FIVE-STAR BUSINESS FINANCE LIMITED

(Incorporated as a public limited company under the Companies Act, 1956, as amended from time to time)

Date and Place of Incorporation: May 07, 1984 and Chennai; **Corporate Identification Number**: L65991TN1984PLC010844,

Legal Entity Identifier: 335800SDB5FANSP25Z85**; Permanent Account Number**: AAACF0419M; **RBI Registration Number:** B-07.00286

Tel No: 044-4610 6200; **Email id**: cs@fivestargroup.in ;

Registered Office: New No. 27, Old No. 4, Taylor's Road, Kilpauk, Chennai, Tamil Nadu- 600010

Corporate Office: New No. 27, Old No. 4, Taylor's Road, Kilpauk, Chennai, Tamil Nadu-600010, **Website**: www.fivestargroup.in

GENERAL INFORMATION DOCUMENT DATED DECEMBER 04, 2023 IN RELATION TO LISTED PRIVATELY PLACED DEBT SECURITIES

THIS GENERAL INFORMATION DOCUMENT IS IN RELATION TO THE FUNDS TO BE RAISED BY WAY OF DEBT SECURITIES INCLUDING DEBENTURES, BONDS, NON-CONVERTIBLE REDEEMABLE PREFERENCE SHARES,SUCH SECURITY AS DEFINED AS DEBT SECURITIES UNDER THE SEBI (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021 (THE "**SEBI NCS REGULATIONS**") (HEREINAFTER CUMULATIVELY REFERRED TO AS THE ("**DEBT SECURITIES**"), AND COMMERCIAL PAPERS ETC, AS MAY BE APPROVED BY THE BOARD OF DIRECTORS DURING THE PERIOD OF 1 (ONE) YEAR FROM THE DATE OF OPENING OF THE FIRST OFFER OF DEBT SECURITIES MADE UNDER THIS GENERAL INFORMATION DOCUMENT ("**VALIDITY PERIOD**"), BY FIVE- STAR BUSINESS FINANCE LIMITED (THE "**COMPANY**" OR THE "**ISSUER**"), ON PRIVATE PLACEMENT BASIS AND SHALL BE READ WITH THE RELEVANT KEY INFORMATION DOCUMENT(S) ISSUED BY THE ISSUER DURING THE VALIDITY PERIOD. THIS GENERAL INFORMATION DOCUMENT PROVIDES DISCLOSURES IN ACCORDANCE WITH THE SEBI NCS REGULATIONS AND THE SEBI MASTER CIRCULAR NUMBER SEBI/HO/DDHS/POD1/P/CIR/2023/119 DATED AUGUST 10, 2021 (AS UPDATED FROM TIME TO TIME) ("**SEBI MASTER CIRCULAR**") READ WITH "OPERATIONAL GUIDELINES FOR PARTICIPATION ON BSEBOND (EBP PLATFORM OF BSE)" ISSUED BY BOMBAY STOCK EXCHANGE OF INDIA LIMITED ("**BSE**") VIDE THEIR CIRCULAR BEARING NO 20230417-35 DATED APRIL 17, 2023 AND ANY AMENDMENTS ("**BSE EBP GUIDELINES**") (THE SEBI MASTER CIRCULAR AND THE BSE EBP GUIDELINES ARE HEREINAFTER COLLECTIVELY REFERRED TO AS THE "**OPERATIONAL GUIDELINES**"). THE ELIGIBLE INVESTORS (AS DEFINED IN SECTION 1 TITLED 'DEFINITIONS AND ABBREVIATIONS') MUST EVALUATE THE DISCLOSURES IN THE GENERAL INFORMATION DOCUMENT FOR TAKING THEIR INVESTMENT DECISION. THE ISSUANCE OF THE DEBT SECURITIES SHALL BE SUBJECT TO THE PROVISIONS OF THE COMPANIES ACT, THE RULES NOTIFIED THEREUNDER, SEBI NCS REGULATIONS, THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE ISSUER, THE TERMS AND CONDITIONS OF THE GENERAL INFORMATION DOCUMENT FILED WITH THE STOCK EXCHANGE AND OTHER DOCUMENTS IN RELATION TO THE ISSUANCE OF DEBT SECURITIES.

COMPLIANCE CLAUSE FOR ELECTRONIC BOOK MECHANISM

THE DEBT SECURITIES WOULD BE ISSUED UNDER THE ELECTRONIC BOOK MECHANISM ON PRIVATE PLACEMENT BASIS AS PER OPERATIONAL GUIDELINES. THE ISSUER INTENDS TO USE THE BSE - EBP PLATFORM. THIS GENERAL INFORMATION DOCUMENT IS BEING UPLOADED ON THE BSE - EBP PLATFORM TO COMPLY WITH THE OPERATIONAL GUIDELINES AND AN OFFER WILL BE MADE BY ISSUE OF THE GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT(S) ALONG WITH THE SIGNED PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER AFTER COMPLETION OF THE BIDDING PROCESS ON A RELEVANT ISSUE DATE, TO SUCCESSFUL BIDDER(S) IN ACCORDANCE WITH THE PROVISIONS OF THE COMPANIES ACT, 2013 AND RELATED RULES.

DISCLOSURE UNDER SECTION 26(4) OF THE COMPANIES ACT

THE ISSUANCE OF DEBT SECURITIES IS BEING MADE ON PRIVATE PLACEMENT BASIS. SECTION 26 OF THE COMPANIES ACT IS NOT APPLICABLE TO THE ISSUANCE OF DEBT SECURITIES, AND THEREFORE NO ADDITIONAL DISCLOSURES HAVE BEEN MADE IN RELATION TO SECTION 26 OF THE COMPANIES ACT UNDER THIS GENERAL INFORMATION DOCUMENT AND ACCORDINGLY, A COPY OF THIS GENERAL INFORMATION DOCUMENT HAS NOT BEEN FILED WITH THE RELEVANT ROC(S).

PROMOTER(S)

Name: Lakshmipathy Deenadayalan **Telephone:** 044-4610 6200 **Email id**: pathy@fivestargroup.in	**Name**: Hema Lakshmipathy **Telephone**: 044-4610 6200 **Email id**: pathy@fivestargroup.in	**Name:** Shritha Lakshmipathy **Telephone**: 044-4610 6200 **Email id**: pathy@fivestargroup.in
Name: Matrix Partners India Investments Holdings II LLC **Telephone**: (230) 203 1100 **Email id**: matrix@rogerscapital.mu	**Name**: Peak XV Partners Investments V (formerly known as SCI Investments V) **Telephone**: (230) 467 3000 **Email id**: sequoia@sannegroup.com	

PRIVATE & CONFIDENTIAL

THIS GENERAL INFORMATION DOCUMENT DATED DECEMBER 04, 2023 IS PREPARED IN CONFORMITY WITH THE SEBI (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021 ISSUED VIDE NOTIFICATION NO. SEBI/LAD-NRO/GN/2021/39 DATED AUGUST 09, 2021 AND SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, EACH AS AMENDED FROM TIME TO TIME.

GENERAL RISK

INVESTMENT IN NON-CONVERTIBLE SECURITIES IS RISKY, AND INVESTORS SHOULD NOT INVEST ANY FUNDS IN SUCH SECURITIES UNLESS THEY CAN AFFORD TO TAKE THE RISK ATTACHED TO SUCH INVESTMENTS. INVESTORS ARE ADVISED TO TAKE AN INFORMED DECISION AND TO READ THE RISK FACTORS CAREFULLY BEFORE INVESTING IN THIS OFFERING. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR EXAMINATION OF THE ISSUE INCLUDING THE RISKS INVOLVED IN IT. SPECIFIC ATTENTION OF INVESTORS IS INVITED TO STATEMENT OF RISK FACTORS CONTAINED UNDER SECTION 4 OF THIS GENERAL INFORMATION DOCUMENT. THESE RISKS ARE NOT, AND ARE NOT INTENDED TO BE, A COMPLETE LIST OF ALL RISKS AND CONSIDERATIONS RELEVANT TO THE NON-CONVERTIBLE SECURITIES OR INVESTOR'S DECISION TO PURCHASE SUCH SECURITIES.

DETAILS OF ELIGIBLE INVESTORS	**CREDIT RATING AND RATING RATIONALE**
PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S).	PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)

LISTING

THE DEBT SECURITIES ARE PROPOSED TO BE LISTED ON THE DEBT SEGMENT OF BSE ("**DESIGNATED STOCK EXCHANGE**"). THE ISSUER SHALL COMPLY WITH THE REQUIREMENTS OF THE SEBI LODR REGULATIONS (AS DEFINED HEREINAFTER) TO THE EXTENT APPLICABLE TO IT ON A CONTINUOUS BASIS.

DETAILS OF KEY MANAGERIAL PERSONNEL

MANAGING DIRECTOR AND CHAIRMAN	**CHIEF FINANCIAL OFFICER**	**COMPANY SECRETARY AND COMPLIANCE OFFICER**
Name: Lakshmipathy Deenadayalan **Email id:** pathy@fivestargroup.in **Telephone:** 044-46106200	**Name:** Srikanth G **Email id:** srikanth@fivestargroup.in **Telephone:** 044-46106200	**Name:** Shalini B **Email Id:** shalini@fivestargroup.in **Telephone:** 044-46106200

DEBENTURE TRUSTEE	**STATUTORY AUDITOR**	**REGISTRAR AND TRANSFER AGENT**
PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)	S.R. BATLIBOI & ASSOCIATES LLP Chartered Accountants **Name:** S.R. Batliboi & Associates, LLP, Chartered Accountants **Address**: 6th Floor – "A" Block Tidel Park No. 4, Rajiv Gandhi Salai Taramani, Chennai, Tamil Nadu- 600113, India **Telephone:** 044-61179000 **Email id**: srba@srb.in **Contact Person**: Bharath N S	NSDL Database Management Limited **Name**: NSDL Database Management Limited **Address**: Trade World, A – Wing 4th and 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai- 4000013 **Telephone**: 91-22-24994200 **Email:** info_ndml@nsdl.co.in **Website**: www.ndml-nsdl.co.in **Contact Person**: Sachin Shinde **Fax:** 022 49142503

DETAILS ABOUT UNDERWRITING OF THE ISSUE OF DEBT SECURITIES INCLUDING THE AMOUNT UNDERTAKEN TO BE UNDERWRITTEN BY THE UNDERWRITERS	**THE NATURE, NUMBER, PRICE AND AMOUNT OF SECURITIES OFFERED AND ISSUE SIZE (BASE ISSUE OR GREEN SHOE), AS MAY BE APPLICABLE**	**TYPE OF INSTRUMENT**
PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)	PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)	PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)

COUPON AND COUPON TYPE	**COUPON PAYMENT FREQUENCY**	**REDEMPTION DATE**	**REDEMPTION AMOUNT**
PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)	PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)	PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)	PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)

ISSUE OPENING DATE	**ISSUE CLOSING DATE**	**PAY-IN-DATE**	**DEEMED DATE OF ALLOTMENT**
PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)	PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)	PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)	PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)

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1. DISCLAIMERS

1.1 Disclaimer in relation to the General Information Document

This General Information Document is neither a prospectus nor a statement in lieu of prospectus and should not be construed to be a prospectus or a statement in lieu of prospectus under the Companies Act. The issue of Debt Securities to be listed on BSE is being made strictly on a private placement basis. This General Information Document is not intended to be circulated to any person other than the Eligible Investors. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. This General Information Document does not constitute and shall not be deemed to constitute an offer or a private placement of the Debt Securities under the Companies Act or to the public in general. The contents of this General Information Document should not be construed to be an offer within the meaning of Section 42 of the Companies Act. This General Information Document shall be uploaded on the BSE - EBP Platform to comply with the Operational Guidelines and an offer shall only be made upon the issue of the PPOAL to successful bidders after the completion of the bidding process.

This General Information Document has been prepared in conformity with the SEBI NCS Regulations to provide general information about the Issuer and the Debt Securities to Eligible Investors and shall be uploaded on the BSE - EBP Platform to facilitate invitation of bids. This General Information Document shall be available on the debt segment of BSE website after the final listing of the Debt Securities. This General Information Document does not purport to contain all the information that any Eligible Investor may require. Neither this General Information Document nor any other information supplied in connection with the issue of Debt Securities is intended to provide the basis of any credit or other evaluation and any recipient of this General Information Document should not consider such receipt a recommendation to subscribe to the issue or purchase any Debt Securities. Each Eligible Investor contemplating subscribing to the issue or purchasing any Debt Securities should make its own independent investigation of the financial condition and affairs of the Issuer and its own appraisal of the creditworthiness of the Issuer as well as the structure of the issue of Debt Securities. Eligible Investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debt Securities. It is the responsibility of successful bidders to also ensure that they will sell these Debt Securities strictly in accordance with this General Information Document and Applicable Laws, so that the sale does not constitute an offer to the public, within the meaning of the Companies Act. Neither the intermediaries, nor their agents, nor advisors associated with the issue of Debt Securities undertake to review the financial condition or any of the affairs of the Issuer contemplated by this General Information Document or have any responsibility to advise any Eligible Investor or successful bidders in the Debt Securities of any information coming to the attention of any other intermediary.

The Issuer confirms that, as of the date hereof, this General Information Document (including the documents incorporated by reference herein, if any) contains all information in accordance with the SEBI NCS Regulations that are material in the context of the issue of the Debt Securities, and are accurate in all material respects and does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements herein not misleading, in the light of the circumstances under which they are made. No person has been authorised to give any information or to make any representation not contained or incorporated by reference in this General Information Document or in any material made available by the Issuer to any Eligible Investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer. Further, the Issuer and the Arranger(s) accept no responsibility for statements made otherwise than in the General Information Document or in the advertisement or any other material issued by or at the instance of the Issuer and anyone placing reliance on any source of information other than this General Information Document for investment in the issue of Debt Securities would be doing so at his own risk.

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RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the Company or for the correctness of any of the statements or representations made or opinions expressed by the Company and for discharge of liability by the Company.

1.7 Disclaimer in respect of the Arranger

The Issuer has authorised the Arranger(s) to distribute this General Information Document in connection with the placement of the Debt Securities proposed to be issued under this Issue. Nothing in this General Information Document constitutes an offer of securities for sale in any other jurisdiction where such offer or placement would be in violation of any law, rule or regulation. The Issuer hereby declares that it has exercised due-diligence to ensure complete compliance with prescribed disclosure norms in the General Information Document.

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The Arranger(s) may purchase and hold the Debt Securities for their own account or for the accounts of its customers or enter into other transactions (including derivatives) relating to the Debt Securities at the same time as the offering of the Debt Securities. The Arranger(s) may have engaged in or may in the future engage in other dealings in the ordinary course of business with the Company and / or its subsidiaries and affiliates.

The Issuer has prepared this General Information Document and the Issuer is solely responsible for its contents. The Issuer will comply with all laws, rules and regulations and has obtained all governmental, regulatory and corporate approvals for the issuance of the Debt Securities. All the information contained in this General Information Document has been provided by the Issuer or is from publicly available information and such information has not been independently verified by the Arrangers.

1.8 Cautionary note

The Eligible Investors have confirmed that they: (i) are knowledgeable and experienced in financial and business matters, have expertise in assessing credit, market and all other relevant risk and are capable of evaluating, and have evaluated, independently the merits, risks and suitability of purchasing the Debt Securities, (ii) understand that the Issuer has not provided, and will not provide, any material or other information regarding the Debt Securities, except as required in terms of the Transaction Documents, (iii) have not requested the Issuer to provide it with any such material or other information except as required in terms of the Transaction Documents, (iv) have not relied on any investigation that any person acting on their behalf may have conducted with respect to the Debt Securities, (v) have made their own investment decision regarding the Debt Securities based on their own knowledge (and information they have or which is publicly available) with respect to the Debt Securities or the Issuer, (vi) have had access to such information as deemed necessary or appropriate in connection with purchase of the Debt Securities, (vii) are not relying upon, and have not relied upon, any statement, representation or warranty made by any person, other those as set out under the Transaction Documents, and (viii) understand that, by purchase or holding of the Debt Securities, they are assuming and are capable of bearing the risk of loss that may occur with respect to the Debt Securities, including the possibility that they may lose all or a substantial portion of their investment in the Debt Securities, and they will not look to the Trustee appointed for the Debt Securities, as may be applicable for all or part of any such loss or losses that they may suffer.

Recipients shall not be entitled to use any of the information otherwise than for deciding whether to invest in the Debt Securities.

No person including any employee of the Issuer has been authorized to give any information or to make any representation not contained in this General Information Document. Any information or representation not contained herein must not be relied upon as having been authorized by or on behalf of the Issuer. Neither the delivery of this General Information Document at any time nor any statement made in connection with the offering of the Debt Securities shall under the circumstances imply that any information/representation contained herein is correct at any time subsequent to the date of this General Information Document. The distribution of this General Information Document, the relevant Key Information Document(s) or the Application Forms and the offer, sale, pledge or disposal of the Debt Securities may be restricted by law in certain jurisdictions. Persons into whose possession this General Information Document comes are required by the Issuer to inform themselves about and observe any such restrictions. The sale or transfer of these Debt Securities outside India may require regulatory approvals in India, including without limitation, the approval of the RBI.

The Issuer reserves the right to withdraw the bid prior to the issue of Debt Securities in accordance with the Operational Guidelines, in the event of any unforeseen development adversely affecting the economic and regulatory environment or otherwise.

1.9 Confidentiality

By accepting a copy of this General Information Document or any other information supplied in connection with this General Information Document or the Debt Securities, each recipient agrees that neither it nor any of its employees or advisors will use the information contained herein for any purpose other than evaluating the transaction described herein or will divulge to any other party any such information. This General Information Document or any other information supplied in connection with this General Information Document or the Debt Securities must not be photocopied, reproduced, extracted or distributed in full or in part to any person other than the recipient without the prior written consent of the Issuer.

2. FORWARD-LOOKING STATEMENTS

2.1 Certain statements in this General Information Document are not historical facts but are "forward- looking" in nature. Forward-looking statements appear throughout this General Information Document, including, without limitation, under the section titled "*Risk Factors*". Forward-looking statements may include statements concerning the Issuer's plans, financial performance, the Issuer's competitive strengths and weaknesses, and the trends the Issuer anticipates in the industry, along with the political and legal environment, and geographical locations, in which the Issuer operates, and other information that is not historical information.

2.2 The Company may have included statements in this General Information Document, that contain words or phrases such as "will", "would", "aim", "aimed", "will likely result", "is likely", "are likely", "believe", "expect", "expected to", "will continue", "will achieve", "anticipate", "estimate", "estimating", "intend", "plan", "contemplate", "seek to", "seeking to", "trying to", "target", "propose to", "future", "objective", "goal", "project", "should", "can", "could",

"may", "will pursue" and similar expressions or variations of such expressions, that may constitute "forward-looking statements". These forward- looking statements involve a number of risks, uncertainties and other factors that could cause actual results, opportunities and growth potential to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to:

(a) General economic and business conditions in India and other countries (including where the Company has a presence);

(b) The Company's ability to successfully implement its strategy, its growth and expansion plans and technological changes;

(c) The Company's ability to manage the increased complexity of the risks that the Company faces following its rapid growth;

(d) Changes in the value of the Indian Rupee and changes in value of other currencies;

(e) Changes in Indian or international interest rates, credit spreads and equity market prices;

(f) Changes in laws and regulations that apply to the Company in India and in other countries where the Company is carrying on business;

(g) Changes in political conditions in India and in other countries where the Company is carrying on business; and

(h) Changes in the foreign exchange control regulations in India and in other jurisdictions where the Company is carrying on business.

The Company undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof. Forward looking statements speak only as of the date of this General Information Document. None of the Issuer, its Directors, its officers or any of their respective affiliates or associates has any obligation to update or otherwise revise any statement reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In addition, other factors that could cause actual results to differ materially from those estimated by the forward-looking statements contained in this General Information Document include, but are not limited to the general economic and political conditions in India and the other countries which have an impact on the Company's business activities or investments, political or financial instability in India or any other country caused by any factor including any terrorist attacks in India, the United States of America or elsewhere or any other acts of terrorism world-wide, any anti-terrorist or other attacks by the United States of America, the monetary and interest rate policies of India, political or financial instability in India or any other country or military armament or social unrest in any part of India, inflation, deflation, unanticipated turbulence in interest rates, changes in the value of the Indian Rupee, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets and level of internet penetration in India and globally, changes in domestic and foreign laws, regulations and taxes, changes in competition and the pricing environment in India and regional or general changes in asset valuations. For a further discussion on the factors that could cause actual results to differ, see the discussion under "*Risk Factors*" contained in this General Information Document.

3. DEFINITIONS AND ABBREVIATIONS

In this General Information Document, unless the context otherwise requires, the terms defined, and abbreviations expanded below, have the same meaning as stated in this section. Terms not defined herein shall have the meanings ascribed to them under the Key Information Document. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

3.1 Issuer Related Terms

Term	Description
Applicable Law(s)	shall have the meaning as ascribed to the term 'Applicable Law(s)' in the relevant Key Information Document(s).
Application Form	shall have the meaning as ascribed to the term 'Application Form' in the relevant Key Information Document(s).
Arranger(s)	shall have the meaning as ascribed to the term 'Arranger(s)' in the relevant Key Information Document(s).

