Centrum Home Loans

Aao milkar ghar banaye

Centrum Housing Finance Limited

8th Annual Report 2022-23

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Centrum Housing Finance Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Centrum Housing Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, 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 on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "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 Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023, the profit and other comprehensive income, statement of changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements 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 matter described below to be the key audit matter to be communicated in our report.

The Key Audit Matter	How the matter was addressed in our audit
1. Impairment of loans and advances to customers (Refer to 'Note no. 3.6 – Accounting Policy on Impairment of financial assets' to the financial statements)	
Under Ind AS 109, Financial Instruments, allowance for loan losses are determined using expected credit loss (ECL) estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates. The critical areas where we identified greater levels of management judgement and therefore enhanced levels of audit focus in the Company's estimation of ECLs are:	Our key audit procedures included: **Design / controls** We performed end to end process walkthroughs to identify the key systems, applications and controls used in the ECL process. We tested the relevant manual (including spreadsheet controls), general IT and application controls over key systems used in the ECL process.

The Key Audit Matter	How the matter was addressed in our audit
• Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model. • Model estimations – Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach. • Economic scenarios – Ind AS 109 requires the Company to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them especially when considering uncertain economic environment. • Qualitative adjustments – Adjustments to the model-driven ECL results are recorded by management to address known impairment model limitations or emerging trends as well as risks not captured by models. These adjustments are inherently uncertain and significant management judgement is involved in estimating these amounts. The effect of these matters is that, as part of our risk assessment, we determined that the impairment of loans and advances to customers has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. The credit risk sections of the financial statements (refer note no. 41.1) disclose the sensitivities estimated by the Company. **Disclosures** The disclosures regarding the Company's application of Ind AS 109 are vital to explaining the key judgements and material inputs to the Ind AS 109 ECL results. Further, disclosures to be provided as per RBI circulars with regards to non-performing assets and provisions are an area of focus, particularly as they are related to an area of significant estimate.	Key aspects of our controls testing involved the following: • Testing the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs, data and assumptions into the Ind AS 109 impairment models. • Testing the 'Governance Framework' controls over validation, implementation and model monitoring in line with the RBI guidance. • Testing the design and operating effectiveness of the key controls over the application of the staging criteria. • Testing management's controls over authorisation and calculation of post model adjustments and management overlays. • Testing management's controls on compliance with Ind AS 109 disclosures related to ECL. • Testing key controls operating over information technology in relation to loan impairment management systems, including system access and system change management, program development and computer operations. We also performed the following important tests: • Evaluating the appropriateness of the Company's Ind AS 109 impairment methodologies and reasonableness of assumptions used (including management overlays). • For models which were changed or updated during the year, evaluating whether the changes were appropriate by assessing the updated model methodology. • The reasonableness of the Company's considerations of the impact due to uncertain economic environment on the ECL determination. **Test of details** Key aspects of our testing included: • Sample testing over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of economic forecasts, weights, and the model assumptions applied. • Test of details of post model adjustments, considering the size and complexity of management overlays, in order to assess the reasonableness of the adjustments by challenging key assumptions, inspecting the calculation methodology and tracing a sample of the data used back to source data. • Assessing disclosures - We assessed whether the disclosures appropriately disclose and address the uncertainty which exists when determining the ECL. As part of this activity, we assessed the sensitivity analysis that is disclosed. In addition, we assessed whether the disclosure of the key judgements and assumptions made was appropriately and sufficiently clear.

The Key Audit Matter	How the matter was addressed in our audit
2. Assessment of Purchase Price Allocation (PPA) on acquisition of business in accordance with Ind AS 103, Business Combination and the appropriateness of the carrying value of the acquired Net Assets and Goodwill as at the year end. (Refer to 'Note no. 42 – Disclosure on Business Transfer Agreement' to the Financial Statement)	
On February 28, 2023, the Company acquired the Housing Finance business of National Trust Housing Finance Limited pursuant to the Business Transfer Agreement (BTA) as described in the aforestated note. The Company determined the acquisition to be a Business Combination in accordance with the Ind AS 103 'Business Combination'. Ind AS 103 requires the identified assets and liabilities be recognised at fair value at the date of acquisition with the excess of the acquisition cost over the identified fair value of recognised assets and liabilities as goodwill. The Company appointed an independent professional valuer to perform valuation of assets for the purpose of allocation of the consolidated purchase price to the respective assets and liabilities acquired (hereinafter referred to as the 'purchase price allocation' or the 'PPA'). The Management determined that the fair values of the net identifiable assets acquired was Rs.13,118 lakhs as part of the PPA and accordingly, the consideration paid in excess of the net assets resulted in recognition of Goodwill of Rs. 382 lakhs. Significant assumptions and estimates are used as of the date of acquisition in the determination of the fair values of the identified assets acquired and liabilities assumed in the transaction. Accordingly, these are considered to be a key audit matter. The Management concluded that the recoverable amount is higher than their carrying values and that no impairment provision is required.	Our procedures included the following: - We understood from the Management, assessed the design and tested the operating effectiveness of the Company's key controls over the accounting of business combination and the impairment assessment. We have evaluated the competence, capabilities and objectivity of the Managements' expert engaged for the PPA, obtained an understanding of the work of the expert and evaluated the appropriateness of the expert's work as audit evidence. We have traced the value of the consideration transferred with reference to the BTA. We have carried out our evaluation to review the PPA and assess the reasonableness of the underlying key assumptions used in determining the fair value of assets and liabilities as at the acquisition date. We have verified the management's computation of goodwill. We have assessed the accuracy and appropriateness of the disclosures made in the financial statements. Based on our procedures performed above, we noted that the PPA of the consideration is in accordance with Ind AS 103 - 'Business Combinations' - and that the carrying value of the acquired Net Assets and Goodwill as at the year-end was appropriate.

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

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information obtained at the date of this auditor's report is the Director's report but does not include financial statements and our auditor's 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 statement or our knowledge obtained in the 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.

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Board of Directors and Management's responsibility for the financial statements

The Company's Board of Directors and Management are responsible for the matter stated in Section 134(5) of the Act with respect to preparation of these financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with Ind AS prescribed under section 133 of the Act 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and the Board of Directors are responsible for assessing the ability of the Company 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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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 the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rules made thereunder.

   e. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report given in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

   g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, 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; and

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h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of my information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at 31st March 2023 on its financial position in its financial statements - Refer note no. 65 to the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. Refer note no. 52 to the financial statements;

iv. (a) The management has represented that no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the Intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.

(b) The Management has represented that no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such company shall whether, 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 guarantee, security or the like on behalf of the Ultimate beneficiaries.

Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given by management under the above sub-clauses contain any material mis-statement.

v. As the Company has not declared/ paid any dividend in the current year, the provisions of Section 123 do not apply. Accordingly, we do not report on the matters specified in sub-clause (iii) of Rule 11 (e).

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from April 1, 2023, reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

For Chaturvedi & Co.
Chartered Accountants
(Firm Registration: 302137E)

CHATURVEDI & CO. FRN 302137E MUMBAI Chartered Accountants

Tushar Kandoi
Partner.
Membership No. 136229

UDIN: 23136229BGRLEO2904

Place: Mumbai
Date: May 05, 2023

Centrum Housing Finance Limited

Annexure - 'A' to the Independent Auditor's Report for the year ended March 31, 2023
[Referred to in para 1 of the heading 'Report on other legal and regulatory requirements' of our report]

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right of-use of assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified every year. In accordance with this programme, all the Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not have any immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, para 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment (Including Right-of use of assets) or intangible assets or both during the year. Hence, para 3(i)(d) of the Order is not applicable to the Company.

(e) In our opinion and according to the information and explanations given to us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) (a) The Company is in the business of providing financial services and does not have any inventory. Accordingly, clause 3(ii)(a) of the order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of five crore rupees at any point of time of the year in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, the requirement to report on para 3(ii)(b) of the Order is not applicable to the Company.

(iii)

(a) In our opinion and according to the information and explanations given to us, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties other than in the normal course of its business of providing housing finance to individuals. Accordingly, the requirement to report on para 3(iii)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, Company has not made any investments or provided any guarantees or security which is prejudicial to the interest of the Company. Accordingly, the requirement to report on para 3(iii)(b) of the Order is not applicable to the Company.

(c) In our opinion and according to the information and explanations given to us, the Company has given loans and advances in the nature of loans under its normal course of business as per the registration obtained with RBI and has issued schedule of repayment of principal and interest. Also, Company has disclosed the defaults in receipts of repayments of such loans. (Refer note no. 50.13 of the financial statements);

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(d) According to the information and explanations given to us and based on our verification, Company has amounts overdue for more than ninety days. Details of the same are given below.

(INR in Lakhs)

No. of Cases	Principal Amount Overdue	Interest Overdue	Total Overdue	Remarks (if any)
298	2,817.13	222.21	3,039.34	Refer note no. 50.13 of the financial statements

(e) In our opinion and according to the information and explanations given to us, Company has not given any loan or advance in the nature of loan granted which has fallen due during the year and has been renewed or extended or has granted fresh loans to settle the overdues of existing loans given to the same parties, other than as mandated by RBI/ NHB Regulations. Accordingly, the requirement to report on para 3(iii)(e) of the Order is not applicable to the Company.

(f) In our opinion and according to the information and explanations given to us, Company has not, granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013. Accordingly, the requirement to report on para 3(iii)(f) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not provided any loans, investments, guarantees, and security during the year under Section 185 and 186 of the Act. Thus paragraph 3(iv) of the Order is not applicable.

(v) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not accepted any deposits from the public during the year to which the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 of the Companies Act, 2013 or any other relevant provisions of the Act and the rules framed thereunder apply. Thus paragraph 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Act for any of the services rendered by the Company. Thus paragraph 3(vi) of the Order is not applicable.

(vii)

(a) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of amounts deducted / accrued in the books of account, the Company is regular in depositing undisputed statutory dues, including Provident Fund, Income Tax, Goods and Services Tax (GST), and other material statutory dues, as applicable to the Company, during the year with the appropriate authorities. There are no material undisputed statutory dues payable in respect of above statutes outstanding as at March 31, 2023 for a period of more than six months from the date they became payable.

(b) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no disputed dues that have not been deposited in respect of Income Tax, Service Tax, Provident Fund, GST and other material statutory dues as at March 31, 2023.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on para 3(viii) of the Order is not applicable to the Company.

(ix)

(a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not been declared willful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has raised monies by way of term loans during the year and has utilized the proceeds of the same for the purpose the loans were availed.

(d) According to the information and explanations given to us and based on the audit procedures performed by us, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on paragraph 3(ix)(e) and (f) of the Order are not applicable to the Company.

(x)

(a) According to the information and explanation given to us and based on the audit procedures performed by us, the Company has not raised monies by way debt instruments during the year. Also, the Company has not raised any money by way of initial public offer or further public offer.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Hence reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi)

(a) According to the information and explanation given to us and based on the audit procedures performed by us, we report that no fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act 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 up to the date of this report.

(c) According to the information and explanation given to us, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under paragraph (xii)(a), (b) and (c) of the Order is not applicable.

(xiii) According to the information and explanation given to us and based on the audit procedures performed by us, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements, as required by the applicable Indian Accounting Standards. (Refer to Note no. 40 to the financial statements)

(xiv)

(a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports for the year under audit.

(xv) According to the information and explanation given to us and based on the audit procedures performed by us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with them and hence provisions of section 192 of the Act are not applicable.

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(xvi)

(a) The Company has obtained registration under Section 29A of the National Housing Bank ("NHB") Act, 1987.

(b) According to the information and explanation given to us and based on the audit procedures performed by us, the Company has not conducted any Housing Finance activities without a valid Certificate of Registration (COR) from the NHB as per the NHB Act, 1987. Hence reporting under paragraph 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence reporting under paragraph 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, none of the group companies are CIC and hence reporting under paragraph 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on paragraph 3(xviii) of the Order is not applicable.

(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, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report of the Company's capability 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) In respect of other than ongoing projects in connection with Corporate Social Responsibility (CSR) obligations, there are no unspent amounts that are required to be transferred to a fund as specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note no. 33.2 to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note no. 33.2 to the financial statements.

(xxi) The preparation of consolidated financial statements is not applicable to the Company. Hence reporting under paragraph (xxi) of the Order is not applicable to the Company.

For Chaturvedi & Co.
Chartered Accountants
(Firm Registration: 302137E)

Tushar Kandoi
Partner.
Membership No. 136229

UDIN: 23136229BGRLEO2904

Place: Mumbai
Date: May 05, 2023

Annexure B to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")
[Referred to in para 2(f) of the heading 'Report on other legal and regulatory requirements' of our report]

Opinion

We have audited the internal financial controls over financial reporting of Centrum Housing Finance Limited ('the Company') as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year then ended.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting 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").

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

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Chaturvedi & Co.
Chartered Accountants
(Firm Registration: 302137E)

Tushar Kandoi
Partner.
Membership No. 136229

UDIN: 23136229BGRLEO2904

Place: Mumbai
Date: May 05, 2023

Balance sheet as at March 31, 2023

(₹ in lakh)

	Particulars	Note No.	As at	
			31-Mar-23	31-Mar-22
			(Audited)	(Audited)
	ASSETS			
(1)	**Financial assets**			
(a)	Cash and cash equivalents	5	3,773.58	1,193.32
(b)	Bank balance other than (a) above	6	2,538.65	6,809.67
(c)	Loans	7	1,11,730.00	56,592.31
(d)	Investments	8	542.78	2,894.89
(e)	Other financial assets	9	972.26	667.15
(2)	**Non-financial assets**			
(a)	Current tax assets (Net)	10	219.15	121.04
(b)	Goodwill		382.25	-
(c)	Deferred tax assets (Net)	11	-	307.83
(d)	Property, plant and equipment	13	371.88	209.57
(e)	Right of use of assets	14	48.23	48.82
(f)	Other non-financial assets	12	544.37	433.39
(g)	Assets held for sale	12.2	851.62	318.5
	Total assets		**1,21,974.77**	**69,596.49**
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	**Financial liabilities**			
(a)	Payables			
	Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	15	183.7	35.64
(b)	Debt securities	16	3,500.00	3,500.00
(c)	Borrowings (other than debt securities)	17	67,900.33	21,292.27
(d)	Lease liabilities	21	48.57	53.63
(e)	Other financial liabilities	20	6,550.24	2,956.17
(2)	**Non-financial Liabilities**			
(a)	Deferred tax liabilities (net)	11	373.87	-
(b)	Other non-financial liabilities	23	133.21	44.89
(c)	Provisions	22	138.57	51.06
(3)	**Equity**			
(a)	Equity Share capital	25	26,686.84	26,686.84
(b)	Other Equity	25.1	16,459.44	14,975.97
	Total equity		**43,146.28**	**41,662.81**
	Total liabilities and equity		**1,21,974.77**	**69,596.49**

See accompanying notes forming part of the financial statement
As per our report of even date attached.

For Chaturvedi & Co.
Chartered Accountants
ICAI Firm Registration No. 302137E

Sd/-
Tushar Kandoi
Partner
Membership No 136229

Place : Mumbai
Date : May 05, 2023

For and on behalf of The Board of Centrum Housing Finance Limited

Sd/-
Sridar Venkatesan
Chairman
DIN 02241339

Sd/-
Sanjay Shukla
Managing Director & CEO
DIN 06577462

Sd/-
Mehul Jatania
Chief Financial Officer

Sd/-
Mayank Jain
Company Secretary
Membership No- A31435

Statement of Profit and Loss for the period ended March 31, 2023

(₹ in lakh)

	Particulars	Note No.	Year ended 31-Mar-23 (Audited)	Year ended 31-Mar-22 (Audited)
(1)	**Revenue from operations**			
(a)	Interest income	26	8,990.94	6,899.27
(b)	Fees income	27	203.25	99.91
(c)	Net gain on fair value changes	28	75.90	100.44
(d)	Gain on de-recognition of financial instruments under amortised cost category		-	0.23
	Total revenue from operations (a)+(b)+(c)+(d)		**9,270.09**	**7,099.85**
(2)	Other income	29	206.04	122.42
(3)	**Total income (3) = (1) + (2)**		**9,476.13**	**7,222.27**
(4)	**Expenses**			
(a)	Finance costs	30	3,376.32	2,054.11
(b)	Impairment on financial instruments	31	(110.54)	268.56
(c)	Employee benefits expenses	32	2,457.10	1,456.30
(d)	Depreciation, amortisation and impairment		168.15	119.76
(e)	Others expenses	33	2,348.62	1,500.21
	Total expenses (a)+(b)+(c)+(d)+(e)		**8,239.65**	**5,398.94**
(5)	**Profit before exceptional Items and tax (3) - (4)**		**1,236.48**	**1,823.33**
(6)	Exceptional Items		**-**	**-**
(7)	**Profit before tax (5)-(6)**		**1,236.48**	**1,823.33**
(8)	**Income tax expense:**			
(a)	- Current tax		193.08	450.86
(b)	- Tax expense for earlier years		-	(2.12)
(c)	- Deferred tax		(149.60)	(78.91)
	Total tax expense (a)+(b)		**43.48**	**369.83**
(9)	**Profit after tax (7) - (8)**		**1,193.00**	**1,453.50**
(10)	**Other comprehensive income**			
(a)	Items that will not be reclassified to profit or loss			
	- Re-measurements gain/(loss) on defined benefit Plans		(1.57)	(14.37)
	- Income tax relating to these items		0.40	3.62
(b)	Items that will be reclassified to profit or loss		-	-
	Other comprehensive income (a)+(b)		**(1.17)**	**(10.75)**
(11)	**Total comprehensive income (9) + (10)**		**1,191.83**	**1,442.75**
(12)	**Earnings per equity share (Face value Rs 10 each)**			
	- Basic (Rs.)		0.447	0.545
	- Diluted (Rs.)		0.431	0.526

As per our report of even date attached.

