.77	10.60% p.a.	May 20, 2022	Redeemable at par at end of 3740 days from the date of allotment
ABFL Sub Debt Series '1' FY 2011-12	1,000,000.00	February 22, 2012	810.22	10.60% p.a.	May 20, 2022	Redeemable at par at end of 3740 days from the date of allotment
ABFL Sub Debt Series '1' FY 2011-12	1,000,000.00	February 22, 2012	101.28	10.60% p.a.	May 20, 2022	Redeemable at par at end of 3740 days from the date of allotment
ABFL Sub Debt Series '1' FY 2012-13	1,000,000.00	May 25, 2012	1,090.00	10.50% p.a.	May 20, 2022	Redeemable at par at end of 3647 days from the date of allotment
ABFL Sub Debt Series '1' FY 2012-13	1,000,000.00	May 25, 2012	1,635.00	10.50% p.a.	May 20, 2022	Redeemable at par at end of 3647 days from the date of allotment
ABFL Sub Debt Series '1' FY 2011-12	1,000,000.00	February 22, 2012	506.14	10.60% p.a.	February 15, 2022	Redeemable at par at end of 3646 days from the date of allotment
ABFL Sub Debt Series '1' FY 2011-12	1,000,000.00	February 22, 2012	1,518.41	10.60% p.a.	February 15, 2022	Redeemable at par at end of 3646 days from the date of allotment
ABFL SUBDEBT Series 'SI 1' FY 20-21	1,000,000.00	December 29, 2020	4,563.00	7.43% p.a.	December 29, 2021	Redeemable at par at end of 365 days from the date of allotment
ABFL SUBDEBT Series 'SI 1' FY 20-21	1,000,000.00	December 29, 2020	3,548.99	7.43% p.a.	December 29, 2021	Redeemable at par at end of 365 days from the date of allotment
<b>Total</b>			<b>197,066.69</b>			

## NOTE 23: LEASE LIABILITIES

(₹ in Lakh)

Particulars	As at 31 Mar 22	As at 31 Mar 21
Lease liability for right to use assets	12,910.38	10,224.64
<b>Total</b>	<b>12,910.38</b>	<b>10,224.64</b>

# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

## NOTE 24: OTHER FINANCIAL LIABILITIES

Particulars	(₹ in Lakh)	
	As at 31 Mar 22	As at 31 Mar 21
Advance from customers	17,211.02	11,031.14
Payables for salaries, bonus and other employee benefits	8,708.88	6,105.28
Other payable	21,093.39	14,021.11
<b>Total</b>	<b>47,013.29</b>	<b>31,157.53</b>

## NOTE 25: CURRENT TAX LIABILITIES (NET)

Particulars	(₹ in Lakh)	
	As at 31 Mar 22	As at 31 Mar 21
Provision for income tax (Net of advance tax ₹ 39,672.70 lakhs; 31 March, 2021 ₹ 39,704.96 lakhs)	1,513.10	1,466.63
<b>Total</b>	<b>1,513.10</b>	<b>1,466.63</b>

## NOTE 26: PROVISIONS

Particulars	(₹ in Lakh)	
	As at 31 Mar 22	As at 31 Mar 21
Employee benefit		
- Gratuity	3,217.03	3,085.29
- Provision for compensated absences	1,659.29	1,725.51
- Long term Incentive Plans (LTIP)	5,545.37	3,251.71
<b>Total</b>	<b>10,421.69</b>	<b>8,062.51</b>

## NOTE 27: OTHER NON-FINANCIAL LIABILITIES

Particulars	(₹ in Lakh)	
	As at 31 Mar 22	As at 31 Mar 21
Revenue received in advance	3,640.22	2,388.10
Tax deducted at source payable	2,213.67	880.06
Goods and service tax payable	2,270.42	1,531.30
Other statutory dues payable	300.08	263.78
<b>Total</b>	<b>8,424.39</b>	<b>5,063.24</b>

## NOTE 28: EQUITY SHARE CAPITAL

Particulars	(₹ in Lakh)	
	As at 31 Mar 22	As at 31 Mar 21
<b>Authorised</b>		
1,270,000,000 (March 31, 2021: 1,270,000,000) equity shares of ₹ 10/- each	127,000.00	127,000.00
100,00,00,000 (March 31, 2021: 100,00,00,000) Preference Shares of Rs. 10/- each	100,000.00	100,000.00
1,00,00,000 (March 31, 2021: 1,00,00,000) 8 % Compulsory Convertible Cumulative Preference Shares of Rs. 10/- each	1,000.00	1,000.00
<b>Total</b>	<b>228,000.00</b>	<b>228,000.00</b>
<b>Issued, Subscribed and fully paid up</b>		
662,100,822 (March 31, 2021: 662,100,822) equity shares of ₹ 10/- each	66,210.08	66,210.08
<b>Total</b>	<b>66,210.08</b>	<b>66,210.08</b>



# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

## Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

(₹ in Lakh)

Particulars	Number	Amount
As at 1 <sup>st</sup> April 2020	662,100,822	66,210.08
Add: Shares issued during the year	-	-
<b>As at 31<sup>st</sup> March 2021</b>	<b>662,100,822</b>	<b>66,210.08</b>
Add: Shares issued during the year	-	-
<b>As at 31<sup>st</sup> March 2022</b>	<b>662,100,822</b>	<b>66,210.08</b>

### 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 Mar 22		As at 31 Mar 21	
	Number	Amount	Number	Amount
Aditya Birla Capital Limited, holding company	662,100,772	66,210.08	662,100,772	66,210.08
<b>Total</b>	<b>662,100,772</b>	<b>66,210.08</b>	<b>662,100,772</b>	<b>66,210.08</b>

### Details of shareholders holding more than 5% shares in the Company:

Name of Share holder	As at 31 Mar 22		As at 31 Mar 21	
	Number	% of total paid-up equity capital	Number	% of total paid-up equity capital
Aditya Birla Capital Limited, holding company	662,100,772	100%	662,100,772	100%
<b>Total</b>	<b>662,100,772</b>	<b>100%</b>	<b>662,100,772</b>	<b>100%</b>

### Details of Shareholding of Promoters:

(₹ in Lakh)

Shares held by promoters at the end of the year				% Change during the year
S. No.	Promoter name	No. of Shares	%of total shares	
1	Aditya Birla Capital Limited, holding company*	662,100,772	100%	-
	<b>Total</b>	<b>662,100,772</b>	<b>100%</b>	

\*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 forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

## NOTE 29: OTHER EQUITY

(₹ in Lakh)

Particulars	
<b>Securities Premium Account</b>	
<b>As at 1 April, 2020</b>	363,738.29
Add: Additions during the year	-
<b>As at 31 March, 2021</b>	<b>363,738.29</b>
Add: Additions during the year	-
<b>As at 31 March, 2022</b>	<b>363,738.29</b>
<b>Special Reserve pursuant to Section 45-IC of the RBI Act, 1934</b>	
<b>As at 1 April, 2020</b>	82,608.00
Add: Transferred during the year	15,376.64
<b>As at 31 March, 2021</b>	<b>97,984.64</b>
Add: Transferred during the year	24,366.61
<b>As at 31 March, 2022</b>	<b>122,351.25</b>
<b>Capital Reserve</b>	
<b>As at 1 April, 2020</b>	(10,452.11)
Add: Other Additions/ Deductions during the year	-
<b>As at 31 March, 2021</b>	<b>(10,452.11)</b>
Add: Other Additions/ Deductions during the year	-
<b>As at 31 March, 2022</b>	<b>(10,452.11)</b>
<b>Capital Redemption Reserve</b>	
<b>As at 1 April, 2020</b>	1,000.00
Add: Transferred during the year	-
<b>As at 31 March, 2021</b>	<b>1,000.00</b>
Add: Transferred during the year	-
<b>As at 31 March, 2022</b>	<b>1,000.00</b>
<b>General Reserve</b>	
<b>As at 1 April, 2020</b>	13,660.95
Add: Transferred during the year	-
<b>As at 31 March, 2021</b>	<b>13,660.95</b>
Add: Transferred during the year	-
<b>As at 31 March, 2022</b>	<b>13,660.95</b>
<b>Retained Earnings</b>	
<b>As at 1 April, 2020</b>	292,156.11
Add: Profit for the year	76,883.21
Less: Appropriations	
Re-measurement reserves on defined benefit plans	328.95
Transfer to Special Reserve	(15,376.64)
<b>Total appropriations</b>	<b>(15,047.69)</b>
<b>As at 31 March, 2021</b>	<b>353,991.63</b>
Add: Profit for the year	110,833.06



# Notes forming part of Balance Sheet

as at 31<sup>st</sup> March 2022

	(₹ in Lakh)
<b>Particulars</b>	
Less: Appropriations	
Re-measurement reserves on defined benefit plans	397.77
Dividend paid (Interim)	(10,924.66)
Transfer to Special Reserve	(24,366.61)
<b>Total appropriations</b>	<b>(34,893.50)</b>
<b>As at 31 March, 2022</b>	<b>429,931.19</b>
<b>Other Comprehensive Income</b>	
<b>As at 1 April, 2020</b>	(1,106.28)
Add: Additions / (Deletions) during the year	26.46
Add: Fair Value change on derivatives designated as cash flow hedge	(1,265.72)
<b>As at 31 March, 2021</b>	<b>(2,345.54)</b>
Add: Additions / (Deletions) during the year	18.12
Add: Fair Value change on derivatives designated as cash flow hedge	1,929.76
<b>As at 31 March, 2022</b>	<b>(397.66)</b>
<b>Total other equity</b>	
<b>As at 1 April, 2020</b>	741,604.96
<b>As at 31 March, 2021</b>	<b>817,577.86</b>
<b>As at 31 March, 2022</b>	<b>919,831.90</b>

## NOTE 30: NATURE AND PURPOSE OF RESERVE

**Securities Premium Reserve:** Security premium reserve is used to record the premium on the issue of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

**Special Reserve:** Special reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act"). Appropriation from this Reserve Fund is permitted only for the purposes specified by RBI.

**Capital Reserve:** Capital reserve refers to difference on account of net assets taken over and purchase consideration paid for merger of wealth management undertaking of Aditya Birla Money Mart Limited with the Company and the difference on account of net assets taken over and purchase consideration paid for merger of transaction business of Aditya Birla Capital Technology Services Limited, ABCTSL (formerly known as Aditya Birla My Universe Limited, ABMUL) undertaking with the Company.

**Capital Redemption reserve :** Preference shares of Rs. 10 Crore were redeemed at the Board meeting held on January 30, 2020. As per the provisions of Companies Act, 2013, the preference shares were redeemed out of the profits of the company and therefore a sum equivalent to the nominal amount of shares redeemed were transferred to capital redemption reserve.

**General Reserve:** This reserve is created on account of merger. As per court order, this reserve can be utilised for distribution of dividends.

**Retained Earnings:** Retained earnings refer to the percentage of net earnings not paid out as dividends, but retained by the Company to be reinvested in its core business, or to pay debts.

**Other Comprehensive Income :** The Company has elected to recognise changes in the fair value of certain instruments in equity securities and debt instruments in other comprehensive income. These changes are accumulated with the FVTOCI reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are de-recognised.

The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated on borrowings. For hedging foreign currency and interest rate risk, the Company uses foreign currency forward contracts and cross currency interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to the statement of profit or loss when the hedged item affects profit or loss (e.g. interest payments).

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## NOTE 31: INTEREST INCOME

(₹ in Lakh)

Particulars	For the year ended 31 March, 2022				For the year ended 31 March, 2021			
	On Financial Assets measured at Amortised cost	On Financial Assets classified at FVTPL	On Financial Assets measured at FVTOCI	Total	On Financial Assets measured at Amortised cost	On Financial Assets classified at FVTPL	On Financial Assets measured at FVTOCI	Total
Interest on Loans	545,792.82	-	-	545,792.82	522,908.44	-	-	522,908.44
Interest income from investments	-	6,073.47	-	6,073.47	-	5,430.12	-	5,430.12
Interest on deposits with Banks	1,262.58	-	-	1,262.58	647.80	-	-	647.80
<b>Total</b>	<b>547,055.40</b>	<b>6,073.47</b>	<b>-</b>	<b>553,128.87</b>	<b>523,556.24</b>	<b>5,430.12</b>	<b>-</b>	<b>528,986.36</b>

## NOTE 32: DIVIDEND INCOME

(₹ in Lakh)

Particulars	For the year ended 31 Mar 22	For the year ended 31 Mar 21
Dividend from Long Term Investment	285.31	284.75
<b>Total</b>	<b>285.31</b>	<b>284.75</b>

## NOTE 33: FEES AND COMMISSION INCOME

(₹ in Lakh)

Particulars	For the year ended 31 Mar 22	For the year ended 31 Mar 21
Syndication and Other Fee Income	16,763.20	10,233.53
Brokerage and Commission Income	8,117.60	5,018.11
<b>Total</b>	<b>24,880.80</b>	<b>15,251.64</b>

## NOTE 34: NET GAIN ON FAIR VALUE CHANGES

Net gain/ (loss) on financial instruments at fair value through profit or loss

(₹ in Lakh)

Particulars	For the year ended 31 Mar 22	For the year ended 31 Mar 21
<b>On Trading portfolio</b>		
- Investments	203.12	2,106.25
- Bonds/Mutual Funds	-	5,170.78
<b>On financial instruments designated at fair value through profit or loss</b>	(12.50)	-
<b>Total</b>	<b>190.62</b>	<b>7,277.03</b>
<b>Fair Value changes:</b>		
- Realised	884.10	7,284.37
- Unrealised	(693.48)	(7.34)
<b>Total</b>	<b>190.62</b>	<b>7,277.03</b>



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## NOTE 35: OTHER INCOME

(₹ in Lakh)

Particulars	For the year ended 31 Mar 22	For the year ended 31 Mar 21
Miscellaneous Income (Income tax refund and other income)	786.37	913.21
Other Interest Income	415.28	83.27
<b>Total</b>	<b>1,201.65</b>	<b>996.48</b>

## NOTE 36: FINANCE COSTS

(₹ in Lakh)

Particulars	For the year ended 31 March, 2022			For the year ended 31 March, 2021		
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	Total	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	Total
Interest on debt securities	181.22	115,731.45	115,912.67	-	124,222.64	124,222.64
Interest on borrowings other than debt securities	-	134,119.67	134,119.67	-	157,423.46	157,423.46
Interest on subordinated liabilities	-	19,403.09	19,403.09	-	18,330.36	18,330.36
Finance cost on lease liability	-	892.61	892.61	-	897.27	897.27
Others	-	581.55	581.55	-	1,116.80	1,116.80
<b>Total</b>	<b>181.22</b>	<b>270,728.37</b>	<b>270,909.59</b>	<b>-</b>	<b>301,990.53</b>	<b>301,990.53</b>

## NOTE 37: IMPAIRMENT ON FINANCIAL INSTRUMENTS

The below table show impairment loss on financial instruments charge to statement of profit and loss based on category of financial instrument :

(₹ in Lakh)

Particulars	For the year ended 31 March, 2022			For the year ended 31 March, 2021		
	On Financial instruments measured at Fair Value through OCI	On Financial instruments measured at Amortised cost	Total	On Financial instruments measured at Fair Value through OCI	On Financial instruments measured at Amortised cost	Total
Bad debts/Advances Written off (net of recoveries)	-	59,897.44	59,897.44	-	54,249.13	54,249.13
Loans	-	5,363.88	5,363.88	-	13,965.51	13,965.51
Trade Receivable	-	84.68	84.68	-	(37.13)	(37.13)
<b>Total</b>	<b>-</b>	<b>65,346.00</b>	<b>65,346.00</b>	<b>-</b>	<b>68,177.51</b>	<b>68,177.51</b>

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## NOTE 38: EMPLOYEE BENEFIT EXPENSES

Particulars	(₹ in Lakh)	
	For the year ended 31 Mar 22	For the year ended 31 Mar 21
Salaries and Wages	47,795.93	42,073.39
Contribution to Provident and other Funds (Refer Note 43)	1,670.74	1,483.37
Contribution to Gratuity Funds (Refer Note 43)	733.07	725.42
Share based payments to Employees (Refer Note 43)	200.76	183.71
Staff welfare expenses	1,672.30	426.40
<b>Total</b>	<b>52,072.80</b>	<b>44,892.29</b>