Term	Description
Articles / Articles of Association	means articles of association of the Issuer, as amended from time to time.
Auditors	shall mean S.R. Batliboi & Associates, LLP, Chartered Accountants.
Board of Directors / Board	means the board of directors of the Company for the time being and from time to time.
BSE	means Bombay Stock Exchange of India Limited
BSE-EBP Platform	means the Electronic Book Provider Platform of BSE for issuance of debt securities on private placement basis.
CDSL	means Central Depository Services Limited.
Companies Act	means Companies Act, 2013, as amended from time to time.
Coupon Rate/ Coupon	shall have meaning set forth in "*Issue Details*" section of the relevant Key Information Document(s).
Coupon Payment Date	shall have the meaning as ascribed to the term 'Coupon Payment Date' in the relevant Key Information Document(s).
Credit Rating Agency/ Rating Agency	shall have the meaning as ascribed to the term 'Credit Rating Agency/'Rating Agency' in the relevant Key Information Document(s).
Deemed Date of Allotment	means the same date as the Pay In Date
Cut Off Date	means September 30, 2023
Directors	means the directors constituting the Board of the Issuer.
Eligible Investors	shall have the meaning as ascribed to the term 'Eligible Investors' in the relevant Key Information Document(s).
Financial Statement	means in relation to a company, its audited financial statements (on a consolidated and non-consolidated basis (as applicable)) for a Financial Year.
General Information Document	means this general information document dated December 04, 2023.
Governmental Authority	shall have the meaning as ascribed to the term Governmental Authority' in the relevant Key Information Document(s).
Key Information Document(s)	means the key information document required to be filed in relation to issuance of Debt Securities/commercial paper under this General Information Document.
Memorandum or Memorandum of Association	means the memorandum of association of the Issuer, as amended from time to time.
NBFC	means Non-Banking Financial Company
NSDL	means National Securities Depository Limited
Private Placement Offer cum application Letter/ PPOAL/Offer Letter	means the private placement offer cum application letter prepared and circulated by the Issuer to such Eligible Investors who are successful bidders, in compliance with Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014.
Promoters	means Lakshmipathy Deenadayalan, Hema Lakshmipathy, Shritha Lakshmipathy, Matrix Partners India Investments Holdings II LLC, and Peak XV Partners Investments V (formerly known as SCI Investments V).
Registered Office	means New No. 27, Old No. 4, Taylor's Road, Kilpauk, Chennai, Tamil Nadu-600010.
Related Party Transaction	means a transaction involving transfer of resources, services or obligations between: (i) the Issuer or any of its subsidiaries on one hand and a related party of

Term	Description
	the Issuer or any of its subsidiaries on the other hand; or (ii) the Issuer or any of its subsidiaries on one hand and any other person or entity, on the other hand, the purpose and effect of which is to benefit a related party of the Issuer or any of its subsidiaries with effect from April 1, 2023**;** regardless of whether a price is charged and a "transaction" with a related party shall be construed to include a single transaction or a group of transactions in a contract.
Registrar and Transfer Agent	means NSDL Database Management Limited.
SEBI	means Securities and Exchange Board of India
SEBI Debenture Trustee Master Circular	means SEBI circular with reference number SEBI/HO/DDHS-PoD1/P/CIR/2023/109 dated 31 March 2023, as amended from time to time.
SEBI Act	means the Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI LODR Regulations	means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by SEBI, as amended from time to time.
SEBI NCS Regulations	means SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 issued by SEBI, as amended from time to time read with the SEBI Master Circular.
Subsidiaries	mean the subsidiaries of the Issuer.
Tax	shall have the meaning as ascribed to the term 'Tax' in the relevant Key Information Document(s).
Transaction Documents	shall have the meaning as ascribed to the term 'Transaction Documents' in the relevant Key Information Document(s).
Trustee	shall have the meaning as ascribed to the term 'Debenture Trustee' in the relevant Key Information Document(s).

3.2 Conventional General Terms and Abbreviations

Abbreviation	Full form
Cr	Crore
CIN	Corporate Identification Number
EBP	Electronic Book Provider
Financial Year/ FY	The accounting period commencing from 1 April of the previous year till 31 March of the year under reference.
INR	Indian Rupees
ISIN	International Securities Identification Number
N.A.	Not Applicable
RBI	Reserve Bank of India
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
PAN	Permanent Account Number
ROC	Registrar of Companies

4. RISK FACTORS

An investment in Debt Securities involves risks. These risks may include, among others, equity market, bond market, interest rate, market volatility and economic, political and regulatory risks and any combination of these and other risks. Some of these are briefly discussed below. Eligible Investors and subsequent purchasers of the Debt Securities should be experienced with respect to transactions in instruments such as the Debt Securities. Eligible Investors and subsequent purchasers of the Debt Securities should understand the risks associated with an investment in the Debt Securities and should only reach an investment decision after careful consideration, with their legal, tax, accounting and other advisers, of (a) the suitability of an investment in the Debt Securities in the light of their own particular financial, tax and other circumstances and (b) the information set out in this General Information Document. Unless the context requires otherwise, the risk factors described below apply to the Issuer only. If any one of the risks enumerated below occurs, the Issuer's business, financial conditions and results of operations could suffer and therefore, the value of Issuer's debt securities could decline.

The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.

This General Information Document also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in such forward-looking statements as a result of certain factors including the considerations described below and elsewhere in this General Information Document.

4.1 Risk Factors Pursuant to SEBI NCS Regulations

(a) *Risks in relation to the non-convertible* securities –

(i) ***Repayment is subject to the credit risk of the Issuer:*** Eligible Investors should be aware that receipt of the principal amount, (i.e. the redemption amount) and any other amounts that may be due in respect of the debentures is subject to the credit risk of the whereby the Eligible Investor(s) may or may not recover all or part of the funds in case of default by the Company. Eligible Investors assume the risk that the Issuer will not be able to satisfy their obligations under the debentures. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Company, the payment of sums due on the debentures may not be made or may be substantially reduced or delayed.

(ii) ***The Debt Securities may not be a suitable investment for all purchasers****:* Eligible Investors should ensure that they understand the nature of the Debt Securities and the extent of their exposure to risk, that they have sufficient knowledge, experience and access to professional advisers to make their own legal, tax, accounting and financial evaluation of the merits and risks of investment in the Debt Securities and that they consider the suitability of the Debt Securities as an investment in the light of their own circumstances and financial condition.

(iii) ***Modification, waivers and substitution***: The conditions of the Debt Securities shall contain provisions for calling meetings of holders of Debt Securities to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders of Debt Securities including holders of Debt Securities who did not attend and vote at the relevant meeting and holders of Debt Securities who voted in a manner contrary to the majority.

(iv) ***Any downgrading in credit rating of the Debt Securities may affect the value of the Debt Securities:*** The Debt Securities proposed to be issued pursuant to this General Information Document carry a rating as may be mentioned in the Key Information Document that would be prepared for each issuance. The Company cannot guarantee that the ratings on the Debt Securities will not be downgraded. A downgrade in the credit ratings may lower the value of the Debt Security.

(v) ***Uncertain / Illiquid trading market: :*** All Debt Securities where a fixed rate of interest is offered, such as the debentures, are subject to price risk. Interest rates are highly sensitive and fluctuations thereof are dependent upon many factors which are beyond the Company's control, including the monetary policies of the RBI, de-regulation of the financial services sector in India, domestic and international economic and political conditions, inflation and other factors. The price of such securities will vary inversely with changes in prevailing interest rates, i.e., when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing Coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the price of the debentures.

(vi) ***Uncertain trading market***: The Company intends to list the Debt Securities on the WDM Segment of BSE or such other recognized stock exchanges that the Company may deem fit after giving prior intimation to the Trustee. The Company cannot provide any guarantee that the Debt Securities will be frequently traded on BSE or such other stock exchanges on which the Debt Securities are listed and that there would be any market for the Debt Securities.

(vii) Our ability to service the Debt Securities shall depend on various factors including our financial condition. Our ability to pay interest accrued on the Debt Securities and/or the principal amount outstanding from time to time in connection therewith would be subject to various factors inter-alia including our financial condition, profitability and the general economic conditions in India and in the global financial markets. We cannot assure you that we would be able to repay the principal amount outstanding from time to time on the Debt Securities and/or the interest accrued thereon in a timely manner or at all. Although our Company will create appropriate security in favour of the Trustee for the Debenture holders. The realisable value of the assets charged as security of the Company, may be lower than the outstanding principal and/or interest accrued thereon in connection with the Debt Securities. A failure or delay to recover the expected value from a sale or disposition of such assets charged as security could expose you to a potential loss.

(viii) Debt Securities shall be subordinated to certain liabilities in the event of winding up. The Debt Securities will be subordinated to certain liabilities preferred by law such as the claims of the Government on account of taxes, and certain liabilities incurred in the ordinary course of our business. In particular, in the event of bankruptcy, liquidation or winding-up, our Company's assets will be available to pay obligations on the Debt Securities only after all of those liabilities that rank senior to these Debt Securities have been paid.

(ix) ***Refusal of Listing of any security of the issuer during preceding three years and current financial year by any of the stock exchanges in India or abroad:*** As of date, the Company has not been refused in listing of any security during the last 3 (three) years by any of the stock exchanges in India or abroad and therefore, this would not be applicable.

(b) *Risk in relation to the security created in relation to the Debt Securities*- While the Debt Securities is secured against a charge to the tune of 100% (hundred percent) or more of the principal and interest amount in favour of Trustee to monitor that the security is maintained, however, the possibility of recovery of 100% (hundred percent) of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

(c) *Risk in relation to maintenance of security cover or full recovery of security in case of enforcement* – While the Debt Securities are secured against a charge to the tune of 100% (hundred percent) of the principal and interest amount in favour of Trustee, and it is the duty of the Trustee to monitor that the security is maintained, however, the possibility of recovery of 100% (hundred percent) of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

4.2 Political, Legal, Regulatory and Social Risk

We are exposed to the political, legal, regulatory and social risks of the countries in which we operate. These risks potentially include expropriation and nationalization of property, instability in political, economic or financial systems, uncertainty arising from underdeveloped legal and regulatory systems, corruption, civil strife or labor unrest, acts of war, armed conflict, terrorism, outbreaks of infectious diseases, prohibitions. Countries in which we have operations or intend to have operations have transportation, telecommunications and financial services infrastructures that may present logistical challenges not associated with doing business in more developed locales. Furthermore, we may have difficulty in ascertaining our legal obligations and enforcing any rights that we may have. Political, legal and commercial instability or community disputes in the countries and territories in which we operate could affect our operations.

4.3 Management's perception of Risk Factors:

(a) *The financial condition and results of operations may be materially and adversely affected if there is an increase in defaults by the borrowers of the Company or in the event of insufficient loan loss reserves being held by the Company.*

The Company's financial condition is directly correlated to its ability to control the level of borrower defaults in the future and if the Company's loan loss reserves are insufficient to cover future loan losses, its financial condition and results of operations may be materially and adversely affected.

The Company cannot assure that it will be able to effectively control borrower defaults. The amount of defaults may increase in the future as a result of growth of client loans, and due to other factors beyond its control. The current loan loss reserves of the Company may not be adequate to cover an increase in

the amount of defaults or any future deterioration in the overall credit quality of its loan portfolio. As a result, if the quality of its total loan portfolio deteriorates the Company may be required to increase its loan loss reserves, which may adversely affect its financial condition and results of operations.

(b) *Macroeconomic Risk*

The global economy continues to be exposed to macroeconomic challenges in the form of increasing inflation, climbing interest rates, fears of an upcoming recession and a looming debt crisis along with Europe's winter energy crisis and geopolitical issues. The Company is into financial service sector & is operating only in India, the macro-economic impact in form of recession, changes to monetary policy will have an effect in financial services & in turn on our operations.

(c) *Competition Risk*

With new entrants in the industry and continuous changes in the operating arena, the inability to adapt to new methods and evolve with market dynamics may result in loss of market share and declining revenues.

(d) *Environment Compliance and Sustainability Risk*

Reducing environmental footprint, ensuring optimum utilisation of scarce resources, and increasing consumption of renewable sources of energy have never been more important. It is also essential to comply with environmental rules and regulations. Our inability to sustain the high standards of environmental regulation might adversely impact our reputation and have financial implication.

(e) *Human Resource Risk*

Significant talent exodus in senior management, mid management and junior levels in functions like business, credit, operations, technology, finance & accounts, legal, treasury and other functions that the company is involved in poses a significant talent risk to the Company in terms of meeting our current plans and future aspirations.

(f) *Regulatory Risk*

Our operations are subject to local laws and regulations of the land. Any change in the regulatory framework, in regions where we operate, could adversely affect our business prospects.

(g) *Risk relating to Cyberattack and Security*

While the Company has adopted the best available cyber security framework and deployed a number of industry leading cyber defence technological controls, there may be potential loss of sensitive data or disruption to operations due to cyber-attack or hardware/ software failure, compromise of customer data, defacement of Company's website, social media profile, etc.

(h) *Risk related to Data Privacy*

The Company's business systems are continually upgraded/updated to continuously mitigate data privacy risks including carrying out privacy impact assessment, defining data privacy framework, usage of privacy enhancing technologies and a regular independent assessment of data. However, there exists a probability of breach of customer/ employee's sensitive personal information due to transactions and other activities on our platform, including protecting the data in and hosted on our system, including against attacks on our system by outside parties or fraudulent behaviour by our employees, addressing concerns related to privacy and sharing, safety, security and other factors and complying with Applicable Laws, rules and regulations relating to the collection, use, disclosure or security of personal information, including any requests from regulatory and government authorities relating to such data.

(i) *Risk related to data security leakage from third party agencies*

As the Company uses third party agencies for carrying out various business-related activities, there could be a probability of loss of business sensitive data and sensitive customer data managed by third parties.

(j) *Legality of Purchase*

Eligible Investors investing in the Debt Securities will be responsible for the lawfulness of the acquisition of the Debt Securities, whether under the laws of the jurisdiction of their incorporation or the jurisdiction in which they operate or for compliance by that potential Investor with any law, regulation or regulatory policy applicable to it.

(k) *Debenture Redemption Reserve*

The NBFCs registered with RBI are exempt from the requirement of creation of debenture redemption, reserve in respect of privately placed debentures. Pursuant to this rule, the Company does not intend to create any such reserve funds for the redemption of the debentures.

(l) *Model Risks*

Investment in the debt securities is subject to model risk i.e., the debt securities are created on the basis of complex mathematical models involving multiple derivative exposures which may or may not be hedged and the actual behaviour of the securities selected for hedging may significantly differ from the returns predicted by the mathematical models.

5. ISSUER INFORMATION

5.1 General Information about the Issuer

Company	Five-Star Business Finance Limited
Date of Incorporation	May 07, 1984
Registered Office and Corporate office	**Registered Office**: New No. 27, Old No. 4, Taylor's Road, Kilpauk, Chennai, Tamil Nadu- 600010 **Corporate Office**: New No. 27, Old No. 4, Taylor's Road, Kilpauk, Chennai TN 600010
Telephone	044-4610 6200
Email	cs@fivestargroup.in
Compliance Officer	Ms. Shalini Baskaran
Chief Financial Officer	Mr. Srikanth Gopalakrishnan

5.2 Overview of the Issuer and a brief summary of the business activities of the Issuer:

Company Overview:

The Company (formerly known as Five-Star Business Credits Limited) is a Systemically Important Non-Deposit taking Non-Banking Financial Company ("**NBFC-ND-SI**") registered with the RBI. The Company was established in 1984 and has been operating in the financial services space for over the last 39 (thirty-nine) years.

The Company was originally promoted by Mr V K Ranganathan and is currently being managed by Mr D Lakshmipathy, who joined the Board of the company in 2002, and is currently its Chairman and Managing Director. Under his leadership, over the last 21 (twenty one) years, the Company has grown from a branch network of 6 (six) to 456 (four hundred and fifty six) as at September 2023 and from an assets under management of INR 18,00,00,000 (Indian Rupees Eighteen Crores only) to about INR. 82,64,43,00,000 (Indian Rupees Eight Thousand Two Hundred Sixty-Four Crores and Forty Three Lakhs only) in this period. The management comprises of professionals who have longstanding experience and expertise in the financial services industry and have the necessary skills to carry out their responsibilities.

The Company is currently engaged mainly in providing collateralized small business loans to its customers in urban, semi-urban and fast-growing rural geographies. All its loans are collateralized and fully secured against property. The collaterals are usually the residential house property of the borrower(s) (self-occupied in a majority of cases) with exclusive charge resting with the Company. The loans disbursed by the Company are to small businessmen engaged predominantly in service-oriented businesses with loans typically ranging from INR 1,00,000 (Indian Rupees One Lakh only) to INR 10,00,000 (Indian Rupees Ten Lakhs only) and average loan ticket size of about INR 4,00,000 (Indian Rupees Four Lakhs only) and tenor of up to 7(seven) years.

As at September 30, 2023, the Company operated 456 (four hundred and fifty six) branches in 9 (nine) states – Tamil Nadu (122 (one hundred and twenty two) branches; including 2 (two) in Puducherry), Andhra Pradesh (157 (one hundred and fifty seven) branches), Telangana (69 (sixty nine)branches), Karnataka (36 (thirty six) branches), Maharashtra (8 (eight) branches), Madhya Pradesh (53 (fifty three) branches), Chhattisgarh (3 (three) branches), Uttar Pradesh (4 (four) branches) and Rajasthan (4 (four) branches) - with a borrower base of more than 3,40,000(excess of three lakhs forty thousand) active customers and a total portfolio under management of about INR 82,64,43,00,000 (Indian Rupees Eight Thousand Two Hundred Sixty-Four Crores and Forty Three Lakhs only).

5.3 Structure of the Group:

Please refer to **Annexure C** of this General Information Document.

5.4 A brief summary of the business activities of the subsidiaries of the Issuer:

The Company has the following subsidiaries:

S. No	Name	Details of business activities
Nil		

5.5 Details of branches or units where the Issuer carries on its business activities, if any:

Please refer to **Annexure E** of this General Information Document.

5.6 Project Cost and means of financing, in case of funding of new projects:

N.A.

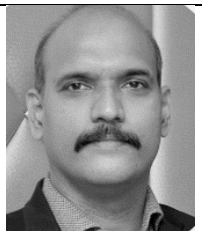
5.7 Expenses of the issue:

Please refer to the relevant Key Information Document(s).

5.8 Promoters Details

Details all the Promoters, including their name, date of birth, age, personal address, educational qualifications, experience in the business or employment, positions/posts held in the past, directorships held, other ventures of each Promoter, special achievements, their business and financial activities, photograph, PAN:

(a) *Lakshmipathy Deendayalan*

Particulars	Details
Name	Lakshmipathy Deendayalan
Photograph	
Date of Birth	February 09, 1974
Age	49 (forty nine) years
Address	39, Outer Circular Road, Kilpauk Garden Colony, Kilpauk, Chennai – 600010
Educational qualification	Bachelor of Engineering
Experience in business or employment	Mr Lakshmipathy Deendayalan joined the Board of the Company in 2002 and is currently the Chairman and Managing Director of the Company.
Positions/posts held in the past	Managing Director of RKV Finance Limited
Directorships held	Nil
Other ventures of the promoter	Nil
Special achievements	Member of the managing committee, Finance Companies Association of India and Management Committee Member, South India Hire Purchase Association

Particulars	Details
Business and Financial activities	The Company Provides small business loans to eligible borrowers to meet their business and personal needs, after due underwriting of their cashflows and backed by the collateral of their house property.
PAN	AATPL4799C

(b) *Hema Lakshmipathy*

Particulars	Details
Name	Hema Lakshmipathy
Photograph	
Date of Birth	December 21, 1975
Age	47 (forty seven) years
Address	39, Outer Circular Road, Kilpauk Garden Colony, Kilpauk, Chennai – 600010
Educational qualification	M.Com
Experience in business or employment	Nil
Positions/posts held in the past	Nil
Directorships held	Nil
Other ventures of the promoter	Nil
Special achievements	Nil
Business and Financial activities	The Company Provides small business loans to eligible borrowers to meet their business and personal needs, after due underwriting of their cashflows and backed by the collateral of their house property.
PAN	AAXPH6639K

(c) *Shritha Lakshmipathy*

Particulars	Details
Name	Shritha Lakshmipathy
Photograph	
Date of Birth	March 09, 2001

Particulars	Details
Age	22 (twenty two) years
Address	39, Outer Circular Road, Kilpauk Garden Colony, Kilpauk, Chennai – 600010
Educational qualification	B.SC Economics
Experience in business or employment	Nil
Positions/posts held in the past	Nil
Directorships held	Nil
Other ventures of the promoter	Nil
Special achievements	Nil
Business and Financial activities	The Company Provides small business loans to eligible borrowers to meet their business and personal needs, after due underwriting of their cashflows and backed by the collateral of their house property.
PAN	KYFPS5050D

(d) *Matrix Partners India Investments Holdings II LLC*

Particulars	Details
Name	Matrix Partners India Investments Holdings II LLC
Date of Incorporation	March 29, 2011
Address	Suite No 7020, 7th Floor, Hennessey Court, Port Hennessey Street, Port Louis, Mauritius
Other Ventures of the promoter	Matrix Partners India Investment Holdings II, LLC continues to invest in various companies with an intent to earn capital appreciation.
Business and Financial Information	Matrix holds a Category I Global Business License issued by the Financial Services Commission, established by the Financial Services Act, 2007 of Mauritius. Matrix has been organized with an opportunity to realize substantial long term capital appreciation. Matrix continues to invest in various companies with an intent to earn capital appreciation.
Special Achievements	Nil
PAN	AAHCM2393Q

(e) *Peak XV Partners Investments V (formerly known as SCI Investments V)*

Particulars	Details
Name	Peak XV Parters Investments V (formerly known as SCI Investments V)
Date of Incorporation	September 03, 2015
Address	Sanne House, Bank Street, Twenty Eight Cybercity, Ebene, 72201, Republic of Mauritius
Other ventures of the promoter	Long term capital appreciation through investments in portfolio companies.

Particulars	Details
Business and Financial activities	Peak XV Parters Investments V (formerly known as SCI Investments V) has been authorised to invest in the technology, consumer healthcare and other permissible sectors in India and south east Asian countries and is currently engaged in long term capital appreciation through investments in portfolio companies.
Special Achievements	Nil
PAN	AAYCS0449N

Our Company confirms that the PAN, aadhaar number, driving license number, bank account number(s) and passport number of the Promoters and PAN of Directors shall be submitted to the Stock Exchange at the time of filing of draft general information document with the Designated Stock Exchange.

6. CREDIT RATING AND RATING RATIONALE

Please refer to relevant Key Information Document (s).

7. LISTING OF DEBT SECURITIES

Please refer to the relevant Key Information Document(s).

8. RECOVERY EXPENSE FUND

Please refer to the relevant Key Information Document(s).

9. ISSUE SCHEDULE

Please refer to the relevant Key Information Document(s).

10. NAME AND CONTACT DETAILS OF ARRANGERS AND OTHER PARTIES.

Legal Counsel	Please refer to the relevant Key Information Document(s)
Guarantor, if applicable	Please refer to the relevant Key Information Document(s)
Arrangers	Please refer to the relevant Key Information Document(s)

11. FINANCIAL INFORMATION

11.1 *The audited financial statements (i.e. profit & loss statement, balance sheet and cash flow statement) both on a standalone and consolidated basis for a period of three completed years which shall not be more than six months old from the date of the General Information Document or issue opening date, as applicable.*

Financial Year 2022-23: 5Star-Annual-Report_2023_Final.pdf (fivestargroup.in)

Financial Year 2021-22: Five-Star-Business-Finance-Limited_Annual-Report-FY-2021-22.pdf (fivestargroup.in)

Financial Year 2020-21: Five-Star-Business-Annual_Report_-_2020-21.pdf (fivestargroup.in)

Please refer to **Annexure A** of this General Information Document.