For Chaturvedi & Co.
Chartered Accountants
ICAI Firm Registration No. 302137E

Sd/-
Tushar Kandoi
Partner
Membership No 136229

Place : Mumbai
Date : May 05, 2023

For and on behalf of The Board of Centrum Housing Finance Limited

Sd/-
Sridar Venkatesan
Chairman
DIN 02241339

Sd/-
Sanjay Shukla
Managing Director & CEO
DIN 06577462

Sd/-
Mehul Jatania
Chief Financial Officer

Sd/-
Mayank Jain
Company Secretary
Membership No- A31435

Statement of cash flow for the period ended March 31, 2023

(₹ in lakh)

Particulars	Year ended 31-Mar-23 (Audited)	Year ended 31-Mar-22 (Audited)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	1,236.47	1,823.33
Adjustments for :		
Depreciation and amortisation	168.15	119.76
Loss/(profit) on sale of investments	(78.46)	(51.26)
Net gain on fair value changes	2.56	(49.18)
Impairment on financials instruments	632.04	268.56
Employee stock option scheme	223.98	132.18
	948.27	**420.06**
Adjustments for :		
(Increase) / Decrease in financial asset	(21,832.53)	(3,742.62)
(Increase) / Decrease in Other financial asset	(237.63)	(449.26)
(Increase) / Decrease in Assets held for sale	(533.12)	(318.50)
(Increase) / Decrease in Non-financial asset	(30.37)	(93.48)
Increase in Trade payables	148.06	(2.52)
Increase /(Decrease) in Other financial liabilities	3,210.72	1,639.94
Increase / (Decrease) in Provisions	85.94	(5.68)
Increase /(Decrease) in Non-financial liabilities	88.32	(9.19)
Cash used in operations	(19,100.61)	(2,981.30)
Taxes paid (net of refunds)	(291.19)	(596.38)
Net Cash Used In Operating Activities (A)	**(17,207.06)**	**(1,334.30)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment (Including capital work in progress and capital advance)	(312.31)	(61.59)
Purchase of mutual fund units	-	(6,850.00)
Purchase payment of business combination	(12,625.00)	-
Sale proceeds from mutual fund units	2,428.01	5,088.10
Net Cash Used In Investing Activities (B)	**(10,509.30)**	**(1,823.49)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Lease payments	(87.49)	(72.53)
Proceeds from Borrowings	40,299.99	10,500.00
Repayment of Borrowings	(11,370.56)	(11,115.48)
Net Cash Generated From Financing Activities (C)	**28,841.94**	**(688.01)**
Cash acquired through business combination (D)	**1,454.68**	**-**
Net Increase / (Decrease) In Cash And Cash Equivalents (A+B+C+D)	2,580.26	(3,845.80)
Cash And Cash Equivalents As At The Beginning Of The Year	1,193.32	5,039.12
Cash And Cash Equivalents As At The End Of The Year	**3,773.58**	**1,193.32**

As per our report of even date attached.

For and on behalf of The Board of Centrum Housing Finance Limited

For Chaturvedi & Co.
Chartered Accountants
ICAI Firm Registration No. 302137E

Sd/-
Tushar Kandoi
Partner
Membership No 136229

Sd/-
Sridar Venkatesan
Chairman
DIN 02241339

Sd/-
Sanjay Shukla
Managing Director & CEO
DIN 06577462

Place : Mumbai
Date : May 05, 2023

Sd/-
Mehul Jatania
Chief Financial Officer

Sd/-
Mayank Jain
Company Secretary
Membership No- A31435

Statement of changes in equity

(a) Equity' Share Capital (₹ in lakh)

Particulars	**Outstanding as on March 31, 2021**	**Issued during the year**	**Outstanding as on March 31, 2022**	**Issued during the year**	**Outstanding as on March 31, 2023**
Issued, Subscribed and paid up (Equity shares of Rs. 10 each)	26,686.84	-	26,686.84	-	26,686.84
Total	26,686.84	-	26,686.84	-	26,686.84

(b) Other equity (₹ in lakh)

Particulars	**Reserves and surplus**				**Employee stock option reserve**	**Deemed Capital Contribution**	**Total other equity**
	Statutory reserve created under section 29C of the National Housing Bank Act, 1987	**Special Reserve Created under of Section 36(1)(viii) of the Income Tax Act, 1961 read with Section 29C of National Housing Bank Act, 1987**	**Security Premium**	**Retained Earnings**			
As at March 31, 2021	29.32	279.10	11,827.63	956.78	211.73	75.34	13,379.90
Profit for the year	-	-	-	1,453.50	-	-	1,453.50
Employee Stock Option	-	-	-	-	132.18	-	132.18
Financial Guarantee	-	-	-	-	-	21.14	21.14
Other comprehensive income	-	-	-	(10.75)	-	-	(10.75)
Total comprehensive income for the year	**-**	**-**	**-**	**1,442.75**	**132.18**	**21.14**	**1,596.08**
Transfer to Statutory Reserve	10.61	-	-	(10.61)	-	-	-
Transfer to Special Reserve	-	280.09	-	(280.09)	-	-	-
As at March 31,2022	**39.93**	**559.19**	**11,827.63**	**2,108.83**	**343.91**	**96.48**	**14,975.97**
Profit for the year	-	-	-	1,192.99	-	-	1,192.99

Employee Stock Option	-	-	-	-	223.99	-	223.99
Financial Guarantee	-	-	-	-	-	67.67	67.67
Other comprehensive income	-	-	-	(1.18)	-	-	(1.18)
Issue of equity instrument	-	-	-	-	-	-	-
Less-Share issue expenses	-	-	-	-	-	-	-
Total comprehensive income for the period	**-**	**-**	**-**	**1,191.81**	**223.99**	**67.67**	**1,483.47**
Transfer to Statutory Reserve	10.00	-	-	(10.00)	-	-	-
Transfer to Special Reserve	-	228.60	-	(228.60)	-	-	-
As at March 31, 2023	**49.93**	**787.79**	**11,827.63**	**3,062.04**	**567.90**	**164.15**	**16,459.44**

See accompanying notes forming part of the financial statement

Note: There are no prior period changes that effect in share capital

As per our report of even date attached.

For Chaturvedi & Co.
Chartered Accountants
ICAI Firm Registration No.
302137E

Sd/-
Tushar Kandoi
Partner
Membership No 136229

Place : Mumbai
Date : May 05, 2023

For and on behalf of The Board of Centrum Housing Finance Limited

Sd/-
Sridar Venkatesan
Chairman
DIN 02241339

Sd/-
Sanjay Shukla
Managing Director & CEO
DIN 6577462

Sd/-
Mehul Jatania
Chief Financial Officer

Sd/-
Mayank Jain
Company Secretary
Membership
No- A31435

1. Corporate Information:

Centrum Housing Finance Limited ("the Company") was incorporated on March 03, 2016 under the provisions of Companies Act 2013. The Company has received certificate of registration, under Section 29A of the National Housing Bank (NHB) Act, 1987 from the NHB on November 10, 2016 to carry on the business of a housing finance institution without accepting public deposits. The Company is a subsidiary of Centrum Capital Limited.

The main objects of the Company, inter alia, are to carry on the business of making loans and advances, providing financial and consultancy services to manage, invest in, acquire, and hold, sale, buy, or otherwise to deal in houses, apartments, flats, real estate and building of all descriptions.

2. Basis of preparation:

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 (the "Act").

These financial statements have been prepared on a historical cost basis, except for certain financial instruments which have been measured at fair value at the end of each reporting period as explained in the accounting policies below. The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest rupee except when otherwise indicated.

The financial statements are prepared and presented on going concern basis and the relevant provisions of the Act and the guidelines and directives issued by the Reserve Bank of India (RBI) and National Housing Bank ("NHB") to the extent applicable.

2.1 Presentation of financial statements:

The Company presents its balance sheet in order of liquidity in compliance with Division III of the Schedule III to the Act. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in 'Note No. 38 Maturity Analysis of assets and liabilities"

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and or its counterparties

3. Significant accounting policies:

3.1 Recognition of Interest income and Fees income:

3.1.1 Effective Interest Rate (EIR):

Under Ind AS 109 interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument or, when appropriate a shorter period to the net carrying amount of financial instrument.

The EIR is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle including prepayments penalty interest and charges.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income.

3.1.2 Interest Income:

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the EIR to the amortised cost (net of expected credit loss) of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Default Interest income on delayed EMI / pre EMI is recognised on receipt basis.

3.1.3 Fees Income:

Fees income, i.e., login fee, pre-payment / other charges etc. (other than for those items to which Ind AS 109 - Financial Instruments are applicable) is measured at fair value of the consideration received or receivable when the Company satisfies the performance obligation.

3.2 Financial Instruments:

3.2.1 Date of recognition:

Financial assets and liabilities with exception of loans and borrowings are initially recognized on the trade date, i.e., the date the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Loans are recognised when funds are transferred to the customers' account or cheques are issued to the customer. The Company recognises borrowings when funds are available for utilisation to the Company.

3.2.2 **Initial measurement of financial instruments:**

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit and loss account.

3.2.3 **Classification and Measurement categories of financial assets and liabilities:**

The Company classifies all of its financial assets based on the business model for managing the assets and the assets' contractual terms, measured at either:

- Amortised cost
- Fair value through other comprehensive income (FVOCI)
- Fair value through profit or loss (FVTPL)

The Company measures debt financial assets that meet the following conditions at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at FVOCI (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the financial asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at FVTPL.

Financial assets carried at amortised cost (AC):

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The changes in carrying value of financial assets are recognised in profit and loss account.

Financial assets at fair value through other comprehensive income (FVTOCI):

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The changes in fair value of financial assets are recognised in Other Comprehensive Income.

Financial assets at fair value through profit or loss (FVTPL):

A financial asset which is not classified in any of the above categories is measured at FVTPL. The Company measures all financial assets classified as FVTPL at fair value at each reporting date. The changes in fair value of financial assets are recognised in profit and loss account.

3.3 **Financial Assets and Liabilities:**

3.3.1 **Financial assets held for trading:**

The Company classifies financial assets as held for trading when they have been purchased primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which their evidence of a recent pattern of short-term profit is taking. Held-for-trading assets are recorded and measured in the balance sheet at fair value. Changes in fair value are recoganised in net gain on fair value changes.

3.3.2 **Debt securities and other borrowed funds:**

The Company measures debt issued and other borrowed funds at Amortised cost at each reporting date. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR.

3.3.3 **Financial Guarantee:**

Financial guarantees are contract that requires the Company to make specified payments to reimburse to holder for loss that it incurs because a specified debtor fails to make payment when it is due in accordance with the terms of a debt instrument.

Financial guarantee issued or commitments to provide a loan at below market interest rate are initially measured at fair value and the initial fair value is amortised over the life of the guarantee or the commitment. Subsequently they are measured at higher of this amortised amount and the amount of loss allowance.

3.3.4 **Loan Commitments:**

Undrawn loan commitments are commitments under which, the Company is required to provide a loan with pre-specified terms to the customer over the duration of the commitment. Undrawn loan commitments (Loan sanctioned and partially disbursed) are in the scope of the ECL requirements.

3.4 **Reclassification of Financial assets and liabilities:**

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. The Company didn't reclassify any of its financial assets or liabilities in current year and previous year.

3.5 **Derecognition of financial instruments:**

3.5.1 **Derecognition of financial asset:**

A financial asset (or, where applicable a part of a financial asset or a part of a group of similar financial assets) is derecognised when the rights to receive contractual cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either

- the Company has transferred the rights to receive cash flows from the financial asset; or
- it retains the contractual rights to receive the cash flows of the financial asset, but assumed a contractual obligation to pay the cash flows in full without material delay to third party.

A transfer only qualifies for derecognition if either:

- the Company has transferred substantially all the risks and rewards of the asset; or

- the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

The Company also derecognises a financial asset, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new financial asset, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

3.5.2 **Derecognition of financial liabilities:**

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where 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 a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid, including modified contractual cash flow recognised as new financial liability, is recognised in the statement of profit and loss.

3.6 Impairment of financial assets:

The Company records provisions based on expected credit loss model ("ECL") on all loans, other financial assets not measured at FVTPL together with undrawn loan commitment and financial guarantee contracts, in this section all referred to as "Financial instrument". Equity instruments are not subject to impairment.

ECL is a probability-weighted estimate of credit losses. A credit loss is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive discounted at the original EIR. Because ECL considers the amount and timing of payments, a credit loss arises even if the entity expects to be paid in full but later than when contractually due.

Simplified Approach:

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its receivables. The provision matrix is based on its historically observed default rates over the expected life of receivables.

General Approach:

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk (SICR) since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses (12m ECL). The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of an evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12m ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The measurement of expected credit losses is a function of the probability of default (PD), loss given default (LGD) (i.e., the magnitude of the loss if there is a default), and the exposure at default (EAD). The assessment of the probability of default (PD) and loss given default (LGD) is based on historical data adjusted by forward-looking information. As for the EAD, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the customers, and other relevant forward-looking information.

The Company categories its financial assets as follows:

Stage 1:

Stage 1 assets include financial instruments that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date. For these assets, 12-month ECL allowances are recognised.

Stage 2:

Stage 2 assets include financial instruments that have had a significant increase in credit risk since initial recognition. For these assets lifetime ECL allowances are recognised.

Stage 3:

Stage 3 assets are considered credit-impaired and the Company recognises the lifetime ECL allowances for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100% & 80% depending on risk.

The Company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

The ECL on the loan commitment are recognised together with the loss allowance for the financial asset.

3.7 **Collateral Valuation:**

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the Company's balance sheet. However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re- assessed on a periodic basis.

To the extent possible, the Company uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market value are valued using models.

3.8 **Collateral Repossession/Asset Held for sale:**

To mitigate the credit risk on financial assets, the Company seeks to use collateral, where possible as per the powers conferred on the HFC under SARFAESI act. In its normal course of business, the Company does not physically repossess properties or other assets in its retail portfolio, but generally initiates action to recover the funds at auctions to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, the residential properties under legal repossession processes are not recorded on the balance sheet and are treated as assets held for sale at (i) fair value or (ii) principal outstanding, whichever is less, at the repossession date

3.9 **Write-Offs:**

Financial assets are written off either partially or in their entirety only when the Company has no reasonable expectation of recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to Statement of profit and loss account. The Company has a Board approved Recovery policy having write-off policy and one time settlements of loan.

3.10 **Determination of Fair Value:**

The Company measures financial instruments at fair value at each reporting 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 when 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 points are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments:

Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments:

Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available.

Level 3 financial instruments:

Those that include one or more unobservable inputs that are significant to the measurement as whole.

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 categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company periodically reviews its valuation techniques including the adopted methodologies and model calibrations.

Therefore, the Company applies various techniques to estimate the credit risk associated with its financial instruments measured at fair value, which include a portfolio-based approach that estimates the expected net exposure per counterparty over the full lifetime of the individual assets, in order to reflect the credit risk of the individual counterparties for non-collateralised financial instruments.

The Company evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments when necessary based on the facts at the end of the reporting period.

3.11 **Leases:**

The Company as a lessee:

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 a right-of-use asset ("ROU") 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 include 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.

The lease liability is initially measured at amortized 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 of whether it will exercise 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 Company as a lessor:

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

3.12 **Earnings per Share:**

Basic earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding for the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

3.13 **Retirement and other employee benefits:**

3.13.1 **Provident fund and national pension scheme:**

The Company contributes to a recognised provident fund and national pension scheme which is a defined contribution scheme. The contributions are accounted for on an accrual basis and recognised in the statement of profit and loss.

3.13.2 **Gratuity:**

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted. The present value of the obligation under such benefit plan is determined based on independent actuarial valuation using the Projected Unit Credit Method.

Re-measurement, 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.

Re-measurements are not reclassified to profit or loss in subsequent periods.

3.13.3 **Compensated Absences:**

The eligible employees of the Company are permitted to carry forward certain number of their annual leave entitlement to subsequent years, subject to a ceiling. The Company recognises the charge in the statement of profit and loss and corresponding liability on such non-vesting accumulated leave entitlement based on a valuation by an independent actuary. The cost of providing annual leave benefits is determined using the projected unit credit method.

3.13.4 **Share-based payment arrangements:**

Equity-settled share-based payments to employees that are granted by the Company are measured by reference to the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

3.14 **Property, plant and equipment:**

Property plant and equipment is stated at cost, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent costs incurred on an item of property, plant and equipment is recognised in the carrying amount thereof when those costs meet the recognition criteria as mentioned above. Repairs and maintenance are recognised in profit or loss as incurred.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives. Depreciation is provided on a straight line method basis from the date the asset is ready for its intended use or put to use whichever is earlier. In respect of assets sold, depreciation is provided up to the date of disposal.

As per the requirement of Schedule II of the Companies Act, 2013, the Company has evaluated the useful lives of the respective fixed assets which are as per the provisions of Part C of the Schedule II for calculating the depreciation. The estimated useful lives of the fixed assets are as follows:

Nature of assets	Estimated useful lives
Furniture and fixtures	10 years
Vehicles	8 years
Office Equipment	5 years
Computers - Servers and networks	6 years
Computers - End user devices, such as desktops, laptops, etc.	3 years

Leasehold improvements are amortised on a straight-line basis over the estimated useful lives of the assets or the period of lease whichever is earlier.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The carrying amount of those components which have been separately recognised as assets is derecognised at the time of replacement thereof. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss account.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.15 **Intangible Assets:**

Intangible assets are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

Intangibles such as software are amortised over a period of 3 years based on its estimated useful life.

3.16 **Impairment of non-financial assets:**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.