## NOTE 39: DEPRECIATION, AMORTIZATION AND IMPAIRMENT

Particulars	(₹ in Lakh)	
	For the year ended 31 Mar 22	For the year ended 31 Mar 21
Depreciation of tangible assets	699.72	892.55
Amortization of intangible assets	3,552.59	2,332.16
Depreciation and amortisation on lease assets	2,583.08	2,625.34
<b>Total</b>	<b>6,835.39</b>	<b>5,850.05</b>

## NOTE 40: OTHER EXPENSES

Particulars	(₹ in Lakh)	
	For the year ended 31 Mar 22	For the year ended 31 Mar 21
Rent	1,166.82	1,219.05
Repairs and maintenance		
- Plant and machinery	62.91	16.58
- Others	1,703.33	3,124.62
Communication costs	512.15	698.89
Printing and stationery	320.51	206.78
Advertisement and publicity	474.81	740.16
Directors' fees, allowances and expenses	92.41	29.21
Auditors' fees and expenses	187.90	126.49
Legal and professional charges	10,288.59	7,534.14
Insurance	2,696.58	2,239.88
Business Support Expenses	8,119.76	3,103.01
Travelling and conveyance	831.67	1,057.42
Water and Electricity expenses	322.89	351.56
Rates and taxes	105.09	147.96

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

(₹ in Lakh)

Particulars	For the year ended 31 Mar 22	For the year ended 31 Mar 21
Contract Service Charges	655.58	863.51
Information Technology Expenses	3,389.62	1,650.74
Postage Expenses	224.97	125.93
Bank charges	88.29	164.94
Brokerage and Commission	123.42	141.73
Corporate Social Responsibility (CSR) Expenses	2,094.85	2,195.00
Sub-Brokerage and Fees	450.06	337.90
Recruitment Expenses	436.55	112.38
Loss on property, plant and equipment's (net)	6.00	95.94
Miscellaneous expenses	1,457.07	2,460.83
<b>Total</b>	<b>35,811.83</b>	<b>28,744.65</b>

## Auditors' Fees and Expenses

(₹ in Lakh)

Particulars	For the year ended 31 Mar 22	For the year ended 31 Mar 21
<b>As auditor:</b>		
For Statutory Audit (including Limited Review, Internal Control Financial Reporting (ICFR))	169.05	107.36
For Tax audit	6.54	6.54
<b>In any other capacity</b>		
For Other Services (including certification and other services)	12.31	12.59
<b>Total</b>	<b>187.90</b>	<b>126.49</b>

## Details of CSR Expenditure

(₹ in Lakh)

Particulars	For the year ended 31 Mar 22	For the year ended 31 Mar 21
a) Gross amount required to be spent by the Company during the year	2,085.00	2,195.00
b) Amount spent during the year	1,517.79	2,195.00
c) Shortfall at the end of the year*	577.06	-
d) Total of previous years shortfall	-	-
e) Reason for shortfall	NA	NA
f) Nature of CSR activities	Refer Note 1	Refer Note 1
g) Details of related party transactions	NA	NA
h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	NA	NA

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## Note 1 CSR Activities:

**For FY 2021-22:** Promoting education including for children of covid impacted families, health care, Employment enhancing vocation skills to youths, Training to promote nationally recognised and olympic sports, Measures for the benefit of armed forces veterans, war widows and their dependents, Conservation of natural resources and maintaining quality of soil and water.

**For FY 2020-21:** Promoting education including for children of covid impacted families, Health care, Employment enhancing vocation skills to youths, Training to promote nationally recognised and olympic sports, Measures for the benefit of armed forces veterans, war widows and their dependents, Conservation of natural resources and maintaining quality of soil and water and Empowering women.

\*There is a change in the Regulation stating that if the CSR contribution of ABFL lying in the bank account of the respective NGO is unspent at the end of a FY, the same is required to be returned to ABFL and has to be maintained in a separate bank account by ABFL. The balance shown here is the same unspent amounts transferred back by NGOs.

## NOTE 41: INCOME TAX

The components of income tax expense are as under:

Particulars	(₹ in Lakh)	
	For the year ended 31 Mar 22	For the year ended 31 Mar 21
Current tax	38,264.50	28,600.00
Adjustment in respect of tax relating to earlier year(s)	344.60	(693.82)
Deferred tax relating to origination and reversal of temporary differences	(730.52)	(1,648.16)
<b>Total tax charge</b>	<b>37,878.58</b>	<b>26,258.02</b>
Current tax	38,609.10	27,906.18
Deferred tax	(730.52)	(1,648.16)

OCI section - Deferred tax related to items recognised in OCI are as under:

Particulars	(₹ in Lakh)	
	For the year ended 31 Mar 22	For the year ended 31 Mar 21
Net loss/(gain) on remeasurements	788.91	(306.16)
<b>Income tax expense charged to OCI</b>	<b>788.91</b>	<b>(306.16)</b>

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at enacted corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by enacted domestic tax rate for the years ended 31 March, 2022 and 31 March, 2021 are as follows:

Particulars	(₹ in Lakh)	
	For the year ended 31 Mar 22	For the year ended 31 Mar 21
Accounting profit before tax	148,711.64	103,141.23
At enacted corporate tax rate of 25.168% (As at 31 March 2021 - 25.168%)	37,427.75	25,958.58
Adjustment in respect of current income tax & deferred tax of prior years	344.60	(134.81)
Tax on non deductible expenses	106.23	434.25
<b>Income tax expense reported in the statement of profit and loss</b>	<b>37,878.58</b>	<b>26,258.02</b>
Effective income tax rate for the year	25.47%	25.46%

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## Deferred Tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

(₹ in Lakh)

Particulars	Deferred Tax Assets	Deferred Tax Liabilities	Income Statement	OCI
	31 Mar 22	31 Mar 22	31 Mar 22	31 Mar 22
Expected Credit Loss Allowances	22,516.59	-	(1,159.30)	-
Employee benefit provisions and other provisions	2,683.63	-	347.11	788.91
Depreciation	754.70	-	81.67	-
<b>Total</b>	<b>25,954.92</b>	<b>-</b>	<b>(730.52)</b>	<b>788.91</b>
<b>Net</b>	<b>25,954.92</b>			

(₹ in Lakh)

Particulars	Deferred Tax Assets	Deferred Tax Liabilities	Income Statement	OCI
	31 Mar 21	31 Mar 21	31 Mar 21	31 Mar 21
Expected Credit Loss Allowances	21,357.29	-	(10,310.33)	-
Employee benefit provisions and other provisions	3,819.65	-	9,004.81	(306.16)
Depreciation	836.37	-	(342.64)	-
<b>Total</b>	<b>26,013.31</b>	<b>-</b>	<b>(1,648.16)</b>	<b>(306.16)</b>
<b>Net</b>	<b>26,013.31</b>			

## NOTE 42: EARNINGS PER SHARE

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

Diluted EPS is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. However, for the below mentioned years company has not issued any potential ordinary shares which are dilutive in nature.

(₹ in Lakh)

Particulars	For the year ended 31 Mar 22	For the year ended 31 Mar 21
	Net Profit after Tax	110,833.06
Less: Interest on Financial Liabilities (including taxes)	-	-
Net Profit after Tax available for equity shareholders	110,833.06	76,883.21
Weighted average number of ordinary shares for basic and diluted earnings per share	662,100,822	662,100,822
<b>Earnings per share</b>		
Basic earnings per share (₹)	16.74	11.61
Diluted earnings per share (₹)	16.74	11.61



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## NOTE 43: POST-EMPLOYMENT BENEFIT PLAN

### Defined Contribution Plan

The Company makes Provident Fund, Pension Fund, Superannuation Fund, Employee State Insurance Scheme, Maharashtra Labour Welfare Fund, and National Pension Scheme contributions which are defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

Particulars	(₹ in Lakh)	
	31 Mar 22	31 Mar 21
(i) Contribution to Employees Provident Fund	1,208.10	1,074.92
(ii) Contribution to Employees Pension Fund	342.45	316.54
(iii) Contribution to Employees State Insurance Corporation	0.20	2.32
(iv) Contribution to Maharashtra Labour Welfare Fund	0.86	0.84
(v) Contribution to National Pension Scheme	119.13	88.75
<b>Total</b>	<b>1,670.74</b>	<b>1,483.37</b>

### 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 summarizes the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

Changes in the defined benefit obligation and fair value of Reimbursement Rights as at 31 March, 2022 are as under:

Particulars	Gratuity cost charged to profit or loss		Remeasurement gains/(losses) in other comprehensive income				Transfer in/out	31 March, 2022					
	1 April, 2021	Service cost	Net interest expense	Group Company Allocation	Sub-total included in profit or loss	Reimbursement Rights (excluding amounts included in net interest expense)			Return on Reimbursement Rights (including in net interest expense)	Group Company Allocation	Actuarial changes arising from demographic assumptions	Actuarial changes arising from financial assumptions	Experience variance
Defined benefit obligation	(3,085.29)	(648.03)	(194.24)	(12.42)	(854.69)	232.55	-	12.42	556.32	(101.71)	23.37	490.40	(3,217.03)
Fair value of Reimbursement Rights	1,931.76	-	121.62	-	121.62	(232.55)	41.15	-	-	-	-	41.15	2,161.98

Changes in the defined benefit obligation and fair value of Reimbursement Rights as at 31 March, 2021 are as under:

Particulars	Gratuity cost charged to profit or loss		Remeasurement gains/(losses) in other comprehensive income				Transfer in/out	31 March, 2021					
	1 April, 2020	Service cost	Net interest expense	Group Company Allocation	Sub-total included in profit or loss	Return on Reimbursement Rights (excluding amounts included in net interest expense)			Return on Reimbursement Rights (including in net interest expense)	Group Company Allocation	Actuarial changes arising from demographic assumptions	Actuarial changes arising from financial assumptions	Experience variance
Defined benefit obligation	(2,657.24)	(586.04)	(171.27)	(83.45)	(840.76)	170.18	-	83.45	-	(16.91)	1,75.99	242.53	(3,085.29)
Fair value of Reimbursement Rights	1,789.54	-	115.34	-	115.34	(170.18)	197.06	-	-	-	-	197.06	1,931.76

**The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:**

Particulars	31 Mar 22	31 Mar 21
Expected return on Reimbursement Rights	6.05%	6.30%
Discount Rate	6.05%	6.30%
Salary Escalation Rate	7.00%	7.00%
Retirement age	60 years	60 years
Mortality rate	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2012-14)

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## Attrition / Withdrawal rates, based on age: (per annum)

Particulars	(₹ in Lakh)	
	31 Mar 22	31 Mar 21
Up to 30 years	34.00%	14.00%
31 - 40 years	25.00%	12.60%
41 - 50 years	13.00%	5.60%
Above 50 years	2.00%	2.80%

Note: The above information is certified by actuary, and this has been relied upon by the auditors.

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields as at Balance Sheet date.

## Disaggregation of Reimbursement Rights:

Particulars	(₹ in Lakh)	
	31 Mar 22	31 Mar 21
<b>Unquoted investments:</b>		
Insurer managed funds (Investments with Aditya Birla Sun Life Insurance Company Limited)	2,161.98	1,931.76
<b>Total</b>	<b>2,161.98</b>	<b>1,931.76</b>

A quantitative sensitivity analysis for significant assumption is as shown below:

Assumptions	(₹ in Lakh)			
	Discount rate		Salary	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Sensitivity level				
Impact on defined benefit obligation - (31 March, 2022)	3,097.68	3,344.33	3,342.82	3,097.92
Impact on defined benefit obligation - (31 March, 2021)	2,922.18	3,262.10	3,260.22	2,922.33

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the year.

The following payments are expected contributions to the defined benefit plan in future years:

Expected payment for future years	(₹ in Lakh)	
	31 Mar 22	31 Mar 21
Within the next 12 months (next annual reporting period)	425.07	168.22
Between 2 and 5 years	1,312.51	757.61
Between 6 and 9 years	959.86	937.20
10 years and above	2,858.52	5,114.43
<b>Total expected payments</b>	<b>5,555.96</b>	<b>6,977.46</b>

The Company expects to contribute ₹ 1,588.37 lakhs (31 March, 2021 : ₹ 1,815.77 lakhs) to the fund in the next financial year.

The weighted average duration of the defined benefit obligation as at 31 March, 2022 is 8 years (31 March, 2021: 11 years)

## Other Long Term Incentive Benefits

Liability for the scheme is determined based on actuarial valuations.

## Employee Stock Option Plan (ESOP) by Aditya Birla Capital Limited

Pursuant to ESOP Plan being established by the holding company (i.e. Aditya Birla Capital Limited), stock options were granted to the employees of the Company. Total cost incurred by the holding company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of ₹ 198.86 lakhs (31<sup>st</sup> March, 2021 ₹ 183.71 lakhs ) has been recovered from the Company during the year, which has been charged to the Statement of Profit and Loss. The balance sum of ₹ 17.83 lakhs will be recovered in future periods.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 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 March, 2022			31 March, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Assets</b>						
<b>Financial assets</b>						
Cash and cash equivalents	59,571.14	-	59,571.14	151,098.56	-	151,098.56
Bank balance other than cash and cash equivalents	9,681.37	-	9,681.37	1,913.09	-	1,913.09
Derivative financial instruments	19.02	-	19.02	-	-	-
Trade and Other Receivables	1,243.96	-	1,243.96	998.86	-	998.86
Loans*	1,318,611.61	4,042,134.41	5,360,746.02	1,384,447.06	3,375,296.30	4,759,743.36
Investments	157,397.94	12,005.62	169,403.56	72,313.21	6,977.69	79,290.90
Other financial assets	3,987.16	1,374.65	5,361.81	3,053.68	2,064.27	5,117.95
<b>Non-financial Assets</b>						
Current tax asset (net)	-	34,239.10	34,239.10	-	23,971.65	23,971.65
Deferred tax assets (net)	-	25,954.92	25,954.92	-	26,013.31	26,013.31
Property, plant and equipments	-	1,881.37	1,881.37	-	1,465.80	1,465.80
Intangible assets under development	-	1,089.05	1,089.05	-	1,197.92	1,197.92
Other intangible assets	-	7,008.52	7,008.52	-	7,149.74	7,149.74
Right of use Lease Assets	-	12,187.33	12,187.33	-	9,405.31	9,405.31
Other non financial assets	6,837.64	1,695.62	8,533.26	5,631.90	2,518.64	8,150.54
<b>Total assets</b>	<b>1,557,349.84</b>	<b>4,139,570.58</b>	<b>5,696,920.43</b>	<b>1,619,456.36</b>	<b>3,456,060.63</b>	<b>5,075,516.99</b>
<b>Liabilities</b>						
<b>Financial Liabilities</b>						
Derivative financial instruments	7,799.24	-	7,799.24	3,063.81	-	3,063.81
Trade payables	24,221.63	-	24,221.63	11,172.31	-	11,172.31
Debt Securities	636,206.50	941,919.20	1,578,125.70	735,990.46	921,884.58	1,657,875.04
Borrowings (other than debt security)	1,174,711.92	1,597,003.12	2,771,715.04	819,854.00	1,425,606.08	2,245,460.08
Subordinated Liabilities	14,333.99	234,400.00	248,733.99	12,549.97	205,633.29	218,183.26
Lease liabilities	2,911.98	9,998.40	12,910.38	2,485.83	7,738.81	10,224.64
Other Financial liabilities	47,013.29	-	47,013.29	31,157.53	-	31,157.53
<b>Non-financial Liabilities</b>						
Current tax liabilities (net)	1,513.10	-	1,513.10	1,466.63	-	1,466.63
Provisions	10,421.69	-	10,421.69	8,062.51	-	8,062.51
Other non-financial liabilities	8,424.39	-	8,424.39	5,063.24	-	5,063.24
<b>Total Liabilities</b>	<b>1,927,557.73</b>	<b>2,783,320.72</b>	<b>4,710,878.46</b>	<b>1,630,866.29</b>	<b>2,560,862.76</b>	<b>4,191,729.05</b>