11.2 Key operational and financial parameters (standalone financials)

Balance Sheet INR (in Cr)				
	September 30,2023* (Unaudited)	**2022-23 (Audited)**	**2021-22 (Audited)**	**2020-21 (Audited)**
Assets				
Property, Plant and Equipment	18.91	15.43	12.14	8.46
Financial Assets	9540.61	8583.26	6248.51	5719.22
Non-Financial Assets excluding property, plant and equipment	120.19	104.14	82.41	65.94
Total Assets	**9679.71**	**8702.83**	**6343.07**	**5793.61**

Balance Sheet INR (in Cr)				
	September 30,2023* (Unaudited)	**2022-23 (Audited)**	**2021-22 (Audited)**	**2020-21 (Audited)**
Liabilities				
Financial Liabilities				
- Derivative Financial Instruments	0.58	0.00	1.39	0.00
- Trade Payables	24.96	20.09	13.00	8.67
- Debt Securities	193.64	524.83	1,008.53	1,303.79
- Borrowings (other than debt securities)	4,625.63	3,722.45	1,550.30	2,121.41
- Subordinated Liabilities	0.00	0.00	0.00	0.00
- Other Financial Liabilities	62.23	60.70	41.47	17.17
Non-Financial Liabilities				
- Current tax liabilities	5.53	5.40	0.00	0.00
- Provisions	17.27	11.58	9.00	7.20
- Deferred tax liabilities (net)	0.00	0.00	0.00	0.00
- Other non-financial liabilities	13.60	18.24	9.02	17.20
Equity (Equity Share Capital and Other Equity)	4736.28	4339.54	3710.36	2318.17
Total Equity and Liabilities	**9679.71**	**8702.83**	**6343.07**	**5793.61**
Profit and Loss				
Total revenue from operations	999.19	1520.85	1254.06	1049.74
Other Income	6.75	8.08	2.11	1.51
Total Income	**1005.94**	**1528.93**	**1256.17**	**1051.25**
Total Expenses	**622.84**	**925.43**	**802.62**	**692.26**
Profit after tax for the period	383.10	603.50	453.54	358.99
Other Comprehensive income	-1.06	-2.21	-2.23	-0.79
Total Comprehensive Income	**382.04**	**601.29**	**451.31**	**358.21**
Earnings per equity share:				
(a) basic; and	13.15	20.71	16.09	14.01
(b) diluted	13.01	20.49	15.92	13.61
Cash Flow				
Net cash (used in)/ generated from operating activities (A)	-983.93	-1122.81	-277.16	-157.27
Net cash (used in)/ generated from investing activities (B)	49.05	161.78	-383.88	102.14
Net cash (used in)/ generated from financing activities (C)	609.95	1688.22	7.02	1032.53
Net Increase/ (decrease) in Cash and Cash Equivalents	**-324.93**	**727.20**	**-654.02**	**977.40**
Cash and cash equivalents as per Cash Flow Statement as at end of half year	**1015.43**	**1340.36**	**613.16**	**1267.18**
Additional Information				
Net worth	4736.28	4339.53	3710.35	2318.17
Cash and cash equivalents	1015.43	1340.36	613.16	1267.18
Loans	8132.26	6822.20	5102.41	4358.75

Balance Sheet INR (in Cr)				
	September 30,2023* (Unaudited)	**2022-23 (Audited)**	**2021-22 (Audited)**	**2020-21 (Audited)**
Loans (Principal Amount)	8264.43	6914.83	5067.08	4445.38
Total Debts to Total Assets	49.79%	48.80%	40.34%	59.12%
Interest Income	967.83	1498.78	1203.77	1014.88
Interest Expense	202.06	266.25	300.60	325.19
Impairment on Financial instruments	25.76	20.15	45.52	35.18
Bad Debts** to Loans	0.02%	0.17%	0.58%	0.22%
% Stage 3 Loans (Principal Amount)	1.35%	1.36%	1.05%	1.02%
% Net Stage 3 Loans (Principal Amount)	0.68%	0.69%	0.68%	0.83%
Tier I Capital Adequacy Ratio (%)	59.40%	67.17%	75.20%	58.86%
Tier II Capital Adequacy Ratio (%)	0	0	0	0
Note*: Financial data as on September 30, 2023 is based on unaudited financials. This is disclosed in accordance with requirements of SEBI NCS Regulations. ** Represent value of loans written off during the period expressed as a percentage on Loan (principal)				

11.3 Key operational and financial parameters (consolidated basis -financials):

The Company does not have any subsidiaries. Kindly refer to the Key operational and financial parameters stipulated in Clause 11.2.

11.4 Dividends declared by the Company in respect of the said 3 (three) financial years; interest coverage ratio for last 3 (three) years (earnings before interest, depreciation and tax / interest expense):

Particulars	**31 March 2023**	**31 March 2022**	**31 March 2021**
Dividend amounts paid (INR in Cr)	Nil	Nil	Nil
Interest Coverage Ratio (Earnings before interest, depreciation and tax / interest expense) (INR in Cr)	N.A.	N.A.	N.A.

11.5 Details of any other contingent liabilities of the Issuer, based on the latest audited financial statements including amount and nature of liability as on March 31, 2023.

Sr. No.	**Particulars**	**Amount (INR in Cr)**	
1	Income Tax	FY 2022-2023	FY 2021-2022
		0.07	0.07

11.6 The amount of corporate guarantee or letter of comfort issued by the Issuer along with details of the counterparty (viz. name and nature of the counterparty, whether a subsidiary, joint venture entity, group company etc.) on behalf of whom it has been issued:

As on the Cut Off Date, the Company has not issued any letter of corporate guarantee

Sr. No.	**Company name**	**Nature of Counterparty**	**Nature of facility**	**Transaction Currency**	**Amount (in INR in Cr)**	**Amount outstanding (in INR in Cr) as on September 30, 2023**
Nil						

As on the Cut Off Date, the Company has not issued any letter of comforts

Sr. No.	**Company name**	**Nature of Counterparty**	**Nature of facility**	**Amount outstanding as on September 30, 2023**	**Transaction Currency**	**Amount (in INR in Cr)**
Nil						

12. BRIEF HISTORY OF THE ISSUER SINCE ITS INCORPORATION GIVING DETAILS OF ITS FOLLOWING ACTIVITIES:

12.1 Details of share capital as at the last quarter end i.e., September 30, 2023.

Share Capital	Amount (INR in Cr)
AUTHORISED SHARE CAPITAL	
Equity Shares of Re.1 each	55.00
Total Authorised Share Capital	55.00
ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL	29.17
Total	29.17
Securities Premium Account	**2323.53**

12.2 Changes in its capital structure as at last quarter end, for the preceding three Financial Years and current Financial Year as at *September 30, 2023.*

Date of Change (Annual General Meeting /Extraordinary General Meeting)	Particulars
March 17, 2020 (Amalgamation) – Extraordinary General Meeting	Increase in authorised capital from INR 30,00,00,000/- to INR 55,00,00,000/-
April 22, 2021 - Extraordinary General Meeting	Issue & offer up to 14,71,771 equity shares of INR 10/- each on preferential basis by way of private placement
October 08, 2021 - Extraordinary General Meeting	Sub-division of face value of equity shares from 2,90,13,512 equity shares of INR 10/- each to 29,01,35,120 equity shares of INR 1/- each

12.3 Details of the equity share capital for the preceding three Financial Years and current Financial Year as on the Cut Off Date, i.e. *September 30, 2023:*

Date of Allotment	No of Equity Shares	Face Value (INR	Issue Price (INR)	Consideration (cash, other than cash)	Nature of Allotment	Cumulative			Remarks
						No of Equity Shares	Equity Shares Capital (INR)	Equity Share Premium (INR)	
August 17, 2020	52,000	10	10	Cash	Exercise of ASOP 2015	2,71,79,891	27,17,98,910	0	Nil
September 30, 2020	1,400	10	130	Cash	Exercise of ASOP 2015	2,71,81,291	27,18,12,910	1,68,000	Nil
October 22, 2020	2,600	10	130	Cash	Exercise of ASOP 2015	2,71,83,891	27,18,38,910	3,12,000	Nil
November 10, 2020	2,800	10	130	Cash	Exercise of ASOP 2015	2,71,86,691	27,18,66,910	3,36,000	Nil
November 30, 2020	1,800	10	674.4	Cash	Exercise of ASOP 2018	2,71,88,491	27,18,84,910	11,95,920	Nil
December 4, 2020	1,000	10	130	Cash	Exercise of ASOP 2015	2,71,89,491	27,18,94,910	1,20,000	Nil
March 5, 2021	1,250	10	130	Cash	Exercise of ASOP 2015	2,71,90,741	27,19,07,410	1,50,000	Nil
April 26, 2021	14,71,771	10	3,518.71	Cash	Preferential allotment	2,86,62,512	28,66,25,120	5,16,40,17,625	Nil

Date of Allotment	No of Equity Shares	Face Value (INR	Issue Price (INR)	Consideration (cash, other than cash)	Nature of Allotment	Cumulative			Remarks
						No of Equity Shares	Equity Shares Capital (INR)	Equity Share Premium (INR)	
June 18, 2021	200	10	130	Cash	Exercise of ASOP 2015	2,86,62,712	28,66,27,120	24,000	Nil
June 23, 2021	2,600	10	130	Cash	Exercise of ASOP 2015	2,86,65,312	28,66,53,120	3,12,000	Nil
August 04, 2021	5,570	10	130	Cash	Exercise of ASOP 2015	2,86,70,882	28,67,08,820	6,68,400	Nil
August 9, 2021	3,00,000	10	130	Cash	Preferential allotment	2,89,70,882	28,97,08,820	3,60,00,000	Nil
August 13, 2021	3,800	10	130	Cash	Exercise of ASOP 2015	2,89,74,682	28,97,46,820	4,56,000	Nil
August 25, 2021	750,000 partly paid-up equity shares allotted pursuant to				Preferential allotment	2,89,74,682	28,97,46,820	6,21,66,30,625	Nil
August 25, 2021	967,597 partly paid-up equity shares allotted pursuant to rights issue dated March 21, 2020 were made fully paid up.				Rights issue	2,89,74,682	28,97,46,820		
August 30, 2021	38,830	10	130	Cash	Exercise of ASOP 2015	2,90,13,512	29,01,35,120	46,59,600	Nil
October 8, 2021	Sub-division of equity shares of face value of INR 10 (Indian Rupees Ten only) each to equity shares of face value of INR 1 (Indian Rupees One only) each. The issued, subscribed and paid-up capital of the Company after the sub-division is INR 290,135,120 (Indian Rupees Two Thousand Nine Hundred One Crore Thirty Five Lakh and One Hundred and Twenty only) comprising of 290,135,120 equity shares of face value of INR 1(Indian Rupees One only) each					29,01,35,120	29,01,35,120	-	Nil
December 22, 2021	16,000	1	130	Cash	Exercise of ASOP 2015	290151120	29,01,51,120	20,64,000	Nil
December 22, 2021	20,000	1	67.44	Cash	Exercise of ASOP 2018	290171120	29,01,71,120	13,28,800	Nil
January 12, 2022	75,000	1	13	Cash	Exercise of ASOP 2018	290246120	29,02,46,120	9,00,000	Nil
January 12, 2022	50,000	1	67.44	Cash	Exercise of ASOP 2018	290296120	29,02,96,120	33,22,000	Nil
January 17, 2022	9,25,000	1	67.44	Cash	Exercise of ASOP 2018	29,12,21,120	29,12,21,120	6,14,57,000	Nil
March 08, 2022	34,000	1	13	Cash	Exercise of ASOP 2015	291255120	29,12,55,120	4,08,000	Nil
March 29, 2022	88,000	1	13	Cash	Exercise of ASOP 2015	291343120	29,13,43,120	10,56,000	Nil
June 08, 2022	4,000	1	13	Cash	Exercise of ASOP 2015	291347120	29,13,47,120	48,000	Nil
June 08, 2022	19,000	1	132.072	Cash	Exercise of ASOP 2015	291366120	29,13,66,120	24,90,368	Nil

Date of Allotment	No of Equity Shares	Face Value (INR	Issue Price (INR)	Consideration (cash, other than cash)	Nature of Allotment	Cumulative			Remarks
						No of Equity Shares	Equity Shares Capital (INR)	Equity Share Premium (INR)	
June 9,2023	28000	1	13	Cash	Exercise of ASOP 2015	29,13,94,120	29,13,94,120	3,36,000	Nil
June 9, 2023	20,000	1	132.072	Cash	Exercise of ASOP 2018	29,14,14,120	29,14,14,120	26,21,440	Nil
June 9, 2023	2000	1	67.44	Cash	Exercise of ASOP 2018	29,14,16,120	29,14,16,120	1,32,880	Nil
June 9, 2023	800	1	1	Cash	Exercise of ASOP 2018	29,14,16,920	29,14,16,920	-	Nil
July 11, 2023	10,000	1	13	Cash	Exercise of ASOP 2015	29,14,26,920	29,14,26,920	1,20,000	Nil
July 11, 2023	800	1	236.40	Cash	Exercise of ASOP 2018	29,14,27,720	29,14,27,720	1,88,320	Nil
July 11, 2023	7,200	1	1	Cash	Exercise of ASOP 2018	29,14,34,920	29,14,34,920	-	Nil
August 9, 2023	4060	1	1	Cash	Exercise of ASOP 2018	29,14,38,980	29,14,38,980	-	Nil
September 12, 2023	2,500	1	13	Cash	Exercise of ASOP 2015	29,14,41,480	29,14,41,480	30,000	Nil
September 12, 2023	5,000	1	132.072	Cash	Exercise of ASOP 2018	29,14,46,480	29,14,46,480	6,60,360	Nil
September 12, 2023	1,40,000	1	67.44	Cash	Exercise of ASOP 2018	29,15,86,480	29,15,86,480	93,01,600	Nil
September 12, 2023	1,25,000	1	67.44	Cash	Exercise of ASOP 2018	29,17,11,480	29,17,11,480	83,05,000	Nil
September 12, 2023	6,060	1	1	Cash	Exercise of ASOP 2018	29,17,17,540	29,17,17,540	-	Nil

12.4 Details of any acquisition of or amalgamation with any entity in the preceding 1 (one) year from the Cut Off Date:

Nil

12.5 Details of any reorganization or reconstruction in the preceding 1 (one) year from the Cut Off Date:

Nil

12.6 Details of the shareholding of the Issuer as at the latest quarter end i.e. September 30, 2023, as per the format specified under the listing regulations:

Please refer to **Annexure B** of this General Information Document.

12.7 List of top ten holders of equity shares of the Issuer as at the latest quarter end i.e. September 30, 2023:

Sr. No.	Name of Shareholders	Total no. of as equity shares	No of shares in DEMAT form	Total shareholding as % of total no of equity shares
Individual Promoters				
1.	Lakshmipathy Dendayalan	3,06,90,678	3,06,90,678	10.52%
2.	Hema Lakshmipathy	2,08,90,600	2,08,90,600	7.16%
Corporate Promoters				
3.	Matrix Partners India Investment Holding II, LLC	1,38,61,330	1,38,61,330	4.75%
4.	Peak XV Partners Investments V (formerly known as SCI Investments V)	2,28,45,487	2,28,45,487	7.83%
Public				
5.	TPG Asia VII SF PTE Limited	4,16,95,132	4,16,95,132	14.29%
6.	Norwest Venture Partners X - Mauritius	1,50,98,476	1,50,98,476	5.18%
7.	SIRIUS II PTE Limited	1,75,93,990	1,75,93,990	6.03%
8.	SCI Growth Investments III	1,10,26,160	1,10,26,160	3.78%
9.	Sequoia Capital Global Growth Fund III- Endurance	1,01,57,290	1,01,57,290	3.48%
10.	Smallcap World Fund, Inc	89,70,345	89,70,345	3.08%

13. OTHER DISCLOSURES AND INFORMATION

13.1 Details of current Directors of the Issuer as of Cut Off Date i.e. *September 30, 2023*:

Name, Designation, Occupation & DIN	Age (in years)	Address	Date of appointment	Details of other directorship
Lakshmipathy Dendayalan **DIN**: 01723269 Managing Director and Chairman; Company Service	49	No. 39, Outer Circular Road, Kilpauk Garden Colony, Kilpauk, Chennai – 600010	June 21, 2002	N.A.
Ramkumar Ramamoorthy **DIN**: 07936844 Independent Director	55	Flat B-13, Chaitanya Nest, Ratna Nagar, Teynampet, Chennai - 600 018	June 08, 2022	1. Catalincs Partners LLP
Bhama Krishnamurthy **DIN**: 02196839 Independent Director	68	401, 4th Floor, Avarsekars Shrusti, Old Prabhadevi Road, Prabhadevi, Mumbai 400025	April 12, 2016	1. Network18 Media & Investments Limited 2. Cholamandalam Investment And Finance Company Limited. 3. Muthoot Microfin Limited 4. CSB Bank Limited 5. Thirumalai Chemicals Limited 6. E-Eighteen.Com Limited
R. Anand **DIN**: 00243485 Independent Director	62	No. 22/1, Warren Road, Mylapore, Chennai - 600004	July 28, 2016	1. Shriram Life Insurance Company Limited 2. Muthoot Microfin Limited 3. SK Finance Limited 4. Jasmine Concrete Exports Private Limited 5. Nani Palkhivala Arbitration Centre 6. Chennai International Centre
Vikram Vaidyanathan **DIN**: 06764019 Non-Executive Director	42	Gw 45, Divyasree 77, East Yemalur Main Road Yemalur, Bangaluru 560037	August 21, 2015	1. Mswipe Technologies Private Limited 2. VER SE Innovation Private Limited 3. OFB Tech Private Limited 4. Matrix India Asset Advisors Private Limited

Name, Designation, Occupation & DIN	Age (in years)	Address	Date of appointment	Details of other directorship
				5. Mswipe Capital Private Limited 6. Amica Financial Technologies Private Limited 7. Scapia Technology Private Limited 8. DEVC India I Manager Private Limited
G. V. Ravishankar **DIN**: 02604007 Non-Executive Director	45	Villa Gw09, 77 East, 77 Town Centre Yemlur Main Road, Marathahalli, Bangalore 560037	August 18, 2017	1. Rebel Foods Private Limited 2. Go Fashion (India) Limited 3. Think & Learn Private Limited 4. Capfloat Financial Services Private Limited 5. Homevista Decor and Furnishings Private Limited 6. Fintech Blue Solutions Private Limited 7. Rupeek Fintech Private Limited 8. Finova Capital Private Limited 9. K12 Techno Services Private Limited
Vasan Thirulokchand **DIN**: 07679930 Non-Executive Director	46	1/143/1C, Thilak Street, Panneer nagar, Mogappair East, Chennai - 600037	December 15, 2016	Nil
Thiruvallur Thattai Srinivasaraghavan **DIN**: 00018247 Independent Director	68	New No. 9, Old No.5, III Street Kasturi Estates, Chennai – 600086	August 25, 2021	1. Finance Industry Development Council 2. Brakes India Private Limited 3. Sundaram Finance Limited 4. Sundaram Business Services Limited 5. Turbo Energy Private Limited 6. Sundaram Home Finance Limited

Name, Designation, Occupation & DIN	Age (in years)	Address	Date of appointment	Details of other directorship
				7. Sundaram Trustee Company Limited 8. Royal Sundaram General Insurance Co Limited 9. R K Swamy Limited 10. Hansa Customer Equity Private Limited

13.2 Details of change in Directors since last three Financial Years and current Financial Year as at the Cut Off Date i.e. *September 30, 2023*:

Name	Designation	DIN	Date of Appointment	Date of Cessation, if applicable	Date of Resignation, if applicable	Remarks
Gaurav Trehan	Director	03467781	September 22, 2018	May 22, 2020	May 22, 2020	-
Sanjeev Mehra	Director	07491208	June 10, 2020	October 21, 2021	October 21, 2021	-
Gaurav Trehan	Director	03467781	April 26, 2021	October 21, 2021	October 21, 2021	-
Ling Wei Ong	Director	02405458	September 16, 2016	April 26, 2021	April 26, 2021	-
Arjun Saigal	Alternate Director	07556188	September 09, 2019	April 26, 2021	April 26, 2021	-
T T Srinivasaraghavan	Independent Director	00018247	August 08, 2021	-	-	-
Balaram Haribabu	Director	01509249	September 28, 2017	October 21, 2021	October 21, 2021	-
Lankupalli Raviprasad	Director	01522796	June 21, 2002	October 21, 2021	October 21, 2021	-
Ramkumar Ramamoorthy	Director	07936844	June 08, 2022	-	-	-
Ramanathan Annamalai	Independent Director	02645247	April 12, 2016	May 25, 2022	May 25, 2022	-

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13.3 Details of Directors' remuneration, and such particulars of the nature and extent of their interests in the Issuer (during the current year and preceding three Financial Years) as at Cut Off Date i.e. *September 30, 2023*:

Sr.No.	Particulars	Current Financial Year Up to September 30, 2023 (INR in Cr)	FY 2022-23 (INR in Cr)	FY 2021-22 (INR in Cr)	FY 2020-21 (INR in Cr)
(i)	**Remuneration payable or paid to a director by the Issuer, its subsidiary or associate company;**				
	Name of Director	**From April to September 2023**			
	Mr D Lakshmipathy	4.50	8.31	6.31	5.02

Sr.No.	Particulars	Current Financial Year Up to September 30, 2023 (INR in Cr)	FY 2022-23 (INR in Cr)	FY 2021-22 (INR in Cr)	FY 2020-21 (INR in Cr)
	Mr B Haribabu	0.00	0.00	0.046	0.049
	Mr Ramanathan Annamalai	0.00	0.028	0.094	0.055
	Mr Anand Raghavan	0.089	0.018	0.098	0.061
	Ms Bhama Krishnamurthy	0.089	0.019	0.094	0.061
	Mr Srinivasaraghavan T T*	0.069	0.147	0.043	0.00
	Mr L R Raviprasad	0.00	0.00	0.046	0.044
	Mr Thirulokchand Vasan	0.061	0.135	0.050	0.045
	Mr Ramkumar Ramamoorthy**	0.067	0.119	0.00	0.00
(ii)	**Shareholding of the director in the Company, its subsidiaries, and associate companies on a fully diluted basis**				
	N.A.				
(iii)	**Appointment of any relatives to an office or place of profit of the Issuer, its subsidiary or associate company;**				
	Nil				
(iv)	**Particulars of the nature and extent of interest, if any, of every director:**				
A	in the promotion of the Issuer;	Nil			
B	In any immoveable property acquired by the issuer in the two years preceding the date of the General Information Document or any immoveable property proposed to be acquired by it; or	Nil			
C	where the interest of such a director consists in being a member of a firm or company, the nature and extent of his interest in the firm or company, with a statement of all sums paid or agreed to be paid to him or to the firm or company in cash or shares or otherwise by any person either to induce him to become, or to help him qualify as a director, or otherwise for services rendered by him or by the firm or company, in connection with the promotion or formation of the Issuer shall be disclosed.	Nil			

Note*: Remuneration for FY 2020-21 is Nil since Mr Srinivasaraghavan T T was appointed with effect from August 25, 2021.

Note**: Remuneration for FY 2020-21 is Nil since Mr Ramkumar Ramamoorthy was appointed with effect from June 08, 2022.