3.17 **Provisions and other contingent liabilities:**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessment of the time value of money and, where appropriate, the risk specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

3.18 **Cash and cash equivalents:**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

3.19 **Income tax expenses:**

Income tax expense represents the sum of the tax currently payable and deferred tax.

3.19.1 **Current tax:**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3.19.2 **Deferred tax:**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.19.3 **Current and Deferred tax for the year:**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

4. **Significant accounting judgements, estimates and assumptions:**

The preparation of these financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. 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 standalone financial statements are included are given below:

4.1 **Business model assessment:**

The Company determines the business model at a level that reflects how the 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 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.

4.2 **Significant increase in credit risk:**

ECL is measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. Ind AS 109 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

4.3 **Key sources of estimation uncertainty:**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, as described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

4.4 **Fair value of financial instruments:**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions based on market conditions existing at the end of each reporting period. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk, funding value adjustments, correlation and volatility.

4.5 **Use of estimates:**

Allocation of purchase consideration over the fair value of assets and liabilities acquired in a business combination - Refer Note 42

Assets and liabilities acquired pursuant to business combination are stated at the fair values determined as of the date of acquisition. The carrying values of assets acquired are determined based on estimate of a valuation carried out by an independent expert appointed by the Company. The values have been assessed based on the technical estimates of useful lives of tangible assets. Other assets and liabilities were recorded at values these were expected to be realized or settled respectively.

4.6 **Business combinations:**

The acquisition method of accounting is used to account for all business combinations related to acquisitions, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition is measured at

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

4.7 **Effective Interest Rate (EIR) Method:**

The Company's EIR methodology, as explained in Note 3.1.1, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the contractual life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle including prepayments and penalty interest and charges.

This estimation, by nature requires an element of judgement regarding the expected behavior and life cycle of the instrument, as well expected changes India's base rate and other fee income, expenses that are integral part of the instrument

4.8 **Impairment of Financial assets:**

The impairment provisions for the financial assets are based on assumptions about estimation of the amount and timing of future cash flows, collateral values, assessment of a significant increase in credit risk, probability of default (PD) and Loss given default (LGD) rates. The Company uses judgements in making these assumptions and selecting the inputs for impairment calculations based on its past history, existing market conditions and forward *loo*king estimates at the end of each period.

The Company's expected credit loss (ECL) calculations are output of model with number of underlying assumptions regarding choice of variable inputs and their interdependencies Elements of the ECL model that are considered accounting judgements and estimates include:

- The Company's internal credit grading model, which assigns PDs to the individual grades based on ageing.

- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a Life Time ECL basis and the qualitative assessment.

- Development of ECL models, including the various formulas and the choice of inputs, determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs.

- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

It is the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

4.9 **Impairment of Non-Financial assets:**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indications exist, the Company estimates the asset's recoverable amount. An asset's recoverable amount is higher of an asset's fair value less cost of disposal and its value in use. Where the carrying amount exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

4.10 **Provisions 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 regulatory investigations and proceedings in the ordinary course of its 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.

4.11 **Provisions for Income Taxes:**

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectation of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

4.12 **Standards issued but not effective:**

There are no standards that are issued but not yet effective on March 31, 2023

5. **Cash and cash equivalents**

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	68.77	32.18
Balances with banks:		
In current accounts	2,104.49	509.12
In deposit accounts with original maturity less than 3 months (including interest accrued)	1,600.32	652.02
Total	**3,773.58**	**1,193.32**

6. **Bank balance other than cash and cash equivalents**

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks:		
In deposit accounts		
Fixed deposits with Banks (including interest accrued)*	2,538.65	6,809.67
Total	**2,538.65**	**6,809.67**

***** This includes fixed deposit amounting Rs. 1,200.00 lakh towards bank guarantee given to National Housing Bank for the refinance facility availed.

7. **Loans**

(₹ in lakh)

Particulars	As at March 31, 2023						As at March 31, 2022					
	Amortised cost	At Fair Value					Amortised cost	At Fair Value				
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Sub-total	Total		Through Other Compreh ensive Income	Through profit or loss	Designated at fair value through profit or loss	Sub-total	Total
At amortised cost Term loans (secured)												
Housing Loans	84,258.12	-	-	-	-	84,258.12	46,277.51	-	-	-	-	46,277.51
Non Housing Loans	29,063.82	-	-	-	-	29,063.82	11,274.70	-	-	-	-	11,274.70
Total (A) – Gross	1,13,321.94	-	-	-	-	1,13,321.94	57,552.21	-	-	-	-	57,552.21
(Less): Impairment loss allowance (expected credit loss)	(1,591.94)	-	-	-	-	(1,591.94)	(959.90)	-	-	-	-	(959.90)
Total (A) – Net	1,11,730.00	-	-	-	-	1,11,730.00	56,592.31	-	-	-	-	56,592.31
Secured by property, plant and equipments	1,13,321.94	-	-	-	-	1,13,321.94	57,552.21	-	-	-	-	57,552.21
Secured by intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
Covered by bank/government guarantees	-	-	-	-	-	-	-	-	-	-	-	-

Particulars	As at March 31, 2023						As at March 31, 2022					
		At Fair Value						At Fair Value				
	Amortised cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Sub-total	Total	Amortised cost	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Sub-total	Total
Unsecured	-	-	-	-	-	-	-	-	-	-	-	-
Total (B) – Gross	1,13,321.94	-	-	-	-	1,13,321.94	57,552.21	-	-	-	-	57,552.21
(Less): Impairment loss allowance	(1,591.94)	-	-	-	-	(1,591.94)	(959.90)	-	-	-	-	(959.90)
Total (B) – Net	1,11,730.00	-	-	-	-	1,11,730.00	56,592.31	-	-	-	-	56,592.31
(I) Loans in India					-						-	-
- Public sector		-	-	-	-		-	-	-	-	-	-
- Others	1,13,321.94	-	-	-	-	1,13,321.94	57,552.21	-	-	-	-	57,552.21
Total (C) (I) – Gross	1,13,321.94	-	-	-	-	1,13,321.94	57,552.21	-	-	-	-	57,552.21
(Less): Impairment loss allowance	(1,591.94)	-	-	-	-	(1,591.94)	(959.90)	-	-	-	-	(959.90)
Total (C) (I) – Net	1,11,730.00	-	-	-	-	1,11,730.00	56,592.31	-	-	-	-	56,592.31
(II) Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-
(Less): Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) (II) – Net	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) (I) and (II)	1,11,730.00	-	-	-	-	1,11,730.00	56,592.31	-	-	-	-	56,592.31

Note- No loans or advances in the nature of loans are outstanding to promoters, directors, key managerial personnel (KMPs) and related parties (as defined under Companies Act,2013) either severally or jointly with any other person.

7.1 The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system and policies on whether ECL allowances are calculated on an individual or collective basis are disclosed in table 7.2

(₹ in lakh)

Particulars	As at March 31, 2023			Total
	Stage 1	Stage 2	Stage 3	
Gross carrying amount as at April 1, 2022	**53,864.32**	**2,640.42**	**1,549.54**	**58,054.28**
New assets originated or purchased	(9,551.58)	(1,075.83)	55.68	(10,571.73)
Assets derecognised or repaid	61,988.14	3,174.51	2,091.83	67,254.48
Transfers from stage 1	(1,396.97)	928.16	468.81	-
Transfers from stage 2	1,110.87	(1,637.84)	526.97	-
Transfers from stage 3	104.92	17.73	(122.65	-
Amounts written off	(54.3)	(9.27)	(657.71)	(721.28)
Gross carrying amount as at March 31, 2023	**1,06,246.58**	**4,729.83**	**3,039.34**	**1,14,015.75**

*Includes stage wise closing value of loans acquired through Business Combination and Direct Assignment. For details refer Note - 42 and Note - 48 respectively

(₹ in lakh)

Particulars	As at March 31, 2022			Total
	Stage 1	Stage 2	Stage 3	
Gross carrying amount as at April 1, 2021	**41,445.58**	**5,182.01**	**1,394.98**	**48,022.57**
New assets originated or purchased	(7,214.45)	(2,578.37)	204.60	(9,588.22)
Assets derecognised or repaid	19,633.19	36.78	1.70	19,671.67
Transfers from stage 1	(1,431.45)	1,169.87	261.58	-
Transfers from stage 2	2,525.05	(3,014.68)	489.63	-
Transfers from stage 3	83.88	97.63	(181.51)	-
Amounts written off	-	-	(51.74)	(51.74)
Gross carrying amount as at March 31, 2022	**53,864.32**	**2,640.42**	**1,549.54**	**58,054.28**

7.2 The table below shows the ECL charges on financial instruments for the year recorded in the profit and loss based on evaluation stage:

(₹ in lakh)

Particulars	As at March 31, 2023			Total
	Stage 1	Stage 2	Stage 3	
ECL allowance as at April 01, 2022	**293.7**	**70.51**	**595.69**	**959.9**
New assets originated or purchased	(358.77)	59.01	53.97	(245.79)
Assets derecognised or repaid	560.09	115.83	923.19	1599.11
Transfers from stage 1	(175.22)	71.04	104.18	-
Transfers from stage 2	7.8	(138.52)	130.72	-
Transfers from stage 3	(37.82)	(5.49)	43.31	-
Amounts written off	(54.3)	(9.27)	(657.71)	(721.28)
ECL allowance as at March 31, 2023	**440.72**	**236.08**	**915.14**	**1,591.94**

(₹ in lakh)

Particulars	As at March 31, 2022			Total
	Stage 1	Stage 2	Stage 3	
ECL allowance as at April 01, 2021	**218.65**	**111.41**	**413.02**	**743.08**
New assets originated or purchased	10.58	(41.50)	218.88	187.96
Assets derecognised or repaid	64.47	0.60	-	65.07
Transfers from stage 1	(96.51)	28.68	67.83	-
Transfers from stage 2	46.89	(177.03)	130.14	-
Transfers from stage 3	0.27	2.97	(3.24	-
Amounts written off	-	-	(36.21)	(36.21)
ECL allowance as at March 31, 2022	**293.70**	**70.51**	**595.69**	**959.90**

8. **Investment** (₹ in lakh)

Particulars	**As at March 31, 2023**						**As at March 31, 2022**					
		At Fair Value						**At Fair Value**				
	Amortised cost	**Through Other Comprehensive Income**	**Through profit or loss**	**Designated at fair value through profit or loss**	**Sub-total**	**Total**	**Amortised cost**	**Through Other Comprehensive Income**	**Through profit or loss**	**Designated at fair value through profit or loss**	**Sub- total**	**Total**
Investment in ICICI Mutual fund	-	-	-	-	-	-	-		18.09	-	18.09	18.09
Investment in SBI Mutual fund	-	-	-	-	-	-	-			-	-	-
Investment in Aditya Birla Sun Life Mutual Fund	-	-	-	-	-	-	-		626.12	-	626.12	626.12
Investment in HDFC Mutual fund	-	-	-	-	-	-	-		1,440.49	-	1,440.49	1,440.49
Investment in UTI Mutual Fund	-	-	542.78		542.78	542.78	-		810.19	-	810.19	810.19
Total (A) – Gross	**-**	**-**	**542.78**	**-**	**542.78**	**542.78**	**-**	**-**	**2,894.89**	**-**	**2,894.89**	**2,894.89**
Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-
Investments in India	-	-	542.78	-	542.78	542.78	-	-	2,894.89	-	2,894.89	2,894.89
Total (B) – Gross	**-**	**-**	**542.78**	**-**	**542.78**	**542.78**	**-**	**-**	**2,894.89**	**-**	**2,894.89**	**2,894.89**
(Less): Impairment loss allowance (expected credit loss) (C)	-	-	-	-	-	-	-	-	-	-	-	-
Total - Net (D) = (A) - (C)	**-**	**-**	**542.78**	**-**	**542.78**	**542.78**	**-**	**-**	**2,894.89**	**-**	**2,894.89**	**2,894.89**

9. **Other financial assets**

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits	271.26	164.85
EIS receivable	-	0.23
Interest accrued but not due on loans	693.81	502.07
Others	7.19	-
Total	**972.26**	**667.15**

10. **Current tax assets (net)**

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance tax (Net of Provision)	219.15	121.04
Total	**219.15**	**121.04**

11. **Deferred tax (net)**

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax liabilities		
Depreciation on PPE	(9.73)	7.56
Unamortised Loan origination cost- EIR on lending	58.46	63.48
Fair value of investments	19.92	20.57
Fair Value of loans	831.69	-
Total deferred tax liabilities (A)	**900.34**	**91.61**
Deferred tax assets		
Provision for employee benefits	34.48	9.23
Expected credit loss	212.04	250.49
Fair valuation of financial instruments - Net	0.02	0.02
Lease	0.08	1.21
Unamortised Processing Fees- EIR on lending	279.86	138.48
Total deferred tax assets (B)	**526.48**	**399.44**
Opening DTL/(DTA)	**(307.83)**	**(225.30)**
Fair Value of loans	831.69	-
Closing DTL/(DTA)	**(373.86)**	**(307.83)**
Charged to PL	**150.00**	**82.53**

12. Other non-financial assets

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Unamortised expenses: Loan acquisition cost	62.48	59.14
Prepaid expenses	23.74	9.10
Other Advance (Refer note- 12.1)	109.43	113.29
Balance with Government Authorities	339.51	249.28
Insurance advance	9.22	2.59
Assets held for sale (Refer note- 12.2)	851.62	318.50
Total	**1,396.00**	**751.90**

12.1 Other advance

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Receivables considered good - Secured	-	-
Receivables considered good - Unsecured	109.43	113.29
Receivables which have significant increase in Credit Risk	-	-
Receivables - credit impaired	-	-
Total	**109.43**	**113.29**

As at March 31, 2023	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
Other Advance	17.67	28.47	63.29 *	-	-	109.43

* includes other advance acquired through Business Combination. For details, refer note 42

As at March 31, 2022	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
Other Advance	113.29	-	-	-	-	113.29

12.2 Assets held for sale

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Gross amount	896.44	353.89
Less: Impairment loss allowance (unrealized)	44.82	35.39
Net amount	**851.62**	**318.50**

13. **Property, plant and equipment**

(₹ in lakh)

Particulars	Office Equipment	Computer	Furniture & Fixtures	Vehicles	Total
Gross carrying amount					
Gross carrying amount as at April 01, 2021	3.27	90.60	90.68	134.57	319.13
Additions	3.09	27.46	28.45	10.53	69.53
Disposals and transfers	-	-	-	-	-
Gross carrying amount as at March 31, 2022	**6.36**	**118.06**	**119.13**	**145.10**	**388.66**
Accumulated depreciation as at April 01, 2021	1.26	60.51	39.12	39.19	140.07
Depreciation charged	1.12	14.95	6.03	16.92	39.02
Disposals and transfers	-	-	-	-	-
Accumulated depreciation as at March 31, 2022	**2.38**	**75.45**	**45.15**	**56.11**	**179.09**
Net carrying amount as at March 31, 2022	**3.98**	**42.61**	**73.99**	**88.99**	**209.57**
Gross carrying amount as at April 01, 2022	6.36	118.06	119.13	145.10	388.66
Additions	79.07	161.35	151.37	57.04	448.83
Disposals and transfers	-	-	-	-	-
Gross carrying amount as at March 31, 2023	**85.43**	**279.41**	**270.50**	**202.14**	**837.49**
Accumulated depreciation as at April 01, 2022	2.38	75.45	45.15	56.11	179.09
Adjustment	59.28	91.04	60.44	16.61	227.36
Depreciation charged	2.40	26.72	10.46	19.58	59.16
Disposals and transfers	-	-	-	-	-
Accumulated depreciation as at March 31, 2023	**64.05**	**193.21**	**116.04**	**92.30**	**465.61**
Net carrying amount as at March 31, 2023	**21.38**	**86.20**	**154.46**	**109.84**	**371.88**

14. **Right of use**

(₹ in lakh)

Gross carrying amount	**Office premises**	**Total**
Deemed cost as at April 1, 2021	304.22	304.22
Additions	38.29	38.29
Disposals and transfers	-	-
Closing gross carrying amount	**342.51**	**342.51**
Accumulated depreciation	**231.33**	**231.33**
Depreciation charged	62.36	62.36
Disposals and transfers	-	-
Closing accumulated depreciation	**293.69**	**293.69**

Gross carrying amount	Office premises	Total
Net carrying amount as at March 31, 2022	**48.82**	**48.82**
Gross carrying amount		
Deemed cost as at April 1, 2022	342.51	342.51
Additions	74.99	74.99
Disposals and transfers	-	-
Closing gross carrying amount	**417.50**	**417.50**
Accumulated depreciation	**293.69**	**293.69**
Depreciation charged	75.58	75.58
Disposals and transfers	-	-
Closing accumulated depreciation	**369.27**	**369.27**
Net carrying amount as at March 31, 2023	**48.23**	**48.23**

The aggregate depreciation expense on ROU assets is included under depreciation and amortization in the statement of profit and loss. The rate considered for calculation of lease liability is 10%.

15. Trade Payables

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer Note 15.1)	183.70	35.64
Total	**183.70**	**35.64**

15.1

(₹ in lakh)

Total outstanding dues of creditors other than micro enterprises and small enterprises	As at March 31, 2023	As at March 31, 2022
Disputed*	167.18	-
Undisputed	16.52	35.64

*comprises of trade payables acquired through Business Combination. For details, refer note 42.