\* 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.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## NOTE 45: CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

(₹ in Lakh)

Particulars	As at 1 April 2021	Cash Flows	Other (Non-Cash)	As at 31 Mar 2022
Debt Securities	1,657,875.04	(53,850.00)	(25,899.34)	1,578,125.70
Borrowings other than debt securities	2,245,460.08	536,465.32	(10,210.36)	2,771,715.04
Subordinate Liabilities	218,183.26	30,000.00	550.73	248,733.99
<b>Total liabilities from financing activities</b>	<b>4,121,518.38</b>	<b>512,615.32</b>	<b>(35,558.97)</b>	<b>4,598,574.73</b>

(₹ in Lakh)

Particulars	As at 1 April 2020	Cash Flows	Other (Non-Cash)	As at 31 Mar 2021
Debt Securities	1,786,922.93	(103,199.13)	(25,848.76)	1,657,875.04
Borrowings other than debt securities	2,348,463.85	(92,908.08)	(10,095.69)	2,245,460.08
Subordinate Liabilities	210,142.09	8,000.00	41.17	218,183.26
<b>Total liabilities from financing activities</b>	<b>4,345,528.87</b>	<b>(188,107.21)</b>	<b>(35,903.28)</b>	<b>4,121,518.38</b>

### 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 Mar 22	As at 31 Mar 21
Disputed Income Tax Liability*	7,072.17	4,860.34
Disputed Service Tax Liability**	131.49	131.49
Claims against the Company not acknowledged as debts***	638.00	638.00
Corporate guarantees, Guarantee on Overdraft, Letter of credit and Letter of comfort given by the Company on behalf of the clients****	11,533.84	3,148.60
<b>Total</b>	<b>19,375.50</b>	<b>8,778.43</b>

#### \* (i) Disputed Income Tax Liability

(₹ in Lakh)

Particulars	As at 31 Mar 22	As at 31 Mar 21
Disallowances of Depreciation on Intangibles, Interest on Non Performing Assets (NPA), Disallowance of Donation forming part of CSR expenditure u/s 80G, Disallowance of certain Expenses, Disallowance under Section 14A, Disallowance of PF/ESIC, Disallowance of Cervat Credit w/off.	806.41	607.65
Disallowances of exceptional losses of Wealth Business	3,234.12	3,234.12
Interest on Non Performing Assets (NPA)	3,031.64	1,018.57
<b>Total</b>	<b>7,072.17</b>	<b>4,860.34</b>

\*\* (ii) Show Cause cum demand Notice No. ST/Audit-III/P-3/Gr-7/Aditya Birla/SCN/2016 dated 09 May, 2017 was issued to the Company demanding Service Tax of ₹ 69.84 lakhs on penal/ default interest.

\*\* (iii) Show Cause cum demand Notice No. 20/GST/ME/Aditya Birla/ADC/2018-19 dated 26.07.2018 was issued to the Company demanding Service Tax of ₹ 61.65 lakhs on penal interest.

\*\*\* The claims against the Company comprise of the following :



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

- (i) Two of the Company customers have filed the Claim Petition as per High Court Order dated 27.10.2009 for an amount of ₹ 512 lakhs (31 March 2021: ₹ 512 lakhs) along with damages with interest. The matter is pending before Arbitrator.
- (ii) In one of the cases, the Company has challenged before the Bombay High Court, the order of NCLT Mumbai which directed the Company to pay liquidation cost of ₹ 91 lakhs. Accordingly, the Company has deposited ₹ 91 lakhs as per the Bombay High Court's direction till the outcome of the final hearing is decided. The matter is still pending.
- (iii) In view of the pending case mentioned in point (ii) above, the Company has decided to not pay liquidation cost of ₹ 35 lakhs in another case where the Company has successfully sold the secured assets of the customer which is undergoing liquidation.

\*\*\*\* Represents the limit utilized by client of the Guarantee/ Overdraft/Letter of Credit and Letter of Comfort given by the Company.

## (B) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) on account of property, plant and equipment Rs. 814.53 Lakh (31 March, 2021: Rs. 46.82 Lakh) and on account of intangible assets Rs. 1,575.92 Lakh (31 March, 2021: Rs. 662.89 Lakh).

Undisbursed commitments where the Company does not have an unconditional rights to cancel the undrawn/un-availed/unused portion of the loan at any time during the subsistence of the loan ₹ Nil.

## (C) Lease Disclosures

(i) Following are the changes in the carrying value of right of use assets for the year ended March 31, 2022:

Particulars	(₹ in Lakh)	
	Amount	
<b>Gross Carrying Value</b>		
Balance as at 1 <sup>st</sup> April, 2020		10,021.24
Additions		5,861.15
Deletion		(1,969.94)
<b>Balance as at 31<sup>st</sup> March, 2021</b>		<b>13,912.45</b>
Additions		7,065.31
Deletion		(4,374.94)
<b>Balance as at 31<sup>st</sup> March, 2022</b>		<b>16,602.82</b>
<b>Accumulated Amortisation</b>		
As at 1 <sup>st</sup> April, 2020		1,951.79
Additions		2,625.34
Deletion		(69.99)
<b>Balance as at 31<sup>st</sup> March, 2021</b>		<b>4,507.14</b>
Additions		2,583.08
Deletion		(2,674.73)
<b>Balance as at 31<sup>st</sup> March, 2022</b>		<b>4,415.49</b>
<b>Net Carrying Value as at 31<sup>st</sup> March, 2021</b>		<b>9,405.31</b>
<b>Net Carrying Value as at 31<sup>st</sup> March, 2022</b>		<b>12,187.33</b>

(ii) Amounts recognised in profit and loss for the year ended 31 March, 2022

Particulars	(₹ in Lakh)	
	Year ended 31 Mar 22	Year ended 31 Mar 21
Depreciation expense on right-of-use assets	2,583.08	2,625.34
Interest expense on lease liabilities	892.61	897.27
Expense relating to leases of low value assets	1,165.56	1,219.05
Income from subleasing right-of-use assets	(373.63)	(297.61)
Gains or losses arising from Rent concessions due to Covid-19 Pandemic	-	(252.02)

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## (iii) The Maturity analysis of lease liabilities as at 31 March, 2022 :

Particulars	(₹ in Lakh)	
	As at 31 Mar 22	As at 31 Mar 21
Within 12 months	2,911.98	2,485.83
After 12 months	9,998.40	7,738.81
<b>Total</b>	<b>12,910.38</b>	<b>10,224.64</b>

## (iv) The following is the movement in lease liabilities during the year ended March 31, 2022:

Particulars	(₹ in Lakh)	
	Year ended 31 Mar 22	Year ended 31 Mar 21
<b>Balance as at 1<sup>st</sup> April, 2021</b>	10,224.64	8,909.91
Additions	6,700.12	5,696.92
Surrender of premises	(2,051.28)	(2,493.58)
Finance Cost accrued during the year	892.61	897.27
Payment of Lease Liabilities	(2,855.71)	(2,785.88)
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>12,910.38</b>	<b>10,224.64</b>

## (v) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis:

Particulars	(₹ in Lakh)	
	As at 31 Mar 22	As at 31 Mar 21
Less than one year	3,009.34	2,577.35
One to Five years	9,770.89	8,107.10
More than Five years	2,942.75	1,818.00
<b>Total</b>	<b>15,722.98</b>	<b>12,502.45</b>

When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate at 01 April, 2021. The weighted average rate applied ranges between 4.95% p.a. - 6.95% p.a.

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

## NOTE 47: RELATED PARTY DISCLOSURES

### I) List of Related Parties as per IND AS -24 with whom transactions have taken place during the year:

#### (A) Ultimate Holding Company:

Grasim Industries Limited

#### (B) Holding Company:

Aditya Birla Capital Limited

#### (C) Subsidiaries / Fellow Subsidiaries:

##### Fellow Subsidiaries

Aditya Birla Money Limited

Aditya Birla Money Insurance Advisory Services Limited

Aditya Birla Capital Technology Services Limited

Aditya Birla Wellness Private Limited

Aditya Birla Sun Life Insurance Company Limited



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

Aditya Birla Financial Shared Services Limited  
 Aditya Birla Housing Finance Limited  
 Aditya Birla Health Insurance Company Limited  
 Aditya Birla Sunlife Asset Management Company Limited  
 Aditya Birla ARC Limited  
 Aditya Birla Money Mart Limited  
 Aditya Birla Sun Life Pension Management Limited  
 Aditya Birla Stressed Asset AMC Private Limited  
 Aditya Birla PE Advisors Private Limited  
 Aditya Birla Insurance Brokers Limited  
 Waacox Energy Private Limited  
 Ultratech Cement Limited

## (D) Other related parties in which Directors of Ultimate Holding Company are interested

Aditya Birla Management Corporation Private Limited

## (E) Key managerial personnel

Mr. Rakesh Singh (Managing Director & Chief Executive Officer)  
 Mr. Tushar Shah (Appointed as Chief Executive Officer-PFSG with effect from 08 October, 2021)  
 Mr. Sanjay Kumar Miranka (Ceased as Chief Financial Officer with effect from 22 June, 2021)  
 Mr. Pradeep Kumar Agrawal (Appointed as Chief Financial Officer with effect from 08 October, 2021)  
 Mr. Ankur Deepak Shah (Company Secretary)  
 Mr. D J Kakalia (Director)  
 Mr. Jitender Balakrishnan (Director)  
 Mr. Ashwani Puri (Director)  
 Ms. Alka Bharucha (Director)  
 Mr. Baldev Raj Gupta (Ceased to be a Director with effect from 27 July, 2021)  
 Mr. S C Bhargava (Director)

## II) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:

Particulars	(₹ in Lakh)	
	Year ended 31 Mar 22	Year ended 31 Mar 21
<b>Reimbursement of Legal and Professional expenses</b>		
Aditya Birla Capital Limited	66.50	-
<b>Dividend</b>		
Aditya Birla Capital Limited	10,924.66	-
<b>Reimbursement of Employee cost</b>		
Aditya Birla Capital Limited- ESOP	198.86	183.71
<b>Business Support Expenses</b>		
Aditya Birla Capital Limited	2,911.16	2,984.35
<b>Interest on Debentures &amp; ICD</b>		
Aditya Birla Capital Limited	-	303.80
<b>Paid up Equity Share Capital Outstanding</b>		
Aditya Birla Capital Limited	66,210.08	66,210.08

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

(₹ in Lakh)

Particulars	Year ended 31 Mar 22	Year ended 31 Mar 21
<b>Equity Share Premium Outstanding</b>		
Aditya Birla Capital Limited	321,096.08	321,096.08
<b>Payable</b>		
Aditya Birla Capital Limited (Trade Payables)	362.45	266.63
<b>Statutory Dues (GST)</b>		
Aditya Birla Capital Limited	35.06	53.11
<b>Receivable</b>		
Aditya Birla Capital Limited	-	3.52
<b>Ultimate Holding Company</b>		
<b>Reimbursement of Employee cost</b>		
Grasim Industries Limited	3.08	-
<b>Subsidiary of Ultimate Holding Company</b>		
<b>Sale of Asset</b>		
Ultratech Cement Limited	7.65	-
<b>Reimbursement of Employee cost</b>		
Ultratech Cement Limited	0.85	-
<b>Remuneration to KMPs</b>		
Mr. Rakesh Singh (MD & CEO)	870.79	1,162.69
Mr. Tushar Shah (Appointed as CEO-PFSG w.e.f. 08 October, 2021)	158.10	-
Mr. Sanjay Kumar Miranka (Ceased as CFO w.e.f. 22 June, 2021)	133.25	372.94
Mr. Pradeep Kumar Agrawal (Appointed as CFO w.e.f. 08 October, 2021)	34.51	-
Mr. Ankur Deepak Shah (CS)	55.80	50.95
<b>Fellow Subsidiaries</b>		
<b>Brokerage Expenses</b>		
Aditya Birla Money Limited	27.66	29.89
Aditya Birla Money Insurance Advisory Services Limited	782.76	8.50
<b>Reimbursement of Administrative expenses</b>		
Aditya Birla Wellness Private Limited	0.34	1.70
Aditya Birla Money Limited	0.35	8.03
Aditya Birla Capital Technology Services Limited	5.70	3.82
Aditya Birla Insurance Brokers Limited	-	0.15
Aditya Birla Sun Life Insurance Company Limited	0.36	-
Aditya Birla Financial Shared Services Limited	428.28	283.67
Aditya Birla Management Corporation Private Limited.	1.14	-
Aditya Birla Health Insurance Company Limited	-	2.49
<b>Payment of Other Services</b>		
Aditya Birla Management Corporation Private Limited	3,162.17	2,851.08
<b>Business Support Expenses</b>		
Aditya Birla Financial Shared Services Limited	1,654.20	1,467.05
Aditya Birla Housing Finance Co. Limited	199.72	283.25
<b>IT Support Expenses</b>		
Aditya Birla Capital Technology Services Limited	303.25	171.78
<b>Custodian Charges Expenses</b>		
Aditya Birla Money Limited	5.90	5.81

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

(₹ in Lakh)

Particulars	Year ended 31 Mar 22	Year ended 31 Mar 21
<b>Director Sitting fees</b>		
Mr. D J Kakalia	18.25	6.40
Mr. Jitender Balakrishnan	14.00	4.60
Mr. Ashwani Puri	14.75	5.60
Ms. Alka Bharucha	11.50	3.00
Mr. S C Bhargava	10.00	3.70
Mr. Baldev Raj Gupta (Ceased to be a Director with effect from 27 July, 2021)	2.50	3.50
<b>Interest expenses</b>		
Aditya Birla Sun Life Insurance Company Limited	2,313.06	2,671.49
<b>Reimbursement of Rent expenses</b>		
Aditya Birla Money Limited	-	0.61
Aditya Birla Insurance Brokers Limited	3.84	6.38
Aditya Birla Sunlife Asset Management Co Limited	41.16	3.45
Aditya Birla ARC Limited	-	1.00
Aditya Birla Sun Life Insurance Company Limited	43.07	25.50
<b>Reimbursement of Legal and Professional expenses</b>		
Aditya Birla Housing Finance Limited	-	26.40
<b>Reimbursement of Employee cost</b>		
Aditya Birla Money Limited	221.16	213.53
Aditya Birla Money Mart Limited	-	28.70
Aditya Birla Health Insurance Co Limited	3.03	0.39
Aditya Birla Money Insurance Advisory Services Limited	4.35	0.04
Aditya Birla Capital Technology Services Limited	-	10.06
Aditya Birla ARC Limited	-	19.67
Aditya Birla Financial Shared Services Limited	10.22	-
Aditya Birla Housing Finance Limited	72.12	72.52
Aditya Birla Sunlife Insurance Company Limited	0.39	6.43
Aditya Birla Insurance Brokers Limited	0.92	-
Aditya Birla Sunlife Asset Management Company Limited	1.07	2.03
<b>Insurance Premium Paid</b>		
Aditya Birla Health Insurance Company Limited	-	30.05
<b>Interest Income</b>		
Waacox Energy Private Limited	388.78	-
<b>Employee cost recovered</b>		
Aditya Birla Money Limited	3.77	28.63
Aditya Birla Sun Life Insurance Company Limited	31.09	10.70
Aditya Birla Capital Technology Services Limited	2.30	-
Aditya Birla Sunlife Asset Management Company Limited	4.76	4.89
Aditya Birla Money Mart Limited	28.35	-
Aditya Birla Management Corporation Private Limited	1.46	5.50
Aditya Birla Housing Finance Limited	123.82	25.28
Aditya Birla Money Insurance Advisory Services Limited	1.38	-
Aditya Birla Insurance Brokers Limited	23.99	-
Aditya Birla Health Insurance Company Limited	-	1.26

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

(₹ in Lakh)