13.4 Contribution being made by the Directors as part of the offer or separately in furtherance of such objects, as of Cut Off Date i.e., *September 30, 2023*:

Nil

13.5 Details of any financial or other material interest of the Directors, Promoters, key managerial personnel or senior management in the offer and the effect of such interest in so far as it is different from the interests of other persons, as of Cut Off Date i.e., *September 30, 2023*:

Nil

13.6 Details of the Auditors of the Issuer, as of Cut Off Date i.e., *September 30, 2023*:

Name	Address	Auditor Since
S.R. Batliboi & Associates LLP.	6th Floor A Block, Tidel Park, No. 4, Rajiv Gandhi Salai, Taramani, Chennai	March 11, 2022 for period (April 01,2021 – March 31, 2024)

13.7 Details of change in Auditor for preceding three Financial Years and current Financial Year as of Cut Off Date:

Name	Address	Date of Appointment & Resignation	Auditor Since with the company	Remarks
BSR & Co LLP	No.1 KRM Towers, Harrington Road, Chetpet, Chennai-600031	September 25, 2019 and February 11, 2022	September 25, 2019	As per RBI Requirement on mandatory rotation of Statutory Auditors

13.8 Details of the following liabilities of the Issuer, as at the end of the preceding quarter, or if available, a later date:

Details of outstanding secured loan facilities of the Issuer as on September 30, 2023:

Lender's Name	Type of Facility	Amount Sanctioned (INR in Cr)	Principal Amount Outstanding (INR in Cr)	Repayment Date / Schedule	Security	Credit Rating	Asset Classification
AU Small Finance Bank (3)	Term Loan-Bank	38.00	3.17	February 3, 2024	1.10	AA-	Standard
Bank of Baroda (2)	Term Loan-Bank	50.00	4.94	March 30, 2024	1.20	AA-	Standard
KVB TL (2)	Term Loan-Bank	10.00	1.40	May 31, 2024	1.15	AA-	Standard
State Bank of India (2)	Term Loan-Bank	200.00	50.84	December 31, 2024	1.25	AA-	Standard
Punjab National Bank (1)	Term Loan-Bank	30.00	7.48	December 31, 2024	1.20	AA-	Standard
Union Bank of India (1)	Term Loan-Bank	50.00	12.41	February 25, 2025	1.15	AA-	Standard
Union Bank of India (1)	Term Loan-Bank	40.00	10.87	March 31, 2025	1.15	AA-	Standard
RBL Bank (8-Tranche 1)	Term Loan-Bank	100.00	0.00	May 16, 2023	1.20	AA-	Standard
RBL Bank (8-Tranche 2)	Term Loan-Bank		0.00	June 30, 2023	1.20	AA-	Standard
RBL Bank (8-Tranche 3)	Term Loan-Bank		2.21	December 23, 2023	1.20	AA-	Standard
AU Small Finance Bank (1)	Term Loan-Bank	10.00	0.33	November 5, 2023	1.10	AA-	Standard
Bank of India (1)	Term Loan-Bank	40.00	15.51	May 15, 2025	1.15	AA-	Standard
Utkarsh Small Finance Bank (2)	Term Loan-Bank	25.00	5.98	August 25, 2024	1.10	AA-	Standard

Lender's Name	Type of Facility	Amount Sanctioned (INR in Cr)	Principal Amount Outstanding (INR in Cr)	Repayment Date / Schedule	Security	Credit Rating	Asset Classification
Kotak Mahindra Bank (2)	Term Loan-Bank	25.00	1.38	November 10, 2023	1.15	AA-	Standard
Equitas Small Finance Bank (5)	Term Loan-Bank	23.00	7.64	January 05, 2025	1.15	AA-	Standard
Federal Bank (5)	Term Loan-Bank	10.00	0.83	December 31, 2023	1.15	AA-	Standard
DCB Bank (4)	Term Loan-Bank	25.00	2.92	January 31, 2024	1.10	AA-	Standard
AU Small Finance Bank (4)	Term Loan-Bank	20.00	9.67	February 03, 2026	1.10	AA-	Standard
Federal Bank (6)	Term Loan-Bank	5.00	0.83	March 30, 2024	1.15	AA-	Standard
Bandhan Bank (3)	Term Loan-Bank	60.00	23.75	April 1, 2025	1.10	AA-	Standard
IndusInd Bank (2)	Term Loan-Bank	75.00	12.41	March 31, 2024	1.15	AA-	Standard
Karnataka Bank (2)	Term Loan-Bank	25.00	4.30	February 29, 2024	1.10	AA-	Standard
RBL Bank (9-Tranche 1)	Term Loan-Bank	100.00	8.82	December 30, 2024	1.10	AA-	Standard
RBL Bank (9-Tranche 2)	Term Loan-Bank	0.00	24.71	June 21, 2025	1.10	AA-	Standard
Axis Bank (1)	Term Loan-Bank	50.00	20.81	December 31, 2024	1.10	AA-	Standard
HDFC Bank (1-Tranche1)	Term Loan-Bank	50.00	12.08	February 15, 2026	1.10	AA-	Standard
HDFC Bank (1-Tranche 2)	Term Loan-Bank	0.00	19.38	April 1, 2026	1.10	AA-	Standard
IDFC First Bank (1)	Term Loan-Bank	75.00	52.50	March 30, 2027	1.10	AA-	Standard
KVB (3)	Term Loan-Bank	49.50	36.47	February 28, 2027	1.10	AA-	Standard
SBI (4)	Term Loan-Bank	150.00	114.58	May 31, 2028	1.10	AA-	Standard
HSBC (1-Tranche 1)	Term Loan-Bank	50.00	14.00	March 29, 2025	1.10	AA-	Standard
South Indian Bank (3)	Term Loan-Bank	50.00	42.11	September 03, 2027	1.10	AA-	Standard
Federal (6)	Term Loan-Bank	50.00	37.50	September 15, 2026	1.10	AA-	Standard

Lender's Name	Type of Facility	Amount Sanctioned (INR in Cr)	Principal Amount Outstanding (INR in Cr)	Repayment Date / Schedule	Security	Credit Rating	Asset Classification
Bank of Maharashtra (1)	Term Loan-Bank	100.00	88.38	February 26, 2028	1.10	AA-	Standard
Union Bank (2)	Term Loan-Bank	50.00	44.44	September 28, 2029	1.11	AA-	Standard
IndusInd (3-Tranche 1)	Term Loan-Bank	150.00	75.00	September 29, 2026	1.10	AA-	Standard
IndusInd (3-Tranche 2)	Term Loan-Bank	0.00	40.62	December 06, 2026	1.10	AA-	Standard
Axis Bank (2)	Term Loan-Bank	75.00	58.60	September 30, 2026	1.10	AA-	Standard
Bandhan Bank (4)	Term Loan-Bank	200.00	170.00	November 21, 2027	1.10	AA-	Standard
Ujjivan Small Finance Bank (3)	Term Loan-Bank	70.00	52.50	December 31, 2025	1.10	AA-	Standard
YES Bank (3)	Term Loan-Bank	150.00	121.88	December 26, 2026	1.10	AA-	Standard
Kotak Mahindra Bank (3)	Term Loan-Bank	100.00	81.25	December 28, 2026	1.10	AA-	Standard
Indian Bank (1)	Term Loan-Bank	75.00	69.53	December 28, 2027	1.10	AA-	Standard
HSBC (1-Tranche 2)	Term Loan-Bank	50.00	27.00	October 29, 2025	1.10	AA-	Standard
KVB (4)	Term Loan-Bank	75.00	71.05	March 31, 2028	1.11	AA-	Standard
Kotak (4)	Term Loan-Bank	100.00	87.50	March 30, 2027	1.10	AA-	Standard
SBI (5)	Term Loan-Bank	250.00	250.00	February 28, 2030	1.25	AA-	Standard
IDFC First Bank (2)	Term Loan-Bank	200.00	180.00	March 31, 2028	1.10	AA-	Standard
Bank of Baroda (3)	Term Loan-Bank	100.00	90.00	March 31, 2028	1.10	AA-	Standard
DBS Bank (1)	Term Loan-Bank	100.00	96.97	May 16,2026	1.10	AA-	Standard
Federal Bank (7)	Term Loan-Bank	50.00	47.50	June 30, 2028	1.10	AA-	Standard
Federal Bank-FCTL	Term Loan-Bank	50.00	48.07	June 30, 2028	1.10	AA-	Standard
Qatar National Bank (1-Tranche 1)	Term Loan-Bank	40.00	28.50	June 30, 2028	1.10	AA-	Standard

Lender's Name	Type of Facility	Amount Sanctioned (INR in Cr)	Principal Amount Outstanding (INR in Cr)	Repayment Date / Schedule	Security	Credit Rating	Asset Classification
Qatar National Bank (1-Tranche 2)	Term Loan-Bank	0.00	10.00	July 31, 2028	1.10	AA-	Standard
Indusind Bank (4-Tranche 1)	Term Loan-Bank	250.00	95.00	June 30, 2028	1.10	AA-	Standard
Indusind Bank (4-Tranche 2)	Term Loan-Bank	0.00	100.00	September 30, 2026	1.10	AA-	Standard
Bank of Maharashtra (2)	Term Loan-Bank	300.00	300.00	December 31, 2028	1.10	AA-	Standard
Karnataka Bank (3)	Term Loan-Bank	150.00	150.00	August 31, 2028	1.10	AA-	Standard
Union Bank of India (3)	Term Loan-Bank	50.00	50.00	August 31, 2028	1.11	AA-	Standard
Canara Bank (1)	Term Loan-Bank	100.00	100.00	September 05, 2028	1.11	AA-	Standard
City Union Bank (1)	Term Loan-Bank	50.00	50.00	September 1, 2026	1.11	AA-	Standard
City Union Bank (2)	Term Loan-Bank	50.00	50.00	September 1, 2026	1.11	AA-	Standard
Axis Bank (3-Tranche 1)	Term Loan-Bank	200.00	150.00	September 30, 2027	1.10	AA-	Standard
Federal Bank Limited	CC/OD/WCDL	5.00	0.00	-	1.25	AA-	Standard
City Union Bank	CC/OD/WCDL	5.00	0.00	-	1.33	AA-	Standard
RBL Bank Limited	CC/OD/WCDL	5.00	0.00	-	1.20	AA-	Standard
Yes Bank	CC/OD/WCDL	10.00	0.00	-	1.10	AA-	Standard
Kotak Mahindra Bank	CC/OD/WCDL	2.00	0.00	-	1.15	AA-	Standard
Bandhan Bank	CC/OD/WCDL	2.00	0.00	-	1.10	AA-	Standard
IndusInd Bank	CC/OD/WCDL	3.00	0.00	-	1.10	AA-	Standard
Axis Bank	CC/OD/WCDL	5.00	0.00	-	1.10	AA-	Standard
HDFC Bank	CC/OD/WCDL	5.00	0.00	-	1.10	AA-	Standard
IDFC First Bank	CC/OD/WCDL	1.00	0.00	-	1.10	AA-	Standard
KVB	CC/OD/WCDL	0.50	0.00	-	1.11	AA-	Standard
SBI	CC/OD/WCDL	9.00	0.00	-	1.25	AA-	Standard
Nabkisan Finance (2)	Term Loan-NBFC/FI	13.40	1.99	May 31, 2024	1.10	AA-	Standard

Lender's Name	Type of Facility	Amount Sanctioned (INR in Cr)	Principal Amount Outstanding (INR in Cr)	Repayment Date / Schedule	Security	Credit Rating	Asset Classification
Cholamandalam Finance (3)	Term Loan-NBFC/FI	10.00	1.27	April 1, 2024	1.10	AA-	Standard
Tata Capital (2)	Term Loan-NBFC/FI	7.80	0.81	February 5, 2024	1.10	AA-	Standard
MAS Financial Services (6-10)	Term Loan-NBFC/FI	50.00	4.17	December 20, 2023	1.10	AA-	Standard
Bajaj Finance Ltd (3)	Term Loan-NBFC/FI	30.00	2.50	December 28, 2023	1.15	AA-	Standard
Nabkisan Finance (3)	Term Loan-NBFC/FI	25.00	9.37	March 1, 2025	1.10	AA-	Standard
Nabsamruddhi Finance (2)	Term Loan-NBFC/FI	18.00	3.40	March 31, 2024	1.10	AA-	Standard
Bajaj Finance Ltd (4)	Term Loan-NBFC/FI	85.00	67.29	November 04, 2026	1.10	AA-	Standard
Nabkisan (4)	Term Loan-NBFC/FI	70.00	57.27	March 01, 2025	1.10	AA-	Standard
ABFL (3)	Term Loan-NBFC/FI	50.00	45.83	April 05, 2028	1.10	AA-	Standard
NCD-Karvy-30 Crs	NCD	30.00	30.00	April 11, 2024	1.10	AA-	Standard
NCD-Vivriti Samrath Bond	NCD	15.00	11.25	May 13, 2026	1.10	AA-	Standard
NCD-9.20% NCD Five-Star 2026	NCD	49.00	49.00	April 24, 2026	1.10	AA-	Standard
NCD-9.10% FSBFL Dec 2026	NCD	100.00	100.00	December 15, 2026	1.10	AA-	Standard

Note*: The secured borrowings in the table above exclude securitization transactions. The Company has undertaken securitization transactions for a sanction amount of INR 18,27,63,00,000 (Indian Rupees One Thousand Eight Hundred Twenty Seven Crores and Sixty Three Lakhs only, with the outstanding amount as on September 30, 2023, being INR 10,16,16,00,000 (One Thousand Sixteen Crores and Sixteen Lakhs only).

(a) *Details of outstanding unsecured loan facilities of the Issuer as on September 30, 2023:*

Name of lender	Type of Facility	Amount Sanctioned (INR in Cr)	Principal Amount outstanding (INR in Cr)	Repayment Date / Schedule	Credit Rating, if applicable
Swedfund International AB	ECB	151.82	83.04	December 27, 2026	N.A.

(b) *Details of outstanding non-convertible securities as on September 30, 2023.*

Series	ISIN	Tenor/ Period of Maturity (months)	Coupon	Amount outstanding (INR in Cr)	Date of Allotment	Redemption Date/ Schedule	Credit Rating	Secured/ unsecured	Security
01	INE128S07366	60	11.40%	30.00	April 11, 2019	April 11, 2024	ICRA AA-; Stable	Secured	1.1 times

Series	ISIN	Tenor/ Period of Maturity (months)	Coupon	Amount outstanding (INR in Cr)	Date of Allotment	Redemption Date/ Schedule	Credit Rating	Secured/ unsecured	Security
02	INE128S07424	36	12.75%	11.25	May 13, 2020	May 13, 2026	ICRA AA-; Stable	Secured	1.1 times
03	INE128S07580	37	9.20%	49.00	February 24,2023	April 24, 2026	IND AA-; Stable	Secured	1.1 times
04	INE128S07598	42	9.10%	100.00	June 15, 2023	December 15, 2026	ICRA AA-; Stable	Secured	1.1 times

(c) *Details of commercial paper issuances as at the end of the last quarter i.e. as on September 30, 2023, in the following format:*

As on Cut Off Date, the Company has not issued any commercial paper

Series	ISIN	Tenor/ Period of Maturity (months)	Coupon	Amount outstanding (INR in Cr)	Date of Allotment	Redemption Date/ Schedule	Credit Rating	Secured/ unsecured	Security	Other details viz. details of Issuing and Paying Agent, details of Credit Rating Agencies
Nil										

(d) *List of top ten holders of non-convertible securities as on September 30, 2023, in terms of value (on a cumulative basis):*

S. No.	Name of holders	Category of holder	Face value of holding (INR in Cr)	Holding as a % of total outstanding non-convertible securities of the Issuer
1	Sporta Technologies Pvt Ltd	Corporate	49.00	25.76%
2	Sundaram Finance Ltd	NBFC	40.00	21.02%
3	ACG PAM Pharma Technologies Pvt Ltd	Corporate	11.25	5.91%
4	ACG Associated Capsules Pvt Ltd	Corporate	10.00	5.26%
5	Super Auto Forge Pvt Ltd	Corporate	7.50	3.94%
6	Damayanti Ramachandran	Firm	6.00	3.15%
7	Cosma First Ltd	Corporate	5.00	2.63%
8	Pico Capital Pvt Ltd	NBFC	5.00	2.63%
9	Gujral Design Plus Overseas Pvt Ltd	Corporate	4.60	2.42%
10	Achal EXIM Pvt Ltd	Corporate	4.00	2.10%

(e) *List of top ten holders of commercial paper as on September 30, 2023 in terms of value (in cumulative basis)**:***

As on the Cut-Off Date, the Company has not issued any commercial paper.

Sl. No.	Name of holder	Category of holder	Face value of holding (INR)	Holding as a % of total commercial paper outstanding of the Issuer
Nil				

(f) *Details of the bank fund-based facilities/ rest of the borrowing (if any, including hybrid debt like foreign currency convertible bonds, optionally convertible debentures/ preference shares) from financial institutions or financial creditors as on September 30, 2023:*

Name of Party (in case of facility)/ Name of Instrument	Type of facility / Instrument	Amount sanctioned/ issued (INR in Cr)	Principal Amount outstanding	Date of Repayment / Schedule* (INR in Cr)	Credit Rating	Secured/ Unsecured	Security
Nil							

(g) *Details of any outstanding borrowings taken/ debt securities issued for consideration other than cash. This information shall be disclosed whether such borrowing/ debt securities have been taken/ issued: (i) in whole or part; (ii) at a premium or discount, or (iii) in pursuance of an option or not.*

Nil

13.9 Disclosures on asset liability management as per latest audited financials:

S. No	Particulars of disclosure	Details
1	**Details with regard to lending done out of the issue proceeds of earlier issuances of debt securities (whether public issue or private placement) by the Company in the last three years.**	
1.a	Lending Policy:	Refer Clause 13.26.(xi.)
1.b	Classification of loans given to associate, or entities related to Board, key managerial personnel, senior management, promoters, etc.	Refer Annexure I
1.c	Classification of loans into several maturity profile denomination	Refer Annexure I
1.d	Aggregated exposure to top 20 borrowers	Refer Annexure I
1.e	Details of loans, overdue and classified as Non-performing assets (NPA)	Refer Annexure I
2.	**Details of borrowings made by NBFC**	
2.a	Portfolio Summary of borrowings made by Issuer	Refer Annexure I
2.b	Quantum and percentage of Secured vs. Unsecured borrowings	Refer Annexure I
3	**Details of change in Shareholding** (any change in promoters' shareholding in the Issuer during preceding financial year beyond the threshold prescribed by RBI)	N.A.
4	**Disclosure of Assets under management** (segment wise breakup and type of loans)	Refer Annexure I
5	**Details of borrowers (**geographical location wise)	Refer Annexure I
6	**Details of Gross NPA** (segment wise)	Refer Annexure I
7	**Details of Assets and Liabilities** (residual maturity profile wise into several bucket)	Refer Annexure I
8	**Additional details of loans made by, Housing Finance Company**	N.A.
9.	Disclosure of latest Asset Liability statements to stock exchange	Refer Annexure I

13.10 Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities, commercial papers (including technical delay) and other financial indebtedness including corporate guarantee or letter of comfort issued by the Company, in the preceding three years and the current Financial Year:

Financial Year of Reporting	Name of the Reporting Lender	Final Status	Reason
2023-24	Hongkong And Shanghai Banking Corporation. Ltd.	Out of Default	Technical issue
2023-24	HDFC Bank Ltd.	Out of Default	Technical issue
2023-24	Kotak Mahindra Bank Ltd.	Out of Default	Technical issue
2023-24	RBL Bank Ltd.	Out of Default	Technical issue
2023-24	Indian Bank	Out of Default	Technical issue
2023-24	Karur Vysya Bank Ltd	Out of Default	Technical issue
2023-24	Punjab National Bank	Out of Default	Technical issue

Financial Year of Reporting	Name of the Reporting Lender	Final Status	Reason
2022-23	HDFC Bank Ltd.	Out of Default	Technical issue
2022-23	Punjab National Bank	Out of Default	Technical issue
2022-23	State Bank of India	Out of Default	Technical issue
2022-23	Kotak Mahindra Bank Ltd.	Out of Default	Technical issue
2022-23	Karur Vysya Bank Ltd	Out of Default	Technical issue
2022-23	Karnataka Bank Ltd	Out of Default	Technical issue
2021-22	Punjab National Bank	Out of Default	Technical issue
2021-22	State Bank of India	Out of Default	Technical issue
2021-22	Karnataka Bank Ltd	Out of Default	Technical issue
2021-22	Federal Bank Ltd	Out of Default	Technical issue
2021-22	Bank Of India	Out of Default	Technical issue
2020-21	Punjab National Bank	Out of Default	Technical issue
2020-21	Kotak Mahindra Bank Ltd.	Out of Default	Technical issue
2020-21	Small Industries Development Bank of India	Out of Default	Technical issue
2020-21	Yes Bank Ltd.	Out of Default	Technical issue
2020-21	State Bank of India	Out of Default	Technical issue

13.11 Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/Promoters, litigations resulting in material liabilities, corporate restructuring event etc.) at the time of issue which may affect the issue or the Eligible Investor's decision to invest / continue to invest in the non-convertible securities/ commercial paper:

Nil

13.12 Any litigation or legal action pending or taken by a government department or a statutory body or regulatory body during the three years immediately preceding the year of the issue of the General Information Document against the Promoters of the Company:

Nil

13.13 Details of default and non-payment of statutory dues, debentures and interest thereon, deposits and interest thereon, and loan from any bank or financial institution and interest thereon for the preceding three Financial Years and current Financial Year:

Nil

13.14 Details of pending litigation involving the Issuer, Promoter, Director and subsidiaries, group companies or any other person, whose outcome could have material adverse effect on the financial position of the Issuer, which may affect the issue or the Eligible Investor's decision to invest / continue to invest in the debt securities and/ or non-convertible redeemable preference shares:

Nil

13.15 Details of acts of material frauds committed against the Issuer in the preceding three Financial Years and current Financial Year, if any, and if so, the action taken by the Issuer:

Particulars	FY2022-23		FY2021-22		FY2020-21	
	Number of Instances	INR in Cr	Number of Instances	INR in Cr	Number of Instances	INR in Cr
Staff	4	0.336	3	0.113	1	0.009
Outsiders	2	0.082	-	-	-	-
Total	**6**	**0.418**	**3**	**0.113**	**1**	**0.009**

The Company has recovered an amount of INR 0.0801 Crores in FY23, INR 0.113 Crores in FY22 and INR 0.009 Crores in FY21. The un-recovered amounts are either pending settlement with the insurance companies or have been fully provided /written of. Further all the above-mentioned frauds have already been disclosed to the RBI, wherever applicable.

13.16 Details of pending proceedings initiated against the Issuer for economic offences, if any:

Nil

13.17 Related Party Transactions entered during the preceding three Financial Years and current Financial Year with regard to loans made or, guarantees given or securities provided.