As at March 31, 2023	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
Trade Payables	6.64	56.26	-	-	120.80*	183.70

*comprises of trade payables acquired through Business Combination. For details, refer note 42

As at March 31, 2022	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
Trade Payables	-	35.64	-	-	-	35.64

16. **Debt securities**

(₹ in lakh)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Amortised cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total	Amortised cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total
Non-Convertible Debentures (Secured)	3,500.00	-	-	3,500.00	3,500.00	-	-	3,500.00
Total (A)	**3,500.00**	**-**	**-**	**3,500.00**	**3,500.00**	**-**	**-**	**3,500.00**
Debt securities in India	3,500.00	-	-	3,500.00	3,500.00	-	-	3,500.00
Debt securities outside India	-	-	-	-	-	-	-	-
Total (B)	**3,500.00**	**-**	**-**	**3,500.00**	**3,500.00**	**-**	**-**	**3,500.00**

17. **Borrowings (other than debt securities)**

(₹ in lakh)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Amortised cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total	Amortised cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total
Term loan (secured) - From banks	42,796.24	-	-	42,796.24	16,200.92	-	-	16,200.92
Refinance (secured) - From NHB	11,306.61	-	-	11,306.61	4,791.36	-	-	4,791.36
- From Others	13,497.48	-	-	13,497.48	-	-	-	-

Particulars	As at March 31, 2023				As at March 31, 2022			
	Amortised cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total	Amortised cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total
- Cash credit from Banks	300.00	-	-	300.00	300.00	-	-	300.00
Total (A)	**67,900.33**	**-**	**-**	**67,900.33**	**21,292.27**	**-**	**-**	**21,292.27**
Borrowings in India	67,900.33	-	-	67,900.33	21,292.27	-	-	21,292.27
Borrowings outside India	-	-	-	-	-	-	-	-
Total (B)	**67,900.33**	**-**	**-**	**67,900.33**	**21,292.27**	**-**	**-**	**21,292.27**

18. **Details of loan taken from Banks and other parties:**

Nature of security and terms of repayment for secured borrowings (other than debentures): All secured long term borrowings are secured by way of hypothecation of receivables, i.e., loans and advances. Some of the borrowing are secured by corporate guarantee from the ultimate holding company and/or holding company.

a. **Term loans (secured) - From banks:**

(₹ in lakh)

Tenure	Rate of Interest	Repayment Details	As at March 31, 2023	As at March 31, 2022
Long term borrowing				
Above 60 Months	8.25% to 11.50%	Monthly and Quarterly	2,656.08	25.00
48-60 months	8.25% to 11.50%	Monthly and Quarterly	5,066.30	1,174.94
36-48 months	8.25% to 11.50%	Monthly and Quarterly	7,585.21	1,125.00
24-36 months	8.25% to 11.50%	Monthly and Quarterly	7,585.80	2,375.40
12-24 months	8.25% to 11.50%	Monthly and Quarterly	8,929.89	4,824.50
Short term borrowing				
upto 12 months	8.25% to 11.50%	Monthly and Quarterly	11,345.61	6,892.00
Total			**43,168.90**	**16,416.84**
Less: Effective interest rate amortisation			372.67	215.91
Total			**42,796.24**	**16,200.93**

b. Refinance (Secured) - From NHB:

(₹ in lakh)

Tenure	Rate of Interest	Repayment Details	As at March 31, 2023	As at March 31, 2022
Long term borrowing				
60-84 months	2.75% to 9.00%	Quarterly	2,679.95	487.64
48-60 months	2.75% to 9.00%	Quarterly	1,351.05	510.80
36-48 months	2.75% to 9.00%	Quarterly	1,554.38	510.80
24-36 months	2.75% to 9.00%	Quarterly	1,633.84	920.80
12-24 months	2.75% to 9.00%	Quarterly	2,043.84	934.80
Short term borrowing				
upto 12 months	2.75% to 9.00%	Quarterly	2,057.84	1,434.80
Total			**11,320.90**	**4,799.64**
Less: Effective interest rate amortisation			14.29	8.28
Total			**11,306.61**	**4,791.36**

c. From Others:

Tenure	Rate of Interest	Repayment Details	As at March 31, 2023	As at March 31, 2022
Long term borrowing				
Above 60 Months	9.75% to 14.50%	Monthly	2,129.16	-
48-60 months	9.75% to 14.50%	Monthly	2,307.21	-
36-48 months	9.75% to 14.50%	Monthly	2,255.78	-
24-36 months	9.75% to 14.50%	Monthly	2,053.28	-
12-24 months	9.75% to 14.50%	Monthly	2,401.94	-
Short term borrowing				
upto 12 months	9.75% to 14.50%	Monthly	2,397.91	-
Total			**13,545.28**	-
Less: Effective interest rate amortisation			47.80	-
Total			**13,497.48**	-

d. Cash credit from Banks

(₹ in lakh)

Nature	Rate of Interest	Repayment Details	As at March 31, 2023	As at March 31, 2022
Cash credit	11.15%	Repayable on demand	300.00	300.00
Total			**300.00**	**300.00**

The Company has not been sanctioned working capital limit in excess of ₹ 500 lakh during the year.

19. Cash Flow disclosure

Change in liabilities arising from financing activities:

(₹ in lakh)

Particulars	As at March 31, 2022	Cash flows	Other	As at March 31, 2023
Debt securities including accrued interest thereon	3,594.38	-	(0.27)	3,594.11
Borrowings other than debt securities including accrued interest thereon	21,332.32	28,929.44	17,813.81*	68,075.57
Total liabilities from financing activities	**24,926.70**	**28,929.44**	**17,813.54**	**71,669.68**

* includes borrowings acquired through Business Combination. For details, refer note 42

20. Other financial liabilities

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued and due on borrowings*	55.48	36.86
Interest accrued but not due on borrowings	213.87	97.57
Leave travel allowances	13.48	-
Book Overdraft	5,128.13	2,209.37
Others	1,139.29	612.37
Total	**6,550.25**	**2,956.17**

***** Amount funded but not debited by bank**.**

21. Lease

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at beginning	**53.64**	**80.77**
Additions	74.99	38.99
Finance cost accrued during the year	7.59	6.39
Deletions	-	-
Payment of lease liabilities	(87.65)	(72.51)
Balance as at end	**48.57**	**53.64**

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.

Maturity pattern of lease

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	47.09	48.12
One to five years	8.33	9.03
More than five years	-	-
Total	**55.42**	**57.15**

22. **Provisions**

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Employee benefits		
- Provision for gratuity	48.01	25.52
- Provision for compensated absences	90.56*	25.54
Total	**138.57**	**51.06**

* includes provision for compensated absences acquired through Business Combination. For details, refer note 42

23. **Other non-financial liabilities**

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues payable	133.21	44.89
Total	**133.21**	**44.89**

24. **Current tax liability (net)**

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax payable	-	-
Total	**-**	**-**

25. **Equity share capital**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	**₹ in lakh**	**Number**	**₹ in lakh**
Authorised Capital				
Equity shares of Rs. 10 each	30,00,00,000	30,000.00	30,00,00,000	30,000.00
Issued, subscribed & paid-up Capital				
Issued and Subscribed Equity shares of Rs. 10 each	26,68,68,399	26,686.84	26,68,68,399	26,686.84
Total	**26,68,68,399**	**26,686.84**	**26,68,68,399**	**26,686.84**

Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year.

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	₹ in lakh	Number	₹ in lakh
Outstanding at the beginning of the year	26,68,68,399	26,686.84	26,68,68,399	26,686.84
Addition during the period	-	-	-	-
Shares allotted pursuant to issue of shares under Conversion of Compulsory Convertible Debentures into equity shares	-	-	-	-
Outstanding at the end of the period	**26,68,68,399**	**26,686.84**	**26,68,68,399**	**26,686.84**

Aggregate number of bonus shares issued and shares bought back during the period of three years immediately preceding the reporting date: NIL

Terms and rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rs. 10 each. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all the preferential amounts. The distribution will be in proportion to the number of equity shares held by the Shareholders.

Shares of the Company held by the holding/ultimate holding company

Equity shareholders	As at March 31, 2023		As at March 31, 2022	
	Number	%	Number	%
Centrum Capital Limited	15,04,79,981	56.39%	15,04,79,981	56.39%

Details of shareholders holding more than 5% of the shares in the Company

Equity shareholders	As at March 31, 2023		As at March 31, 2022	
	Number	%	Number	%
Centrum Capital Limited	15,04,79,981	56.39%	15,04,79,981	56.39%
NHPEA Kamet Holding BV	6,66,90,413	24.99%	6,66,90,413	24.99%
B.G. Advisory Services LLP	2,02,94,387	7.60%	4,67,94,387	17.53%
JBCG Advisory Services Private Limited	2,65,00,000	9.93%	-	-

For the period of five years immediately preceding the date at which the Balance Sheet is prepared:

• Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash: Nil

• Aggregate number and class of shares allotted as fully paid up by way of bonus shares: Nil

• Aggregate number and class of shares bought back: Nil

Change in shareholding of promoters

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	Centrum Capital Limited	15,04,79,981	56.39%	Nil

25.1 Other Equity

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory reserve	49.93	39.93
Special reserve	787.79	559.19
Security premium	11,827.63	11,827.63
Retained earnings	3062.04	2,108.83
Employee stock option reserve	567.90	343.91
Deemed capital contribution	164.15	96.48
Total	**16,459.44**	**14,975.97**

Nature and purpose of reserve

Reserve under section 29C of National Housing Bank Act, 1987

Reserve created under section 29C of National Housing Bank Act, 1987 a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

Special reserve

Special reserve has been created over the years in terms of section 36(1)(viii) of the Income-tax Act, 1961 out of the distributable profits of the Company.

Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act.2013.

Retained earnings

Retained earnings comprises of the Company's undistributed earnings after taxes.

Employee stock option reserve

This reserve relates to stock options granted by the Company to employees under various ESOP schemes. This reserve is transferred to securities premium account on exercise of vested options.

Deemed capital contribution

This reserve relates to corporate guarantee issued by the parent company.

26. Interest income

(₹ in lakh)

Particulars	For the year ended March 31, 2023			For the year ended March 31, 2022		
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss
Interest on loans	-	8,517.56	-	-	6,321.50	-
Interest on short term loans	-	-	-	-	129.57	-
Interest on deposits with banks	-	473.38	-	-	448.20	-
Total	**-**	**8,990.94**	**-**	**-**	**6,899.27**	**-**

27. Fees income

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Fees income	203.25	99.91
Total	**203.25**	**99.91**

28. Net gain on fair value changes

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net gain /(loss) on financial instruments		
On trading portfolio		
-Investment	75.90	100.44
Total (A)	**75.90**	**100.44**
Fair Value changes:		
-Realised	78.46	51.26
-Unrealised	(2.56)	49.18
Total (B)	**75.90**	**100.44**

29. **Other income**

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Unwinding of interest on security deposits	1.75	1.85
Other income	204.29	120.57
Total	**206.04**	**122.42**

30. **Finance cost**

(₹ in lakh)

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost
Interest on borrowings	-	3,003.64	-	1,651.42
Other Interest expense (Including bank charges)	-	17.69	-	48.90
Interest expense - leases	-	7.59	-	6.39
Interest debt securities	-	347.40	-	347.40
Total	**-**	**3,376.32**	**-**	**2,054.11**

31. **Impairment on financial instruments**

(₹ in lakh)

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost
Loans	-	(831.82)	-	216.82
Write-off	-	721.28	-	51.74
Total	**-**	**(110.54)**	**-**	**268.56**

32. **Employee benefits expenses**

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and wages	2,058.30	1,207.21
Expense on Employee Stock Option Scheme (ESOP)	223.99	132.18
Gratuity expense	21.65	13.78
Contribution to provident and other funds	132.94	85.54
Others	20.23	17.59
Total	**2,457.11**	**1,456.30**

a. Defined contribution plans:

The Company has recognised the following amounts in the statement of profit and loss towards contribution to defined contribution plans which are included under contribution to provident and other funds:

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Provident fund and others	132.94	85.54

b. Defined benefit plan:

In accordance with the Accounting Standard (IND AS 19), actuarial valuation was performed by independent actuaries in respect of the aforesaid defined benefit plan based on the following assumptions:

Assumptions	As at March 31, 2023	As at March 31, 2022
Expected Return on Plan Assets	7.31%	6.90%
Rate of Discounting	7.31%	6.90%
Rate of Salary Increase	8.00%	8.00%
Rate of Employee Turnover	20.00%	10.00%

i. Table Showing Change in the Present Value of Projected Benefit Obligation:

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Present Value of Benefit Obligation at the Beginning of the year	61.85	33.25
Interest Cost	4.27	2.18
Current Service Cost	19.88	11.98
Past Service Cost	-	-
Liability Transferred In/ Acquisitions	48.81	-
Liability Transferred Out/ Divestments	-	-
(Gains)/ Losses on Curtailment	-	-
Liabilities Extinguished on Settlement	-	-
Benefit Paid Directly by the Employer	-	-
Benefit Paid From the Fund	(9.13)	-
The Effect Of Changes in Foreign Exchange Rates Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	16.90	(0.02)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(17.34)	8.86
Actuarial (Gains)/Losses on Obligations - Due to Experience	1.77	5.60
Present Value of Benefit Obligation at the End of the year	**127.00**	**61.85**

ii. Table Showing Change in the Fair Value of Plan Assets:

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Fair Value of Plan Assets at the Beginning of the year	**36.33**	**5.88**
Interest Income	2.51	0.39
Contributions by the Employer	-	30.00
Expected Contributions by the Employees	-	-
Assets Transferred In/Acquisitions	49.53	-
Assets Transferred Out/ Divestments	-	-
Benefit Paid from the Fund	(9.13)	-
Assets Distributed on Settlements	-	-
Expenses and Tax for managing the Benefit	-	-
Obligations- paid from the fund	-	-
Effects of Asset Ceiling	-	-
The Effect of Changes In Foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	(0.25)	0.07
Fair Value of Plan Assets at the End of the year	**78.99**	**36.33**

iii. Amount Recognized in the Balance Sheet:

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
(Present Value of Benefit Obligation at the end of the year)	**(127.00)**	**(61.85)**
Fair Value of Plan Assets at the end of the year	78.99	36.33
Funded Status (Surplus/ (Deficit))	(48.01)	(25.52)
Net (Liability)/Asset Recognized in the Balance Sheet	**(48.01)**	**(25.52)**

iv. Net Interest Cost:

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Present Value of Benefit Obligation at the Beginning of the year	**61.85**	**33.25**
(Fair Value of Plan Assets at the Beginning of the year)	(36.33)	(5.88)
Net Liability/(Asset) at the Beginning	25.52	27.38
Interest Cost	4.27	2.18
Interest Income	(2.51)	(0.39)
Net Interest Cost for Current year	**1.76**	**1.80**

v. Expenses Recognized in the Statement of Profit or Loss:

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current Service Cost	19.88	11.98
Net Interest Cost	1.76	1.80
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-

(Gains)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expenses Recognized	**21.64**	**13.78**

vi. Expenses Recognized in the Other Comprehensive Income (OCI):

(₹ in lakh)

Particulars	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Actuarial (Gains)/Losses on obligation for the year	1.32	14.44
Return on Plan Assets, Excluding Interest Income	0.25	(0.07)
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	**1.57**	**14.37**

vii. Balance Sheet Reconciliation:

(₹ in lakh)

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Opening Net Liability	**25.52**	**27.38**
Expenses Recognized in Statement of Profit or Loss	21.65	13.78
Expenses Recognized in OCI	1.57	14.37
Net Liability/(Asset) Transfer In	(0.73)	-
Net (Liability)/Asset Transfer Out	-	-
Benefit Paid Directly by the Employer	-	-
Employer's Contribution	-	(30.00)
Net Liability/(Asset) Recognized in the Balance Sheet	**48.01**	**25.52**

viii. Maturity Analysis of the Benefit Payments from the Fund:

(₹ in lakh)

Projected Benefits Payable in Future Years From the Date of Reporting	**As at March 31, 2023**	**As at March 31, 2022**
1st Following year	21.04	5.61
2nd Following year	19.48	5.13
3rd Following year	17.58	5.22
4th Following year	20.76	5.19
5th Following year	15.49	5.52
Sum of years 6 To 10	52.78	33.35
Sum of years 11 and above	27.70	50.14

ix. Sensitivity analysis

(₹ in lakh)

Sensitivity Analysis	**As at March 31, 2023**	**As at March 31, 2022**
Projected Benefit Obligation on Current Assumptions	127.00	61.85
Delta Effect of +1% Change in Rate of Discounting	(4.47)	(3.94)
Delta Effect of -1% Change in Rate of Discounting	4.84	4.46
Delta Effect of +1% Change in Rate of Salary Increase	4.41	4.12
Delta Effect of -1% Change in Rate of Salary Increase	(4.19)	(3.76)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.80)	(0.54)
Delta Effect of -1% Change in Rate of Employee Turnover	0.82	0.57

The sensitivity analysis has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognized in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

c. Compensated Absences:

During the year the Company has provided Rs.2.22 lakh (Previous year Rs. 10.55 lakh) as liability towards compensated absences based on Actuarial Report.

33. **Other expenses**

(₹ in lakh)

Particulars	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Advertisement	1.10	0.55
Audit fees (Refer note- 33.1)	19.45	17.91
Communication cost	24.12	15.30
CSR expenditure (Refer note- 33.2)	27.85	15.20
Director sitting fees	27.00	27.00
Filing fees	8.90	4.00
Impairment on assets held for sale	25.93	35.39
Insurance charges	9.43	27.91
Legal and professional fees	167.85	69.42
Loan origination costs	22.96	38.38
Manpower outsourcing	649.98	266.83
Office expenses	105.05	65.05
Printing & stationery	38.30	21.22
Rating fees	14.93	10.60
Rent, rates and taxes	377.34	228.68
Repairs and maintenance	30.35	12.72
Shared support cost	245.58	327.00
Software subscription/ IT related expenses	136.45	107.07
Travelling and conveyance	96.48	59.15
Travelling expenses for Director	15.29	10.07
Underwriting expenses	290.61	133.17
Miscellaneous expenses	13.67	7.59
Total	**2,348.62**	**1,500.21**

33.1 **Audit fees**

(₹ in lakh)

Particulars	**Year ended**	
	31-Mar-23	**31-Mar-22**
	(Audited)	**(Audited)**
Statutory Audit	10.50	9.00
Limited Review	4.50	4.25
Certification Fees	3.93	4.60
Out of Pocket Expenses	0.52	0.06
Total	**19.45**	**17.91**

Note: Audit Fees above is excluding Goods and Service Tax.