Particulars	Year ended 31 Mar 22	Year ended 31 Mar 21
Aditya Birla Sun Life Pension Management Limited	0.19	-
Aditya Birla Wellness Private Limited	5.59	-
Aditya Birla Financial Shared Services Limited	5.85	-
<b>Referral Fees Income</b>		
Aditya Birla Money Limited	20.99	17.50
<b>Brokerage / Commission Income</b>		
Aditya Birla Money Limited	427.88	383.66
Ashwani Kumar Puri (Director)	10.17	-
Aditya Birla Sunlife Asset Management Company Limited	115.05	75.10
<b>Rent recovered</b>		
Aditya Birla Capital Technology Services Limited	-	1.94
Aditya Birla Money Insurance Advisory Services Limited	18.00	6.07
Aditya Birla Insurance Brokers Limited	2.29	42.27
Aditya Birla Sunlife Asset Management Company Limited.	7.17	3.59
Aditya Birla Housing Finance Limited	328.88	245.65
<b>Administrative Expenses Recovered</b>		
Aditya Birla Money Insurance Advisory Services Limited	2.20	6.98
Aditya Birla ARC Limited	0.21	-
Aditya Birla Capital Technology Services Ltd	-	0.59
Aditya Birla Insurance Brokers Limited	0.43	-
Aditya Birla Financial Shared Services Limited	126.51	228.71
<b>Business Support Expenses Recovered</b>		
Aditya Birla Housing Finance Limited	871.91	991.86
<b>Sale of assets</b>		
Aditya Birla ARC Limited	-	3.33
Aditya Birla Housing Finance Limited	22.37	-
Aditya Birla Money Mart Limited	-	5.42
Aditya Birla Stressed Asset AMC Private Limited	-	0.56
<b>Purchase of assets</b>		
Aditya Birla Capital Technology Services Limited	4.11	26.57
Aditya Birla Management Corporation Private Limited	0.56	0.62
Aditya Birla Housing Finance Limited	0.45	1.91
Aditya Birla Money Mart Limited	4.44	-
Aditya Birla Insurance Brokers Limited	0.71	-
Aditya Birla Wellness Private Limited	17.41	-
Aditya Birla Sun Life Insurance Company Limited	-	0.64
<b>Redemption of NCDs</b>		
Aditya Birla Sun Life Insurance Company Limited	15,000.00	-
<b>Investment in fund made</b>		
Aditya Birla Special Situations Fund - I	15.26	11.64
<b>Redemption from Investment</b>		
Aditya Birla Special Situations Fund - I	2.17	2.05
<b>Prepaid Expenses</b>		
Aditya Birla Capital Technology Services Limited	3.77	2.46

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

(₹ in Lakh)

Particulars	Year ended 31 Mar 22	Year ended 31 Mar 21
Aditya Birla Financial Shared Services Limited	85.39	34.24
<b>Redeemable NCDs</b>		
Aditya Birla Sun Life Insurance Company Limited	14,500.00	29,482.85
<b>Interest accrued</b>		
Aditya Birla Sun Life Insurance Company Limited	966.86	1,327.20
<b>Investment in fund outstanding</b>		
Aditya Birla Special Situations Fund - I	28.94	15.84
<b>Loans and Advances</b>		
Waacox Energy Private Limited	4,356.58	-
<b>Payable</b>		
Aditya Birla Wellness Private Limited	-	1.88
Aditya Birla ARC Limited	-	19.92
Aditya Birla Capital Technology Services Limited	100.96	46.68
Aditya Birla Insurance Brokers Limited	11.17	-
Aditya Birla Sun Life Insurance Company Limited	2.97	18.35
Aditya Birla Financial Shared Services Limited	241.07	176.84
Aditya Birla Management Corporation Private Limited	751.16	564.98
Aditya Birla Sunlife Asset Management Company Limited	160.60	-
Aditya Birla Money Insurance Advisory Services Limited	681.31	-
Aditya Birla Health Insurance Company Limited	3.03	1.35
<b>Receivable</b>		
Aditya Birla Money Limited	182.09	265.12
Aditya Birla Insurance Brokers Limited	-	19.69
Aditya Birla Money Insurance Advisory Services Limited	-	75.98
Aditya Birla Housing Finance Limited	362.92	299.60
Aditya Birla Sun Life Assets Management Company Limited	-	0.16
Aditya Birla Wellness Private Limited	0.04	-
<b>Deposit Receivable</b>		
Aditya Birla Management Corporation Private Limited	615.12	615.12
Aditya Birla Sun Life Insurance Company Limited	94.60	88.30
<b>Deposit Placed (Transaction during the period)</b>		
Aditya Birla Sun Life Insurance Company Limited	94.60	-
Aditya Birla Sunlife Asset Management Company Limited	120.00	-
Aditya Birla Management Corporation Private Limited	-	204.00
<b>Deposit Received back (Transaction during the period)</b>		
Aditya Birla Sun Life Insurance Company Limited	88.30	-
Aditya Birla Management Corporation Private Limited	-	604.64

## Notes:-

- 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.
- The relationships disclosed above are for the entities where control exists and with whom transactions have taken place during the year.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 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 Mar 22	31 Mar 21
Capital Adequacy Ratio	21.77%	22.70%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2022 and 31 March, 2021.

## NOTE 49: FINANCIAL INSTRUMENTS

### Note 49.1: Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures":

#### (a) Category-wise classification for applicable financial assets:

Particulars	As at 31 Mar 22	(₹ in Lakh) As at 31 Mar 21
<b>(I) Measured at amortised cost:</b>		
i) Cash and cash equivalents	59,571.14	151,098.56
ii) Bank balance other than Cash and cash equivalents	9,681.37	1,913.09
iii) Trade receivables	1,243.96	998.86
iv) Loans & advances	5,360,746.02	4,759,743.36
v) Other financial assets	5,361.81	5,117.95
<b>Sub Total</b>	<b>5,436,604.30</b>	<b>4,918,871.82</b>
<b>(II) Measured at fair value through profit or loss (FVTPL)</b>		
i) Investment in Govt Securities	47,137.87	15,420.71
ii) Investment in Equity instruments	45.17	36.82
iii) Investment in Preference Shares	3,500.00	-
iv) Investment in Alternate Funds	8,225.19	6,729.83
v) Investment in Debentures	110,260.07	56,892.50
<b>Sub Total</b>	<b>169,168.30</b>	<b>79,079.86</b>
<b>(III) Designated at fair value through profit or loss (FVTPL)</b>		
i) Derivative financial instruments	19.02	-
<b>Sub Total</b>	<b>19.02</b>	<b>-</b>
<b>(IV) Measured at fair value through other comprehensive income (FVTOCI):</b>		
i) Investment in Equity instruments	235.26	211.04
<b>Sub Total</b>	<b>235.26</b>	<b>211.04</b>
<b>Total (I+II+III+IV)</b>	<b>5,606,026.88</b>	<b>4,998,162.72</b>

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## (b) Category-wise classification for applicable financial liabilities:

Particulars	(₹ in Lakh)	
	As at 31 Mar 22	As at 31 Mar 21
<b>(I) Measured at amortised cost:</b>		
i) Trade Payables	24,221.63	11,172.31
ii) Debt securities	1,553,171.39	1,657,875.04
iii) Borrowings (other than debt securities)	2,771,715.04	2,245,460.08
iv) Subordinated liabilities	248,733.99	218,183.26
v) Lease Liabilities	12,910.38	10,224.64
vi) Other financial liabilities	47,013.29	31,157.53
<b>Sub Total</b>	<b>4,657,765.72</b>	<b>4,174,072.86</b>
<b>(II) Measured at fair value through profit or loss (FVTPL)</b>		
<b>Sub Total</b>	-	-
<b>(III) Designated at fair value through profit or loss (FVTPL)</b>		
i) Derivative financial Instruments not designated as cash flow hedges	28.08	-
ii) Debt securities	24,954.31	-
<b>Sub Total</b>	<b>24,982.39</b>	-
<b>(IV) Measured at fair value through other comprehensive income (FVTOCI):</b>		
i) Derivative financial Instruments designated as cash flow hedges	7,771.16	3,063.81
<b>Sub Total</b>	<b>7,771.16</b>	<b>3,063.81</b>
<b>Total (I+II+III+IV)</b>	<b>4,690,519.27</b>	<b>4,177,136.67</b>

## (c) Fair value of financial assets and financial liabilities measured at amortised cost:

Particulars	(₹ in Lakh)			
	As at 31 Mar 22		As at 31 Mar 21	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Loans	5,360,746.02	5,360,746.02	4,759,743.36	4,759,743.36
<b>Total</b>	<b>5,360,746.02</b>	<b>5,360,746.02</b>	<b>4,759,743.36</b>	<b>4,759,743.36</b>
<b>Financial liabilities</b>				
Debt securities	1,553,171.39	1,600,965.62	1,657,875.04	1,742,161.36
Borrowings (other than debt securities)	2,771,715.04	2,771,715.04	2,245,460.08	2,245,460.08
Subordinated liabilities	248,733.99	255,952.13	218,183.26	229,747.15
Lease Liabilities	12,910.38	12,910.38	10,224.64	10,224.64
<b>Total</b>	<b>4,586,530.80</b>	<b>4,641,543.17</b>	<b>4,131,743.02</b>	<b>4,227,593.23</b>

**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.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## Note 49.2: Disclosure pursuant to Ind AS 113 "Fair Value Measurement"

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method, market comparable method, recent transactions happened in the company and other valuation models.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below :

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, units of mutual funds (open ended) and traded bonds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

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

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

### (A) Fair value hierarchy of financial assets and financial liabilities

#### (a) Measured at amortised cost:

As at 31<sup>st</sup> March 2022

(₹ in Lakh)

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
<b>Financial assets:</b>					
Loans	-	-	5,360,746.02	<b>5,360,746.02</b>	Discounted cashflow approach
<b>Total financial assets</b>	-	-	<b>5,360,746.02</b>	<b>5,360,746.02</b>	
<b>Financial liabilities:</b>					
Debt securities	-	1,287,436.64	313,528.98	<b>1,600,965.62</b>	Discounted cashflow approach
Borrowings (other than debt securities)	-	-	2,771,715.04	<b>2,771,715.04</b>	Discounted cashflow approach
Subordinated liabilities	-	255,952.13	-	<b>255,952.13</b>	
Lease Liabilities	-	-	12,910.38	<b>12,910.38</b>	Discounted cashflow approach
<b>Total financial liabilities</b>	-	<b>1,543,388.77</b>	<b>3,098,154.40</b>	<b>4,641,543.18</b>	

As at 31<sup>st</sup> March 2021

(₹ in Lakh)

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
<b>Financial assets:</b>					
Loans	-	-	4,759,743.36	<b>4,759,743.36</b>	Discounted cashflow approach
<b>Total financial assets</b>	-	-	<b>4,759,743.36</b>	<b>4,759,743.36</b>	
<b>Financial liabilities:</b>					
Debt securities	-	1,422,224.19	319,937.17	<b>1,742,161.36</b>	Discounted cashflow approach
Borrowings (other than debt securities)	-	-	2,245,460.08	<b>2,245,460.08</b>	Discounted cashflow approach
Subordinated liabilities	-	229,747.15	-	<b>229,747.15</b>	
Lease Liabilities	-	-	10,224.64	<b>10,224.64</b>	Discounted cashflow approach
<b>Total financial liabilities</b>	-	<b>1,651,971.34</b>	<b>2,575,621.89</b>	<b>4,227,593.23</b>	



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## (b) Measured at fair value through profit or loss (FVTPL)

As at 31st March 2022

(₹ in Lakh)

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
<b>Financial assets:</b>					
Investment in Govt Securities	-	47,137.87	-	<b>47,137.87</b>	refer (e)
Investment in Equity instruments-MOIL Limited	45.17	-	-	<b>45.17</b>	refer (e)
Investment in Preference Shares	-	3,500.00	-	<b>3,500.00</b>	refer (e)
Investment in Alternate Funds	-	8,225.19	-	<b>8,225.19</b>	refer (e)
Investment in Debentures	-	110,260.07	-	<b>110,260.07</b>	refer (e)
<b>Total financial assets</b>	<b>45.17</b>	<b>169,123.13</b>	-	<b>169,168.30</b>	

As at 31st March 2021

(₹ in Lakh)

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
<b>Financial assets:</b>					
Investment in Govt Securities	-	15,420.71	-	<b>15,420.71</b>	refer (e)
Investment in Equity instruments-MOIL Limited	36.82	-	-	<b>36.82</b>	refer (e)
Investment in Alternate Funds	-	6,729.83	-	<b>6,729.83</b>	refer (e)
Investment in Debentures	-	56,892.50	-	<b>56,892.50</b>	refer (e)
<b>Total financial assets</b>	<b>36.82</b>	<b>79,043.04</b>	-	<b>79,079.86</b>	

## (c) Designated at fair value through profit or loss (FVTPL)

As at 31st March 2022

(₹ in Lakh)

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
<b>Financial assets:</b>					
Derivative financial instruments	-	19.02	-	<b>19.02</b>	refer (e)
<b>Total financial assets</b>	-	<b>19.02</b>	-	<b>19.02</b>	
<b>Financial liabilities:</b>					
Derivative financial Instruments not designated as cash flow hedges	-	28.08	-	<b>28.08</b>	refer (e)
Debt securities	-	24,954.31	-	<b>24,954.31</b>	refer (e)
<b>Total financial liabilities</b>	-	<b>24,982.39</b>	-	<b>24,982.39</b>	

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

(d) Measured at fair value through other comprehensive income (FVTOCI):

As at 31st March 2022

(₹ in Lakh)

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
<b>Financial assets:</b>					
Investment in Equity instruments	-	-	235.26	<b>235.26</b>	refer (e)
<b>Total financial assets</b>	-	-	<b>235.26</b>	<b>235.26</b>	
<b>Financial liabilities:</b>					
Derivative financial Instruments designated as cash flow hedges	-	7,771.16	-	<b>7,771.16</b>	refer (e)
<b>Total financial liabilities</b>	-	<b>7,771.16</b>	-	<b>7,771.16</b>	

As at 31st March 2021

(₹ in Lakh)

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
<b>Financial assets:</b>					
Investment in Equity instruments	-	-	211.04	<b>211.04</b>	refer (e)
<b>Total financial assets</b>	-	-	<b>211.04</b>	<b>211.04</b>	
<b>Financial liabilities:</b>					
Derivative financial Instruments designated as cash flow hedges	-	3,063.81	-	<b>3,063.81</b>	refer (e)
<b>Total financial liabilities</b>	-	<b>3,063.81</b>	-	<b>3,063.81</b>	

(e) Valuation technique

**Equity instruments:** The majority of equity instrument are actively traded on stock exchanges with readily available active prices on a regular basis. Such instruments are classified as Level 1. Unlisted equity securities are classified at Level 3.

**Investment in Preference Shares:** Investment made in preference share is not actively traded on stock exchange and such instrument are classified as level 2.

**Investment in Govt Securities :** The fair values of investments made in Government Securities is based on valuation report from ICRA as at the reporting period and the same are classified under Level 2.

**Investment in Alternate funds :** Units held in funds of AIF are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions. Such instruments are generally Level 2. NAV represents the price at which the issuer will issue further units of AIF and the price at which issuers will redeem such units from the investors.

**Investment in Debt Securities:** Fair value of these instrument is derived based on the indicative quote of price and yields prevailing in the market as at reporting date. Company has used quoted price of national stock exchange wherever bonds are traded actively. In cases where debt securities are not actively traded company has used CRISIL corporate bond valuer model for measuring fair value i.e. fair value has been computed using the Fixed Income Money Market and Derivatives Association of India ('FIMMDA') data on corporate bond spreads and such instruments are classified as Level 2.

**Derivative Financial Instruments :** A generally accepted framework for the valuation of the swap explains the position in each leg of the swap as a 'bond'. Therefore, a receive floating - pay fixed swap can be viewed as a portfolio consisting a short position in fixed bond and long position a floating rate bond. The value of the swap is the net proceeds from such bond positions i.e. Receipt - Payment. The swaps were valued on and with inputs from the swap providers using the terms of the swap contract.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

**Equity shares measured at Fair Value through Other Comprehensive Income:** Unquoted equity shares are measured at fair value through other comprehensive income on the basis of the net worth of the investee company and are classified as Level 3.