(a) Related Party Transactions entered during the preceding three Financial Years with regard to loans made or, guarantees given or securities provided.

(i) Loans made during the preceding three Financial Years:

Name of the Related Party	Currency	Loans made			
		FY 2022-23	FY 2021-22		FY 2020-21
		Amount (in Cr)	Amount (in Cr)	INR Equivalent	Amount (in Cr)
Nil					

(ii) Guarantees given during the preceding three Financial Years:

FY 2020-21

Subsidiary/Step down subsidiary	Currency	Amount	USD Equivalent Amount	INR Equivalent*
Nil				

FY 2021-22

Subsidiary/Step down subsidiary	Currency	Amount	USD Equivalent Amount	INR Equivalent*
Nil				

FY 2022-23

Subsidiary/Step down subsidiary	Currency	Amount	USD Equivalent Amount	INR Equivalent*
Nil				

(iii) Securities provided during the preceding three Financial Years:

FY 2020-21

Name of the Related Party	Security provided	Amount in Cr
D Lakshmipathy	Equity shares	Nil
K Rangarajan	Equity shares	0.156
G Srikanth	Equity shares	0.029
B Shalini	Equity shares	Nil

Pertains to issue of equity shares of face value Re 1 each.

FY 2021-22

Name of the Related Party	Security provided	Amount in Cr
D Lakshmipathy	Equity shares	0.300
K Rangarajan	Equity shares	0.012
G Srikanth	Equity shares	0.065
B Shalini	Equity shares	Nil

Pertains to issue of equity shares of face value Re 1 each

FY 2022-23

Name of the Related Party	Security provided	Amount in Cr
D Lakshmipathy	Equity shares	Nil
K Rangarajan	Equity shares	Nil
G Srikanth	Equity shares	Nil
B Shalini	Equity shares	0.03

Pertains to issue of equity shares of face value Re 1 each.

(b) Related Party Transactions entered during the current financial year as on the Cut Off Date with regard to loans made or, guarantees given or securities provided.

(i) Loans made in the current Financial Year as on the Cut Off Date:

Name of the Related Party	Loans made	Currency
Nil		

(ii) Guarantees given in the current Financial Year as on the Cut Off Date:

Subsidiary	Currency	Amount	USD Equivalent Amount	INR Equivalent*
Nil				

(iii) Securities provided during the current Financial Year as on the Cut Off Date:

Name of the Related Party	Security provided	Amount in Cr
D Lakshmipathy	Equity shares	Nil
K Rangarajan	Equity shares	0.0125
G Srikanth	Equity shares	0.014
B Shalini	Equity shares	Nil

13.18 In case the issuer is a Non-Banking Finance Company (NBFC) and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:

S No.	Name of the Borrower (A)	Amount of Advances /exposures to such borrower (Group) (Rs. Crore) (B)	Percentage of Exposure (C)= B/Total Assets Under Management
N.A.			

13.19 In order to allow investors to better assess the issue, the following additional disclosures shall be made by the issuer in the issue documents:

(a) *A portfolio summary with regards to industries/ sectors to which borrowings have been granted by NBFCs.*

Refer Annexure I.

(b) *Quantum and percentage of secured vis-a-vis unsecured borrowings granted by NBFCs.*

Refer Annexure I.

(c) *Any change in promoters' holdings in NBFCs during the preceding financial year beyond the threshold specified by the Reserve Bank of India from time to time.*

Nil

13.20 Registrar and Transfer Agent

Please refer to the relevant Key Information Document(s)

13.21 Debenture Trustee

Please refer to the relevant Key Information Document(s)

13.22 If the security is backed by a guarantee or letter of comfort or any other document of a similar nature, a copy of the same shall be disclosed. In case such document does not contain the detailed payment structure (procedure of invocation of guarantee and receipt of payment by the Eligible Investor along with timelines), the same shall be disclosed in the General Information Document.

Please refer to the relevant Key Information Document(s).

13.23 Disclosure of cash flow with date of interest/ redemption payment as per day count convention

(a) *Business day conventions / effect of holidays*

Please refer to the relevant Key Information Document(s).

(b) *Procedure and time schedule for allotment and issue of Debt Securities*

Please refer to the relevant Key Information Document(s)

(c) *Illustration on Coupon Payment Dates and redemption date and cash flows emanating from the Debt Securities*

Please refer to the relevant Key Information Document(s)

13.24 Undertaking by the Issuer

(a) Eligible Investors are advised to read the risk factors carefully before taking an investment decision in respect of issuance of Debt Securities. For taking an investment decision, investors must rely on their own examination of the Issuer and the offer including the risks involved. The securities have not been recommended or approved by any regulatory authority in India, including the SEBI nor does SEBI guarantee the accuracy or adequacy of this General Information Document. Specific attention of Eligible Investors is invited to section 'General Risk' on the front page of General Information Document and the statement of 'Risk factors' provided in section 4 of this General Information Document**.**

(b) The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this General Information Document read with the relevant Key Information Document(s) contains all information with regard to the Issuer and the issuance of Debt Securities, that the information contained in the General Information Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this General Information Document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

(c) The Issuer has no side letter with any holder of the Debt Securities. Any covenants later added shall be disclosed on the website of stock exchange where the Debt Securities will get listed.

13.25 Disclosures in respect of issue of non-convertible redeemable preference shares:

N.A.

13.26 Other Details

(a) *Debenture redemption reserve creation - relevant legislations and applicability*

Please refer to the relevant Key Information Document(s)

(b) *Issue/instrument specific regulations – relevant details*

Please refer to the relevant Key Information Document(s)

(c) *Governing Law and Jurisdiction*

Please refer to the relevant Key Information Document(s)

(d) *Default in Payment*

In case of failure by the Company to make any payments (on any Due Date), the Company shall be liable to pay default interest which shall be calculated at the rate of 2% (two percent) per annum over and above the Coupon Rate on the defaulted amounts for the duration of the default.

(e) *Listing Timeline*

The Debt Securities (as applicable) issued under this General Information Document and the relevant Key Information Document(s) shall be listed within the timelines prescribed under the SEBI NCS Regulations read with the SEBI Master Circular.

(f) *Delay in Listing*

The Company confirms that in case of delay in listing of any Debt Securities (as applicable) issued under this General Information Document and the relevant Key Information Document(s) beyond the listing timelines, the Company will pay penal interest of 1% (one percent) per annum over and above the coupon rate for the period of delay to the Eligible Investor (i.e., from the Deemed Date of Allotment to the date of listing).

(g) *Delay in allotment of securities*

Not Applicable, as all benefits related to the Debt Securities (as applicable) issued under this General Information Document and the relevant Key Information Document(s) will be available to the allottees from the Deemed Date of Allotment. The actual allotment of the Debt Securities (as applicable) issued under this General Information Document and the relevant Key Information Document(s) may take place on a date other than the Deemed Date of Allotment.

(h) *Issue Details:*

Please refer to the relevant Key Information Document(s).

(i) *Application Process*

Please refer to the relevant Key Information Document(s).

(j) *Other Confirmation pertaining to the issue of Debt Securities*

Please refer to the relevant Key Information Document(s).

(k) *The broad lending and borrowing policy including summary of the key terms and conditions of the term loans such as re-scheduling, prepayment, penalty, default; and where such lending or borrowing is between the Issuer and its subsidiaries or associates, matters relating to terms and conditions of the term loans including re-scheduling, prepayment, penalty, default shall be disclosed:*

(i) ***Origination, underwriting, sanction and disbursement process***

The Company follows a 3-tier approach to Credit review, appraisal & underwriting:

Level 1 – Branch

- Initial screening of any prospective customer is done by the branch manager who collects information on income, property, loan requirement, purpose etc. and ensures if these fall within the Loan Policy guidelines of the company. Rejections at this stage could be for a variety of reasons like political affiliation, negative sectors / occupation, unsuitable property etc.
- Once screened and found "proper" the potential customer needs to deposit the initial processing fee along with basic KYC documents and application form.
- Branch Manager and Sales / Relationship Officer (RO) visits the customer location to verify property to be mortgaged, assess living standards, nature and place of business, understand market potential etc., basis which inspection report and valuation reports are prepared based on their assessment of the market rates in the vicinity.
- The Branch Manager/Officer undertakes an evaluation of the customer's income through formal and observatory means relying on various surrogates (for example, the education level of the borrowers' children and investment therein by the borrower, the way the collateral property is maintained, lifestyle of the prospective borrower etc.) in order to ascertain the repayment capacity of the borrower.
- As a part of credit assessment:
- The income of the borrower is independently verified through formal and observatory means.
- Multiple photographs of the property including the approach road from the branch to the property, the surrounding area, the exterior and interior of the property, one photograph with applicant and BM is taken (these photographs are uploaded on the ERP and can also be used by the Credit team to arrive at a credit decision).
- Neighborhood checks on the borrowers' background and credit history (existing loans) are done to understand the character of the borrower with a view to establishing the intent of the borrower to make rompt repayments on the loan.
- The property visiting officer captures the photographs of original property documents to evidence the availability of original documents

- Branch Manager prepares the inspection report which contains recommended loan amount, tenor and rate of interest, assessment of collateral (property) value, assessment of borrowers' income with the customer inputs on loan amount & tenor requested and property value. (The Branch has no powers to sanction, and its report is purely recommendatory in nature.)

- Branch inspection and valuation reports are uploaded on the ERP system and can be accessed by File Credit for further evaluation at the appropriate time.

Level 2 – Field Credit

- Second visit, this time by a Field Credit Officer, to the prospective borrower and property and a separate independent evaluation is prepared by the Field Credit Officer.

- The Field Credit Officer follows a process similar to the branch and evaluates the Character, Income, property etc. and sends a report to the File Credit with similar parameters as the Branch inspection report. The Field Credit report is also accompanied by a set of about 20 or so photographs of the entire process and uploaded on the ERP system.

Level 3 – Loan Sanction

- File Credit Officer evaluates the 2 reports received separately and independently from the Branch & Field Credit Officer as well as the customer declared information in the application form.

- Basis this and verification of information through tele calling with all the co-applicants, the Loan Amount, Tenor, Interest Rate and EMI recommendations are decided and sent for approval.

- At this stage, file credit also receives the legal verification reports of property documents and completes the Credit Bureau check (Highmark/CIBIL).

- Post this, the file is reviewed by a credit approver and sanctioned basis an approval matrix which has limits on various parameters like loan ticket, LTV, FOIR etc.

- Encumbrance check is conducted pre and post sanctioning the case.

- Post approval sanction letter is issued to customer, and he/she is informed of the terms of sanction.

- Documentation is prepared as per sanction terms by team at HO and documents are sent to the branch for completion of documentation.

- Registration of the mortgage on the property is completed at concerned SRO (Sub-Registrar Office).

- Post obtaining all necessary loan documentation and after verification of Five-Star name appearing in the Encumbrance Certificate (EC), the loan is disbursed.

(ii) ***Collections & post disbursal monitoring process***

The branch staff are responsible for both origination and collections on the loans advanced.

Reminders are sent to the borrowers a few days before the due date. The Field Officer reaches out to the borrower once the loan turns delinquent. There is an escalation matrix once a loan slips beyond 30 days, with the Branch Manager, Area Manager and Regional Managers getting involved at successive levels with appropriate support from the Legal team and Head Office.

Further, the incentive structure of the branch staff is a mix of both the new business performance as well as collections performance. To be eligible for any incentive, every field officer has to meet atleast a minimum collection target. This ensures that adequate diligence is undertaken by the branch staff while sourcing files itself.

To add further focus to collections, the company has added Collections Officers to branches in the last ~12-18 months. These Collections Officers will handle collections on all accounts in the branch with a vintage of more than 2 years. Thus, while ensuring responsibility remains with the Field Officer for the first 24 months of the loan, this would free the bandwidth of the Field Officers which would help maintain good productivity metrics over the long term from an incremental business

perspective while also ensuring focus on collections through a dedicated resource post the 24 month vintage. This effort will continue in the near future also with Collections Officers being recruited at branches where loans of vintage 2 years+ are present. The company also has a centralized Legal team to support branches if loans slip into deeper buckets.

(l) *Details of purchase and sale of securities of the Issuer and its subsidiaries purchased or sold by the Promoter Group, and by the Directors of the Promoter of the Issuer, and by the Directors of the Issuer and their relatives, within six months immediately preceding the date of filing the issue document with the ROC, shall be disclosed in the following table:*

Sr. No.	Particulars	Remarks
1	aggregate number of securities of the Issuer purchased or sold by the Promoter of Issuer within six months immediately preceding the date of this General Information Document	1,39,74,102*
2	aggregate number of securities of the subsidiaries of Issuer purchased or sold by the Promoter Group of Issuer within six months immediately preceding the date of this General Information Document	500
3	aggregate number of securities of the Issuer purchased or sold by the Directors of the Company which is a Promoter of Issuer within six months immediately preceding the date of this General Information Document	Nil
4	aggregate number of securities of the subsidiaries of Issuer purchased or sold by the Directors of the Company which is a Promoter of Issuer within six months immediately preceding the date of this General Information Document	Nil
5	aggregate number of securities of the Issuer purchased or sold by the Directors of the Issuer or their relatives within six months immediately preceding the date of this General Information Document	Nil
6	aggregate number of securities of the subsidiaries of the Issuer purchased or sold by the Directors of the Issuer or their relatives within six months immediately preceding the date of this General Information Document	Nil

***** *1,39,74,102 equity shares sold by Matrix Partners India Investment Holdings II, LLC, Promoter of the Company on June 9, 2023 & September 1, 2023.*

(m) *Particulars of the material contracts*

Material Contracts - By very nature and volume of its business, the Company is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts and agreements involving financial obligations of the Company. However, the contracts referred to below pertaining to this Debt Security issuance (not being contracts entered into in the ordinary course of the business carried on by the Company) are or may be deemed to be material have been entered into by the Company.

(i) Memorandum and Articles of Association of the Company.

(ii) Certificate of Incorporation of the Company.

(iii) Annual reports of the Company for last 3(three) Financial Years.

(iv) Letter appointing NSDL Database Management Limited as Registrars and Transfer Agent.

(v) Consent letter from NSDL Database Management Limited for acting as Registrars and Transfer Agent dated November 29, 2023**.**

(vi) Tripartite Agreement between the Company, NSDL and the Registrar and Transfer Agent of Debt Securities in dematerialised form.

(vii) Tripartite Agreement between the Company, CDSL and the Registrar and Transfer Agent of the Debt Securities in dematerialised form.

(viii) Any other document as may be required under the relevant Key Information Document(s).

Copies of above contracts may be inspected at the Registered Office of the Company between 10:00 a.m. and 12:00 noon on any working day until the issue closing date of the respective issue.

(n) *Related Party Transactions*

Please refer to **Annexure A** of this General Information Document.

(o) *The summary of reservations or qualifications or adverse remarks of Auditors in the three Financial Years immediately preceding the year of issue of the General Information Document, and of their impact on the financial statements and financial position of the Company, and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remarks:*

Nil

(p) *Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last three years immediately preceding the year of circulation of General Information Document in the case of Company and all of its subsidiaries. Also, if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the General Information Document and if so, section wise details thereof for the Company and all of its subsidiaries:*

Nil

(q) *Details of the acts of material frauds committed against the Issuer in the preceding three Financial Years and current Financial Year, if any, and actions taken by the Issuer:*

Particulars	**FY2022-23**		**FY2021-22**		**FY2020-21**	
	Number of Instances	**INR in Cr**	**Number of Instances**	**INR in Cr**	**Number of Instances**	**INR in Cr**
Staff	4	0.336	3	0.113	1	0.009
Outsiders	2	0.082	-	-	-	-
Total	**6**	**0.418**	**3**	**0.113**	**1**	**0.009**

The Company has recovered an amount of INR 0.0801 Crores in FY23, INR 0.113 Crores in FY22 and INR 0.009 Crores in FY21. The un-recovered amounts are either pending settlement with the insurance companies or have been fully provided /written of. Further all the above-mentioned frauds have already been disclosed to the RBI, wherever applicable.

14. ISSUE DETAILS

Please refer to the relevant Key Information Document(s)

15. DETAILS AS PER SEBI NCS REGULATIONS

Sr. No.	**Particular**	**Remarks**
(a)	If the proceeds, or any part of the proceeds, of the issue of the Debt Securities/non-convertible redeemable preference shares are or is to be applied directly or indirectly: (i) in the purchase of any business (ii) in the purchase of an interest in any business and by reason of that purchase, or anything to be done in consequence thereof, or in connection therewith, the Company shall become entitled to an interest in either the capital or profits and losses or both, in such business exceeding 50 % (fifty percent). thereof, a report made by a chartered accountant (who shall be named in the issue document) upon: (i) the profits or losses of the business for each of the three Financial Years immediately preceding the date of the issue of the General Information Document; and	N.A.

Sr. No.	Particular	Remarks
	(ii) the assets and liabilities of the business as on the latest date to which the accounts of the business were made up, being a date not more than one hundred and twenty days before the date of the issue of the General Information Document.	
(b)	In purchase or acquisition of any immoveable property including indirect acquisition of immoveable property for which advances have been paid to third parties, disclosures regarding: (i) the names, addresses, descriptions and occupations of the vendors; (ii) the amount paid or payable in cash, to the vendor and where there is more than one vendor, or the Company is a sub-purchaser, the amount so paid or payable to each vendor, specifying separately the amount, if any, paid or payable for goodwill; (iii) the nature of the title or interest in such property proposed to be acquired by the Company; and (iv) the particulars of every transaction relating to the property completed within the two preceding years, in which any vendor of the property or any person who is or was at the time of the transaction, a Promoter or a Director or proposed director of the company, had any interest, direct or indirect, specifying the date of the transaction and the name of such Promoter, Director or proposed director and stating the amount payable by or to such vendor, Promoter, Director or proposed director in respect of the transaction: Provided that if the number of vendors is more than five, then the disclosures as required above shall be on an aggregated basis, specifying the immoveable property being acquired on a contiguous basis with mention of the location/total area and the number of vendors from whom it is being acquired and the aggregate value being paid. Details of minimum amount, the maximum amount and the average amount paid/ payable should also be disclosed for each immovable property.	N.A.
(c)	If: (i) the proceeds, or any part of the proceeds, of the issue of the Debt Securities/non-convertible redeemable preference shares are or are to be applied directly or indirectly and in any manner resulting in the acquisition by the Issuer of shares in any other body corporate; and (ii) by reason of that acquisition or anything to be done in consequence thereof or in connection therewith, that body corporate shall become a subsidiary of the Issuer, a report shall be made by a chartered accountant upon: A. the profits or losses of the other body corporate for each of the 3(three) Financial Years immediately preceding the issue of the General Information Document; and B. the assets and liabilities of the other body corporate as on the latest date to which its accounts were made up.	N.A.

16. CONSENT OF DIRECTORS, AUDITORS, BANKERS TO ISSUE, TRUSTEES, SOLICITORS OR ADVOCATES TO THE ISSUE, LEGAL ADVISORS TO THE ISSUE, LEAD MANAGERS TO THE ISSUE, REGISTRAR TO THE ISSUE, AND LENDERS (IF REQUIRED, AS PER THE TERMS OF THE AGREEMENT) AND EXPERTS.

All the necessary consents as required under this section have been obtained by the Company and are in place.

Please refer to **Annexure F** for consent letter from Trustee dated November 29, 2023.

Please refer to **Annexure G** for consent letter from Registrar and Transfer Agent dated November 29, 2023.

Please refer to **Annexure H** for consent letter from legal counsel dated November 30, 2023.

17. RESOLUTION OF THE BOARD

Please refer to **Annexure D** of this General Information Document.

18. DISCLOSURE IN TERMS OF SEBI DEBENTURE TRUSTEE MASTER CIRCULAR

Please refer to the relevant Key Information Document(s)

19. DISCLOSURE PRESCRIBED UNDER FORM PAS-4 OF COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES), RULES, 2014

Please refer to the relevant Key Information Document(s)

DECLARATION

The Company hereby declares that the General Information Document and the relevant Key Information Document contain full disclosure in accordance with SEBI NCS Regulations, the Companies Act and the Operational Guidelines.

The Company undertakes and confirms that the General Information Document and the relevant Key Information Document(s) does not omit disclosure of any material fact which may make the statements made therein, in the light of the circumstances under which they are made, misleading.

The Company accepts no responsibility for the statements made otherwise than in the General Information Document and the relevant Key Information Document(s) or in any other material issued by or at the instance of the Company and that anyone placing reliance on any other source of information would be doing so at his own risk.

I, Lakshmipathy Deenadayalan, Chairman and Managing Director, without prejudice to the above, on behalf of the Board of Directors of the Company, confirm that:

(a) The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the SEBI, 1992, Companies Act, 2013 and the rules and regulations made thereunder;

(b) The compliance with the SEBI Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the central government;

(c) The monies received under the offer shall be used only for the purposes and objects indicated in the relevant Key Information Document(s);

(d) Nothing in the General Information Document and the relevant Key Information Document(s) is contrary to the provisions of Companies Act, the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and the SEBI, 1992 (15 of 1992) and the rules and regulations made thereunder;

(e) the clause on "General Risks" has been suitably incorporated in prescribed format in the General Information Document and the relevant Key Information Document(s); and

(f) whatever is stated in the General Information Document and the relevant Key Information Document(s) and in the attachments thereto is true, correct and complete and no information material to the subject matter of the General Information Document and the relevant Key Information Document(s) has been suppressed or concealed and is as per the original records maintained by the Promoters subscribing to the Memorandum of Association and Articles of Association.

I, Lakshmipathy Deenadayalan, Chairman and Managing Director, am authorised by the Board of Directors of the Company vide resolution dated February 25, 2023, to sign the General Information Document and the relevant Key Information Document(s) and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of this subject matter of the General Information Document and the relevant Key Information Document(s) and matters incidental thereto have been complied with. It is further declared and verified that all the required attachments have been completely, correctly, and legibly attached to the General Information Document and the relevant Key Information Document, as required.

Name: Lakshmipathy Deenadayalan

Designation: Chairman and Managing Director

DIN: 01723269

ANNEXURE A- FINANCIAL STATEMENTS

PART A

1. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021, 31 MARCH 2022 AND 31 MARCH 2023 (ON STANDALONE BASIS)

The Auditor report along with the requisite schedules, footnotes, summary of Financial Year ended 31 March 2021, 31 March 2022 and 31 March 2023 have been annexed separately.