33.2 Operating expenses include Rs. 27.85 lakh for the year ended March 31,2023 towards Corporate Social Responsibility (CSR) in accordance with Companies Act, 2013.

Details of amount spent during the respective year towards CSR are as under:

(₹ in lakh)

Particulars	**For the year ended March 2023**	**For the year ended March 2022**
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above	27.85	15.20

(₹ in lakh)

Particulars	**Mar-23**			**Mar-22**		
	Amount Spent	**yet to be paid**	**Total**	**Amount Spent**	**yet to be paid**	**Total**
Centrum foundation	27.85	-	27.85	15.20	-	15.20

Details of CSR:

Name of the Project	**List of Activities**	**Location of the Project**	**Implementing Agency**
Healthcare and Medical Aid	Promoting health care including preventive health care	Mumbai and Navi Mumbai	Centrum foundation.
Feed the Needy	Eradicating hunger, poverty and malnutrition.	Mumbai and Navi Mumbai	Centrum foundation.
Children Education	Promoting education	Mumbai and Navi Mumbai	Centrum foundation.

34. **Tax expenses**

i. The components of income tax expenses:

(₹ in lakh)

Particulars	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Current tax	193.08	450.86
Adjustment in respect of prior years	-	(2.12)
Deferred tax relating to origination and reversal of temporary differences	(149.59)	(78.91)

Total tax charge	43.49	369.83
Current tax	193.08	450.86
Deferred tax	(149.60)	(78.91)
Income tax recognized in other comprehensive income (OCI)	0.40	3.62

ii. Reconciliation of total tax charge:

(₹ in lakh)

Particulars	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Profit before tax as per financial statements	1,236.47	1,823.33
Tax rate (in percentage)	25.17%	25.17%
Income tax expense	311.22	458.90
Adjustment in respect of prior years	-	-
Effect of non-deductible expenses:		
Financial guarantee	26.35	13.03
ROC filing expenses for increase in authorized capital	-	-
Transfer to special reserve	**228.60**	**280.09**
Revised Profit before tax	1,034.22	1,556.27
Tax charge for the year recorded in P&L	43.49	369.83
Effective tax rate	4.21%	23.76%

35. **Earnings per Share (EPS): Basic**

(₹ in lakh)

Particulars	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Profit after tax attributable to equity holders	1,192.99	1,453.50
Weighted average number of equity shares used in computing basic	2,668.68	2,668.68
Face value of equity shares (in ₹)	10/-	10/-
Earnings per share- Basic	**0.447**	**0.545**

36. **Earnings per Share (EPS): Diluted**

(₹ in lakh)

Particulars	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Profit after tax attributable to equity holders	1,192.99	1,453.50
Weighted average number of equity shares used in computing diluted EPS	2,764.87	2,765.87
Face value of equity shares (in ₹)	10/-	10/-
Earnings per share- Diluted	**0.431**	**0.526**

37. **Contingent liability and Commitments:**

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
a. Contingent Liability	-	-
b. Commitment	-	-
Estimated amount of contracts remaining to be executed on capital account (net of advance)	-	-
Loans sanctioned pending disbursements	6,543.40	2,957.37

38. **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.

(₹ in lakh)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	3,773.58	-	3,773.58	1,193.32	-	1,193.32
Bank balance other than (a) above	569.20	1,969.45	2,538.64	5,790.94	1,018.74	6,809.67
Loans	3,343.09	1,08,386.91	1,11,730.00	2,203.84	54,338.47	56,592.31
Investments	542.78	-	542.78	2,894.89	-	2,894.89
Other financial assets	714.21	258.05	972.26	502.30	164.85	667.15
Non-financial assets						
Current tax assets (Net)	219.15	-	219.15	121.04	-	121.04
Deferred tax assets (Net)	-	-	-	-	307.83	307.83
Property, plant and equipment	-	371.88	371.88	-	209.57	209.57
Right of use of assets	-	48.23	48.23	-	48.82	48.82
Capital Work in Progress	-	-	-	-	-	-
Other intangible assets	-	382.24	382.24	-	-	-
Other non-financial assets	142.39	401.98	544.37	124.98	308.42	433.39
Assets held for sale	851.62	-	851.62	318.50	-	318.50
Total assets	**10,156.02**	**1,11,818.73**	**1,21,974.76**	**13,149.81**	**56,446.68**	**69,596.49**

(₹ in lakh)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
LIABILITIES						
Financial liabilities						
Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	62.90	120.80	183.70	35.64	-	35.64
Debt securities	3,500.00	-	3,500.00	-	3,500.00	3,500.00
Borrowings (other than debt securities)	16,101.36	51,798.97	67,900.33	8,626.80	12,665.48	21,292.27
Lease liabilities	40.90	7.67	48.57	48.12	5.51	53.63
Other financial liabilities	6,427.12	123.12	6,550.24	2,956.17	-	2,956.17
Non-financial Liabilities						
Provisions	48.01	90.56	138.57	25.52	25.54	51.06
Other non-financial liabilities	133.21	-	133.21	44.89	-	44.89
Current tax liability (net)	-	-	-	-	-	-
Deferred tax liabilities (net)	-	373.87	373.87	-	-	-
Total liabilities	**26,313.50**	**52,514.99**	**78,828.49**	**11,737.14**	**16,196.53**	**27,933.67**
Net	**16,157.48**	**59,303.74**	**43,146.27**	**1,412.67**	**40,250.15**	**41,662.81**

39. **Segment information:**

The Company's main business is to provide loans against/for purchase, construction, repairs & renovations of houses/Flats etc. All other activities of the Company revolve around the main business. Hence no disclosure is made under Ind AS 108 - 'Operating Segment Reporting'. Further, segmentation based on geography has not been presented as the Company operates only in India.

40. **Related party transactions:**

In terms of Indian Accounting Standard (Ind AS 24) 'Related Party Disclosures', notified in the Companies (Accounting Standards) Rules, 2014, the disclosures of transactions with the related parties as defined in IND AS 24 are given below:

(a) Holding Company	Centrum Capital Limited
(b) Fellow subsidiaries:	Centrum Retail Services Limited Unity Small Finance Bank Limited
(c) Enterprises that exercise significant influence	BG Advisory Services LLP JBCG Advisory Services Private Limited
(d) Entities with substantial interest in the Company	NHPEA Kamet Holding B.V.
(e) Others	Experian Credit Information Company of India Private Limited Acapella Foods and Restaurants Private Limited Club 7 Holidays Limited
(f) Key Managerial Personnel	(i) Mr. Sanjay Shukla, Managing Director & CEO
	(ii) Mr. Mehul Jatania, Chief Financial Officer
	(iii) Mr. Mayank Jain, Company Secretary
(g) Board of directors	(i) Mr. Sridar Venkatesan, Independent Director
	(ii) Mr. Mohan Tanksale, Independent Director
	(iii) Ms. Anjali Seth, Independent Director
	(iv) Mr. Vivek Vig, Non-Executive Director
	(v) Mr. Rajendra Naik, Non-Executive Director
	(vi) Mr. Arjun Saigal, Nominee Director
	(vii) Mr. Sanjay Shukla, Managing Director & CEO

Transactions carried out with the related parties

(₹ in lakh)

Nature of related party	Nature of Transactions	For the year ended March 31, 2023	For the year ended March 31, 2022
Holding Company			
Centrum Capital Limited	Expenses	10.90	10.90
	Interest income on Short term loan	-	53.35
	Short term loan given	-	700.00
	Short term loan repaid	-	700.00
Fellow subsidiaries:			
Centrum Retail Services Limited	Expenses	386.15	376.98
	Security Deposit	-	86.73
	Interest income on Short term loan	-	76.22
	Short term loan given	-	1,000.00
	Short term loan repaid	-	1,000.00
Unity Small Finance Bank Limited	Rent income	0.48	2.19
	Expenses	4.82	0.02
	Interest Income	65.43	-
	Fixed deposit	16,808.54	-
	Direct Assignment	5,004.28	-
	Collection	528.38	-
Others			
Experian Credit Information Company of India Private Limited	Expenses	0.28	-
Acapella Foods and Restaurants Private Limited	Expenses	11.79	-
Key Managerial Personnel			
Mr. Sanjay Shukla (Managing Director & CEO)	Managerial remuneration	151.97	123.75
Mr. Mehul Jatania (Chief Financial Officer)	Managerial remuneration	98.00	75.37
Mr. Mayank Jain (Company Secretary)	Managerial remuneration	25.92	18.58
Board of directors			

Nature of related party	Nature of Transactions	For the year ended March 31, 2023	For the year ended March 31, 2022
Ms. Anjali Seth	Sitting Fees	9.00	9.00
Mr. Mohan Tanksale	Sitting Fees	9.00	9.00
Mr. Sridar Venkatesan	Sitting Fees	9.00	9.00

Compensation to Key Managerial Personnel

The following table sets forth, for the periods indicated, the details of compensation paid by the Company to the Key Managerial Personnel of the Company.

(₹ in lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Short-term employee benefits (including salaries)*	275.89	217.70
Post-employment benefits	-	-
Other long-term benefits	-	-
Total	**275.89**	**217.70**

*The remuneration to the key managerial personnel does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis.

Closing Balance of related party transactions as below:

Fellow subsidiaries:

(₹ in lakh)

Name of related party	Nature of Transactions	As at March 31, 2023	As at March 31, 2022
Centrum Retail Services Limited	Expenses payable	32.74	0.38
	Security Deposit	86.73	86.73
Unity Small Finance Bank	Fixed Deposit	139.85	-
	Interest receivable	1.24	-

Others:

(₹ in lakh)

Name of related party	Nature of Transactions	As at March 31, 2023	As at March 31, 2022
Club 7 Holidays Limited	Advance for expenses	15.00	-

Managerial remuneration:

(₹ in lakh)

Name of related party	Nature of Transactions	As at March 31, 2023	As at March 31, 2022
Mr. Sanjay Shukla	Managerial remuneration payable	1.72	-

41. **Risk Management:**

a. **Risk Management Framework:**

The Company's overall objective is to manage its businesses, and the associated risks, in a manner that balances serving the interests of all its stakeholders and at the same time minimise potential adverse effects on its financial performance. The Company places emphasis on risk management practices to ensure an appropriate balance between risks and returns.

The Board of Directors of the Company along with the management are primarily responsible for the risk management. The Board's oversight of risk includes review of and approval of key strategies and policies. These are monitored and governed through the Risk Management Committee (RMC). Audit Committee (AC) ensures that an independent assurance is provided to the Board. AC is assisted in its assurance role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the AC.

The Company's risks are generally categorized in the following risk types:

Risk	Exposure Arising from	Management
Credit Risk	Cash equivalents, financial assets measured at amortised cost.	RMC is actively involved in the following: (a) Oversight of the implementation of credit policies (b) Review of the overall portfolio credit performance and establishing guardrails (c) Review of product programs
Liquidity Risk	Financial liabilities	The Board is responsible for setting the strategic direction of the Company including establishing liquidity risk appetite and tolerance limits. Liquidity risk is managed by the Asset Liability Management Committee (ALCO) based on the Company's ALM policy which is approved by the RMC. ALCO not only ensures that the Company has adequate liquidity on an on-going basis but also examines how liquidity requirements are likely to evolve under different assumptions.
Market Risk - **Interest Rate Risk** - **Price Risk** - **Foreign exchange Risk**	Investments in Mutual fund, bonds etc.	RMC is involved in the formulation of policies for monitoring market risk. The risk is managed through close identification, supervision and monitoring of risks arising from movements in market rates such as interest rates, foreign exchange rates, traded prices and credit spreads, which may result in a loss of earnings and capital.

41.1 **Credit Risk:**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's loans, financial assets measured at amortised cost. The Company has a policy of dealing with creditworthy counterparties and obtains sufficient collateral, as appropriate, as a means of mitigating the risk of financial loss from defaults. In case the loans are to be restructured, similar credit assessment process is followed by the Company.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry.

The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties/groups (Single Borrowing Limit/Group Borrowing Limit) and for industry concentrations, and by monitoring exposures in relation to such limits.

The Board has delegated credit approval authority to the Company's officials under the Company's credit policy. The Company's credit officials evaluate credit proposals on the basis of credit underwriting policies and procedures approved by the management. The criteria typically include factors such as the customer eligibility, income and debt obligation assessment, nature of product, credit bureau scores wherever applicable, historical experience, type of collateral provided and demographic parameters. Any deviations need to be approved at the designated levels. External agencies such as field investigation agencies facilitate a due diligence process including visits to offices and residences, risk containment agencies for document frauds, legal & valuation agencies for property evaluation. The branch credit team/operations team monitors compliance with the terms and conditions of credit facilities prior to disbursement. It also reviews the completeness of documentation and creation of security by the borrower. The central operations team verifies adherence to the terms of the credit approval prior to the disbursement of credit facilities.

The Company additionally takes the following measures:

- Credit team is tasked with monitoring of borrowers and to facilitate proactive action wherever required.
- Enhanced monitoring of portfolio through periodic reviews.
- Periodic trainings of its credit/operations officials

a. **Impairment Risk**

The Company applies the expected credit loss methodology based on historically available information and projection of macroeconomic indicators wherever necessary in order to determine the impairment allowance required.

Description	**Stages**
Outstanding between 0 to 30 days	Stage 1
Outstanding between 31 to 90 days	Stage 2
Outstanding for more than 90 days	Stage 3

b. **Expected credit loss:**

Credit loss is the difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Expected Credit loss (ECL) computation is not driven by any single methodology, however methodology and approach used must reflect the following:

An unbiased and probability weighted amount that evaluates a range of possible outcomes.

Reasonable and supportable information that is available without undue cost and effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Time value of money

While the time value of money element is currently being factored into ECL measurement while discounting cash flows by the Effective Interest Rate (EIR), the objective of developing a macroeconomic model using exogenous macroeconomic variables is to address the first two requirements. This has been achieved by using the model output to adjust the PD risk component in order to make it forward looking and probability- weighted.

c. **Significant increase in credit risk (SICR):**

Company considers a financial instrument defaulted, classified as Stage 3 (credit-imparted) for ECL calculations, in all cases when the borrower becomes 90 days past due. Classification of assets form Stage 1 to Stage 2 has been carried out based on SICR criterion. Accounts which are more than 30 days past due have been identified as accounts where significant increase in credit risk has been observed. These accounts have been classified as Stage 2 assets. 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.

d. **Probability of default:**

Probability of default (PD) is an estimate of the likelihood of default over a given time horizon. PD estimation process is done based on historical internal data available with the Company. While arriving at the PD, the Company also ensures that the factors that affect the macro economic trends are considered to a reasonable extent, wherever necessary. The Company calculates the 12 month PD by taking into account the past historical trends of the Loans/portfolio and its credit performance. In case of assets where there is a significant increase in credit risk /credit impaired assets, lifetime PD has been applied.

e. **Loss Given Default (LGD):**

The Loss Given Default (LGD) is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due (net of recovery cost) and those that the lender would expect to receive. They are calculated on a discounted cash flow basis using the effective interest rate as the discounting factor. It is usually expressed as a percentage of the EAD. The Company collects list of all the defaulters and tracked from the first time they become Stage 3 assets. The Company calculates the LGD based on the present value of month on month recovery post default for Stage 1 and 2 and takes into account of the Stage 3 recovery and present value of the actual Stage 3. In absence of adequate historical data, the Company uses industry proxy data of peer companies as sourced from external agencies.

f. **Exposure at Default (EAD):**

The amount which the borrower will owe to the portfolio at the time of default is defined as Exposure at Default (EAD). While the drawn credit line reflects the explicit exposure for the Company, there might be variable exposure that may increase the EAD. These exposures are of the nature where the Company provides future commitments, in addition to the current credit. Therefore, the exposure will contain both on and off balance sheet values. The value of exposure is given by the following formula:

EAD = Drawn Credit Line Credit + Conversion Factor * Undrawn Credit Line

Where,

Drawn Credit Line = Current outstanding amount

Credit Conversion Factor (CCF) = Expected future drawdown as a proportion of undrawn amount

Undrawn Credit Line = Difference between the total amount which the Company has committed and the drawn credit line While the drawn exposure and limits for the customer are available, the modelling of CCF is required for computing the EAD.

The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

Risk concentration:

The following table shows the risk concentration by industry for the components of the balance sheet. Since the Company provides only retail loans, there is not significant concentration risk at the borrower / counterparty level. Additional disclosures for credit quality and the maximum exposure for credit risk per categories based on the Company's internal credit assessment system and year- end stage classification are further disclosed.

(₹ in lakh)

As at March 31, 2023	Housing Loan	Non Housing Loan	Total
Loans	84,763.47	29,252.28	1,14,015.75
Loan commitments	6,409.31	134.09	6,543.40
Total	**91,172.78**	**29,386.37**	**1,20,559.15**

Note- The Loan assets figure of Rs. 1,20,559.15 lakh and its classification / bifurcation where ever disclosed in notes is net of EIR.