## (B) Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value:

For the year ended 31 March, 2022

(₹ in Lakh)

Particulars	As at 1 Apr 2021	Purchase / (Sales)	Transfers into / (from) Level 3	Net interest income, net trading income and other income	Other comprehensive income	As at 31 Mar 2022
<b>Investment in Equity Instrument</b>						
Birla Management Centre Services Limited	211.04	-	-	-	24.22	<b>235.26</b>
<b>Total financial investments classified in Level 3</b>	<b>211.04</b>	-	-	-	<b>24.22</b>	<b>235.26</b>
<b>Total financial assets measured at fair value on a recurring basis</b>	<b>211.04</b>	-	-	-	-	<b>235.26</b>

For the year ended 31 March, 2021

(₹ in Lakh)

Particulars	As at 1 Apr 2020	Purchase / (Sales)	Transfers into / (from) Level 3	Net interest income, net trading income and other income	Other comprehensive income	As at 31 Mar 2021
<b>Investment in Equity Instrument</b>						
Birla Management Centre Services Limited	175.68	-	-	-	35.36	<b>211.04</b>
<b>Investment in Preference Shares</b>						
TATA Motors Finance Limited	22,551.00	(22,551.00)	-	-	-	-
<b>Total financial investments classified in Level 3</b>	<b>22,726.68</b>	<b>(22,551.00)</b>	-	-	<b>35.36</b>	<b>211.04</b>
<b>Total financial assets measured at fair value on a recurring basis</b>	<b>22,726.68</b>	-	-	-	-	<b>211.04</b>

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## (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 Mar 2022	31 Mar 2021		31 Mar 2022	31 Mar 2022	31 Mar 2021	31 Mar 2021
				Favourable	Unfavourable	Favourable	Unfavourable
<b>Investment in Equity Instrument</b>							
Birla Management Centre Services Limited	235.26	211.04	5.00%	11.76	(11.76)	10.55	(10.55)

## NOTE 50: REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES (ROC)

Company has complied with the charge creation or satisfaction registration with ROC within the statutory period.

## NOTE 51: RELATIONSHIP WITH STRUCK OFF COMPANIES

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the Struck off company
Maxin Hydro Dynamic India Private Limited	Outstanding balance (Loan given)	3.89	-
Emirate Fashions Private Limited	Outstanding balance (Loan given)	10.28	-
Thanco Natural Foods Private Limited	Outstanding balance (Loan given)	19.88	-
Bee Luxe Private Limited	Outstanding balance (Loan given)	9.34	-
Alaric Healthcare Private Limited	Outstanding balance (Loan given)	8.28	-

The above disclosure has been prepared basis the relevant information compiled by the Company on best effort basis which has been relied upon by the auditors.

## NOTE 52: RISK MANAGEMENT

### (a) Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings (Including Debt Securities & Subordinate Liabilities) and trade and other payables. The main purpose of these financial liabilities is to finance and support the company's operations. The Company's principal financial assets include loans, investments, cash and cash equivalents and other receivables that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Risk Management Committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Risk Committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified,

measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors review and agree policies for managing each of these risks, which are summarised below.

The Company has identified and implemented comprehensive policies and procedures to assess, monitor and manage risk throughout the Company. The risk management process is continuously reviewed, improved and adapted in the changing risk scenario and the agility of the risk management process is monitored and reviewed for its appropriateness in the changing risk landscape. The process of continuous evaluation of risks includes taking stock of the risk landscape on an event-driven basis.

The Company has an elaborate process for risk management. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

### Operational & Business Risk

Loss of Risk that is related to activities carried out within an entity, arising from incomplete structure, failure of systems, untrained people, inefficient products or processes. To make the structure more robust a Board

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

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 analyses exclude the impact of movements in market variables on the carrying values of gratuity, other post-retirement obligations and provisions.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March, 2022 and 31 March, 2021.

## Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

## Interest rate sensitivity

Since the Company manages its interest rate risk on domestic borrowings by ensuring, at maximum, its long term borrowings from domestic banks at floating rate of interest and in case of reduction in interest rate, it initiates negotiations with bankers for realigning the interest rate and/or repaying the high interest rate exposures, the interest rate change in market as such doesn't affect Company's profitability materially.

(₹ in Lakh)

Market indices	Change in Interest rate	31 Mar 2022		31 Mar 2021	
		Impact on profit before tax	Impact on equity	Impact on profit before tax	Impact on equity
Interest rate	25 Basis Point down	6,929.29	5,164.32	5,613.65	4,184.51
	50 Basis Point down	13,858.58	10,328.64	11,227.30	8,369.02
	25 Basis Point Up	(6,929.29)	(5,164.32)	(5,613.65)	(4,184.51)
	50 Basis Point Up	(13,858.58)	(10,328.64)	(11,227.30)	(8,369.02)

## Foreign Exchange Risk

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates primarily relates to its External Commercial Borrowings. The Company uses derivative instruments like forwards to hedge exposure to foreign currency risk.

The Company has taken foreign currency floating rate borrowings, which are linked to LIBOR. For managing the foreign currency risk and interest rate risk, arising from changes in LIBOR on such borrowings, the Company has entered into Cross Currency Interest Rate Swap (CCIRS) and forward contracts for the entire loan liability and tenure of the facility. Under the terms of the CCIRS, the Company pays interest at the fixed rate to the swap counterparty in INR and receives the floating interest payments based on LIBOR in foreign currency.

## Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount

of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective action.

## Impairment assessment

The ECL model Credit loss provisioning approach has now moved from incurred model. This forces entity to understand the significance of credit risk and its movement since its initial recognition. This model ensures (a) timely recognition of ECLs (b) assessment of significant increase in credit risk which will provide better disclosure (c) ascertainment of better business ratios.

The references below show where the Company's impairment assessment and measurement approach is

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

set out in this report. It should be read in conjunction with the Summary of significant accounting policies in Note 5.

- An explanation of the Company's internal grading system (Note 'Definition of default below)
- How the Company defines, calculates and monitors the probability of default, exposure at default and loss given default)

(Note 'The Company's internal rating and PD estimation process', 'Probability of Default', 'Exposure at Default' below)"

- When the Company considers there has been a significant increase in credit risk of an exposure (Note 'Significant increase in credit risk' below)
- The Company's policy of segmenting financial assets where ECL is assessed on a collective basis (Note 'Grouping financial assets measured on a collective basis' below)
- The details of the ECL calculations for Stage 1, Stage 2 and Stage 3 assets (Notes 'Probability of default', 'Exposure at default' and 'loss given default' below)

## Definition of default

The Company considers a financial instrument defaulted and therefore Stage 3 (credit impaired) for ECL calculations generally in most cases when the borrower becomes 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikeliness to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

- a) Significant financial difficulty of the borrower or issuer;
- b) A breach of contract such as a default or past due event;
- c) The restructuring of a loan or advance by the company on terms that the company would not consider otherwise;
- d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- e) The disappearance of an active market for a security because of financial difficulties and the customer has delay in his repayments over a month.

## 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.

## 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.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

- 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 March 31, 2022			As at March 31, 2021		
	Outstanding	Cash collateral	Nature of Non-cash collateral	Outstanding	Cash collateral	Nature of Non-cash collateral
Financial assets						
Cash and cash equivalents	59,571.14	-		151,098.56	-	
Bank balance other than cash and cash equivalents	9,681.37	-		1,913.09	-	
Derivative financial instruments	19.02			-		
Trade Receivables	1,243.96	-		998.86	-	
Loans	5,360,746.02	-	Refer footnote below	4,759,743.36	-	Refer footnote below
Investments	169,403.56	-		79,290.90	-	
Other financial assets	5,361.81	-		5,117.95	-	
<b>Total</b>	<b>5,606,026.88</b>	<b>-</b>		<b>4,998,162.72</b>	<b>-</b>	

The Company by way of loan sanction letter and other loan securing documents agrees with its customers on collateral security to be provided by the customers in secured loan exposures that are subject to credit risk. Collateral security enables us to recover all or part of the outstanding exposure by liquidating the collateral asset provided, in cases where the borrower is unable or unwilling to fulfil its primary obligations.

Collateral security accepted by the Company could be in the form of:

- Financial collateral in the form of pledge of equity shares, units of mutual funds, assignment of life insurance policies;
- Current assets in the form of inventories meant for sale or receivables arising out of the sale of finished goods
- Fixed asset (in the form of immovable properties – real estate, Plant and Machinery, Equipment's)
- Third-party obligation (in the form of Irrevocable Unconditional Guarantee issued by Bank, Third party);
- Risk participation from Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)

- Assignment of borrower's rights and interests under agreements with third parties.

In addition, the Company also stipulates escrow of cash flows and a Debt Service Reserve Account (DSRA) for project loans

Collateral serves to mitigate the inherent risk of credit loss in an exposure, by either improving recoveries in the event of a default or substituting the borrower.

As part of the assessment of a credit transaction the availability, adequacy and suitability of collateral for the transaction is evaluated and decided upon. The Company's processes includes verification of the title to the collateral offered and valuation by technical experts where warranted. The Company accept as collateral only securities of good quality and have in place legally effective and enforceable documentation.

For 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

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

replace or dilute the underwriting standards the company adopts to underwrite credit exposures.

## (b) Forward looking Information :

The Company is required to provide for impairment allowance basis expected credit loss (ECL), which is calculated using empirical portfolio performance and adjusted for forward looking macroeconomic factors, as prescribed by Ind AS. The overall provisioning made through this approach, continues to be in excess of the floor provisions as prescribed by RBI for NBFCs.

The assessment of credit risk and estimation of ECL is statistically validated. It considers all relevant information about past events, current conditions and some elements of predicted performance of the portfolio.

ECL has been calculated using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD).

In the process of determining the PD, the macro economic impact is intrinsically built in in our current approach. The overall performance through the life cycle of the loan, considers the impact of macro-economic parameters like GDP or once in events like de-monetisation etc. Most of the portfolios have seen one to two complete economic cycles and hence the default probabilities experienced by the Company takes into account the upturn, downturn and central (balanced) economic scenario.

In the internally rated portfolio, the Industry rating module (sourced from CRISIL under agreement) recognizes factors like demand prediction, supply side glut / constraints,

impact of imports and exports and the government policies which are more forward looking and making the through-the-cycle default probabilities to point-in-time default probability.

## Grouping financial assets measured on a collective basis

The Company calculates ECLs either on a collective or an individual basis.

Asset classes where the Company calculates ECL on an individual basis include:

### 1. Corporate Portfolio

Asset classes where the Company calculates ECL on a collective basis include:

### 1. Retail Portfolio

The ECL methodology allows for individual assessment for corporates and therefore these loans are generally measured individually as each of these exposures have unique characteristics and structuring. For retail exposures and exposures which can be clubbed in homogenous pools, ECL is measured on a collective basis. This has been arrived at based on common characteristics like nature of product, customer profile etc .

## (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	31 Mar 2022
	(%)
Real Estate Activities - Builders and Contractors	15.48%
Lease Rental Discounting	4.53%
NBFCs	4.05%
Construction/Maintenance of Roads	3.82%
Energy Renewable	3.36%
Textiles, Readymade Garments, Apparels - Spinning, Mfg and Trading	3.36%
Other Trade (Wholesale/ Retail)	3.23%
Education	3.13%
Hotels, Motels and Resorts	2.54%
Automobiles & Ancillaries	2.10%
Food & Beverages	1.87%
Brokers / Traders - Shares, securities	1.81%
Other financial intermediation	1.46%
Hospital & medical business	2.50%

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

	31 Mar 2022
	(%)
<b>Top 20 Industry Sectors</b>	
Manufacturing Industry	1.32%
Warehousing	1.14%
Energy Trans & Distr	1.14%
Pharmaceuticals & intermediates	1.12%
Business & Self-Employed	1.03%
Metals (Mfg of Basic & Structural, casting)	1.03%
<b>Top 20 Industry Exposures</b>	<b>60.01%</b>
	(₹ in Lakh)
	<b>31 Mar 2022</b>
	(%)
<b>Top 20 Industry Sectors</b>	
Real Estate Activities - Builders and Contractors	14.67%
Lease Rental Discounting	6.76%
Energy Renewable	5.85%
Construction/Maintenance of Roads	5.76%
Hotels, Motels and Resorts	3.73%
Education	3.28%
Textiles, Readymade Garments, Apparels - Spinning, Mfg and Trading	3.28%
NBFCs	3.10%
Transportation, logistics & allied services	3.09%
Other Trade (Wholesale/ Retail)	2.92%
Domestic Commercial Banks	2.39%
Automobiles & Ancillaries	2.30%
Hospital & medical business	1.87%
Food & Beverages	1.68%
Brokers / Traders - Shares, securities	1.66%
Energy Trans & Distr	1.58%
Pharmaceuticals & intermediates	1.55%
Chemical & related products	1.36%
Electricals & Electronics equipments	1.22%
Mining and Quarrying	1.05%
<b>Top 20 Industry Exposures</b>	<b>69.10%</b>

## 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.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

The Company maintains a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flow. The Company also has lines of credit that it can access to meet liquidity needs. In accordance with the Company's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company. Net liquid assets consist of cash. The ratios during the year were, as follows:

## Advances to borrowings ratios

Particulars	2022	2021
Year-end	116.57%	115.49%
Maximum	118.99%	119.34%
Minimum	116.57%	110.41%
Average	118.16%	114.83%

Borrowings from banks and financial institutions and issue of debentures are considered as important sources of funds to finance lending to customers. They are monitored using the advances to borrowings ratio, which compares loans and advances to customers as a percentage of secured and unsecured borrowings.

## Analysis of financial liabilities by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial liabilities:

### As at 31 March, 2022

Particulars	₹ in Lakh		
	Within 12 months	After 12 months	Total
<b>Financial liabilities</b>			
Derivative Financial Liability	7,799.24	-	7,799.24
Trade Payables (refer note 1 below)			
- Micro and small enterprises	696.87	-	696.87
- Other than micro and small enterprises	23,524.76	-	23,524.76
Debt securities (refer note 2 below)	653,366.24	1,031,194.25	1,684,560.49
Borrowings (other than debt securities)	1,313,012.19	1,761,219.85	3,074,232.04
Subordinated liabilities	24,513.02	342,344.23	366,857.25
Lease liabilities	3,009.34	12,713.64	15,722.98
Other financial liabilities	47,013.29	-	47,013.29

### As at 31 March, 2021

Particulars	₹ in Lakh		
	Within 12 months	After 12 months	Total
<b>Financial liabilities</b>			
Derivative Financial Liability	3,063.81	-	3,063.81
Trade Payables (refer note 1 below)			
- Micro and small enterprises	214.66	-	214.66
- Other than micro and small enterprises	10,957.65	-	10,957.65
Debt securities (refer note 2 below)	788,481.19	1,187,415.93	1,975,897.12
Borrowings (other than debt securities)	948,998.38	1,569,514.84	2,518,513.22
Subordinated liabilities	20,712.85	311,152.87	331,865.72
Lease liabilities	2,577.35	9,925.10	12,502.45
Other financial liabilities	31,157.53	-	31,157.53

## Notes :

- Trade payables is based on the estimate of actual payment.
- Commercial papers shown net of unamortised discounting charges ₹ 4,471.02 lakhs (31 March, 2021 ₹ 3,013.51 lakhs).

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

The table below shows the contractual expiry by maturity of the Corporate guarantees and Letter of comfort given by the Company on behalf of clients.

As at 31 March, 2022

(₹ in Lakh)			
Particulars	Within 12 months	After 12 months	Total
Corporate guarantees and Letter of comfort given by the Company on behalf of clients	11,501.18	32.66	11,533.84
<b>Total</b>	<b>11,501.18</b>	<b>32.66</b>	<b>11,533.84</b>

As at 31 March, 2021

(₹ in Lakh)			
Particulars	Within 12 months	After 12 months	Total
Corporate guarantees and Letter of comfort given by the Company on behalf of clients	3,126.00	22.60	3,148.60
<b>Total</b>	<b>3,126.00</b>	<b>22.60</b>	<b>3,148.60</b>

## NOTE 53: DISCLOSURE IN TERMS OF DIRECTION 19 OF NON-BANKING FINANCIAL COMPANY - SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK OF INDIA) DIRECTIONS, 2016.