2. AUDITED CASH FLOW STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021, 31 MARCH 2022 AND 31 MARCH 2023 (ON STANDALONE BASIS)

Forms part of the enclosed audited Financial Statements for the Financial Year Ended 31 March 2021, 31 March 2022 And 31 March 2023

Financial Year	Balance sheet (relevant page numbers)	Profit and Loss (relevant page numbers)	Cash Flow Statement (relevant page numbers)
2020-2021	Pg. no 13	Pg. no 14	Pg. no 16 & 17
2021-2022	Pg. no 14	Pg. no 15	Pg. no 16 & 17
2022-2023	Pg. no 13	Pg. no 14	Pg. no 15 & 16

PART B

RELATED PARTY TRANSACTIONS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021, 31 MARCH 2022 AND 31 MARCH 2023

Financial Year	Related Party Transactions (relevant page numbers)
2020-2021	Pg. no 55 & 56
2021-2022	Pg. no 62 & 63
2022-2023	Pg. no 56 & 57

PART C

UNAUDITED FINANCIAL STATEMENTS TILL SEPTEMBER 30, 2023

B S R & Co. LLP
Chartered Accountants

KRM Tower, 1st & 2nd Floors,
No.1, Harrington Road, Chetpet,
Chennai – 600 031, India

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INDEPENDENT AUDITORS' REPORT

To the Members of Five-Star Business Finance Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Five-Star Business Finance Limited** ("the Company"), which comprise the balance sheet as at 31 March 2021, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those 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 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 on the financial statements.

Emphasis of matter

As more fully described in Note 51 to the financial statements, the extent to which the ongoing COVID-19 pandemic will have impact on the Company's financial performance including the Company's estimates of impairment of loans, are dependent on future developments, the severity and duration of the pandemic, which are highly uncertain.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters (Continued)

Key Audit Matter	How the matter was addressed in our audit
Impairment of loans – refer Note 6 and 51 to the financial statements	
Recognition and measurement of impairment of loans involve significant management judgement Under Ind AS 109 - Financial Instruments, credit loss assessment is based on expected credit loss (ECL) model. The Company's impairment allowance is derived from estimates including the historical default, loss ratios etc. Management exercises judgement in determining the quantum of loss based on a range of factors. Further, in relation to COVID-19 pandemic, judgements and assumptions include the extent and duration of the pandemic, the impacts of actions of governments and other authorities, and the responses of businesses and consumers in different industries, along with the associated impact on the economy The determination of impairment loss allowance is inherently judgmental and relies on managements' best estimate due to the following: • Segmentation of loans given to the customer • Criteria selected to identify significant increase in credit risk, particularly in respect of the regional lockdowns at various geographies along with the history of moratorium benefit given to eligible borrowers as per the Company's board approved policy, read with the RBI COVID 19 regulatory package. This also includes evaluation of adverse impact of COVID-19 pandemic and mitigants in form of the RBI / Government financial relief package. • Increased level of data inputs for capturing the historical data to calculate the Probability of Default ('PDs') and Loss Given Default ("LGD") and the completeness and accuracy of that data	In view of the significance of the matter, we applied the following key audit procedures, among others to obtain sufficient appropriate audit evidence: • Evaluation of the appropriateness of the impairment principles based on the requirements of Ind AS 109. • Performed process walkthroughs to identify the controls used in the impairment allowance processes. • Assessed the design and implementation of controls in respect of the Company's impairment allowance process such as the timely recognition of impairment loss, the completeness and accuracy of reports used in the impairment allowance process and management review processes over the calculation of impairment allowance. • Obtained understanding of management's processes and controls implemented in relation to impairment allowance process, providing moratorium as per board approved policy read with RBI COVID-19 regulatory package including management rationale for determination of criteria of significant increase in credit risk due adverse impact of COVID-19 pandemic. • As at the year end, evaluated whether the methodology applied by the Company is compliant with the requirements of the relevant accounting standards and confirmed that the calculations are performed in accordance with the approved methodology, including checking mathematical accuracy of the workings.

Key Audit Matters (Continued)

Key Audit Matter	How the matter was addressed in our audit
Impairment of loans – refer Note 6 and 51 to the financial statements (Continued)	
• Use of management overlays to adjust the model-driven ECL results, considering the probability weighted scenarios, the forward looking macro-economic factors, economic environment, emerging trends, the timing of cash flows and impact of the pandemic along with restriction on economic activities at various geographies on the Company's customers and their ability to repay dues on asset classification and provisioning. The underlying forecasts and assumptions used in the estimates of impairment loss allowance are subject to uncertainties which are often outside the control of the Company. The extent to which the COVID-19 pandemic will impact the Company's current estimate of impairment loss allowances is dependent on future developments, which are highly uncertain at this point. The management judgment involved in estimates has significant impact, considering the size of loan portfolio relative to the balance sheet. Therefore, we identified impairment allowance of loans as key audit matter.	• Tested the periods considered for capturing underlying data as base to PD and LGD calculations are in line with Company's recent experience of past observed periods. • Tested the accuracy of the key inputs used in the calculation and independently evaluated the reasonableness of the assumptions made. •Challenged completeness and validity of impairment allowance including the management overlays, particularly in response to COVID 19 with assistance of our financial risk modelling experts by critically evaluating the risks that have been addressed by management. We also tested management's workings supporting the overlay quantum. • Performed test of details, on a sample basis, on underlying data relating to segmentation, management overlays, staging as at 31 March 2021, the key inputs for computation of ECL. • Assessing the factual accuracy and appropriateness of the additional financial statements disclosures made by the Company regarding impact of COVID-19

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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.

Independent Auditors' Report

To the Members of Five-Star Business Finance Limited

Information Other than the Financial Statements and Auditors' Report Thereon (Continued)

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as required under applicable laws and regulations.

Management's and Board of Directors' Responsibility for the Financial Statements

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

In preparing the financial statements, the management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstantement 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.

Independent Auditors' Report

To the Members of Five-Star Business Finance Limited

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government 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, to the extent applicable.

Independent Auditors' Report

To the Members of Five-Star Business Finance Limited

Report on Other Legal and Regulatory Requirements (Continued)

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 statement of cash flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

   i. The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its financial statements - Refer Note 34 to the financial statements;

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The Company does not have any derivative contracts. Refer Note 6 and 28 to the financial statements.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2021.

Independent Auditors' Report

To the Members of Five-Star Business Finance Limited

Report on Other Legal and Regulatory Requirements (Continued)

4. With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.-101248 W/W-100022

K Raghuram
Partner
Membership No. 211171
UDIN: 21211171AAAAAR8241

Place: Chennai
Date: 28 May 2021

Independent Auditors' Report

To the Members of Five-Star Business Finance Limited

Annexure A to the Independent Auditors' Report

To the Members of Five-Star Business Finance Limited for the year ended 31 March 2021

(referred to in our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme certain fixed assets were physically verified by the management during the year and as explained to us, no material discrepancies were noticed on such verification.

(c) According to information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is primarily engaged in business of lending activities, accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.

(iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under Section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments or provided any guarantee or security to parties which requires compliance under section 185 and 186 of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable.

(v) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder. Accordingly, 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 section 148(1) of the Act, for any of the services rendered by the Company. Accordingly, 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 the records of the Company, amounts deducted / accrued in the books of accounts in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, cess and other material statutory dues have generally been deposited regularly during the year by the Company with the appropriate authorities. As explained to us, the Company did not have dues on account of sales tax, service tax, duty of customs, duty of excise and value added tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and services tax, cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income-tax and goods and services tax which have not been deposited with the appropriate authorities on account of dispute except the following:

Name of the statute	Nature of the dues	Amount (In Rs.)	Period to which the amount relates	Forum where the dispute is pending
Income-Tax Act, 1961	Income-tax	673,698	2006-2007	Commissioner of Income-tax (Appeals)
Income-Tax Act, 1961	Income-tax	3,368,426	2018-2019	Commissioner of Income-tax (Appeals)

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its bankers, or to any financial institutions or to debenture holders. The Company did not have any outstanding loans or borrowings to Government during the year

(ix) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments). However, the Company has raised term loans during the year. In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.

(x) According to the information and explanations given to us, no material fraud by or on the Company by its officers or employees has been noticed or reported during the course of our audit. Also refer Note 47-Z to the financial statements.

Independent Auditors' Report

To the Members of Five-Star Business Finance Limited

(xi) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Act.

(xii) According to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable

(xiii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by the relevant accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.

(xv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained certificate of registration from Reserve Bank of India.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W / W-100022



K Raghuram
Partner
Membership No. 211171
UDIN: 21211171AAAAAR8241

Place: Chennai
Date: 28 May 2021

Annexure "B" to the Independent Auditors' report on the financial statements of Five Star Business Finance Limited for the year ended 31 March 2021

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Five Star Business Finance Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Emphasis of Matter

As described in Emphasis of Matter paragraph of our report to the financial statements, the extent to which the COVID-19 pandemic will have impact on the Company's internal financial controls with reference to the financial statements is dependent on future developments, which are highly uncertain.

Our opinion is not modified in respect of the above matter.

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

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

Independent Auditors' Report

To the Members of Five-Star Business Finance Limited

Auditors' Responsibility (Continued)

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

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

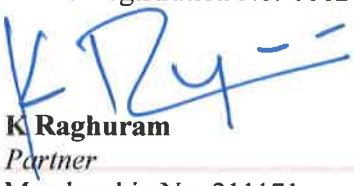
Meaning of Internal Financial controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.-101248 W/W-100022



K Raghuram
Partner
Membership No. 211171
UDIN: 21211171AAAAAR8241
Place: Chennai
Date: 28 May 2021

Five-Star Business Finance Limited
Balance Sheet as at March 31, 2021
(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
ASSETS			
Financial assets			
Cash and cash equivalents	4	1,26,718.28	28,977.95
Bank balances other than cash and cash equivalents	5	8,853.99	16,134.94
Loans	6	4,35,874.94	3,83,080.44
Other financial assets	7	474.34	524.57
		5,71,921.55	**4,28,717.90**
Non-financial assets			
Current tax assets (net)	8	795.79	435.46
Deferred tax assets (net)	36	3,698.94	2,822.96
Investment property	9	3.56	3.56
Property, plant and equipment	11	845.60	1,106.09
Right of use asset	37	1,452.63	1,488.00
Other intangible assets	12	190.30	192.80
Other non-financial assets	10	452.77	548.62
		7,439.59	**6,597.49**
Total assets		**5,79,361.14**	**4,35,315.39**
LIABILITIES AND EQUITY			
Financial liabilities			
Payables	13		
Trade payables			
total outstanding dues of micro and small enterprises		-	-
total outstanding dues of creditors other than micro and small enterprises		867.17	662.40
Debt securities	14	1,30,378.55	1,07,886.42
Borrowings (other than debt securities)	15	2,12,141.12	1,28,482.89
Other financial liabilities	16	1,717.01	1,568.10
		3,45,103.85	**2,38,599.81**
Non-financial liabilities			
Current tax liabilities (net)	17	-	74.80
Provisions	18	719.80	577.61
Other non-financial liabilities	19	1,720.27	1,605.12
		2,440.07	**2,257.53**
Equity			
Equity share capital	20	2,564.49	2,558.21
Other equity	21	2,29,252.73	1,91,899.84
		2,31,817.22	**1,94,458.05**
Total liabilities and equity		**5,79,361.14**	**4,35,315.39**

Significant accounting policies 2 and 3
See accompanying notes to the financial statements

As per our report of even date
for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

K Raghuram
Partner
Membership No: 211171

Place : Chennai
Date : May 28, 2021

For and on behalf of the Board of Directors of
Five-Star Business Finance Limited
CIN : U65991TN1984PLC010844

D Lakshmipathy
Chairman and Managing Director
DIN: 01723269

R Anand
Director
DIN: 00243485

G Srikanth
Chief Financial Officer

K Rangarajan
Chief Executive Officer

B Shalini
Company Secretary
ACS: A51334

Place : Chennai
Date : May 28, 2021

Five-Star Business Finance Limited
Statement of Profit and loss for the year ended March 31, 2021
(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

Particulars	Note	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from operations			
Interest income	22	1,01,487.58	74,682.42
Fee income	23	2,167.61	2,970.84
Net gain on fair value changes	24	1,319.03	1,018.22
Total revenue from operations		**1,04,974.22**	**78,671.48**
Other income	25	151.25	63.25
Total Income		**1,05,125.47**	**78,734.73**
Expenses			
Finance costs	26	32,519.12	21,693.51
Fees expenses	27	266.83	42.52
Impairment on financial instruments	28	3,517.57	4,934.19
Employee benefits expenses	29	16,371.78	12,710.78
Depreciation and amortization	30	1,138.39	1,006.85
Other expenses	31	3,667.70	3,416.83
Total Expenses		**57,481.39**	**43,804.68**
Profit before tax		**47,644.08**	**34,930.05**
Tax expense			
Current tax	32 A	12,594.12	10,056.07
Deferred tax (net)	36	(849.48)	(1,321.06)
		11,744.64	8,735.01
Profit for the year		**35,899.44**	**26,195.04**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurements of the defined benefit plan		(105.27)	(148.80)
Income tax relating to items that will not be reclassified to profit or loss		26.49	37.45
Net other comprehensive income / (deficit) not to be reclassified subsequently to profit or loss		(78.78)	(111.35)
Other comprehensive income / (deficit) for the year, net of income tax		(78.78)	(111.35)
Total comprehensive income		**35,820.66**	**26,083.69**
Earnings per equity share (face value Rs.10 each)			
Basic (in rupees)		140.13	103.24
Diluted (in rupees)		136.06	100.70
Significant accounting policies	2 and 3		

See accompanying notes to the financial statements

As per our report of even date
for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

K Raghuram
Partner
Membership No: 211171

Place : Chennai
Date : May 28, 2021

For and on behalf of the Board of Directors of
Five-Star Business Finance Limited
CIN : U65991TN1984PLC010844

D Lakshmipathy
Chairman and Managing Director
DIN: 01723269

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Director
DIN: 00243485

G Srikanth
Chief Financial Officer

K Rangarajan
Chief Executive Officer

B Shalini
Company Secretary
ACS: A51334

Place : Chennai
Date : May 28, 2021

Five-Star Business Finance Limited
Statement of Changes in Equity for the year ended March 31, 2021
(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

A Equity share capital

Particulars	Number of shares	Amount
Balance as at April 1, 2019	2,38,99,582	2,389.96
Change in equity share capital during the year		
Add: Issued during the year	32,28,309	168.25
Balance as at March 31, 2020	**2,71,27,891**	**2,558.21**
Balance as at April 1, 2020	2,71,27,891	2,558.21
Change in equity share capital during the year		
Add: Issued during the year	62,850	6.28
Balance as at March 31, 2021	**2,71,90,741**	**2,564.49**

B Other Equity

	Reserves and surplus					Other comprehensive income	Total
	Statutory reserve	Securities premium	Employee stock option reserve	General reserve	Retained earnings	Re-measurements of defined benefit plan	
As at April 1, 2019	**5,622.81**	**1,07,313.93**	**490.27**	**719.60**	**19,976.24**	-	**1,34,122.85**
Premium received on shares issued during the year	-	31,755.27	-	-	-	-	**31,755.27**
Total comprehensive income for the year	-	-	-	-	26,195.04	(111.35)	**26,083.69**
Transfer to statutory reserve	5,239.01	-	-	-	(5,239.01)	-	-
Transfer to retained earnings	-	-	-	-	(111.35)	111.35	-
Share based payment expense for the year	-	-	168.03	-	-	-	**168.03**
Utilised on issue	-	-	(230.00)	-	-	-	(230.00)
As at March 31, 2020	**10,861.82**	**1,39,069.20**	**428.30**	**719.60**	**40,820.92**	-	**1,91,899.84**
As at April 1, 2020	**10,861.82**	**1,39,069.20**	**428.30**	**719.60**	**40,820.92**	-	**1,91,899.84**
Premium received on shares issued during the year	-	165.26	-	-	-	-	**165.26**
Total comprehensive income for the year	-	-	-	-	35,899.44	(78.78)	**35,820.66**
Transfer to statutory reserve	7,179.89	-	-	-	(7,179.89)	-	-
Transfer to retained earnings	-	-	-	-	(78.78)	78.78	-
Share based payment expense for the year	-	-	1,509.39	-	-	-	**1,509.39**
Utilised on issue	-	-	(142.42)	-	-	-	**(142.42)**
As at March 31, 2021	**18,041.71**	**1,39,234.46**	**1,795.27**	**719.60**	**69,461.69**	-	**2,29,252.73**

Significant accounting policies 2 and 3
See accompanying notes to the financial statements

As per our report of even date
for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

K Raghuram
Partner
Membership No: 211171

Place : Chennai
Date : May 28, 2021

For and on behalf of the Board of Directors of
Five-Star Business Finance Limited
CIN : U65991TN1984PLC010844

D Lakshmipathy
Chairman and Managing Director
DIN: 01723269

G Srikanth
Chief Financial Officer

K Rangarajan
Chief Executive Officer

Place : Chennai
Date : May 28, 2021

R Anand
Director
DIN: 00243485

B Shalini
Company Secretary
ACS: A51334

Five-Star Business Finance Limited
Statement of Cash Flow for the year ended March 31, 2021
(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
A. Cash Flow from Operating Activities		
Net profit before tax	**47,644.08**	**34,930.05**
Adjustments for:		
Depreciation and amortization	1,138.39	1,006.85
Provision for impairment on financial instruments and write-offs	3,517.57	4,934.19
Loss on sale/retirement of property, plant and equipment (net)	2.32	0.75
Profit on sale of current investments (net)	(1,319.03)	(1,018.22)
Interest income on deposits with banks / others	(1,937.47)	(2,886.62)
Interest on loans	(99,550.11)	(71,795.80)
Finance costs	32,519.12	21,693.51
Gain recognised on derecognition of leases	(42.32)	(6.60)
Employee stock option expenses	1,509.39	168.03
Operating cash flow before working capital changes	**(16,518.06)**	**(12,973.86)**
Changes in Working Capital:		
Adjustments for (Increase) / Decrease in Operating Assets:		
Loans	(55,972.13)	(1,76,889.78)
Other non- financial assets	95.85	(182.64)
Other financial assets	50.22	(238.68)
Adjustments for Increase / (Decrease) in Operating Liabilities:		
Trade payables	204.76	369.71
Provisions	36.92	52.56
Other financial liabilities	174.88	5.89
Other non financial liabilities	115.14	33.68
Net cash (used in) operations	**(71,812.42)**	**(1,89,823.12)**
Finance cost paid	(30,095.27)	(22,543.27)
Interest income received	99,210.18	70,257.31
Direct taxes paid (net)	(13,029.26)	(10,218.89)
Net Cash Used in Operating Activities (A)	**(15,726.77)**	**(1,52,327.97)**
B. Cash Flow from Investing Activities		
Purchase of fixed assets	(324.36)	(970.97)
Proceeds from sale of fixed assets	0.98	0.78
Profit on sale of current investments	1,319.03	1,018.22
Interest income on deposits with banks / others	1,778.77	2,662.85
Movement in bank balances other than cash and cash equivalents	7,439.65	(15,904.28)
Net Cash from / (used in) Investing Activities (B)	**10,214.07**	**(13,193.40)**
C. Cash Flow from Financing Activities		
Proceeds from issue of equity shares	6.28	168.25
Proceeds from securities premium (net off utilisation)	22.83	31,525.28
Fresh borrowings during the year	2,36,179.00	1,78,166.33
Repayments of borrowings (including process fee)	(1,32,452.49)	(36,950.21)
Payment towards leases (excluding interest)	(502.59)	(376.06)
Net Cash from Financing Activities (C)	**1,03,253.03**	**1,72,533.59**
Net Increase in Cash and Cash Equivalents [(A) + (B) + (C)]	**97,740.33**	**7,012.22**
Cash and Cash Equivalents at the beginning of the year	28,977.95	21,965.73
Cash and Cash Equivalents at the end of the year	**1,26,718.28**	**28,977.95**

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Five-Star Business Finance Limited
Statement of Cash Flow for the year ended March 31, 2021 (Continued)
(All amounts are in Indian Rupees in lakhs, except share data and stated otherwise)

Particulars	As at March 31, 2021	As at March 31, 2020
Notes		
1 Cash and cash equivalents		
Cash on hand	425.85	57.75
Balances with banks		
(i) In current accounts	31,454.90	13,050.95
(ii) In other deposit accounts (original maturity less than 3 months)	94,837.53	15,869.25
	1,26,718.28	**28,977.95**

2 Change in liabilities arising from financing activities

Particulars	Debt securities	Borrowings (other than debt securities)
As at March 31, 2019	**43,350.77**	**52,652.18**
Cash flows (net)	65,534.66	76,519.77
Others*	(999.01)	(689.06)
As at March 31, 2020	**1,07,886.42**	**1,28,482.89**
Cash flows (net)	22,158.93	84,103.62
Others*	333.21	(445.39)
As at March 31, 2021	**1,30,378.55**	**2,12,141.12**

* Others column includes the effect of amortization of processing fees etc.

Significant accounting policies 2 and 3
See accompanying notes to the financial statements

As per our report of even date
for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

K Raghuram
Partner
Membership No: 211171

Place : Chennai
Date : May 28, 2021

For and on behalf of the Board of Directors of
Five-Star Business Finance Limited
CIN : U65991TN1984PLC010844

D Lakshmipathy
Chairman and Managing Director
DIN: 01723269

R Anand
Director
DIN: 00243485

G Srikanth
Chief Financial Officer

K Rangarajan
Chief Executive Officer

B Shalini
Company Secretary
ACS: A51334

Place : Chennai
Date : May 28, 2021

1 Reporting entity

Five-Star Business Finance Limited ("the Company"), is a public limited company domiciled in India, and incorporated under the provisions of Companies Act 1956. The Company is a systemically important non-deposit taking Non-Banking Finance Company (NBFC). The Company has received the Certificate of Registration dated June 9, 2016 in lieu of Certificate of Registration dated December 3, 2002 from the Reserve Bank of India ("RBI") to carry on the business of Non Banking Financial Institution without accepting public deposits ("NBFC-ND"). The Company is primarily engaged in providing loans for business purposes, house renovation / extension purposes and other mortgage purposes.

2 Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') as amended from time to time and other relevant provisions of the Act. Any directions issued by the RBI or other regulators are implemented as and when they become applicable.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

These financial statements were authorised for issue by the Company's Board of Directors on May 28, 2021

Details of the Company's accounting policies are disclosed in note 3.

2.2 Presentation of financial statements

The Balance Sheet, the Statement of Profit and Loss and Statement of Changes in Equity are presented in the format prescribed under Division III of Schedule III as amended from time to time, for Non Banking Financial Companies ('NBFC') that are required to comply with Ind AS. The statement of cash flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

The Company presents its balance sheet in order of liquidity. 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 separately.

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.

2.3 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs (upto two decimals), unless otherwise indicated.

2.4 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Financial assets and liabilities	Fair value /Amortised cost, as applicable
Liabilities for equity-settled share-based payment arrangements	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

2.5 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.