(₹ in lakh)

As at March 31, 2022	Housing Loan	Non Housing Loan	Total
Loans	46,704.75	11,349.54	58,054.28
Loan commitments	2,877.56	79.80	2,957.37
Total	**49,582.31**	**11,429.34**	**61,011.65**

Note- The Loan assets figure of Rs. 61,011.65 lakh and its classification / bifurcation where ever disclosed in notes is net of EIR.

g. **Collateral held and other credit enhancements:**

i. The tables on the following pages show the maximum exposure to credit risk by class of financial asset along with details of principal type of collateral:

Maximum exposure to credit risk (carrying amount before ECL):

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022	Principle type of collateral
Housing Loan	84,763.47	46,704.75	Property
Non Housing Loan	29,252.28	11,349.54	Property
Total (A)	**1,14,015.75**	**58,054.28**	
Loan commitments	6,543.40	2,957.37	Property
Total (B)	**6,543.40**	**2,957.37**	
Total (A+B)	**1,20,559.15**	**61,011.65**	

ii. Financial assets that are Stage 3 and related collateral held in order to mitigate potential losses are given below:

(₹ in lakh)

As at March 31, 2023	Maximum exposure to credit risk (carrying amount before ECL)	Associated ECL	Carrying amount	Fair value of collateral
Housing Loan	1,529.00	522.85	1006.15	3,274.09
Non Housing Loan	1,510.33	392.27	1118.06	4,416.29
Total (A)	**3,039.33**	**915.12**	**2,124.21**	**7,690.38**
Loan commitments	-	-	-	-
Total (B)	**-**	**-**	**-**	**-**
Total (A+B)	**3,039.33**	**915.12**	**2,124.21**	**7,690.38**

(₹ in lakh)

As at March 31, 2022	Maximum exposure to credit risk (carrying amount before ECL)	Associated ECL	Carrying amount	Fair value of collateral
Housing Loan	1,079.03	378.65	700.38	1,922.55
Non Housing Loan	470.52	217.05	253.47	569.53
Total (A)	**1,549.55**	**595.69**	**953.85**	**2,492.08**
Loan commitments	-	-	-	-
Total (B)	**-**	**-**	**-**	**-**
Total (A+B)	**1,549.55**	**595.69**	**953.85**	**2,492.08**

41.2 **Liquidity Risk:**

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.

Liquidity risk management involves estimating and managing the liquidity requirements of the Company within acceptable structural boundaries and in a cost-efficient manner, and involves the Board and senior management's development and oversight of a comprehensive process that identifies, measures, monitors and controls the Company's liquidity risk exposure. The Company maintains a reliable management information system designed to provide the senior management with timely and forward-looking information on the liquidity position of the Company.

The Company has financing arrangement from banks/ financial institutions in form of committed credit lines.

41.2.1 Analysis of non-derivative financial assets and liabilities by remaining contractual maturities:

(₹ in lakh)

As at March 31, 2023	**Carrying amount**	**Gross nominal inflow/ (outflow)**	**upto 3 months**	**3 to 6 months**	**6 to 12 months**	**1 year to 3 year**	**Over 3 year**
Non-derivative financial liabilities							
Trade payables	183.70	183.70	-	6.64	56.26	-	120.80
Borrowings (other than debt securities)	67,900.33	67,900.33	3,979.95	4,128.83	7,992.58	24,648.59	27,150.38
Debt securities	3,500.00	3,500.00	3,500.00	-	-	-	-
Lease liabilities	48.57	48.57	11.90	11.35	17.65	7.67	-
Other financial liabilities	6,550.24	6,550.24	6,207.41	29.36	190.35	123.12	-
Total	**78,182.84**	**78,182.84**	**13,699.26**	**4,176.18**	**8,256.84**	**24,779.38**	**27,271.18**
Non-derivative financial assets							
Cash and cash equivalents	3,773.58	3,773.58	3,773.58	-	-	-	-
Bank balance other than cash and	2,538.65	2,538.65	199.61	166.55	203.04	139.89	1,829.55

cash equivalents above							
Loans	1,11,730.00	1,11,730.00	1,069.61	773.40	1,500.09	6,429.43	1,01,957.48
Investments	542.78	542.78	542.78	-	-	-	-
Other financial assets	972.26	972.26	714.21	-	-	258.05	-
Total	**1,19,557.27**	**1,19,557.27**	**6,299.79**	**939.95**	**1,703.13**	**6,827.37**	**1,03,787.03**

(₹ in lakh)

As at March 31, 2022	**Carrying amount**	**Gross nominal inflow/ (outflow)**	**upto 3 months**	**3 to 6 months**	**6 to 12 months**	**1 year to 3 year**	**Over 3 year**
Non-derivative financial liabilities							
Trade payables	35.64	35.64	-	-	35.64	-	-
Borrowings (other than debt securities)	21,292.27	21,516.47	2,642.50	2,036.85	3,947.45	9,055.50	3,834.18
Debt securities	3,500.00	3,500.00	-	-	-	3,500.00	-
Lease liabilities	53.63	57.16	14.00	13.36	20.77	9.03	-
Other financial liabilities	2,956.17	2,956.17	2,879.62	9.00	67.56	-	-
Total	**27,837.72**	**28,065.44**	**5,571.76**	**2,059.21**	**4,035.77**	**12,564.53**	**3,834.18**
Non-derivative financial assets							
Cash and cash equivalents	1,193.32	1,193.32	1,193.32	-	-	-	-
Bank balance other than cash and cash equivalents above	6,809.67	6,809.67	4,569.30	1,032.69	201.93	-	1,005.75
Loans	56,592.31	57,839.34	5,04.43	525.90	1,173.52	6,114.78	49,520.72
Investments	2,894.89	2,894.89	2,894.89	-	-	-	-
Other financial assets	667.15	667.15	502.30	-	-	164.85	-
Total	**68,157.34**	**69,404.36**	**9,664.23**	**1,558.59**	**1,375.45**	**6,279.63**	**50,526.47**

41.3 **Market Risk:**

Market risk is the risk associated with the effect of changes in market factors such as interest rates, equity prices, credit spreads or implied volatilities, on the value of assets and liabilities held resulting in loss of future earnings. The objective of the Company's market risk management is to manage and control market risk exposures within acceptable parameters. The Company separates its exposure to market risks between trading and non-trading portfolios.

Exposure to market Risk - Non trading portfolios:

Interest rate risk - The principal risk to which non-trading portfolios are exposed is the risk of loss from fluctuations in the future cash flows or fair values of financial instruments because of a change in market interest rates. Exposure to this risk primarily results from timing spread in the re-pricing of both on and off-balance sheet assets and liabilities as they mature (fixed rate instruments) or contractual re-pricing (floating rate instruments).

Interest rate risk is managed principally through monitoring interest rate gaps and by having pre-approved limits for re-pricing bands.

41.3.1 **Market risk exposure:**

The fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates. The Company classifies its exposures to market risk into non-trading portfolios.

41.3.2 **Interest rate risk:**

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows of financial instruments. The sensitivity of the statement of profit and loss is the effect of the assumed changes in interest rates on the profit or loss for a year, based on the floating rate non-trading financial assets and financial liabilities held as at year end.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss.

(₹ in lakh)

Particulars	**As At March 31, 2023**	**As At March 31, 2022**
Impact on profit before tax for 25 bps increase in interest rate	-157.59	-50.06
Impact on profit before tax for 25 bps decrease in interest rate	157.59	50.06

42. **Business combination**

The Company entered into a Business Transfer Agreement (BTA) on December 3, 2022, for acquisition of housing finance business of National Trust Housing Finance Limited (Natrust) which was subsequently amended by an agreement dated February 27, 2023 (Amendment Agreement). As per the terms of the BTA, the HFC business of Natrust was transferred to the Company as a going concern by way of a slump sale on February 28, 2023 (Closing Date). This acquisition enabled the Company to geographically diversify and enter into 4 states in the southern part of India through inorganic growth.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:
Cash paid: Rs. 12,625 lakh
Amount held back (to be released subsequent to satisfaction of relevant conditions precedents and closing actions): Rs. 875 lakh
Total purchase consideration: Rs. 13,500 lakh
Acquisition-related costs of Rs. 21.03 lakh are treated as expense.

The fair value of assets and liabilities recognised as a result of the acquisition are as follows:

(₹ in lakh)

Assets/ Liabilities	**Fair Value**
Assets Acquired	
Financial Assets	
Cash and Cash equivalents and Bank Balances	1,455
Loans	30,387
Receivables	77
Other Financial Assets	1
Non-Financial Assets	
Plant, Property and Equipment	91
Other Non-Financial Assets	8
Total (A)	**32,019**
Liabilities Acquired	
Financial Liabilities	
Trade Payables	28
Borrowings	17,679
Other Financial Liabilities	276
Non-Financial Liabilities	
Provisions	64
Deferred tax liabilities (net)	832
Other Non-financial liabilities	22
Total (B)	**18,901**
Net Assets Acquired (C = A-B)	**13,118**
Purchase Consideration (D)	**13,500**
Goodwill (E = D-C)	**382**

Calculation of Goodwill

(₹ in lakh)

Particulars	**Amount**
Net Assets Acquired	13,118
Purchase Consideration	13,500
Goodwill	**382**

The goodwill is attributable to the benefit of existing branches, workforce, existing loan portfolio of the acquired business, revenue growth and future market development in these geographies. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. Goodwill arising on this acquisition will not be deductible for tax purposes.

(ii) Acquired receivables
The fair value of acquired trade receivables is INR 31,851 lakh. The gross contractual amount for trade receivables is 29,251 lakh
(iii) Revenue and profit contribution

The acquired business contributed revenue and profits to the Company for the period ending March 31, 2023 as follows:
Revenue of INR 372 lakh for the period March 1, 2023 to March 31, 2023
Profit of INR 304 lakh for the period March 1, 2023 to March 31, 2023

If the acquisition had occurred on April 1, 2022 consolidated pro-forma revenue and profit for the year ended March 31, 2023 would be impracticable to determine as the disbursements in that case would be indeterminable.

43. **Financial instruments not measured at fair value:**

The following table sets out the fair values of financial instruments not measured at fair value and analysing them by the level in the fair value hierarchy into which each fair value measurement is categorized.

(₹ in lakh)

As at March 31, 2023	Total Carrying Amount	Total Fair Value	Level 1	Level 2	Level 3
Financial Assets					
Cash and cash equivalent	4,961.00	4,961.00	4,961.00	-	-
Bank balances other than cash and cash equivalent	1,351.23	1,351.23	1,351.23	-	-
Loans	1,11,730.00	1,11,730.00	-	-	1,11,730.00
Other financial assets	972.26	972.26	-	-	972.26
Total	**1,19,014.49**	**1,19,014.49**	**6,312.23**	**-**	**1,12,702.26**
Financial Liabilities					
Lease liabilities	48.56	48.56	-	-	48.56
Borrowing (Other than debt securities)	67,900.33	67,900.33	-	-	67,900.33
Debt securities	3,500.00	3,500.00		3,500.00	
Trade payables	183.70	183.70	-	-	183.70
Other financial liabilities	6,550.24	6,550.24	-	-	6,550.24
Total	**78,182.83**	**78,182.83**	**-**	**3,500.00**	**74,682.83**

(₹ in lakh)

As at March 31, 2022	Total Carrying Amount	Total Fair Value	Level 1	Level 2	Level 3
Financial Assets					
Cash and cash equivalent	1,193.32	1,193.32	1,193.32	-	-
Bank balances other than cash and cash equivalent	6,809.67	6,809.67	6,809.67	-	-
Loans	56,592.31	56,592.31	-	-	56,592.31
Other financial assets	667.15	667.15	-	-	667.15
Total	**65,262.45**	**65,262.45**	**8,002.99**	**-**	**57,259.46**
Financial Liabilities					
Lease liabilities	53.63	53.63	-	-	53.63
Borrowing (Other than debt securities)	21,292.27	21,292.27	-	-	21,292.27
Debt securities	3,500.00	3,014.50	-	3,014.50	-
Trade payables	35.64	35.64	-	-	35.64
Other financial liabilities	2,956.17	2,956.17	-	-	2,956.17
Total	**27,837.72**	**27,352.21**	**-**	**3,014.50**	**24,337.72**

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) 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. This is the case for unlisted equity securities.

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. The below methodologies and assumptions relate only to the instruments in the above tables and, as such, may differ from the techniques and assumptions explained in notes.

Short Term financial assets and liabilities:

For Financial assets and financial liabilities that have a short-tern maturity (less than twelve months), the carrying amounts are a reasonable approximation of their fair value. Such instruments include: balances other than cash and cash equivalents, trade payables and contract liability without a specific maturity. Such amount has been classified as Level 2 on the basis that no adjustments have been made to the balances in the balance sheet.

Financial assets at amortized cost:

The fair values financial assets measured at amortized cost are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields.

Transfer of Financial Assets- Assignment deal:

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Carrying amount of derecognized financial assets	-	5.81
Gain from de-recognition	-	0.23

Issued Debt:

The fair value of issued debt is estimated by a discounted cash flow model incorporating the Company's own credit risk.

44. **Employee Stock Option Plan:**

The CHFL Employees Stock Option Plan 2018 (ESOP 2018) provides for grant of stock options to eligible employees of the Company. The stock options are granted at an exercise price of Rs. 10 per share under various schemes of ESOP 2018.

Particulars	**ESOP Series I**				**ESOP Series II**
Tranches	**Tranche-I**	**Tranche-II**	**Tranche-III**	**Tranche-IV**	**Tranche-I**
No. of options approved	30,45,000	19,99,999	20,00,000	26,68,501	7,30,000
Date of grant	01-04-2019	07-05-2019	31-08-2019	21-02-2022	01-04-2019
No. of options granted	30,45,000	19,99,999	20,00,000	26,68,501	7,30,000
Exercise price per option	10.00	10.00	10.00	10.00	10.00
Method of settlement	Equity	Equity	Equity	Equity	Equity
Vesting year and conditions	Options to vest as per stipulated vesting schedule (“Fixed Vesting”)				
Exercise period (years)	5	5	5	5	4

(B) No fresh options granted during the year 2022-23.

(C) Reconciliation of options

Particulars	**ESOP Series I**				**ESOP Series II**
Tranches	**Tranche-I**	**Tranche-II**	**Tranche-III**	**Tranche-IV**	**Tranche-I**
Options outstanding at April 1, 2022	28,30,000	19,99,999	20,00,000	26,68,501	2,20,000
Granted during the year	-	-	-	-	-
Forfeited during the year	-	-	-	-	1,00,000
Exercised during the year	-	-	-	-	-
Expired / lapsed during the year	-	-	-	-	-
Outstanding at March 31, 2023	28,30,000	19,99,999	20,00,000	26,68,501	1,20,000
Exercisable at March 31, 2023	28,30,000	19,99,999	20,00,000	-	1,20,000
Weighted average remaining contractual life (in years)	4	4.10	4.42	6.90	4.00

Particulars	ESOP Series I				ESOP Series II
Tranches	Tranche-I	Tranche-II	Tranche-III	Tranche-IV	Tranche-I
Options outstanding at April 1, 2021	28,30,000.00	19,99,999.00	20,00,000.00	-	2,20,000.00
Granted during the year	-	-	-	26,68,501.00	-
Forfeited during the year	-	-	-	-	-
Exercised during the year	-	-	-	-	-
Expired / lapsed during the year	-	-	-	-	-
Outstanding at March 31, 2022	28,30,000	19,99,999	20,00,000	26,68,501	2,20,000
Exercisable at March 31, 2022	28,30,000	-	-	-	-
Weighted average remaining contractual life (in years)	5	5.10	5.42	7.90	5.00

45. **Capital Management**

The Company complies with externally imposed capital requirements from its regulators and maintains healthy capital ratios in order to support its business. Further the company maintains diversity of sources of financing and spreading the maturity across tenure buckets in order to minimize liquidity risk.

46. **Details of Redeemable Non-Convertible Debentures (inclusive of interest accrued on debentures)**

The Secured Listed Non-Convertible Debentures issued by the Company are fully secured by way of first ranking exclusive and continuing charge over certain identified receivables of the Company.

Sr No.	ISIN No.	Date of allotment	Date of redemption	Nominal value per debenture	Total number of debentures	Rate of Interest p.a.	As at March 31, 2023	As at March 31, 2023	Secured/ Unsecured	Terms of redemption
1	INE575U07018	16-06-2020	16-06-2023	10	100	9.99 %	1,029.29	1,029.29	Secured	Redeemable at par
2	INE575U07026	26-06-2020	26-06-2023	10	250	9.90 %	2,565.10	2,565.10	Secured	Redeemable at par

47. Disclosure pursuant to RBI notification – RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August, 06 2020 and RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated May, 05 2021: Resolution of Covid-19 related stress of Individual and Small Businesses.

Type of borrower	(A) Exposure to accounts classified as standard consequent to implementation of resolution plan at September, 30 2022	(B) Of (A), aggregate debt that slipped into NPA during the half year	(C) Of (A), Amount written off during the half-year	(D) Of (A), Amount paid by the borrower during the half-year	(E) Exposure to accounts classified as standard consequent to implementation of resolution plan at March 31, 2023
Personal Loans	2,435.39	296.31	-	445.31	2,085.76
Corporate Persons	-	-	-	-	-
of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	2,435.39	296.31	-	445.31	2,085.76

48. Disclosure pursuant to RBI Notification – RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021

The following table sets forth details of loans not in default acquired/ transferred through Direct Assignment during the year ended March 31, 2023

Particulars	**Acquired**	**Transferred**
Number of loans	368	-
Aggregate amount (INR in lakh)	5,004.28	-
Purchase/ Sale consideration (INR in lakh)	5,004.28	-
Weighted average remaining maturity (in months)	206	-
Weighted average holding period after origination (in months)	NA	-
Retention of beneficial economic interest (average)	100%	-
Coverage of tangible security coverage	100%	-
Rating wise distribution of rated loans	Unrated	-

49. RBI vide circular dated November 12, 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances - Clarifications" has clarified / harmonized certain aspects of extant regulatory guidelines with a view to ensuring uniformity in the implementation of IRACP norms across all lending institutions. The Company has implemented the requirements of the circular and is taking necessary steps to comply with Para 10 of the circular with effect from October 01, 2022 as clarified by RBI vide circular dated February 15, 2022.