(₹ in Lakh)				
Particulars	31 Mar 2022		31 Mar 2021	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
<b>Liabilities side :</b>				
<b>1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:</b>				
(a) Debentures : Secured (including interest accrued but not due of ₹ 61,303.24 lakhs; 31 March 2021 : ₹ 85,859.83 lakhs)	1,253,636.68	-	1,332,116.41	-
Unsecured (including interest accrued but not due of ₹ 460.04 lakhs ; 31 March 2021 : ₹ 271.12 lakhs) (other than falling within the meaning of public deposits*)	10,960.04	-	5,821.46	-
(b) Deferred Credits	-	-	-	-
(c) Term Loans, External commercial borrowings and Working Capital Demand loans (including interest accrued but not due of ₹ 1,080.15 lakhs ; 31 March 2021 : ₹ 5,450.17 lakhs)	2,560,604.67	-	2,109,067.93	-
(d) Commercial Paper (net of unamortised discount of ₹ 4,471.02 lakhs; 31 March, 2021 : ₹ 3,013.51 lakhs)	313,528.98	-	319,937.17	-
(e) Subordinate Debt (including interest accrued but not due of ₹ 9,722.01 lakhs; 31 March 2021 : ₹ 9,486.40 lakhs)**	227,622.01	-	197,066.69	-
(f) Perpetual Debts (including interest accrued but not due of ₹ 1,111.98 lakhs; 31 March 2021 : ₹ 1,195.41 lakhs)**	21,111.98	-	21,116.57	-
(g) Other Loans (Cash Credit & Book overdraft)	211,110.37	-	136,392.15	-
<b>Total</b>	<b>4,598,574.73</b>	<b>-</b>	<b>4,121,518.38</b>	<b>-</b>

\* Please see Note 1 below

\*\* Please see Note 5 below

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

Particulars	31 Mar 2022	31 Mar 2021
	Amount outstanding	Amount outstanding
<b>Assets side :</b>		
<b>2) Break-up of Loans and Advances including bills receivables (other than those included in (4) below) :</b>		
(a) Secured :	4,114,204.21	3,963,984.03
(b) Unsecured :	1,354,024.34	897,877.98
(includes those in nature of loans and excludes Advances Recoverable in cash or kind or for value to be received, Advance Payment of Taxes and Other Deposits)		
	<b>5,468,228.55</b>	<b>4,861,862.01</b>
<b>3) Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities :</b>		
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial lease	-	-
(b) Operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	-	-
(b) Repossessed Assets	-	-
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-
<b>Total</b>	<b>5,468,228.55</b>	<b>4,861,862.01</b>

Particulars	31 Mar 2022	31 Mar 2021
	Amount outstanding	Amount outstanding
<b>Assets side :</b>		
<b>4) Break-up of Investments :</b>		
<b>Short Term investments :</b>		
<b>1. Quoted :</b>		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)	-	-
<b>2. Unquoted :</b>		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	110,260.07	56,892.50
(iii) Units of mutual funds	-	-
(iv) Government Securities	47,137.87	15,420.71
(v) Others (Please specify)	-	-



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

Particulars	31 Mar 2022	31 Mar 2021
	Amount outstanding	Amount outstanding
<b>Long Term investments :</b>		
<b>1. Quoted :</b>		
(i) Shares : (a) Equity	45.17	36.82
(b) Preference	3,500.00	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)	-	-
<b>2. Unquoted :</b>		
(i) Shares : (a) Equity	235.26	211.04
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (PMS and Alternate Fund)	8,225.19	6,729.83
<b>Total</b>	<b>169,403.56</b>	<b>79,290.90</b>

Category	31 Mar 2022			31 Mar 2021		
	Secured	Unsecured	Total	Secured	Unsecured	Total
<b>5) Borrower group-wise classification of assets financed as in (2) and (3) above :</b>						
<b>1) Related Parties</b>						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	4,356.58	-	4,356.58	-	-	-
(c) Other related parties	-	-	-	-	-	-
<b>2) Other than related parties</b>						
(a) Companies in the same group	-	-	-	-	30,500.00	30,500.00
(b) Other	4,109,847.63	1,354,024.34	5,463,871.97	3,963,984.03	867,377.98	4,831,362.01
<b>Total</b>	<b>4,114,204.21</b>	<b>1,354,024.34</b>	<b>5,468,228.55</b>	<b>3,963,984.03</b>	<b>897,877.98</b>	<b>4,861,862.01</b>



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

Category	31 Mar 2022		31 Mar 2021	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
<b>Investor group-wise classification of all investments</b>				
<b>6) (current and long term) in shares and securities (both quoted and unquoted):</b>				
<b>1) Related Parties</b>				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
<b>2) Other than related parties</b>				
(a) Companies in the same group	337.30	336.32	391.36	323.22
(b) Other	169,066.26	167,473.92	78,899.54	77,603.52
<b>Total</b>	<b>169,403.56</b>	<b>167,810.24</b>	<b>79,290.90</b>	<b>77,926.74</b>

## Note:

- Break up value derived from the latest available Balance Sheet of the Company.

Category	31 Mar 2022	31 Mar 2021
<b>7) Other information :</b>		
(i) Gross Non-Performing Assets (Stage 3) :		
(a) Related parties	-	-
(b) Other than related parties	195,603.41	142,247.24
(ii) Net Non-Performing Assets (Stage 3) :		
(a) Related parties	-	-
(b) Other than related parties	118,314.77	58,995.56
(iii) Assets acquired in satisfaction of debt :	-	-

The above amounts are including Interest Accrued.

## Notes:

- As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank of India) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016.
- There are no prior period and material change in accounting policies which require disclosure in the notes to accounts.
- All Indian Accounting Standards issued by MCA and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets. However, market value in respect of quoted investments and break up/NAV in respect of unquoted investments has been disclosed irrespective of whether they are classified as long term or current in (4) above.
- During the year ended 31 March, 2022 the Company has raised ₹ Nil (31 March, 2021 ₹ Nil) through perpetual debt instrument. Closing balance as on 31 March, 2022 is ₹ 21,111.98 lakhs (31 March, 2021 ₹ 21,116.57 lakhs), the same is 2.18% (31 March, 2021 2.43%) of tier I Capital as on 31 March, 2022.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## NOTE 54: DISCLOSURE IN TERMS OF DIRECTION 73 OF NON-BANKING FINANCIAL COMPANY - SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK OF INDIA) DIRECTIONS, 2016.

### a) Capital Risk Adequacy Ratio (CRAR)

		(₹ in Lakh)	
Sr. No.	Particulars	31 Mar 2022	31 Mar 2021
(i)	CRAR (%)	21.77	22.70
(ii)	CRAR - Tier I capital (%)	18.07	18.43
(iii)	CRAR - Tier II Capital (%)	3.70	4.27
(iv)	Amount of subordinated debt raised as Tier-II capital	227,622.01	197,066.69
(v)	Amount raised by issue of Perpetual Debt Instruments	21,111.98	21,116.57

#### Notes :

- Amount of Subordinated debt and Perpetual Debt shown above are outstanding balances (including interest accrued thereon) as on 31 March, 2022 and 31 March, 2021.

### b) Derivatives

#### Forward Rate Agreement / Interest Rate Swap (also includes currency interest rate swaps)

		(₹ in Lakh)	
Sr. No.	Particulars	31 Mar 2022	31 Mar 2021
(i)	The notional principal of swap agreements	171,375.26	146,403.09
(ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	19.02	-
(iii)	Collateral required by the applicable NBFC upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from the swaps \$	-	-
(v)	The fair value of the swap book	(7,780.22)	(3,063.81)

**Exchange Traded Interest Rate (IR) Derivatives:** The Company has not traded in Exchange Traded Interest Rate Derivative during the financial year ended March 31, 2022 (Previous year: NIL).

#### Disclosures on Risk Exposure in Derivatives

**Qualitative Disclosure** - The company enters into derivative agreements to mitigate the foreign exchange risk and interest rate risk pertaining to its external commercial borrowings & Non convertible debenture. Detailed description of the policies and risk mitigation strategies are disclosed as per Note 5.1(viii), Note 9 and Note 53 of the financial statements.

#### Quantitative Disclosures -

Sr. No.	Particulars	31 Mar 2022		31 Mar 2021	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount) for Hedging	7.72	171,367.54	35.55	146,367.54
(ii)	Marked to Market Positions				
	(a) Asset (+)	-	19.02	-	-
	(b) Liability (-)	(0.52)	(7,798.72)	(1.26)	(3,062.55)
(iii)	Credit Exposure	-	-	-	-
(iv)	Unhedged Exposures	-	-	-	-

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## c) Unsecured Advances

Sr. No.	Particulars	(₹ in Lakh)	
		31 Mar 2022	31 Mar 2021
(i)	Unsecured Advances (Inclusive of doubtful advances)	1,354,024.34	897,877.98

Out of the above amount, advances for which intangible securities such as charge over the rights, licences, authority, etc. are taken as collateral : NIL

## d) Exposures

### d.i) Exposure to Real Estate Sector

Category	(₹ in Lakh)	
	31 Mar 2022	31 Mar 2021
<b>Direct exposure</b>		
i) Residential Mortgages	1,086,801.03	1,012,337.72
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented		
ii) Commercial Real Estate	1,548,981.87	1,376,744.74
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.)		
Exposure would also include non-fund based limits		
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures		
a. Residential	Nil	Nil
b. Commercial Real Estate	Nil	Nil
<b>Total Exposure to Real Estate Sector</b>	<b>2,635,782.90</b>	<b>2,389,082.46</b>

### d.ii) Exposure to Capital Market

Particulars	(₹ in Lakh)	
	31 Mar 2022	31 Mar 2021
i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	45.17	36.82
ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	37,392.88	63,952.99
iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	250,602.33	205,959.63
iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	1,157.57	817.76
vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources.	58,108.53	-
vii) Bridge loans to companies against expected equity flows / issues;	-	-
viii) All exposures to Venture Capital Funds (both registered and unregistered)	-	-
<b>Total Exposure to Capital Market</b>	<b>347,306.48</b>	<b>270,767.20</b>



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## d.iii) Asset Liability Management Maturity pattern of certain items of Assets and Liabilities As at 31 March, 2022

Particulars	(₹ in Lakh)								Total		
	1 to 7 days	8 to 14 days	15 day to 30 days	Over 1 month and up to 2 months	Over 2 months and up to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 3 years		Over 3 years and up to 5 years	Over 5 years
Deposits#	-	1,266.58	17.90	37.75	-	36.49	39.23	190.63	861.98	322.03	2,772.59
Advances**	136,006.59	17,338.91	78,363.63	189,721.39	102,377.40	234,242.14	622,369.59	1,472,617.02	860,946.05	1,646,763.30	5,360,746.02
Investments	-	47,137.87	-	-	112,865.41	-	2,862.70	2,084.13	4,070.98	382.47	169,403.56
Borrowings*	103,399.97	196,105.49	302,290.61	159,004.72	141,558.02	357,615.08	568,510.59	1,555,508.37	624,188.68	590,393.19	4,598,574.73
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities (also included in borrowings above)	-	-	-	738.91	-	71,298.53	68,258.61	-	-	-	140,296.05

## As at 31 March, 2021

Particulars	(₹ in Lakh)								Total		
	1 to 7 days	8 to 14 days	15 day to 30 days	Over 1 month and up to 2 months	Over 2 months and up to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 3 years		Over 3 years and up to 5 years	Over 5 years
Deposits#	-	-	-	135.32	66.62	9.23	211.40	353.88	966.64	743.75	2,486.83
Advances**	83,784.56	12,876.43	47,057.64	116,252.21	137,157.41	201,516.45	785,802.36	1,132,784.79	738,434.62	1,504,076.89	4,759,743.36
Investments	-	-	-	15,420.71	56,892.50	-	-	4,427.17	2,122.34	428.19	79,290.90
Borrowings*	3,417.26	2,750.87	279,762.80	230,324.96	169,342.02	272,393.39	610,670.70	1,642,295.00	451,215.49	459,345.89	4,121,518.38
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities (also included in borrowings above)	-	-	-	84.34	-	57.89	-	146,974.50	-	-	147,116.73

**Note:** Classification of assets and liabilities under the different maturity buckets is based on the same estimates and assumptions as used by the company for Compiling the return submitted to RBI, which has been relied upon by the auditors.

\* Commercial papers shown net of unamortised discounting charges ₹ 4,471.02 (31 March, 2021 ₹ 3,013.51 lakhs).

\*\* a) Overdue Receivable on account of Corporate Finance Activities have been slotted in respective time bucket category as per instructions contained in Appendix 1 of Guidelines for Assets Liabilities Management (ALM) system in NBFC

b) Advances includes Loan and Advances in the nature of Loans (net of ECL provisions) and excludes deposits.

# Deposits includes only security deposits.

**d.iv):** The Company has no specific program for financing its parent company products. However, in its general lending business, the Company may have funded some entities which may have been customer(s) of its ultimate parent company: Grasim Industries Limited. Single Borrower Limit (SGL) or Group Borrower Limit (GBL) did not exceed the limits prescribed under the prudential norms.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

**NOTE 55:** Disclosure on liquidity risk under RBI circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies as on March 31, 2021.

## i) Funding Concentration based on significant counterparty (both deposits and borrowings)

As at 31 March 2022

Sr. No	No of Significant Counterparties	Amount***	% of total Deposits	% of Total Liabilities*
1	22	3,368,770.36	NA	71.51%

As at 31 March 2021

Sr. No	No of Significant Counterparties	Amount***	% of total Deposits	% of Total Liabilities*
1	20	2,824,533.05	NA	67.38%

### Note:

1. A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFCNDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs

## ii) Top 20 large deposits – Not Applicable for 31 March 2022 & 31 March 2021

## iii) Top 10 Borrowings

As at 31 March 2022

Amount***	% of Total Liabilities*
2,431,255.26	51.61%

As at 31 March 2021

Amount***	% of Total Liabilities*
2,176,921.05	51.93%

## iv) Funding Concentration based on significant instrument/product

(₹ in Lakh)

Sr. No.	Name of the Instrument	31 Mar 2022		31 Mar 2021	
		Amount	% of Total Liabilities*	Amount	% of Total Liabilities*
1	Term Loan	2,100,005.16	44.58%	1,757,030.47	41.92%
2	Non Convertible Debentures	1,253,636.68	26.61%	1,332,116.41	31.78%
3	Commercial Paper	313,528.98	6.66%	319,937.17	7.63%
4	Working capital / short term facilities	245,162.11	5.20%	103,512.25	2.47%
5	External Commercial Borrowings	241,699.63	5.13%	248,525.21	5.93%
6	Subordinate Debt	227,622.01	4.83%	197,066.69	4.70%
	<b>Total</b>	<b>4,381,654.57</b>	<b>93.01%</b>	<b>3,958,188.20</b>	<b>94.43%</b>

### Note:

1. A Significant instrument/product" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFCNDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.
2. Above table does not includes Book overdraft.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## v) Stock Ratios

Sr No	Particulars	31 Mar 2022	31 Mar 2021
1	Commercial Papers to Total Liabilities*	6.66%	7.63%
2	Commercial Papers to Total Assets	5.50%	6.30%
3	NCDs (Original Maturity < 1 year) to Total Liabilities*	Nil	Nil
4	NCDs (original Maturity < 1 year) to Total Assets	Nil	Nil
5	Other Short Term Liabilities** to Total Liabilities*	34.03%	31.20%
6	Other Short Term Liabilities** to Total Assets	28.14%	25.77%

\* Total Liabilities does not include Net Worth.

\*\* Other Short Term Liabilities excludes Commercial Paper as considered in 1 & 2.

\*\*\* It represents outstanding principal amount of borrowings.

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

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk management. The ALCO meetings are held at periodic intervals. At the apex level, the Risk Committee (RC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RC subsequently updates the Board of Directors on the same.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

**NOTE 56:** Liquidity Coverage Ratio : The daily average LCR of the Company for the quarter ended 31 March, 2022 was 71% vis-à-vis 72% for the quarter ended 31 March, 2021. The calculation of the last four quarter as below.