2.5 Use of estimates and judgements (continued)

Estimation of uncertainties relating to the global health pandemic from novel coronavirus 2019 ("COVID-19"):

The Company believes that it has considered all the possible impact of the currently known events arising out of the second wave of COVID-19 pandemic in the preparation of financial statements. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has exercised judgement, as at the date of approval of these financial statements based on internal and external sources of information including economic forecasts. The Company believes that it has considered all the possible impact of the currently known events arising out of COVID-19 pandemic in the preparation of financial statements. However, the impact assessment of COVID-19 is a continuing process given its uncertainty in nature and duration, this may have corresponding impact in the financial position. The Company will continue to monitor any material changes to the future economic conditions. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

Information about judgements, estimates and assumptions made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

i) Business model assessment

Classification and measurement of financial assets depends on the results of business model and the solely payments of principal and interest ("SPPI") test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income (FVOCI) that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

ii) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

iii) Effective Interest Rate ("EIR") method

The Company's EIR methodology, as explained in Note 3.1(A), recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioral 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 delayed interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behavior and life-cycle of the instruments, as well as expected changes to interest rates and other fee income/ expense that are integral parts of the instrument.

iv) Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

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

a) 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 expected credit loss ("LTECL") basis.
b) Development of ECL models, including the various formulae and the choice of inputs.
c) Determination of associations between macroeconomic scenarios and economic inputs, such as gross domestic products, lending interest rates and collateral values, and the effect on probability of default ("PD"), exposure at default ("EAD") and loss given default ("LGD").
d) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models.

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2.5 Use of estimates and judgements (continued)

v) Provisions and other 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 the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the outflow is considered to be 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.

These estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

vi) Leases

The estimates and judgements related to leases include:

a) The determination of lease term for some lease contracts in which the Company is a lessee, including whether the Company is reasonably certain to exercise lessee options.

b) 'The determination of the incremental borrowing rate used to measure lease liabilities.

vii) Other assumptions and estimation uncertainities

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

i) Measurement of defined benefit obligations: key actuarial assumptions;
ii) Estimated useful life of property, plant and equipment and intangible assets;
iii) Recognition of deferred taxes.

3 Significant accounting policies

3.1 Revenue Recognition

Revenue (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. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115 :

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

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

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

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

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

A. Effective Interest Rate ('EIR') Method

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

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any 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 financial instrument.

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3.1 Revenue Recognition (Continued)

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. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

The Company calculates interest income by applying EIR to the gross carrying amount of financial assets.

When a financial asset becomes credit impaired and is, therefore, regarded as 'stage 3', the Company continues to calculate interest income on the gross carrying amount of the financial asset.

B. Dividend income

Dividend income is recognised when the Company's right to receive the payment is established and it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

C. Other interest income

Other interest income is recognised on a time proportionate basis.

D. Fee income

Fees income such as legal inspection charges, cheque bounce charges are recognised on point in time basis.

E. Others

Delayed interest and other operating income are recognized as income upon certainty of receipt.
Profit / loss on sale of investments is recognised at the time of sale or redemption and is computed based on First in First out method.
All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realisation / collection.

3.2 Financial instrument - initial recognition

A. Date of recognition

Debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

B. Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at fair value through profit and loss (FVTPL), transaction costs are added to, or subtracted from this amount.

C. 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 asset's contractual terms, measured at either:

i) Amortised cost

ii) FVOCI

iii) FVTPL

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3.3 Financial assets and liabilities

A. Financial assets

Business model assessment

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

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel.
b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
c) How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
d) The expected frequency, value and timing of sales are also important aspects of the Company's assessment.

SPPI test

As a second step of its classification process, the Company assesses the contractual terms of financial assets to identify whether they meet SPPI test.

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

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than the minimum exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Accordingly, financial assets are measured as follows based on the existing business model:

i) 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.

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

A financial asset which is not classified as measured at amortised cost/ FVOCI are measured at FVTPL.





3.3 Financial assets and liabilities (Continued)

B. Financial liabilities

i) Initial recognition and measurement

All financial liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liability, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method.

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. Financial liabilities are never reclassified. The Company did not reclassify any of its significant financial assets or liabilities in the year ended March 31, 2021 and March 31, 2020.

3.5 Derecognition of financial assets and liabilities

A. Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes.

B. Derecognition of financial assets other than due to substantial modification

i) Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit and loss.

ii) Financial Liability

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 is recognised in the statement of profit and loss.

3.6 Impairment of financial assets

A. Overview of ECL principles

In accordance with Ind AS 109, the Company uses ECL model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL). When estimating LTECLs for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down.

Expected credit losses are measured through a loss allowance at an amount equal to:

i.) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

ii.) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

Both LTECLs and 12 months ECLs are calculated on collective basis.

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3.6 Impairment of financial assets (Continued)

Based on the above, the Company catagorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1:
When loans are first recognised, the Company recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed and also includes facilities where the credit risk has been improved and the loan has been reclassified from stage 2 or stage 3.

Stage 2:
When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the life time ECL. Stage 2 loans also includes facilities where the credit risk has improved and the loan has been reclassified from stage 3.

Stage 3:
Loans considered credit impaired are the loans which are past due for more than 90 days. The Company records an allowance for life time ECL.

B. Calculation of ECLs

The mechanics of ECL calculations are outlined below and the key elements are, as follows:

PD:
Probability of Default ("PD") is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

EAD:
Exposure at Default ("EAD") is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest.

LGD:
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 and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The Company has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted at an approximation to the EIR. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed.

The mechanics of the ECL method are summarised below:
Stage 1:
The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-months default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2:
When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3:
For loans considered credit-impaired, the Company recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

C. Forward looking information

In its ECL models, the Company relies on a broad range of forward looking macro parameters and estimated the impact on the default at a given point of time (Also refer note no. 51).





3.7 Write-offs

Financial assets are written off when there is a significant doubt on recoverability in the medium term. 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 the statement of profit and loss.

3.8 Determination of fair value

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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 over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads; and

Level 3 financial instruments –Those that include one or more unobservable input that is significant to the measurement as whole.

3.9 Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company, at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognized in profit or loss.

3.10 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

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3.10 Property, plant and equipment (Continued)

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written down value method, and is generally recognised in the statement of profit and loss.

The Company follows estimated useful lives which are given under Part C of the Schedule II of the Companies Act, 2013. The estimated useful lives of items of property, plant and equipment are as follows:

Asset category	Estimated Useful life
Vehicles	8 years
Furniture and fittings	10 years
Office equipment	5 years
Computers and accessories	3 years
Servers	6 years

Leasehold improvements are depreciated over the remaining period of lease or estimated useful life of the assets, whichever is lower. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

3.11 Intangible assets

i. Recognition and measurement

Intangible assets including those acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight line method, and is included in depreciation and amortisation in Statement of Profit and Loss.

Asset category	Estimated Useful life
Computer softwares	5 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.





3.12 Employee benefits

i. Post-employment benefits

Defined contribution plan

The Company's contribution to provident fund is considered as defined contribution plan and is charged as an expense as they fall due based on the amount of contribution required to be made and when the services are rendered by the employees.

Defined benefit plans

Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'),if any. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

ii. Other long-term employee benefits

Compensated absences

The employees can carry forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

iii. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service. The cost of such compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

iv. Stock based compensation

The grant date fair value of equity settled share based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.





3.13 Provisions, contingent liabilities and contingent assets

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liability

A possible obligation that arises from past events and 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 or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for.

Contingent asset

A contingent asset is a possible asset that arises from past events and whose existence 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. Contingent assets are neither recognised not disclosed in the financial statements.

3.14 Leases

Effective April 1, 2019, the Company had adopted Ind-AS 116 - Leases and applied it to all lease contracts existing on April 1, 2019 using the modified retrospective method. Based on the same and as permitted under the specific transitional provisions in the standard, the Company was not required to restate the figures prior to April 1, 2019.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:
- Leases of low value assets; and
- Leases with a duration of 12 months or less.

The following policies apply subsequent to the date of initial application April 1, 2019.

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term.The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The Company recognises right-of-use assets at the commencement date of the lease (i.e.the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Company determines the lease term as the initial period agreed in the lease agreement , together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the initial period agreed in the lease agreement.

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3.15 Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.16 Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of the asset. Other borrowings costs are recognized as an expense in the statement of profit and loss account on an accrual basis using the effective interest method.

3.17 Cash and cash equivalents

Cash and cash equivalents comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.18 Segment reporting- Identification of segments:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108 Operating Segments, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segements and geographic segments.

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3.19 Earnings per share

The Company reports basic and diluted earnings per equity share in accordance with Ind AS 33, Earnings Per Share. Basic earnings per equity share is computed by dividing net profit / loss after tax attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed and disclosed by dividing the net profit/ loss after tax attributable to the equity share holders for the year after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

3.20 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non–cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated. Cash flows in foreign currencies are accounted at the actual rates of exchange prevailing at the dates of the transactions.

3.21 Impairment of non-financial assets

The Company determines periodically whether there is any indication of impairment of the carrying amount of its non-financial assets. The recoverable amount (higher of net selling price and value in use) is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. The recoverable amounts of such asset are estimated, if any indication exists and impairment loss is recognized wherever the carrying amount of the asset exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

3.22 Standards issued but not yet effective

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division III which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive, and the Company will evaluate the same to give effect to them as required by law.





Particulars	As at March 31, 2021	As at March 31, 2020
4 Cash and cash equivalents		
Cash on hand	425.85	57.75
Balances with banks		
(i) In current accounts	31,454.90	13,050.95
(ii) In other deposit accounts (original maturity less than 3 months)	94,837.53	15,869.25
	1,26,718.28	**28,977.95**
5 Bank Balances other than cash and cash equivalents		
Fixed deposit with bank	8,850.03	16,129.41
In earmarked accounts		
Unclaimed dividend account	3.96	5.53
	8,853.99	**16,134.94**

Note :

Fixed deposits amounting to INR 7,642.57 lakhs (March 31, 2020: INR 2,405.63 lakhs) have been provided as credit enhancement for securitisation transactions.

6	**Loans (At amortised cost)**		
A	**Based on nature**		
	Term Loans		
	Gross term loans	4,44,538.09	3,89,222.85
	Less: Impairment loss allowance	8,663.15	6,142.41
	Net term loans	**4,35,874.94**	**3,83,080.44**
B	**Based on security**		
	Secured by tangible assets	4,44,538.09	3,89,222.85
	Unsecured	-	-
	Gross term loans	**4,44,538.09**	**3,89,222.85**
	Less: Impairment loss allowance	8,663.15	6,142.41
	Net term loans	**4,35,874.94**	**3,83,080.44**
C	**Based on region**		
	Loans in India		
	Public sector	-	-
	Others	4,44,538.09	3,89,222.85
	Less: Impairment loss allowance	8,663.15	6,142.41
		4,35,874.94	**3,83,080.44**
	Loans outside India	-	-
	Less: Impairment loss allowance	-	-
		-	-
	Net term loans	**4,35,874.94**	**3,83,080.44**

Note:
Secured exposures are secured wholly by mortgage of property.

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Particulars	As at March 31, 2021	As at March 31, 2020
7 Other financial assets		
Unsecured, considered good		
Security deposits	369.56	363.22
Other receivables	104.78	161.35
	474.34	**524.57**
8 Current tax assets (net)		
Advance income tax, net of provision	795.79	435.46
	795.79	**435.46**
9 Investment property		
Cost or deemed cost (Gross carrying amount)		
Balance at the beginning of the year	3.56	3.56
Acquisitions	-	-
Transfer from property, plant and equipment	-	-
Balance at the end of the year	**3.56**	**3.56**
Accumulated depreciation		
Balance at the beginning of the year	-	-
Depreciation for the year	-	-
Balance at the end of the year	-	-
Net carrying amounts	**3.56**	**3.56**
Fair value	6.86	6.86
10 Other non-financial assets		
Capital advances	42.62	72.76
Prepaid expenses	331.14	404.87
Balance with government authorities	79.01	70.99
	452.77	**548.62**

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11 Property, plant and equipment

Particulars	Furniture and fittings	Computers and accessories	Office equipments	Vehicles	Leasehold improvements	Total
Cost or deemed cost (gross carrying amount)						
As at March 31, 2019	**384.20**	**393.26**	**105.94**	**39.26**	**398.65**	**1,321.31**
Additions / Transfer-in	225.42	478.46	152.77	-	6.30	862.95
Disposals / Transfer-out	4.20	-	0.16	-	-	4.36
As at March 31, 2020	**605.42**	**871.72**	**258.55**	**39.26**	**404.95**	**2,179.90**
Additions / Transfer-in	133.72	81.28	59.00	-	0.05	274.05
Disposals / Transfer-out	10.14	0.47	0.06	-	-	10.67
As at March 31, 2021	**729.00**	**952.53**	**317.49**	**39.26**	**405.00**	**2,443.28**
Accumulated depreciation						
As at March 31, 2019	**109.22**	**212.16**	**47.37**	**20.63**	**187.52**	**576.90**
Depreciation for the year	100.42	250.33	54.75	5.78	88.46	499.74
On disposals	2.81	-	0.02	-	-	2.83
As at March 31, 2020	**206.83**	**462.49**	**102.10**	**26.41**	**275.98**	**1,073.81**
Depreciation for the year	119.92	277.81	83.94	3.96	45.62	531.25
On disposals	6.99	0.34	0.05	-	-	7.38
As at March 31, 2021	**319.76**	**739.96**	**185.99**	**30.37**	**321.60**	**1,597.68**
Carrying amount (net)						
As at March 31, 2020	**398.59**	**409.23**	**156.45**	**12.85**	**128.97**	**1,106.09**
As at March 31, 2021	**409.24**	**212.57**	**131.50**	**8.89**	**83.40**	**845.60**





12 Other Intangible assets

Particulars	Softwares	Total
Cost or deemed cost (gross carrying amount)		
As at March 31, 2019	**295.92**	**295.92**
Additions / Transfer-in	59.75	59.75
Disposals / Transfer-out	-	-
As at March 31, 2020	**355.67**	**355.67**
Additions / Transfer-in	50.31	50.31
Disposals / Transfer-out	-	-
As at March 31, 2021	**405.98**	**405.98**
Accumulated amortisation		
As at March 31, 2019	**94.12**	**94.12**
Amortisation for the year	68.75	68.75
On disposals	-	-
As at March 31, 2020	**162.87**	**162.87**
Amortisation for the year	52.81	52.81
On disposals	-	-
As at March 31, 2021	**215.68**	**215.68**
Carrying amount (net)		
As at March 31, 2020	**192.80**	**192.80**
As at March 31, 2021	**190.30**	**190.30**

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Particulars	As at March 31, 2021	As at March 31, 2020
13 Payables		
13.1 Trade payables		
total outstanding dues of micro and small enterprises	-	-
total outstanding dues of creditors other than micro and small enterprises	867.17	662.40
	867.17	**662.40**
14 Debt securities (refer note 15.1)		
At amortised cost		
Secured debentures		
Nil, (March 31, 2020 - 750) 11.45% redeemable, non-convertible debentures of INR 1 lakh each	-	753.99
Nil, (March 31, 2020 - 1,250) 11.45% redeemable, non-convertible debentures of INR 1 lakh each	-	1,259.79
Nil, (March 31, 2020 - 300) 13.60% redeemable, non-convertible debentures of INR 10 lakh each	-	894.41
1,350 (March 31, 2020 - 2000), 10.30% redeemable, non-convertible debentures of INR 10 lakh each	20,022.58	20,022.51
Nil, (March 31, 2020 - 300) 11.50% redeemable, non-convertible debentures of INR 10 lakh each	-	2,338.01
Nil, (March 31, 2020 - 240) 11.25% redeemable, non-convertible debentures of INR 10 lakh each	-	2,422.00
Nil, (March 31, 2020 - 450) 11.50% redeemable, non-convertible debentures of INR 10 lakh each	-	3,507.02
Nil, (March 31, 2020 - 5000) 12.64% redeemable, non-convertible debentures of INR 10 lakh each	-	50,051.80
1000, (March 31, 2020 - 1000) 12.64% redeemable, non-convertible debentures of INR 10 lakh each	10,020.46	10,010.92
30,000,000, (March 31, 2020 - 30,000,000) 11.40% redeemable, non-convertible debentures of INR 10 each	3,001.09	3,001.08
2000, (March 31, 2020 - 2000) 12.28% redeemable, non-convertible debentures of INR 1 lakh each	2,510.58	2,222.32
1250, (March 31, 2020 - 1250) 11.88% redeemable, non-convertible debentures of INR 10 lakh each	12,637.71	12,641.63
Nil, (March 31, 2020 - 420) 12.50% redeemable, non-convertible debentures of INR 100 each	-	0.60
Nil, (March 31, 2020 - 3,300) 12.50% redeemable, non-convertible debentures of INR 100 each	-	4.75
Nil, (March 31, 2020 - 450) 12.50% redeemable, non-convertible debentures of INR 100 each	-	0.65
Nil, (March 31, 2020 - 180) 12.50% redeemable, non-convertible debentures of INR 100 each	-	0.26
Nil, (March 31, 2020- 100) 12.50% redeemable, non-convertible debentures of INR 100 each	-	0.14
150 lakhs, (March 31, 2020 - Nil) 12.75% redeemable, non-convertible debentures of INR 10 each	1,500.52	-
150, (March 31, 2020 - Nil) 10.50% redeemable, non-convertible debentures of INR 10 lakhs each	1,631.32	-
250, (March 31, 2020 - Nil) 11.00% redeemable, non-convertible debentures of INR 10 lakhs each	2,515.07	-
500, (March 31, 2020 - Nil) 11.00% redeemable, non-convertible debentures of INR 10 lakhs each	5,105.48	-
150, (March 31, 2020 - Nil) 11.00% redeemable, non-convertible debentures of INR 10 lakhs each	1,531.64	-
500, (March 31, 2020 - Nil) 11.00% redeemable, non-convertible debentures of INR 10 lakhs each	5,105.48	-
500, (March 31, 2020 - Nil) 9.75% redeemable, non-convertible debentures of INR 10 lakhs each	5,363.29	-
500, (March 31, 2020 - Nil) 9.75% redeemable, non-convertible debentures of INR 10 lakhs each	5,325.89	-
500, (March 31, 2020 - Nil) 9.75% redeemable, non-convertible debentures of INR 10 lakhs each	5,325.89	

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Particulars	As at March 31, 2021	As at March 31, 2020
250, (March 31, 2020 - Nil) 9.50% redeemable, non-convertible debentures of INR 10 lakhs each	2,645.75	-
250, (March 31, 2020 - Nil) 9.50% redeemable, non-convertible debentures of INR 10 lakhs each	2,645.75	-
2500, (March 31, 2020- Nil) 10.05% redeemable, non-convertible debentures of INR 1 lakh each	2,647.77	-
14 Debt securities (refer note 15.1)		
At amortised cost		
Secured debentures		
700, (March 31, 2020 - Nil) 10.91% redeemable, non-convertible debentures of INR 10 lakhs each	7,004.41	-
250, (March 31, 2020 - Nil) 9.50% redeemable, non-convertible debentures of INR 10 lakhs each	2,586.54	-
750, (March 31, 2020 - Nil) 8.88% redeemable, non-convertible debentures of INR 10 lakhs each	7,695.17	-
500, (March 31, 2020 - Nil) 8.88% redeemable, non-convertible debentures of INR 10 lakhs each	5,128.88	-
2000, (March 31, 2020 - Nil) 9.84% redeemable, non-convertible debentures of INR 1 lakh each	2,058.30	-
2000, (March 31, 2020- Nil) 10.12% redeemable, non-convertible debentures of INR 1 lakh each	2,059.95	-
1500 (March 31, 2020 - Nil) 8.65% redeemable, non-convertible debentures of INR 10 lakh each	15,221.28	-
	1,31,290.80	**1,09,131.88**
Less: Unamortised processing fee	(912.25)	(1,245.46)
	1,30,378.55	**1,07,886.42**
Debts securities in India	1,30,378.55	1,07,886.42
Debts securities outside India	-	-
	1,30,378.55	**1,07,886.42**

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Particulars	As at March 31, 2021	As at March 31, 2020
15 Borrowings (other than debt securities) (refer note 15.1)		
At amortised cost		
Term loans (secured)		
From banks	97,972.03	77,589.54
From other parties	31,055.14	17,725.22
Borrowings Under Securitization	84,282.94	34,088.33
Loans repayable on demand (secured)		
From banks	196.60	-
	2,13,506.71	1,29,403.09
Less: Unamortised processing fee	(1,365.59)	(920.20)
	2,12,141.12	**1,28,482.89**
Borrowings in India	2,12,141.12	1,28,482.89
Borrowings outside India	-	-
	2,12,141.12	**1,28,482.89**

Loans repayable on demand includes on cash credit and working capital demand loans from banks which are secured by specific charge on identified receivables. As at 31 March 2021, the rate of interest across the cash credit and working capital demand loans was in the range of 9.25% p.a to 11.45% p.a (March 31, 2020 - 10.20% p.a to 12.00% p.a)
The Company has not defaulted in the repayment of the borrowings (including debt securities).