50. **Regulatory disclosures:**

50.1 **Capital**:

The below regulatory capital is computed in accordance with the Non- Banking Financial Company-Housing Finance Company (Reserve Bank) Directions, 2021 (RBI HFC Directions) issued by the Reserve Bank of India.

Particulars	**As at 31 March 2023**	**As at 31 March 2022**
(i) CRAR (%)	65.85%	119.21%
(ii) CRAR - Tier I capital (%) *(Reason for such reduction in CRAR)*	65.16%	119.21%
(iii) CRAR - Tier II capital (%)	0.69%	-
(iv) Amount of subordinated debt raised as Tier-II Capital	-	-
(v) Amount raised by issue of perpetual debt Instruments	-	-

50.2 **Reserve Fund u/s 29C of NHB Act, 1987:**

Statement as per NHB circular No. NHB(ND)/DRS/Pol.circular.61/2013 14Dt. April 2014

(₹ in lakh)

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Balance at the beginning of the year	**599.12**	**308.42**
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	39.93	29.32
b) Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act, 1987	559.19	279.10
c) Total	**599.12**	**308.42**
Addition/Appropriation/ Withdrawal during the year		
Add: a) Amount transferred u/s 29C of the NHB Act, 1987	10.00	10.61
b) Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	228.60	280.09
Less: a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year	**837.72**	**599.12**
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	49.93	39.93
b) Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under, Section 29C of the NHB Act, 1987	787.79	559.19
c) Total	**837.72**	**599.12**

50.3 **Investments:**

(₹ in lakh)

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Value of Investments		
(i) Gross value of investments	542.78	2,894.89
(a) In India	542.78	2,894.89
(b) Outside India	-	-
(ii) Provisions for Depreciation	-	-
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments	542.78	2,894.89
(a) In India	542.78	2,894.89
(b) Outside India	-	-
Movement of provisions held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off / Written-back of excess provisions during the year	-	-
(iv) Closing balance	542.78	2,894.89

50.4 **Derivatives:**

50.4.1 **Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)**

(₹ in lakh)

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
(i) The Notional Principal of the Swap agreements	-	-
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii) Collateral required by the HFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swap	-	-
(v)The fair value of the swap book	-	-

50.4.2 **Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)**

(₹ in lakh)

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
(i)Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument- wise)	-	-
(ii)Notional principal amount of exchange traded IR derivatives outstanding as on 31st March, 2021 (instrument-wise)	-	-
(iii)Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	-	-
(iv)Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	-	-

50.4.3 **Disclosures on Risk Exposure in derivatives:**

(A) **Qualitative Disclosure:**

The Company doesn't deal in Derivatives.

(B) **Quantitative Disclosure:**

(₹ in lakh)

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
(i) Derivatives (Notional Principal Amount)	-	-
(ii) Marked to Market Positions	-	-
(a) Assets (+)	-	-
(b) Liability (-)	-	-
(iii) Credit Exposure	-	-
(iv) Unhedged Exposures	-	-

50.5 **Securitisation of Loan Assets and Transfer of Loan Assets:**

50.5.1 **Details of Securitization:**

(₹ in lakh)

S.N.	**Particulars**	**As at March 31, 2023**	**As at March 31, 2022**
1.	No of SPEs holding assets for securitization transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	-	-
2.	Total amount of securitized assets as per books of the SPEs	-	-
3.	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet a) Off-balance sheet exposures ▪ First loss ▪ Others b) On-balance sheet exposures ▪ First loss ▪ Others	-	-
4.	Amount of exposures to securitization transactions other than MRR a) Off-balance sheet exposures i) Exposure to own securitizations ▪ First loss ▪ Others ii) Exposure to third party securitizations ▪ First loss ▪ Others	-	-

	b) On-balance sheet exposures i) Exposure to own securitizations ▪ First loss ▪ Others ii) Exposure to third party securitizations ▪ First loss ▪ Others		
5.	Sale consideration received for the securitized assets and gain/loss on sale on account of securitization	-	-
6.	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitization asset servicing, etc.	-	-
7.	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided. a) Amount paid b) Repayment received c) Outstanding amount	-	-
8.	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc.	-	
9.	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	-	-
10.	Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	-	-

50.5.2 **Details of transfer of loan assets (non-stressed loans) by the Company**

(₹ in lakh)

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
(i) Type of Assignor		
(ii) No. of loan accounts assigned	-	-
(iii) Aggregate value (net of provisions) of accounts assigned	-	-
(iv) Aggregate consideration	-	-
(v) Retention of beneficial economic interest (MRR)	-	-
(vi) Weighted Average Maturity (Residual Maturity)	-	-
(vii) Weighted Average Holding Period	-	-
(viii) Coverage of tangible security	-	-
(ix) Rating wise distribution of rated loans	-	-

50.5.3 **Details of acquisition of loan assets (non-stressed loans) by the Company**

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Type of Assignor	SFB	NBFC-HFC
(ii) No. of loan accounts assigned	368	824
(iii) Aggregate value (net of provisions) of accounts assigned	5,004.28	4,205.96
(iv) Aggregate consideration	5,004.28	4,205.96
(v) Retention of beneficial economic interest (MRR)	0%	90%
(vi) Weighted Average Maturity (Residual Maturity)	206	98
(vii) Weighted Average Holding Period	NA	NA
(viii) Coverage of tangible security	100%	100%
(ix) Rating wise distribution of rated loans	Unrated	Unrated

50.5.4 **Details of stressed loan assets acquired/ sold during the year**

(A) **Details of SMA loan assets acquired by the Company:**

(₹ in lakh)

Particulars	From ARCs	From other lenders
1. No. of accounts purchased during the year	-	-
2. Aggregate principal outstanding of loans acquired	-	-
3. Aggregate consideration paid	-	-
4. Weighted average residual tenor of loans acquired	-	-

(B) **Details of non-performing financial assets acquired by the Company:**

(₹ in lakh)

Particulars	From ARCs	From other lenders
1. No. of accounts purchased during the year	-	-
2. Aggregate principal outstanding of loans acquired	-	-
3. Aggregate consideration paid	-	-
4. Weighted average residual tenor of loans acquired	-	-

(C) **Details of SMA loan assets transferred/ sold by the Company:**

(₹ in lakh)

Particulars	To ARCs	To permitted transferees	To other transferees
1. No. of accounts purchased during the year	-	-	-
2. Aggregate principal outstanding of loans transferred	-	-	-
3. Aggregate consideration received	-	-	-
4. Additional consideration realized in respect of accounts transferred in earlier years	-	-	-
5. Weighted average residual tenor of loans transferred	-	-	-
6. Net book value of loans transferred (at the time of transfer)	-	-	-

7.	Quantum of excess provisions reversed to the profit and loss account on account of sale	-	-	-
8.	distribution of Security Receipts ("SRs") held by the Company across the various categories of Recovery Ratings assigned by the credit rating agencies	-	-	-

(D) **Details of Non-Performing Financial Assets transferred/ sold by the Company:**

(₹ in lakh)

Particulars		**To ARCs**	**To permitted transferees**	**To other transferees**
1.	No. of accounts purchased during the year	-	-	-
2.	Aggregate principal outstanding of loans transferred	-	-	-
3.	Aggregate consideration received	-	-	-
4.	Additional consideration realized in respect of accounts transferred in earlier years	-	-	-
5.	Weighted average residual tenor of loans transferred	-	-	-
6.	Net book value of loans transferred (at the time of transfer)	-	-	-
7.	Quantum of excess provisions reversed to the profit and loss account on account of sale	-	-	-
8.	distribution of Security Receipts ("SRs") held by the Company across the various categories of Recovery Ratings assigned by the credit rating agencies	-	-	-

50.6 **Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities)**

(₹ in lakh)

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from Banks	121.13	50.00	357.60	921.95	2,529.28	4,128.83	7,992.57	24,648.59	20,119.94	7,030.44	67,900.33
Market Borrowings	-	-	-	-	3,500.00	-	-	-	-	-	3,500.00
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	219.51	302.69	96.37	224.14	226.90	773.39	1,500.09	6,429.43	7,354.81	94,602.67	1,11,730.00
Investments	542.78	-	-	-	-	-	-	-	-	-	542.78
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-

50.7 **Exposure**

50.7.1 **Exposure to Real Estate Sector**

(₹ in lakh)

Category	As at March 31, 2023	As at March 31, 2022
A. Direct Exposure		
(i) Residential Mortgages * –		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	1,13,119.83	57,372.21
(ii) Commercial Real Estate –		
Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse spaces, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits	-	-
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures –		
(a) Residential	-	-
(b) Commercial Real Estate	-	-
B. Indirect Exposure		
Fund based and non-fund based exposure on NHB and HFCs		-
Total Exposure to Real Estate Sector	**1,13,119.83**	**57,372.21**

*direct exposure amounting to Rs. 895.92 lakh (Previous Year - 682.07 lakh) secured against other commercial property not defined as residential and commercial real estate.

50.7.2 **Exposure to Capital Market**

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
(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	-	-
(ii) Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures and units of equity-oriented mutual funds	-	-
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual are taken as primary security	-	-
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or	-	-

	convertible bonds or convertible debentures or units of equity oriented mutual funds, i.e, where the primary security other than shares / convertible bonds/convertible debentures / units of equity oriented mutual funds does not fully cover the advances		
(v)	Secured and unsecured advances to stock brokers and guarantees issued on behalf of stockbrokers and market makers	-	-
(vi)	Loans sanctioned to corporates against the security of shares/bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
(vii)	Bridge loans to companies against expected equity flows/issues	-	-
(viii)	Underwriting commitments taken up by the Company in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(ix)	Financing to stockbrokers for margin trading		
(x)	All exposures to Alternative Investment Funds: (a) Category I (b) Category II (c) Category III		
Total Exposure to Capital Market		**-**	**-**

50.7.3 **Sectoral exposure**

Sectors	As at March 31, 2023			As at March 31, 2022		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ Lakh)	**Gross NPAs (₹ Lakh)**	**Percentage of Gross NPAs to total exposure in that sector**	**Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ Lakh)**	**Gross NPAs (₹ Lakh)**	**Percentage of Gross NPAs to total exposure in that sector**
1. Agriculture and Allied Activities	-	-	-	-	-	-
2. Industry	-	-	-	-	-	-
3. Services	-	-	-	-	-	-
4. Personal Loans						
i) Housing Loans	91,183.63	1,529.00	1.68%	49,582.30	1,079.02	2.18%
ii) Non – Housing Loans secured by residential properties	28,477.18	1,403.09	4.93%	10,840.75	411.43	3.80%

Total of Personal Loans (i+ii)	**1,19,660.81**	**2,932.09**	**2.45%**	**60,423.05**	**1,490.45**	**2.47%**
5. Others, if any	-	-	-	-	-	-
i) Non- Housing Loans secured by commercial properties.	898.34	107.24	11.94%	588.60	59.09	10.04%

50.7.4 **Intra-group exposures**

(₹ in lakh)

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Total amount of intra-group exposures	-	-
Total amount of top 20 intra-group exposures	-	-
Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	-	-

50.7.5 **Unhedged foreign currency exposure –** The Company does not have any un-hedged foreign currency exposure as at March 31, 2023 (Previous year Rs. Nil)

50.7.6 **Related Party Disclosure**

(₹ in lakh)

Related Party / Items	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Directors		Others		Total	
	31.03.23	**31.03.22**	**31.03.23**	**31.03.22**	**31.03.23**	**31.03.22**	**31.03.23**	**31.03.22**	**31.03.23**	**31.03.22**	**31.03.23**	**31.03.22**	**31.03.23**	**31.03.22**
Borrowings																
i. Outstanding	-	-									-	-	-	-
ii. Maximum during the year	-	700.00									-	1,000.00	-	1,700
Deposits														
i. Outstanding														
ii. Maximum during the year														
Placement of deposits														
i. Outstanding											139.85	86.73	139.85	86.73
ii. Maximum during the year											16,808.54	86.73	16,808.54	86.73
Advances														
i. Outstanding														
ii. Maximum during the year														
Investments														
i. Outstanding														
ii. Maximum during the year														
Purchase of fixed/ other assets														

i. Outstanding ii. Maximum during the year														
Sale of fixed/ other assets i. Outstanding ii. Maximum during the year														
Interest paid i. Outstanding ii. Maximum during the year														
Interest received i. Outstanding ii. Maximum during the year	- -	- 53.35									1.24 65.43		1.24 65.43	- 53.35
Others i. Outstanding ii. Maximum during the year	- 10.90	- 10.90					1.72 275.89	- 217.70	- 27.00	- 27.00	- 5,004.28		1.72 5,318.07	- 10.90

Note: For detail related party disclosure refer note no. 40

50.7.7 **Disclosure of complaints-** Summary information on complaints received by the Company is as under:

S. N.	Particulars	FY2023	FY2022
Complaints received by the Company from its customers			
1.	Number of complaints pending at beginning of the year	1	4
2.	Number of complaints received during the year	20	32
3.	Number of complaints disposed during the year	15	35
	3.1 Of which, number of complaints rejected by the Company		
4.	Number of complaints pending at the end of the year	6	1
5.	The Integrated Ombudsman Scheme, 2021 is not applicable on the Company as it is a housing finance company. Accordingly, there are 'Nil' disclosure regarding the same.		

50.7.8 **Top five grounds of complaints received by the Company from customers**

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
FY2022-23					
CLSS subsidy related	-	3	(40%)	-	-
Foreclosure letter related	1	5	67%	2	-
SOA related	-	-	(100%)	-	-
Collection/recovery related	-	7	NIL	3	2
ROI related	-	2	(33%)	-	-
Others	-	3	(75%)	1	-
Total	1	20		6	2
FY2021-22					
CLSS subsidy related	2	5	(17%)	1	-
Foreclosure letter related	1	3	-	-	-
SOA related	-	2	-	-	-
Collection/recovery related	1	7	>100%	-	-
ROI related	-	3	>100%	-	-
Others	-	12	>100%	-	-
Total	4	32	-	-	-

50.7.9 **Breach of covenant, if any-** There was no instance of breach of covenant by the Company of loan availed or debt securities issued by it.

50.7.10 **Divergence in Asset Classification and Provisioning, if any-** For FY2022-23 and FY2021-22, no instance of divergence in asset classification and additional provisioning requirements was assessed and advised by the National Housing Bank (NHB) to the Company. Accordingly, any additional disclosures in this regard are not applicable on the Company.

50.7.11 **Loans to Directors, Senior Officers, and relatives of Directors**

(₹ in lakh)

	Current Year	**Previous Year**
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

50.7.12 **Details of financing of parent company products**

There is no financing of parent company products

50.7.13 **Details of Single Borrower Limit (SGL)/ Group Borrower Limit (GBL) exceeded by the HFC**

The company has not exceeded the Single Borrower Limit and Group Borrower Limit as prescribed by NHB/RBI during the financial year.

50.7.14 **Unsecured Advances**

The company has not financed any unsecured advances against intangible securities such as rights, licenses, authority etc. as collateral security.

50.7.15 **Exposure to group companies engaged in real estate business (refer to Paragraph 21 of these directions)**

Description	Amount (₹ in Lakh)	% of owned fund
(1) Exposure to any single entity in a group engaged in real estate business	**-**	**0.00%**
(2) Exposure to all entities in a group engaged in real estate business	**-**	**0.00%**

50.8 **Miscellaneous**

50.8.1 **Registration obtained from other financial sector regulators**

There is no registration obtained from other financial sector regulators

50.8.2 **Disclosure of Penalties imposed by NHB/ RBI and other regulators**

No penalty was imposed on the Company by the NHB/ RBI or any other regulatory authority during FY2022-23. During FY 2021-22, National Housing Bank (NHB) had imposed a penalty of Rs. 94,400/- (including GST) which was paid to the NHB during the year.

50.8.3 **Related Party Transactions**

Details of all material transactions with related parties are disclosed in Note 40.

50.8.4 Group Structure: Diagrammatic representation of group structure given below:

Holding Company:	Centrum Capital Limited
→ subsidiaries:	Centrum Alternatives LLP (100%) Centrum Capital International Limited (100%) Centrum Capital Advisory Limited (100%) Centrum International Services PTE Ltd (86.56%) Centrum Retail Services Ltd (100%) Centrum Broking Limited (51.01%) Centrum Alternative Investment Managers Limited (100%) Centrum Housing Finance Limited (56.39%) Centrum Microcredit Limited (100%) Centrum Financial Services Limited (100%) Ignis Capital Advisors Limited (100%)
Centrum Capital International Limited	
→ subsidiaries:	CCIL Investment Management Limited (100%)
Centrum Retail Services Ltd	
→ subsidiaries:	Centrum Wealth Limited (68.63%) Centrum Insurance Brokers Limited (100%) Acorn Fund Consultants Private Limited (49%)
Centrum Wealth Limited	
→ subsidiaries:	Centrum Investment Advisory Limited (51%)
Centrum Financial Services Limited	
→ subsidiaries:	Unity Small Finance Bank Limited (51%)

50.8.5 **Rating assigned by Credit Rating Agencies and migration of rating during the year**

Particulars	Rating	As at March 31, 2023	As at March 31, 2022
Bank Borrowings	CARE	Care A- (RWD)*	Care A- stable
NCD	CARE	Care A- (RWD)*	Care A- stable

*Rating Watch with Developing Implications

50.8.6 **Remuneration of Directors**

Please refer no. 40 of Related party transaction

50.8.7 **Management**

Please refer no. 40 of Related party transaction

50.8.8 **Net Profit or Loss for the period, prior period items and changes in accounting policies**

There are no prior period items that have impact on the current year's profit and loss and also there is no change in the accounting policies during the year.