Sr. No.	Particulars	Quarter ended 31 Mar. 2022		Quarter ended 31 Dec. 2021		Quarter ended 30 Sep. 2021		Quarter ended 30 Jun. 2021		Quarter ended 31 Mar. 2021	
		Unweighted (Average)	Total Weighted (Average)	Unweighted (Average)	Total Weighted (Average)	Unweighted (Average)	Total Weighted (Average)	Unweighted (Average)	Total Weighted (Average)	Unweighted (Average)	Total Weighted (Average)
	<b>Total High Quality Liquid Assets (HQLA)</b>	<b>174,510.91</b>	<b>174,510.91</b>								
1	Total High Quality Liquid Assets (HQLA)	174,510.91	174,510.91	219,542.96	219,542.96	161,177.91	161,177.91	107,974.74	107,974.74	141,756.48	141,756.48
	<b>Cash Outflows</b>										
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	103,177.84	118,654.52	121,401.11	139,611.28	253,170.57	291,146.15	113,901.40	130,986.61	240,721.78	276,830.04
4	Secured wholesale funding	105,875.79	121,757.16	53,645.45	61,692.27	76,193.25	87,622.24	111,961.72	128,755.98	61,913.85	71,200.92
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	140,420.70	161,483.81	378,963.31	435,807.80	185,389.56	213,198.00	133,486.52	153,509.50	159,974.24	183,970.38
7	Other contingent funding obligations	144,683.95	166,386.54	15,809.49	18,180.92	20,072.97	23,083.91	390.65	449.25	291.41	335.12
8	<b>Total Cash Outflows</b>	<b>494,158.27</b>	<b>568,282.03</b>	<b>569,819.36</b>	<b>655,292.27</b>	<b>534,826.35</b>	<b>615,050.30</b>	<b>359,740.29</b>	<b>413,701.33</b>	<b>462,901.28</b>	<b>532,336.46</b>
	<b>Cash Inflow</b>										
9	Secured lending	-	-	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	187,393.40	140,545.05	316,047.14	237,035.36	362,216.53	271,662.40	218,853.67	164,140.25	310,319.71	232,739.78
11	Other cash inflows	242,426.23	181,819.67	142,612.90	106,959.68	167,079.37	125,309.52	304,666.67	216,119.32	136,746.67	102,560.00
12	<b>Total Cash Inflows</b>	<b>429,819.63</b>	<b>322,364.72</b>	<b>458,660.04</b>	<b>343,995.04</b>	<b>529,295.90</b>	<b>396,971.92</b>	<b>523,520.34</b>	<b>380,259.57</b>	<b>447,066.38</b>	<b>335,299.78</b>
	<b>Total Adjusted Value</b>										
13	<b>Total HQLA</b>	<b>174,510.91</b>	<b>174,510.91</b>	<b>219,542.96</b>	<b>219,542.96</b>	<b>161,177.91</b>	<b>161,177.91</b>	<b>107,974.74</b>	<b>107,974.74</b>	<b>141,756.48</b>	<b>141,756.48</b>
14	<b>Total Net Cash Outflows</b>	<b>64,338.64</b>	<b>245,917.29</b>	<b>111,159.32</b>	<b>311,297.24</b>	<b>5,530.45</b>	<b>218,078.38</b>	<b>(163,780.05)</b>	<b>103,425.33</b>	<b>15,834.90</b>	<b>197,036.69</b>
15	<b>Liquidity Coverage Ratio (%)</b>		<b>71%</b>		<b>71%</b>		<b>74%</b>		<b>104%</b>		<b>72%</b>

## 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 31<sup>st</sup> March 2022

## C) Qualitative Disclosure

**a) The main drivers of their LCR results and the evolution of the contribution of inputs to the LCR's calculation over time :** RBI had introduced the liquidity coverage ratio (LCR) to ensure that NBFC has an adequate stock of unencumbered high-quality liquid assets (HQLA) to survive a significant liquidity stress lasting for a period of 30 days. LCR is defined as a ratio of HQLA to the total net cash outflows estimated for the next 30 calendar days. At March 31, 2022, the applicable minimum LCR required to be maintained by NBFC is 60%.

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk. The ALCO meets at periodic intervals. At the apex level, the Risk Committee (RC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RC subsequently updates the Board of Directors on the same.

**b) Intra-period changes as well as changes over time:** Company has started maintaining LCR w.e.f. 1<sup>st</sup> December, 2020. The details for the four quarter ended 30<sup>th</sup> June, 2021, 30<sup>th</sup> September, 2021, 31<sup>st</sup> December, 2021 and year ended 31<sup>st</sup> March, 2022 are disclosed in 56 Liquidity Coverage Ratio.

**c) The composition of HQLAs:** The Company, for the year ended 31 March 2022, had average HQLA of Rs. 1,745.11 crore vis-à-vis 1,417.56 crore for the quarter ended March 31, 2021.

(₹ in Lakh)

High-Quality Liquid Assets (HQLA)	Quarter ended 31 Mar, 2022	Quarter ended 31 Dec, 2021	Quarter ended 30 Sep, 2021	Quarter ended 30 Jun, 2021	Quarter ended 31 Mar, 2021
<b>Total</b>	<b>174,510.91</b>	<b>219,542.96</b>	<b>161,177.91</b>	<b>107,974.74</b>	<b>141,756.48</b>
Cash & callable FDs	100,538.80	175,271.60	126,357.83	88,122.98	122,305.93
Treasury Bills	24,280.57	11,190.24	6,536.61	340.67	9,300.06
Government Securities	49,691.54	33,081.12	28,283.47	19,511.09	10,150.49

## d) Concentration of funding sources

### As at 31 March 2022

Name of the Source	% of Total Liabilities
Bank	68.23%
Mutual Fund	10.20%
Insurance	10.09%
PF & Others	7.39%
FII	2.30%
Corporates	1.79%
<b>Total</b>	<b>100.00%</b>

### As at 31 March 2021

Name of the Source	% of Total Liabilities
Bank	62.10%
Mutual Fund	13.60%
Insurance	10.41%
PF & Others	8.79%
FII	2.57%
Corporates	2.53%
<b>Total</b>	<b>100.00%</b>

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

- e) **Currency mismatch in the LCR** : The company has taken foreign currency borrowings. The Company has entered into Cross currency swap and forward contracts to hedge the foreign currency risk on such borrowing.
- f) **Other inflows and outflows in the LCR calculation that are not captured in the LCR common template but which the institution considers to be relevant for its liquidity profile:** All inflows/ outflows considered relevant has been considered for LCR calculation.

**NOTE 57:** Disclosure in terms of RBI Circular - RBI/2018-19/100 DBR.No.BP.BC.18/21.04.048/2018-19 dated 01 January, 2019; RBI/2019-20/160 DOR.No.BP.BC.34/21.04.048/2019-20 dated 11 February, 2020 ; RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21 dated 06 August, 2020; RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 dated 05 May, 2021 (for restructuring of accounts of Micro, Small and Medium Enterprises (MSME) sector–Restructuring of Advances’ having exposure less than or equal to ₹ 25 crores).

(₹ in Lakh)

Type of Borrower	31 Mar 2022		31 Mar 2021	
	No. of accounts restructured	Amount	No. of accounts restructured	Amount
MSMEs	2,422	82,593.16	1,945	51,329.73

**NOTE 58:** Disclosure in terms of RBI Circular - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06 August, 2020; RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 05 May, 2021.

## For the half year ended 31<sup>st</sup> March 2022

(₹ in Lakh)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year i.e 30 September, 2021	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year**	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year i.e. 31 March, 2022
Personal Loans	27,053.40	2,276.04	8,828.61	3,033.14	12,915.61
Corporate persons*	55,217.30	9,540.18	982.64	22,382.77	22,311.72
Of which MSMEs	37,425.46	9,144.53	982.64	5,098.07	22,200.22
Others	2,694.97	927.63	-	11.96	1,755.37
<b>Total</b>	<b>84,965.67</b>	<b>12,743.85</b>	<b>9,811.26</b>	<b>25,427.87</b>	<b>36,982.70</b>

\* 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 31<sup>st</sup> March 2022

**NOTE 59:** Disclosures pursuant to Master Direction — Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 in terms of RBI circular RBI/DOR/2021-22/86 DOR.STR. REC. 51/21.04.048/2021-22 dated September 24, 2021.

## (a) (i) Details of Loans not in default that are acquired during the quarter ended 31<sup>st</sup> March 2022

Count of Loan Account acquired	3,890
Amount of Loan Account acquired (Rs. In lakhs)	20,696.61
Weighted Average Maturity (Residual maturity) (In Month)	104.28
Weighted Average Holding period (Up to date of acquisition)	17.61
Retention of beneficial economic interest (MRR of assignor)*	6.69%
Coverage of tangible security coverage*	100.00%
Rating wise distribution of loans acquired by value	
A-	23.41%
Unrated	76.59%

\* Ratio is computed basis weighted average of loans acquired.

(a) (ii) Details of Loans not in default that are transferred during the quarter ended 31<sup>st</sup> March 2022 : Nil

## NOTE 60: DISCLOSURE IN TERMS OF DIRECTION 73 OF NON-BANKING FINANCIAL COMPANY - SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK OF INDIA) DIRECTIONS, 2016.

### i) Registration/ license/ authorization obtained from financial sector regulators:

The Company has received certificate of registration as a non-deposit taking systematically important Non-Banking Financial Company from Reserve Bank of India dated August 9, 2011 having COR number N-01.00500 in lieu of earlier COR number B-13.01163 dated February 12, 1999.

The Company is registered with AMFI for distribution of Mutual fund products having certificate number ARN-118681 valid from 04 February, 2020 to 03 February, 2023.

### ii) Penalties levied if any during the year: Nil

### iii) Investments

Particulars	(₹ in Lakh)	
	31 Mar 2022	31 Mar 2021
<b>Value of Investments</b>		
(i) Gross Value of Investments		
(a) In India	169,403.56	79,290.90
(b) Outside India,	-	-
(ii) Provision for Depreciation		
(a) In India	-	-
(b) Outside India,	-	-
(iii) Net value of Investment		
(a) In India	169,403.56	79,290.90
(b) Outside India	-	-
<b>Movement of provisions held towards depreciation on investments.</b>		
(i) Opening balance	-	-
(ii) Add : Provisions made during the year	-	-
(iii) Less : Write-off / write-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## iv) Provisions and Contingencies

	(₹ in Lakh)	
Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of P&L	31 Mar 2022	31 Mar 2021
Provisions for depreciation on Investment	-	-
Provision towards NPA*	18,293.08	2,435.14
Provision made towards Income tax	37,878.58	26,258.02
Other Provision and Contingencies	-	-
Provision for Standard Assets**	(12,929.21)	11,530.37

\*This does not include provision created and written off during the year.

\*\*Represents impairment loss allowance on stage 1 and stage 2 assets.

## v) Concentration of Advances

	(₹ in Lakh)	
Particulars	31 Mar 2022	31 Mar 2021
Total Advances to twenty largest borrowers (including interest accrued)	479,174.37	487,979.48
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	8.76%	10.04%

## vi) Concentration of Exposures

	(₹ in Lakh)	
Particulars	31 Mar 2022	31 Mar 2021
Total Exposure to twenty largest borrowers / customers* (including interest accrued)	482,844.79	489,077.55
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	8.56%	9.90%

\*The above calculation is as per loans outstanding as at year end.

## vii) Concentration of NPAs

	(₹ in Lakh)	
Particulars	31 Mar 2022	31 Mar 2021
Total Exposure to top four NPA (Stage 3) accounts (including interest accrued)	45,614.05	34,403.82

## viii) Sector-wise NPAs (Stage 3)

Sr No.	Sector	(₹ in Lakh)	
		31 Mar 2022	31 Mar 2021
		Percentage of NPAs (Stage 3 loans) to Total Advances in that sector	Percentage of NPAs (Stage 3 loans) to Total Advances in that sector
1	Agriculture & allied activities	5.76%	3.31%
2	MSME	4.50%	1.81%
3	Corporate borrowers	3.88%	4.11%
4	Services	3.16%	2.40%
5	Unsecured working capital loans	7.54%	3.37%
6	Auto loans	0.00%	0.00%
7	Other personal loans	1.81%	5.50%

**Note :** The above information has been compiled from Management Information System of the Company which has been relied upon by the auditors.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## ix) Movement of NPAs (Stage 3)

		(₹ in Lakh)	
Particulars		31 Mar 2022	31 Mar 2021
<b>(i) Net NPAs to Net Advances (%)</b>		2.19%	1.73%
<b>(ii) Movement of NPAs (Gross Stage 3 assets)</b>			
(a) Opening balance		142,247.24	182,708.23
(b) Additions during the year		118,598.55	55,315.03
(c) Reductions during the year		(65,242.38)	(95,776.02)
(d) Closing balance		195,603.41	142,247.24
<b>(iii) Movement of Net NPAs (Net Stage 3 assets)</b>			
(a) Opening balance		83,251.68	126,147.81
(b) Additions during the year		58,909.04	(4,124.63)
(c) Reductions during the year		(23,845.95)	(38,771.50)
(d) Closing balance		118,314.77	83,251.68
<b>(iv) Movement of provisions for NPAs (Stage 3 Provision)</b>			
(a) Opening balance		58,995.56	56,560.42
(b) Provisions made during the year		59,689.51	59,439.66
(c) Write-off / write-back of excess provisions		(41,396.43)	(57,004.52)
(d) Closing balance		77,288.64	58,995.56

**Note :** 1. The above amounts are including Interest Accrued.

## x) Credit Rating

Instrument	Credit Rating Agency	31 Mar 2022	31 Mar 2021
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+ (hyb) 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 emr Stable	IND PP-MLD AAA emr 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] A1+ / [ICRA] AAA	[ICRA] AAA Stable
	India Ratings & Research Private Limited	IND AAA Stable	IND AAA Stable
Short Term Bank Loans	ICRA Limited	[ICRA] A1+ / [ICRA] AAA	[ICRA] AAA Stable
	India Ratings & Research Private Limited	IND AAA Stable	IND AAA Stable

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## xi) Customer Complaints

Sr. No.	Particulars	31 Mar 2022	31 Mar 2021
(a)	No. of complaints pending at the beginning of the year	73	16
(b)	No. of complaints received during the year	2,666	2,262
(c)	No. of complaints redressed during the year	2,634	2,205
(d)	No. of complaints pending at the end of the year	105	73

xii) During FY 2022, there were no draw down from Reserves (Previous year: Nil)

xiii) Overseas assets (for those with joint ventures and subsidiaries abroad): Nil (Previous year: Nil)

xiv) Off Balance Sheet SPVs sponsored: Nil (Previous year: Nil)

## xv) Frauds committed against the Company:

Particulars	31 Mar 2022	31 Mar 2021
No. of cases of fraud which occurred during the year	13	9
Amount involved	66.09	36.72
Amount recovered	12.45	19.53
Amount provided/loss	55.53	17.19

(₹ in Lakh)

xvi) The disclosures given in the above notes pursuant to RBI Notification are only to the extent they are applicable to the Company.

## NOTE 61: DISCLOSURE PURSUANT TO RBI NOTIFICATION NO. DOR (NBFC).CC.PD. NO.109/22.10.106/2019-20 DATED MARCH 13, 2020.

### As on 31 March, 2022

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	4,976,890.04	15,959.53	4,960,930.51	22,925.46	(6,965.93)
	Stage 2	264,739.13	12,650.36	252,088.77	8,527.12	4,123.24
<b>Subtotal</b>		<b>5,241,629.17</b>	<b>28,609.89</b>	<b>5,213,019.28</b>	<b>31,452.58</b>	<b>(2,842.69)</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 1	159.10	0.91	158.19	16.55	(15.64)
	Stage 2	30,836.87	1,532.29	29,304.58	3,207.03	(1,674.74)
	Stage 3	115,316.99	44,474.08	70,842.91	9,637.86	34,836.22
Doubtful - up to 1 year	Stage 3	28,171.93	11,614.73	16,557.20	12,216.03	(601.30)
1 to 3 years	Stage 3	41,594.88	17,333.64	24,261.24	14,301.00	3,032.64

(₹ in Lakh)



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
More than 3 years	Stage 3	10,519.61	3,866.19	6,653.42	5,313.94	(1,447.75)
<b>Subtotal for doubtful</b>		<b>80,286.42</b>	<b>32,814.56</b>	<b>47,471.86</b>	<b>31,830.97</b>	<b>983.59</b>
Loss	Stage 3	-	-	-	-	-
<b>Subtotal for NPA</b>		<b>226,599.38</b>	<b>78,821.84</b>	<b>147,777.54</b>	<b>44,692.41</b>	<b>34,129.43</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	11,748.84	39.40	11,709.44	4.00	35.40
	Stage 2	200.00	11.40	188.60	0.80	10.60
	Stage 3	-	-	-	-	-
<b>Subtotal</b>		<b>11,948.84</b>	<b>50.80</b>	<b>11,898.04</b>	<b>4.80</b>	<b>46.00</b>
<b>Total</b>	Stage 1	4,988,797.98	15,999.84	4,972,798.14	22,946.01	(6,946.17)
	Stage 2	295,776.00	14,194.05	281,581.95	11,734.95	2,459.10
	Stage 3	195,603.41	77,288.64	118,314.77	41,468.83	35,819.81
	<b>Total</b>	<b>5,480,177.39</b>	<b>107,482.53</b>	<b>5,372,694.86</b>	<b>76,149.79</b>	<b>31,332.74</b>

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



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

As on 31 March, 2021

(₹ 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)
<b>Performing Assets</b>						
Standard	Stage 1	4,351,542.97	23,000.22	4,328,542.75	21,185.36	1,814.86
	Stage 2	359,956.60	19,524.78	340,431.82	5,681.52	13,843.26
<b>Subtotal</b>		<b>4,711,499.57</b>	<b>42,525.00</b>	<b>4,668,974.57</b>	<b>26,866.88</b>	<b>15,658.12</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 1	2,164.49	11.01	2,153.48	215.00	(203.99)
	Stage 2	5,950.70	567.76	5,382.94	589.79	(22.03)
	Stage 3	56,807.15	27,458.47	29,348.68	11,782.12	15,676.35
Doubtful - up to 1 year	Stage 3	49,476.83	20,778.04	28,698.79	10,966.74	9,811.30
1 to 3 years	Stage 3	31,845.99	9,968.48	21,877.51	8,678.12	1,290.36
More than 3 years	Stage 3	4,117.27	790.57	3,326.70	1,292.36	(501.79)
<b>Subtotal for doubtful</b>		<b>85,440.09</b>	<b>31,537.09</b>	<b>53,903.00</b>	<b>20,937.22</b>	<b>10,599.87</b>
Loss	Stage 3	-	-	-	-	-
<b>Subtotal for NPA</b>		<b>150,362.43</b>	<b>59,574.33</b>	<b>90,788.10</b>	<b>33,524.13</b>	<b>26,050.20</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	3,479.00	10.84	3,468.16	-	10.84
	Stage 2	200.00	8.48	191.52	-	8.48
	Stage 3	-	-	-	-	-
<b>Subtotal</b>		<b>3,679.00</b>	<b>19.32</b>	<b>3,659.68</b>	<b>-</b>	<b>19.32</b>
<b>Total</b>	Stage 1	4,357,186.46	23,022.07	4,334,164.39	21,400.36	1,621.71
	Stage 2	366,107.30	20,101.02	346,006.28	6,271.31	13,829.71
	Stage 3	142,247.24	58,995.56	83,251.68	32,719.34	26,276.22
<b>Total</b>		<b>4,865,541.00</b>	<b>102,118.65</b>	<b>4,763,422.35</b>	<b>60,391.01</b>	<b>41,727.64</b>



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## NOTE 62: INFORMATION IN RESPECT OF RESTRUCTURED ASSETS IN ACCORDANCE WITH REVIEW OF GUIDELINES ON RESTRUCTURING OF ADVANCES BY NBFC (RBI/2013-14/459) DNBS. CO. PD. NO. 367/03.10.01/2013-14.

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring:-

(₹ 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
<b>1</b>	<b>Restructured Accounts at 1 April, 2021</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>2</b>	<b>Movement in balance for account appearing in opening balance</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>3</b>	<b>Fresh restructuring during the year ended 31 March, 2022</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>4</b>	<b>Upgradations to restructured standard category during the year ended 31 March, 2022</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>5</b>	<b>Restructured standard advances at 1 April, 2021, which cease to attract higher provisioning and/or additional risk weight at 31 March, 2022 and hence need not be shown as restructured standard advances at 1 April, 2022</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>6</b>	<b>Downgradations of restructured accounts during the year ended 31 March, 2022</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

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
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>7</b>	<b>Write-offs of restructured accounts during the year ended 31 March, 2022</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>8</b>	<b>Restructured Accounts at 31 March, 2022</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring :

(₹ in Lakh)

Sr. no.	Type of Restructuring Asset Classification Details	Others					Total				
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
<b>1</b>	<b>Restructured Accounts at 1 April, 2021</b>										
	No. of borrowers	19,451	1,627	1	-	21,079	19,451	1,627	1	-	21,079
	Amount outstanding	107,375.58	12,081.64	11.16	-	119,468.38	107,375.58	12,081.64	11.16	-	119,468.38
	Provision thereon	4,536.96	2,092.20	5.58	-	6,634.74	4,536.96	2,092.20	5.58	-	6,634.74
<b>2</b>	<b>Movement in balance for account appearing in opening balance</b>										
	No. of borrowers	(1,084)	(129)	-	-	(1,213)	(1,084)	(129)	-	-	(1,213)
	Amount outstanding	(33,277.00)	(1,775.04)	-	-	(35,052.04)	(33,277.00)	(1,775.04)	-	-	(35,052.04)
	Provision thereon	(1,357.85)	(452.61)	-	-	(1,810.46)	(1,357.85)	(452.61)	-	-	(1,810.46)
<b>3</b>	<b>Fresh restructuring during the year ended 31 March, 2022</b>										
	No. of borrowers	4,232	974	4	-	5,210	4,232	974	4	-	5,210
	Amount outstanding	76,866.84	32,929.83	312.69	-	110,109.36	76,866.84	32,929.83	312.69	-	110,109.36
	Provision thereon	3,228.12	8,418.45	291.97	-	11,938.54	3,228.12	8,418.45	291.97	-	11,938.54
<b>4</b>	<b>Upgradations to restructured standard category during the year ended 31 March, 2022</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

Sr. no.	Type of Restructuring Asset Classification Details	Others				Total					
		Standard	Sub- Standard	Doubtful	Loss	Total	Standard	Sub- Standard	Doubtful	Loss	Total
5	<b>Restructured standard advances at 1 April, 2021, which cease to attract higher provisioning and/or additional risk weight at 31 March, 2022 and hence need not be shown as restructured standard advances at 1 April, 2022</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
6	<b>Downgradations of restructured accounts during the year ended 31 March, 2022</b>										
	No. of borrowers	(2,487)	2,300	187	-	-	(2,487)	2,300	187	-	-
	Amount outstanding	(21,562.73)	19,913.41	1,649.32	-	-	(21,562.73)	19,913.41	1,649.32	-	-
	Provision thereon	(743.89)	283.41	460.48	-	-	(743.89)	283.41	460.48	-	-
7	<b>Write-offs of restructured accounts during the year ended 31 March, 2022</b>										
	No. of borrowers	(10,213)	(1,057)	(1)	-	(11,271)	(10,213)	(1,057)	(1)	-	(11,271)
	Amount outstanding	(13,633.16)	(1,644.13)	(11.16)	-	(15,288.45)	(13,633.16)	(1,644.13)	(11.16)	-	(15,288.45)
	Provision thereon	(1,242.68)	(761.28)	(5.58)	-	(2,009.54)	(1,242.68)	(761.28)	(5.58)	-	(2,009.54)
8	<b>Restructured Accounts at 31 March, 2022</b>										
	No. of borrowers	9,899	3,715	191	-	13,805	9,899	3,715	191	-	13,805
	Amount outstanding	115,769.53	61,505.71	1,962.01	-	179,237.25	115,769.53	61,505.71	1,962.01	-	179,237.25
	Provision thereon	4,420.66	9,580.17	752.45	-	14,753.28	4,420.66	9,580.17	752.45	-	14,753.28

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring:-

(₹ 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
<b>1</b>	<b>Restructured Accounts at 1 April, 2020</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>2</b>	<b>Movement in balance for account appearing in opening balance</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>3</b>	<b>Fresh restructuring during the year ended 31 March, 2021</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>4</b>	<b>Upgradations to restructured standard category during the year ended 31 March, 2021</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>5</b>	<b>Restructured standard advances at 1 April, 2020, which cease to attract higher provisioning and/or additional risk weight at 31 March, 2021 and hence need not be shown as restructured standard advances at 1 April, 2021</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>6</b>	<b>Downgradations of restructured accounts during the year ended 31 March, 2021</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>7</b>	<b>Write-offs of restructured accounts during the year ended 31 March, 2021</b>										

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

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
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
<b>8</b>	<b>Restructured Accounts at 31 March, 2021</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring :

(₹ in Lakh)

Sr. no.	Type of Restructuring Asset Classification Details	Others					Total				
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
<b>1</b>	<b>Restructured Accounts at 1 April, 2020</b>										
	No. of borrowers	69	38	2	-	109	69	38	2	-	109
	Amount outstanding	7,454.38	737.10	40.19	-	8,231.67	7,454.38	737.10	40.19	-	8,231.67
	Provision thereon	381.08	213.58	14.83	-	609.49	381.08	213.58	14.83	-	609.49
<b>2</b>	<b>Movement in balance for account appearing in opening balance</b>										
	No. of borrowers	(39)	(34)	(2)	-	(75)	(39)	(34)	(2)	-	(75)
	Amount outstanding	(5,920.92)	(589.00)	(40.19)	-	(6,550.11)	(5,920.92)	(589.00)	(40.19)	-	(6,550.11)
	Provision thereon	(319.66)	(176.43)	(14.83)	-	(510.92)	(319.66)	(176.43)	(14.83)	-	(510.92)
<b>3</b>	<b>Fresh restructuring during the year ended 31 March, 2021</b>										
	No. of borrowers	19,440	1,605	-	-	21,045	19,440	1,605	-	-	21,045
	Amount outstanding	106,964.30	10,822.52	-	-	117,786.82	106,964.30	10,822.52	-	-	117,786.82
	Provision thereon	4,531.19	2,004.98	-	-	6,536.17	4,531.19	2,004.98	-	-	6,536.17
<b>4</b>	<b>Upgradations to restructured standard category during the year ended 31 March, 2021</b>										
	No. of borrowers	1	(1)	-	-	-	1	(1)	-	-	-
	Amount outstanding	11.74	(11.74)	-	-	-	11.74	(11.74)	-	-	-
	Provision thereon	2.93	(2.93)	-	-	-	2.93	(2.93)	-	-	-

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

Sr. no.	Type of Restructuring	Others					Total				
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
5	<b>Restructured standard advances at 1 April, 2021, which cease to attract higher provisioning and/or additional risk weight at 31 March, 2021 and hence need not be shown as restructured standard advances at 1 April, 2021</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
6	<b>Downgradations of restructured accounts during the year ended 31 March, 2021</b>										
	No. of borrowers	(20)	19	1	-	-	(20)	19	1	-	-
	Amount outstanding	(1,133.92)	1,122.76	11.16	-	-	(1,133.92)	1,122.76	11.16	-	-
	Provision thereon	(58.58)	53.00	5.58	-	-	(58.58)	53.00	5.58	-	-
7	<b>Write-offs of restructured accounts during the year ended 31 March, 2021</b>										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
8	<b>Restructured Accounts at 31 March, 2021</b>										
	No. of borrowers	19,451	1,627	1	-	21,079	19,451	1,627	1	-	21,079
	Amount outstanding	107,375.58	12,081.64	11.16	-	119,468.38	107,375.58	12,081.64	11.16	-	119,468.38
	Provision thereon	4,536.96	2,092.20	5.58	-	6,634.74	4,536.96	2,092.20	5.58	-	6,634.74

**Note:** Amount outstanding includes interest receivable.





# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## NOTE 63: DUES TO MICRO ENTERPRISES AND SMALL ENTERPRISES:

(₹ in Lakh)

Particulars	31 Mar 2022	31 Mar 2021
1. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	696.87	214.66
2. The amount of interest paid by the Company in terms of section 16 of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year;	-	-
3. Amounts of the payment made to the suppliers beyond the appointed day during the year; the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006;"	-	-
4. The amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
5. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

The disclosure regarding micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

## NOTE 64: EXPENDITURE IN FOREIGN CURRENCY

(₹ in Lakh)

Particulars	31 Mar 2022	31 Mar 2021
Finance Cost	11,554.27	11,450.81
Employee Benefit Expenses	20.59	(60.85)
Intangible Assets under Development	36.37	108.56
Repairs and Maintenance	-	8.53
Legal and Professional Charges	198.99	24.99
Travelling and Conveyance	-	2.18
Miscellaneous Expenses	7.98	1.01
<b>Total</b>	<b>11,818.20</b>	<b>11,535.23</b>

Unhedged foreign currency payable & receivable as at 31 March, 2022 & 31 March, 2021 are Nil.

## NOTE 65: DISCLOSURE PERTAINING TO STOCK STATEMENT FILED WITH BANKS OR FINANCIAL INSTITUTIONS

The Company has availed of the facility (Secured borrowing) from the lenders inter alia on the condition that, the company shall provide or create or arrange to provide or have created, security interest by way of a first pari pasu charge of the loans.

### Details of loans & investment reported in the quarterly stock statement and as per book of accounts

(₹ in Lakh)

Quarter ended	As per Statement filed with Bank	As per Book of accounts	Difference
Jun 2021	4,342,495.00	4,348,960.87	(6,465.87)
Sep 2021	4,610,894.00	4,626,444.78	(15,550.78)
Dec 2021	4,844,432.00	4,816,907.06	27,524.94
Mar 2022	5,334,821.00	5,335,301.88	(480.88)

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2022

## NOTE 66: EVENTS AFTER REPORTING DATE

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

**NOTE 67:** The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules thereunder. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020, and invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.

**NOTE 68:** Money raised by way of borrowing from bank and financial institution have been applied by the Company for the purposes for which they were raised, other than temporary deployment pending application of proceeds.

## NOTE 69: ULTIMATE BENEFICIARY

No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

No funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate

Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

**NOTE 70:** The COVID -19 pandemic continues to spread across the globe and India, which has contributed to a significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The financial results, includes the potential impact of the COVID-19 pandemic on the Company's financial results which are dependent on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether Government mandated or elected by the Company and its subsequent impact on the recoverability's on the Company's assets. The Company has, based on current available information and based on the policy approved by the Board, determined the provision for impairment of financial assets including the additional overlay for uncertainty over the potential macro-economic impact of the pandemic.

Based on the current indicators of future economic conditions, the Company considers this provision to be adequate and expects to recover the carrying amount of these financial assets. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

**NOTE 71:** The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

**NOTE 72:** No proceedings have been initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

**NOTE 73:** The figures for previous year have been regrouped/rearranged/recasted wherever necessary to conform to current period presentation.

As per our report of even date attached.  
For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
ICAI Firm Reg. No: 117366W/W-100018

per **Sanjiv V. Pilgaonkar**  
Partner  
Membership No: 039826

Place: Mumbai  
Date: 11<sup>th</sup> May 2022

As per our report of even date attached.  
For **Singhi & Co.**  
Chartered Accountants  
ICAI Firm Reg. No: 302049E

per **Amit Hundia**  
Partner  
Membership No: 120761

Place: Mumbai  
Date: 11<sup>th</sup> May 2022

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

**Ajay Srinivasan**  
Director  
DIN - 00121181

**Pradeep Agrawal**  
Chief Financial Officer

Place: Mumbai  
Date: 11<sup>th</sup> May 2022

**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](mailto:ankur.shah@adityabirlacapital.com) | [www.adityabirlafinance.com](http://www.adityabirlafinance.com)



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