50.8.9 **Revenue Recognition**

There have been no instances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

50.8.10 **Consolidated Financial Statements (CFS)**

The Company has no subsidiary/associates/joint venture hence; requirement of consolidated financial statement is not applicable to the Company.

50.9 **Additional Disclosures**

50.9.1 **Provisions and Contingencies**

(₹ in lakh)

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	As at March 31, 2023	As at March 31, 2022
Provisions for depreciation on Investment		-
Provision towards NPA	(319.42)	195.88
Provision made towards Income tax	193.08	450.85
Other Provision and Contingencies (with details)	-	-
Provision for Standard Assets (with details like teaser loan, CRE, CRE-RH etc.)	(512.39)	20.93

50.10 Assets are classified in term of the Non Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 (RBI HFC Direction) issued by Reserve Bank of India.

(₹ in lakh)

Break up of Loans & Advances & Provisions thereon	Housing		Non-Housing	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Standard Assets				
a) Total Outstanding Amount	83,234.47	45,625.72	27,741.95	10,879.02
b) Provisions made	447.67	252.87	229.14	111.33
Sub- Standard Assets	-	-	-	-
a) Total Outstanding Amount	1,058.49	651.19	1,017.13	133.81
b) Provisions made	286.41	172.32	233.52	35.34
Doubtful Assets – Category I	-	-	-	-
a) Total Outstanding Amount	357.24	245.63	438.25	128.71
b) Provisions made	167.88	98.91	124.86	53.03
Doubtful Assets – Category II	-	-	-	-
a) Total Outstanding Amount	113.26	182.20	54.95	208.00

b) Provisions made	68.56	107.42	33.89	128.68
Doubtful Assets – Category III	-	-	-	-
a) Total Outstanding Amount	-	-	-	-
b) Provisions made	-	-	-	-
Loss Assets	-	-	-	-
a) Total Outstanding Amount	-	-	-	-
b) Provisions made	-	-	-	-
Total	-	-	-	-
a) Total Outstanding Amount	**84,763.47**	**46,704.74**	**29,252.28**	**11,349.54**
b) Provisions made	**970.52**	**631.53**	**621.42**	**328.38**

50.11 **Draw Down from Reserves**

During FY 2022-23, there were no draw down from Reserves.(Previous year – Nil)

50.12 **Concentration of Public Deposits, Advances, Exposures and NPAs**

50.12.1 **Concentration of Public Deposits (for Public Deposit taking/ holding HFCs)**

(₹ in lakh)

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Total deposits of twenty largest depositors	NA	NA
Percentage of deposits of twenty largest depositors to total deposits of the deposit taking HFC	NA	NA

50.12.2 **Concentration of Loans & Advances**

(₹ in lakh)

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Total loans & advances to twenty largest borrowers	952.48	1,103.19
Percentage of loans & advances to twenty largest borrowers to total advances of the HFC	0.84%	1.90%

50.12.3 **Concentration of all Exposure (including off-balance sheet exposure)**

(₹ in lakh)

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Total exposure to twenty largest borrowers/ customers	985.04	1,139.54
Percentage of exposures to twenty largest borrowers/ customers to total exposure of the HFC on borrowers/ customers	0.82%	1.87%

50.12.4 **Concentration of NPAs**

(₹ in lakh)

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Total exposure to top ten NPA accounts	314.39	391.27

50.12.5 **Sector-wise NPAs**

Particulars	**Percentage of NPAs to Total Advances in that sector**
A. Housing Loans	
1. Individuals	1.80%
2. Builders/Project loans	0.00%
3. Corporates	0.00%
4. Others (specify)	0.00%
B. Non- Housing Loans	
1. Individuals	5.16%
2. Builders/Project loans	0.00%
3. Corporates	0.00%
4. Others (specify)	0.00%

50.13 **Movement of NPAs**

(₹ in lakh)

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
(i) Net NPAs to Net Advances (%)	1.89%	1.66%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	1,549.55	1,394.97
(b) Additions during the year	3,408.43	752.91
(c) Reductions during the year	(1,918.64)	(598.34)
(d) Closing balance	**3,039.34**	**1,549.55**
(iii) Movement of Net NPAs		
(a) Opening balance	953.87	981.96
(b) Additions during the year	2,367.71	554.95
(c) Reductions during the year	(1,197.38)	(583.04)
(d) Closing balance	**2,124.20**	**953.87**
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	595.69	413.02
(b) Provisions made during the year	1,040.72	218.88
(c) Write-off / write-back of excess provisions	(721.27)	(36.21)
(d) Closing balance	**915.14**	**595.69**

50.14 **Overseas Assets**

(₹ in lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Overseas assets	-	-

50.15 **Off-balance Sheet SPVs sponsored**

Name of the SPV sponsored	
Domestic	**Overseas**
The Company does not have any off balance sheet Special Purpose Vehicle (SPV) which are required to be consolidated as per accounting norms.	

50.16 **Disclosure of Complaints**

50.16.1 Customer Complaints

Particulars	As at March 31, 2023	As at March 31, 2022
(a) No. of complaints pending at the beginning of the year	1	4
(b) No. of complaints received during the year	20	32
(c') No. of complaints redressed during the year	15	35
(d) No. of complaints pending at the end of the year	6	1

50.17 The following disclosures have been given in terms of Notification no. RBI/2019-20/170 DOR (NBFC).CC.PD. No.109/22. 10.106/2019-20 dated March 13, 2020 issued by the RBI on Implementation of Indian Accounting Standards

(₹ in lakh)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	1,06,246.59	439.05	1,05,807.54	300.81	138.24
	Stage 2	4,729.83	235.11	4,494.72	10.82	224.29
Subtotal		1,10,976.43	674.17	1,10,302.26	311.64	362.53
Non-Performing Assets (NPA)						
Substandard	Stage 3	2,075.62	552.61	1,523.01	307.89	244.72

Doubtful - up to 1 year	Stage 3	795.50	260.08	535.42	191.28	68.80
1 to 3 years	Stage 3	168.21	102.45	65.76	44.31	58.14
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		963.71	362.53	601.18	235.59	126.94
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		3,039.33	915.14	2,124.19	543.48	371.66
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	6,528.88	1.67	6,527.21	-	1.67
	Stage 2	14.52	0.96	13.56	-	0.96
	Stage 3	-	-	-	-	-
Subtotal		**1,20,559.16**	**1,591.94**	**1,18,967.22**	**855.11**	**736.82**

Annex III Schedule to the Balance Sheet of an HFC

Particulars				
Liabilities side			**Amount outstanding**	**Amount overdue**
(1)	**Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:**			
	(a)	Debentures : Secured	3,594.11	**-**
		: Unsecured	-	-
		(other than falling within the meaning of public deposits*)	-	-
	(b)	Deferred Credits	-	-
	(c)	Term Loans	56,768.96	-
	(d)	Inter-corporate loans and borrowing	-	-
	(e)	Commercial Paper	-	-
	(f)	Public Deposits*	-	-
	(g)	Other Loans -Refinance from NHB	11,306.61	-
	* Please see Note 1 below			

(2)	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):**				
	(a)	In the form of Unsecured debentures		-	-
	(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security		-	-
	(c)	Other public deposits		-	-
	* Please see Note 1 below				
Assets side				**Amount outstanding**	
(3)	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:**				
	(a)	Secured		1,14,015.75	
	(b)	Unsecured		-	
(4)	**Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities**				
	(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 asset financing activities			
		(a)	Loans where assets have been repossessed	-	
		(b)	Loans other than (a) above	-	
(5)	**Break-up of Investments**				
	Current Investments				
	1.	Quoted			
		(i)	Shares		
			(a) Equity	-	
			(b) Preference	-	
		(ii)	Debentures and Bonds	-	
		(iii)	Units of mutual funds	542.78	
		(iv)	Government Securities	-	
		(v)	Others (please specify)	-	
	2.	Unquoted			
		(i)	Shares		
			(a) Equity	-	
			(b) Preference	-	
		(ii)	Debentures and Bonds	-	
		(iii)	Units of mutual funds	-	
		(iv)	Government Securities	-	
		(v)	Others (please specify)	-	
	Long Term investments				
	1.	Quoted			

<table>
<tr><td></td><td></td><td>(i)</td><td colspan="3">Share</td><td></td></tr>
<tr><td></td><td></td><td></td><td colspan="3">(a) Equity</td><td>-</td></tr>
<tr><td></td><td></td><td></td><td colspan="3">(b) Preference</td><td>-</td></tr>
<tr><td></td><td></td><td>(ii)</td><td colspan="3">Debentures and Bonds</td><td>-</td></tr>
<tr><td></td><td></td><td>(iii)</td><td colspan="3">Units of mutual funds</td><td>-</td></tr>
<tr><td></td><td></td><td>(iv)</td><td colspan="3">Government Securities</td><td>-</td></tr>
<tr><td></td><td></td><td>(v)</td><td colspan="3">Others (please specify)</td><td>-</td></tr>
<tr><td></td><td>2.</td><td colspan="4">Unquoted</td><td></td></tr>
<tr><td></td><td></td><td>(i)</td><td colspan="3">Shares</td><td>-</td></tr>
<tr><td></td><td></td><td></td><td colspan="3">(a) Equity</td><td>-</td></tr>
<tr><td></td><td></td><td></td><td colspan="3">(b) Preference</td><td>-</td></tr>
<tr><td></td><td></td><td>(ii)</td><td colspan="3">Debentures and Bonds</td><td>-</td></tr>
<tr><td></td><td></td><td>(iii)</td><td colspan="3">Units of mutual funds</td><td>-</td></tr>
<tr><td></td><td></td><td>(iv)</td><td colspan="3">Government Securities</td><td>-</td></tr>
<tr><td></td><td></td><td>(v)</td><td colspan="3">Others (please specify)</td><td>-</td></tr>
<tr><td>(6)</td><td colspan="6">Borrower group-wise classification of assets financed as in (3) and (4) above: (Please see Note 2 below)</td></tr>
<tr><td></td><td colspan="3">Category</td><td colspan="3">Amount net of provisions</td></tr>
<tr><td></td><td colspan="3"></td><td>Secured</td><td>Unsecured</td><td>Total</td></tr>
<tr><td></td><td>1.</td><td colspan="2">Related Parties **</td><td></td><td></td><td></td></tr>
<tr><td></td><td></td><td>(a)</td><td>Subsidiaries</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td></td><td></td><td>(b)</td><td>Companies in the same group</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td></td><td></td><td>(c)</td><td>Other related parties</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td></td><td>2.</td><td colspan="2">Other than related parties
(Asset side Loans to be given)</td><td>1,14,015.75</td><td>-</td><td>1,14,015.75</td></tr>
<tr><td></td><td colspan="3">Total</td><td></td><td></td><td></td></tr>
<tr><td>(7)</td><td colspan="6">Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) : (Please see Note 3 below)</td></tr>
<tr><td></td><td colspan="3">Category</td><td>Market Value / Break up or fair value or NAV</td><td colspan="2">Book Value (Net of Provisions)</td></tr>
<tr><td></td><td>1.</td><td colspan="2">Related Parties **</td><td></td><td colspan="2"></td></tr>
<tr><td></td><td></td><td>(a)</td><td>Subsidiaries</td><td>-</td><td colspan="2">-</td></tr>
<tr><td></td><td></td><td>(b)</td><td>Companies in the same group</td><td>-</td><td colspan="2">-</td></tr>
<tr><td></td><td></td><td>(c)</td><td>Other related parties</td><td>-</td><td colspan="2">-</td></tr>
<tr><td></td><td>2.</td><td colspan="2">Other than related parties</td><td>542.78</td><td colspan="2">542.78</td></tr>
<tr><td></td><td colspan="3">Total</td><td>542.78</td><td colspan="2">542.78</td></tr>
<tr><td></td><td colspan="6">** As per notified Accounting Standard (Please see Note 3)</td></tr>
<tr><td></td><td colspan="6">Other information</td></tr>
<tr><td></td><td colspan="3">Particulars</td><td colspan="3">Amount</td></tr>
<tr><td></td><td>(i)</td><td colspan="2">Gross Non-Performing Assets</td><td colspan="3"></td></tr>
<tr><td></td><td></td><td>(a)</td><td>Related parties</td><td colspan="3">-</td></tr>
</table>

		(b)	Other than related parties	3,039.33
	(ii)	Net Non-Performing Assets		
		(a)	Related parties	-
		(b)	Other than related parties	2,124.20
	(iii)	Assets acquired in satisfaction of debt		-

1.	As defined in Paragraph 4.1.30 of these Directions.
2.	Provisioning norms shall be applicable as prescribed in these Directions.
3.	All notified Accounting Standards are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

51. Disclosure as per the guideline on Liquidity Risk Management (LRM) framework prescribed by the RBI-

(i) Funding Concentration based on significant counterparty for borrowings

(₹ in lakh)

Particulars	**As at March 31, 2023**
Number of Significant Counterparties*	19
Amount	71,400.33
Percentage of funding concentration to total deposits	0.00%
Percentage of funding concentration to total liabilities	90.58%

* Significant counterparty is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated 4 November 2019 on Liquidity Risk Management Framework for Non Banking Financial Companies and Core Investment Companies.

(ii) Top 20 large deposits (Rs. lakh and % of total deposits)- NIL

(iii) Top 10 borrowings

(₹ in lakh)

Particulars	**As at March 31, 2023**
Total amount of top 10 borrowings	53,833.52
Percentage of amount of top 10 borrowings to total borrowings	79.28%

(iv) Funding Concentration based on significant instrument/product.

(₹ in lakh)

Particulars	**As at March 31, 2023**	**Percentage of total liabilities**
Non-Convertible Debenture	3,500.00	4.44%
Loan from Bank	43,096.24	54.67%
Loan from Others	13,497.48	17.12%
Refinance from National Housing Bank	11,306.61	14.34%

* Significant instrument/product is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated 4 November 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.

(v) **Stock Ratios**

Particulars	**As at March 31, 2023**
Commercial paper as a percentage of total public funds*	-
Commercial paper as a percentage of total liabilities	-
Commercial paper as a percentage of total assets	-
Non-convertible debentures as a percentage of total public funds*	4.90%
Non-convertible debentures as a percentage of total liabilities	4.44%
Non-convertible debentures as a percentage of total assets	2.87%
Other short term liabilities as a percentage of total public funds*#	36.54%
Other short term liabilities as a percentage of total liabilities#	33.10%
Other short term liabilities as a percentage of total assets#	21.39%

Total liabilities are excluding equity share capital and other equity

*Public funds is as defined in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016

#Other short term liabilities are excluding commercial paper & short term non-convertible debentures

Particulars	
Registration obtained from other financial sector regulators	
NHB Registration No.	11.0147.16
Company Identification no. (CIN)	U65922MH2016PLC273826

52. There are no amount due and outstanding to be credited to Investor Education and Protection Fund as at March 31, 2023 and as at March 31, 2022

53. Details on Principal Business Criteria to be disclosed

Percentage of Total Assets of the Company towards Housing Finance	**Percentage of Total Assets of the Company towards Housing Finance for Individuals**
70.06%	70.06%

54. There were no loans given against the collateral of gold jewellery and hence the percentage of such loans to total outstanding assets is NIL. (Previous year: NIL)

55. The Company has not undertaken insurance broking/ agency business. Accordingly, during the FY 2022-23, the Company did not receive any fee/ brokerage on account of the same (Previous Year – Nil).

56. **Fraud Reporting**: As required by NHB through its guideline dated February 5, 2019 and RBI through its Master Directions dated September 29, 2016 on reporting and monitoring of frauds, the Company has reported no fraud during year ended March 31, 2023. (March 31, 2022- Rs. 53.32 lakh)

57. **Foreign Exchange Transaction and un-hedged foreign currency risk**: The Company has not undertaken any foreign currency transaction during the year ended March 31, 2023 (Previous year: Rs Nil). Also the Company does not have any un-hedged foreign currency exposure as at March 31, 2023 (Previous year Rs. Nil)

58. **Details of dues to micro enterprise and small enterprise**: Trade Payables include Rs. Nil (Previous year: Rs. Nil) payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / is payable by the Company during the year to "Suppliers" registered under this Act. The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said act.

59. The Company is not having any transaction or relationship with Companies struck of the u/s 248 of Company Act 2013

60. The Company has not been declared as wilful defaulter by any banks/lending institutions.

61. During the year no complaints were received under the whistle blower mechanism of the Company.

62. No non accounted income disclosed during the tax assessments during the year.

63. The Company does not have any benami property. Further, no proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at March 31, 2023 and March 31, 2022

64. The financial statements have been audited by the Statutory Auditors of the Company and have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on May 5, 2023.

65. No litigation is pending against the Company.

66. Figures for the previous periods have been regrouped wherever necessary, in order to make them comparable.

For Chaturvedi & Co.
Chartered Accountants
ICAI Firm Registration No. 302137E

Sd/-
Tushar Kandoi
Partner
Membership No 136229

Date: Mumbai
Place: May 05, 2023

For and on behalf of the Board of
Centrum Housing Finance Limited

Sd/-
Sridar Venkatesan
Chairman
DIN: 02241339

Sd/-
Sanjay Shukla
Managing Director & CEO
DIN: 06577462

Sd/-
Mehul Jatania
Chief Financial Officer

Sd/-
Mayank Jain
Company Secretary
Membership No- A31435

Aao milkar ghar banaye

Centrum Housing Finance Limited

Unit 801, Centrum House, CST Road, Kalina, Santacruz (E), Mumbai 400098
Website - www.chfl.co.in Email - query.chfl@centrum.co.in