16 Other financial liabilities		
Unpaid dividends	3.96	5.53
Lease liability	1,529.37	1,555.33
Others*	183.68	7.24
	1,717.01	**1,568.10**

*Others include unspent corporate social responsibility fund amounting to INR 150.00 lakhs (March 31, 2020 - Nil)

17 Current tax liabilities (net)		
Provision for tax (net)	-	74.80
	-	**74.80**

18 Provisions		
Provision for employee benefits		
Provision for gratuity	254.78	247.10
Provision for compensated absences	465.02	330.51
	719.80	**577.61**

19 Other non-financial liabilities		
Statutory dues payable	487.39	530.54
Employee related payables	1232.88	1,074.58
	1,720.27	**1,605.12**

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15.1 Details of terms of redemption/repayment and security provided in respect of debt securities and borrowings

Particulars	Repayment Terms	Tenor	Earliest installment date	As at March 31, 2021	As at March 31, 2020
Secured debentures					
Nil, (March 31, 2020 - 750) 11.45% redeemable, non-convertible debentures of INR 1 lakh each	Principal payment frequency: Repayable in 48 months in 9 quarterly installments Coupon payment frequency: Monthly	48 months	April 15, 2019	-	753.99
Nil, (March 31, 2020 - 1,250) 11.45% redeemable, non-convertible debentures of INR 1 lakh each	Principal payment frequency: Repayable in 48 months in 9 quarterly installments Coupon payment frequency: Monthly	48 months	March 7, 2019	-	1,259.79
Nil, (March 31, 2020 - 300) 13.60% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Repayable in 60 months in 7 half-yearly installments Coupon payment frequency: Half Yearly	60 months	December 6, 2017	-	894.41
2,000 (March 31, 2020 - 2000), 10.30% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Repayable in 4 quarterly installments Coupon payment frequency: Quarterly	60 months	June 28, 2022	20,022.58	20,022.51
Nil, (March 31, 2020 - 300) 11.50% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Repayable in 4 quarterly installments Coupon payment frequency: Half Yearly	48 months	March 30, 2020	-	2,338.01
Nil, (March 31, 2020 - 240) 11.25% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Half Yearly	48 months	February 28, 2021	-	2,422.00
Nil, (March 31, 2020 - 450) 11.50% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Repayable in 4 quarterly installments Coupon payment frequency: Half Yearly	48 months	March 30, 2020	-	3,507.02
Nil, (March 31, 2020 - 5000) 12.64% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Repayable in 12 monthly installments Coupon payment frequency: Quarterly	36 months	April 29, 2021	-	50,051.80
1000, (March 31, 2020 - 1000) 12.64% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Repayable in 12 monthly installments Coupon payment frequency: Quarterly	36 months	April 29, 2021	10,020.46	10,010.92
300 lakhs, (March 31, 2020 - 300 lakhs) 11.40% redeemable, non-convertible debentures of INR 10 each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Monthly	60 months	April 11, 2024	3,001.09	3,001.08
2000, (March 31, 2020 - 2000) 12.28% redeemable, non-convertible debentures of INR 1 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	38 months	July 3, 2022	2,510.58	2,222.32
1250, (March 31, 2020 - 1250) 11.88% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Half Yearly	72 months	August 28, 2025	12,637.71	12,641.63
Nil, (March 31, 2020 - 420) 12.50% redeemable, non-convertible debentures of INR 100 each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	36 months	November 19, 2014	-	0.60
Nil, (March 31, 2020 - 3,300) 12.50% redeemable, non-convertible debentures of INR 100 each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	36 months	April 14, 2015	-	4.75
Nil, (March 31, 2020 - 450) 12.50% redeemable, non-convertible debentures of INR 100 each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	36 months	May 24, 2015	-	0.65
Nil, (March 31, 2020 - 180) 12.50% redeemable, non-convertible debentures of INR 100 each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	12 months	August 2, 2013	-	0.26
Nil, (March 31, 2020 - 100) 12.50% redeemable, non-convertible debentures of INR 100 each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	36 months	December 12, 2015	-	0.14
150 lakhs, (March 31, 2020 - Nil) 12.75% redeemable, non-convertible debentures of INR 10 each	Principal payment frequency: Repayable yearly in 4 installments Coupon payment frequency: Quarterly	72 months	March 31, 2023	1,500.52	-
150, (March 31, 2020- Nil) 10.50% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Yearly	36 months	May 26, 2023	1,631.32	-
250, (March 31, 2020 - Nil) 11.00% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Quarterly	36 months	June 12, 2023	2,515.07	-
500, (March 31, 2020 - Nil) 11.00% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Quarterly	33 months	April 21, 2023	5,105.48	-
150, (March 31, 2020 - Nil) 11.00% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Quarterly	33 months	April 21, 2023	1,531.64	-

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15.1 Details of terms of redemption/repayment and security provided in respect of debt securities and borrowings

Particulars	Repayment Terms	Tenor	Earliest installment date	As at March 31, 2021	As at March 31, 2020
500, (March 31, 2020 - Nil) 11.00% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Quarterly	33 months	April 21, 2023	5,105.48	-
500, (March 31, 2020 - Nil) 9.75% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Half Yearly	18 months	January 3, 2022	5,363.29	-
500, (March 31, 2020 - Nil) 9.75% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Half Yearly	18 months	January 31, 2022	5,325.89	-
500, (March 31, 2020 - Nil) 9.75% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Half Yearly	18 months	January 31, 2022	5,325.89	-
250, (March 31, 2020 - Nil) 9.50% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Half Yearly	18 months	February 21, 2022	2,645.75	-
250, (March 31, 2020 - Nil) 9.50% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Half Yearly	18 months	February 21, 2022	2,645.75	-
2500, (March 31, 2020 - Nil) 10.05% redeemable, non-convertible debentures of INR 1 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	30 months	February 28, 2023	2,647.77	-
700, (March 31, 2020 - Nil) 10.91% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Half Yearly	36 months	September 30, 2023	7,004.41	-
250, (March 31, 2020 - Nil) 9.50% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Yearly	18 months	May 19, 2022	2,586.54	-
750, (March 31, 2020 - Nil) 8.88% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	24 months	December 16, 2022	7,695.17	-
500, (March 31, 2020 - Nil) 8.88% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	24 months	December 17, 2022	5,128.88	-
2000, (March 31, 2020 - Nil) 9.84% redeemable, non-convertible debentures of INR 1 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	15 months	March 15, 2022	2,058.30	-
2000, (March 31, 2020 - Nil) 10.12% redeemable, non-convertible debentures of INR 1 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	30 months	June 15, 2023	2,059.95	-
1500 (March 31, 2020 - Nil) 8.65% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	27 months	April 30, 2023	15,221.28	-
				1,31,290.80	**1,09,131.88**

All debentures are secured by pari passu charge on immoveable property and exclusive first charge on book debts with security cover ranging from 1 to 1.25 times of the outstanding amount at any point in time





15.1 Details of terms of redemption/repayment and security provided in respect of debt securities and borrowings

Particulars	Repayment Terms	Tenor	Earliest installment date	As at March 31, 2021	As at March 31, 2020
Term loans from banks					
Term Loan 1	Repayable in 48 monthly installments	48 months	April 15, 2017	3.73	506.23
Term Loan 2	Repayable in 60 monthly installments	60 months	March 3, 2019	2,231.74	3,003.52
Term Loan 3	Repayable in 36 monthly installments	36 months	May 1, 2019	1,093.91	2,103.68
Term Loan 4	Repayable in 20 quarterly installments	60 months	June 30, 2019	3,000.88	4,001.17
Term Loan 5	Repayable in 36 monthly installments	36 months	February 5, 2019	705.38	1,555.17
Term Loan 6	Repayable in 36 monthly installments	36 months	April 5, 2018	0.18	556.95
Term Loan 7	Repayable in 36 monthly installments	36 months	May 5, 2018	36.53	398.66
Term Loan 8	Repayable in 48 monthly installments	48 months	April 23, 2018	-	250.00
Term Loan 9	Repayable in 48 monthly installments	48 months	April 23, 2018	246.38	492.75
Term Loan 10	Repayable in 60 monthly installments	60 months	December 5, 2015	-	8.63
Term Loan 11	Repayable in 36 monthly installments	36 months	May 7, 2017	-	35.12
Term Loan 12	Repayable in 56 monthly installments	60 months	July 28, 2016	-	118.21
Term Loan 13	Repayable in 12 quarterly installments	36 months	May 28, 2018	-	672.14
Term Loan 14	Repayable in 34 monthly installments	36 months	September 30, 2017	-	264.78
Term Loan 15	Repayable in 34 monthly installments	36 months	May 21, 2018	-	647.23
Term Loan 16	Repayable in 40 monthly installments	42 months	September 30, 2018	1,125.31	2,625.73
Term Loan 17	Repayable in 34 monthly installments	36 months	May 18, 2019	1,618.10	3,383.30
Term Loan 18	Repayable in 12 quarterly installments	39 months	August 9, 2017	-	42.04
Term Loan 19	Repayable in 60 monthly installments	60 months	May 2, 2016	-	122.40
Term Loan 20	Repayable in 9 half-yearly installments	60 months	March 28, 2018	111.11	222.22
Term Loan 21	Repayable in 58 monthly installments	60 months	April 30, 2017	696.67	1,483.50
Term Loan 22	Repayable in 36 monthly installments	36 months	May 5, 2018	70.19	911.45
Term Loan 23	Repayable in 60 monthly installments	60 months	January 30, 2020	2,319.44	2,876.76
Term Loan 24	Repayable in 60 monthly installments	60 months	April 30, 2020	2,938.92	4,024.74
Term Loan 25	Repayable in 36 monthly installments	36 months	May 31, 2019	1,625.00	3,125.00
Term Loan 26	Repayable in 36 monthly installments	36 months	June 30, 2019	1,178.21	2,187.66
Term Loan 27	Repayable in 57 monthly installments	60 months	September 30, 2019	666.76	877.46
Term Loan 28	Repayable in 48 monthly installments	48 months	July 29, 2019	843.75	1,218.75
Term Loan 29	Repayable in 33 monthly installments	36 months	December 30, 2019	1,288.64	2,197.58
Term Loan 30	Repayable in 36 monthly installments	36 months	September 25, 2019	951.84	1,627.41
Term Loan 31	Repayable in 60 monthly installments	62 months	January 30, 2020	15,258.90	19,506.73
Term Loan 32	Repayable in 36 monthly installments	36 months	May 1, 2020	2,803.14	4,000.00
Term Loan 33	Repayable in 57 monthly installments	60 months	June 25, 2020	369.42	3,751.00
Term Loan 34	Repayable in 57 monthly installments	60 months	June 25, 2020	2,732.60	757.53
Term Loan 35	Repayable in 57 monthly installments	60 months	June 25, 2020	546.82	501.51
Term Loan 36	Repayable in 36 monthly installments	36 months	February 5, 2020	1,833.81	2,834.11
Term Loan 37	Repayable in 36 monthly installments	36 months	March 5, 2020	1,341.66	2,041.67
Term Loan 38	Repayable in 12 monthly installments	37 months	May 26, 2020	1,277.59	1,917.27
Term Loan 39	Repayable in 60 monthly installments	60 months	December 5, 2018	536.56	739.48
Term Loan 40	Repayable in 34 monthly installments	36 Months	August 16, 2020	2,677.22	-
Term Loan 41	Repayable in 34 monthly installments	36 Months	September 30, 2020	3,177.35	-
Term Loan 42	Repayable in 20 quarterly installments	60 months	February 28, 2021	3,778.00	-
Term Loan 43	Repayable in 48 monthly installments	52 months	October 1, 2020	1,358.37	-
Term Loan 44	Repayable in 34 monthly installments	36 Months	December 31, 2020	4,333.32	-
Term Loan 45	Repayable in 46 monthly installments	48 Months	November 25, 2020	2,249.47	-
Term Loan 46	Repayable in 36 monthly installments	36 Months	November 30, 2020	2,153.38	-
Term Loan 47	Repayable in 36 monthly installments	36 Months	December 10, 2020	2,240.03	-
Term Loan 48	Repayable in 48 monthly installments	48 Months	February 5, 2021	2,221.13	-
Term Loan 49	Repayable in 36 monthly installments	36 Months	March 23, 2021	2,427.10	-
Term Loan 50	Repayable in 36 monthly installments	36 Months	January 31, 2021	916.67	-
Term Loan 51	Repayable in 33 monthly installments	36 Months	May 31, 2021	2,500.00	-
Term Loan 52	Repayable in 60 monthly installments	60 Months	March 3, 2021	1,981.96	-
Term Loan 53	Repayable in 35 monthly installments	35 Months	July 31, 2021	2,500.00	-
Term Loan 54	Repayable in 36 monthly installments	36 Months	April 30, 2021	500.00	-
Term Loan 55	Repayable in 36 monthly installments	36 Months	April 30, 2021	7,501.79	-
Term Loan 56	Repayable in 48 monthly installments	48 Months	May 1, 2021	6,003.07	-
				97,972.03	**77,589.54**

All the above loans are secured by an exclusive first charge on book debts with security cover ranging from 1.05 to 1.33 times of the outstanding amount at any point in time.
As at March 31, 2021, the rate of interest across term loans from banks was in the range of 8.70% p.a to 11.60% p.a (March 31, 2020- 9.36% p.a to 11.60% p.a)





15.1 Details of terms of redemption/repayment and security provided in respect of debt securities and borrowings

Particulars	Repayment Terms	Tenor	Earliest installment date	As at March 31, 2021	As at March 31, 2020
Term loans from others					
Term loans from others 1	Repayable in 10 quarterly installments	36 months	November 30, 2018	0.11	800.20
Term loans from others 2	Repayable in 48 monthly installments	48 months	February 11, 2019	1,146.13	1,771.29
Term loans from others 3	Repayable in 60 monthly installments	60 months	May 1, 2019	688.59	864.35
Term loans from others 4	Repayable in 48 monthly installments	48 months	January 29, 2019	989.11	1,471.44
Term loans from others 5	Repayable in 16 quarterly installments	48 months	April 28, 2017	-	324.41
Term loans from others 6	Repayable in 20 quarterly installments	63 months	September 1, 2019	879.00	1,149.16
Term loans from others 7	Repayable in 60 monthly installments	60 months	November 22, 2015	-	64.92
Term loans from others 8	Repayable in 60 monthly installments	60 months	April 22, 2017	370.77	702.22
Term loans from others 9	Repayable in 36 monthly installments	36 months	March 20, 2019	310.95	650.12
Term loans from others 10	Repayable in 60 monthly installments	60 months	April 27, 2019	333.47	421.71
Term loans from others 11	Repayable in 20 quarterly installments	60 months	February 29, 2020	1,125.32	1,425.40
Term loans from others 12	Repayable in 36 monthly installments	36 months	January 22, 2020	622.44	928.43
Term loans from others 13	Repayable in 36 monthly installments	36 months	February 22, 2020	1,948.07	2,857.97
Term loans from others 14	Repayable in 3 annual installments	36 months	February 1, 2021	1,875.00	2,500.00
Term loans from others 15	Repayable in 48 monthly installments	48 months	March 5, 2020	573.01	769.32
Term loans from others 16	Repayable in 30 monthly installments	30 months	April 30, 2019	-	310.00
Term loans from others 17	Repayable in 42 monthly installments	48 months	June 30, 2018	428.57	714.28
Term loans from others 18	Repayable in 36 monthly installments	36 months	May 27, 2020	1,818.08	-
Term loans from others 19	Repayable in 8 monthly installments	10 months	September 10, 2020	501.92	-
Term loans from others 20	Repayable in 36 monthly installments	36 months	January 20, 2021	919.59	-
Term loans from others 21	Repayable in 36 monthly installments	36 months	January 20, 2021	919.59	-
Term loans from others 22	Repayable in 36 monthly installments	36 months	January 20, 2021	919.59	-
Term loans from others 23	Repayable in 36 monthly installments	36 months	January 20, 2021	919.59	-
Term loans from others 24	Repayable in 36 monthly installments	36 months	January 20, 2021	919.59	-
Term loans from others 25	Repayable in 36 monthly installments	36 months	January 31, 2021	2,750.68	-
Term loans from others 26	Repayable in 30 monthly installments	32 months	February 3, 2021	3,790.83	-
Term loans from others 27	Repayable in 36 monthly installments	36 months	April 30, 2021	1,800.00	
Term loans from others 28	Repayable in 49 monthly installments	49 months	April 1, 2021	2,005.14	
Term loans from others 29	Repayable in 48 monthly installments	48 months	June 1, 2021	2,500.00	
				31,055.14	**17,725.22**

All the above loans are secured by an exclusive first charge on book debts with security cover ranging from 1 to 1.2 times of the outstanding amount at any point in time
As at March 31, 2021, the rate of interest across term loans from others was in the range of 6.32% p.a to 11.75% p.a (March 31, 2020- 9.75% p.a to 13.25% p.a)

Borrowings Under Securitization

Borrowings Under Securitization 1	Repayable in 33 monthly installments	35 months	August 16, 2019	2,022.30	6,439.89
Borrowings Under Securitization 2	Repayable in 59 monthly installments	59 months	September 17, 2019	4,706.73	8,132.78
Borrowings Under Securitization 3	Repayable in 64 monthly installments	65 months	February 17, 2020	8,243.35	12,780.24
Borrowings Under Securitization 4	Repayable in 40 monthly installments	40 months	March 21, 2020	3,150.42	6,735.42
Borrowings Under Securitization 5	Repayable in 60 monthly installments	60 months	May 15, 2020	6,958.17	-
Borrowings Under Securitization 6	Repayable in 60 monthly installments	60 months	July 15, 2020	7,121.09	-
Borrowings Under Securitization 7	Repayable in 65 monthly installments	65 months	August 14, 2020	6,423.15	-
Borrowings Under Securitization 8	Repayable in 55 monthly installments	55 months	November 20, 2020	7,174.06	-
Borrowings Under Securitization 9	Repayable in 59 monthly installments	60 months	January 16, 2021	3,946.03	-
Borrowings Under Securitization 10	Repayable in 48 monthly installments	48 months	January 15, 2021	2,225.94	-
Borrowings Under Securitization 11	Repayable in 60 monthly installments	61 months	February 21, 2021	13,989.98	-
Borrowings Under Securitization 12	Repayable in 61 monthly installments	61 months	February 18, 2021	3,261.92	-
Borrowings Under Securitization 13	Repayable in 57 monthly installments	57 months	April 21, 2021	6,815.79	-
Borrowings Under Securitization 14	Repayable in 53 monthly installments	53 months	April 16, 2021	8,244.01	-
				84,282.94	**34,088.33**

*Refer Note No 47-AB, 47-AC for security and credit enhancement details pertaining to borrowings from securitisation arrangements.
As at March 31, 2021, the rate of interest across term loans from others was in the range of 9.15% p.a to 11.00% p.a (March 31, 2020- 9.75% p.a to 11.00% p.a)





Particulars	As at March 31, 2021	As at March 31, 2020
20 Equity share capital		
Authorised		
5,50,00,000 shares (March 31, 2020 - 5,50,00,000) of INR 10 each	5,500.00	5,500.00
Issued, subscribed and paid up		
25,473,144 shares (March 31, 2020 - 25,410,294) of INR 10 each fully paid up	2,547.31	2,541.03
17,17,597 shares (March 31, 2020 - 17,17,597) of INR 10 each (partly paid up - INR 1 each paid up)	17.18	17.18

Reconciliation of shares outstanding at the beginning and at the end of the reporting period

	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Amount in Lakhs of INR	Number of shares	Amount in Lakhs of INR
As at beginning of the year	2,71,27,891	2,558.21	2,38,99,582	2,389.96
Shares issued in exercise of employee stock options	62,850	6.28	1,78,450	17.85
Shares issued	-	-	30,49,859	150.40
As at the end of the year	**2,71,90,741**	**2,564.49**	**2,71,27,891**	**2,558.21**

Terms/rights attached to Equity Shares:

The Company has a single class of equity shares. Accordingly all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend to the extent the shares are paid up, as declared from time to time subject to payment of dividend to preference shareholders. Dividends are paid in Indian Rupees. Dividend proposed by the board of directors, if any, is subject to the approval of the shareholders at the General Meeting, except in the case of interim dividend.

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 preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders,to the extent the shares are paid up.

Shares reserved for issue under options

Information relating to employee stock option schemes including the details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in Note 41.

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

Name of shareholder	As at March 31, 2021	
	Number of shares	% of total shares in class
TPG Asia VII SF Pte. Ltd.	61,10,673	22.47
Matrix Partners India Investment Holdings II, LLC	41,00,999	15.08
D. Lakshmipathy	37,10,771	13.65
NHPEA Chocolate Holding B.V	35,98,051	13.23
Norwest Venture Partners X - Mauritius	25,69,650	9.45
SCI Investments V	25,69,650	9.45
L. Hema	20,89,060	7.68

Name of shareholder	As at March 31, 2020	
	Number of shares	% of total shares in class
TPG Asia VII SF Pte. Ltd.	61,10,673	22.53
Matrix Partners India Investment Holdings II, LLC	41,00,999	15.12
D. Lakshmipathy	37,10,771	13.68
NHPEA Chocolate Holding B.V	35,98,051	13.26
Norwest Venture Partners X - Mauritius	25,69,650	9.47
SCI Investments V	25,69,650	9.47
L. Hema	20,89,060	7.70

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Particulars	As at March 31, 2021	As at March 31, 2020
21 Other Equity		
Statutory reserve	18,041.71	10,861.82
Share options outstanding account	1,795.27	428.30
Securities premium	1,39,234.46	1,39,069.20
General reserve	719.60	719.60
Retained earnings	69,461.69	40,820.92
Other comprehensive income	-	-
	2,29,252.73	**1,91,899.84**

Particulars	As at March 31, 2021	As at March 31, 2020
i Statutory reserve		
Opening balance	10,861.82	5,622.81
Amount transferred from surplus in the statement of profit and loss	7,179.89	5,239.01
Closing balance	**18,041.71**	**10,861.82**

As per Section 45-IC of the Reserve Bank of India Act, 1934, the Company is required to create a reserve fund at the rate of 20% of the net profit after tax of the Company every year. Accordingly, the Company has transferred an amount of INR 7,179.89 lakhs (March 31, 2020: INR 5,239.01 lakhs), out of the profit after tax for the year ended March 31, 2021 to Statutory Reserve. As described in note 50, Five-Star Housing Finance Private Limited, the wholly owned subsidiary amalgamated with the Company with appointed date under the aforesaid Scheme as April 1, 2019. The wholly owned subsidiary has surrendered its Certificate of Registration to carry on the business of housing finance institution to National Housing Bank (NHB) on June 5, 2020. The statutory reserve maintained by the wholly owned subsidiary under section 29C of the National Housing Bank Act, 1987 has been subsumed in the statutory reserve maintained by the Company. No appropriation of any sum from this reserve fund shall be made by the non-banking financial company except for the purpose as may be specified by RBI.

ii Share options outstanding account		
Opening balance	428.30	490.27
Share based payment expense	1,509.39	168.03
Less : Transfer to securities premium	142.42	230.00
Closing balance	**1,795.27**	**428.30**

The Company has established equity-settled share based payment plans for certain categories of employees of the Company. Refer note 41 for further details of these plans.

iii Securities premium		
Opening balance	1,39,069.20	1,07,313.93
Premium on shares issued during the period	165.26	31,755.27
Closing balance	**1,39,234.46**	**1,39,069.20**

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with provisions of Companies Act, 2013.

iv General reserve		
Opening balance	719.60	719.60
Amount transferred from surplus in the statement of profit and loss	-	-
Closing balance	**719.60**	**719.60**

General reserve are free reserves which can be utilised for any purpose as may be required.

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FIVE-STAR BUSINESS FINANCE LIMITED CHENNAI 600 010

Particulars	As at March 31, 2021	As at March 31, 2020
21 Other Equity (Continued)		
v Retained earnings		
Opening balance	40,820.92	19,976.24
Net Profit for the year	35,899.44	26,195.04
Less: Transfer to Statutory reserve	7,179.89	5,239.01
Transfer from other comprehensive income	(78.78)	(111.35)
Closing balance	**69,461.69**	**40,820.92**

Retained earning is the accumulated available profit of the Company carried forward from earlier years. These reserve are free reserves which can be utilised for any purpose as may be required.

vi Other comprehensive income		
Opening balance	-	-
Remeasurements of defined benefit asset/ (liability)	(78.78)	(111.35)
Transferred to retained earnings	78.78	111.35
Closing balance	-	-

Remeasurement of the net defined benefit liabilities comprise actuarial gain or loss, if any.





Particulars	Year ended March 31, 2021	Year ended March 31, 2020
22 Interest income		
(On financial assets measured at amortised cost)		
Interest on loans	99,550.11	71,795.80
Interest on deposits with banks	1,937.47	2,886.62
Total	**1,01,487.58**	**74,682.42**
23 Fee income		
Legal and inspection fees	1,894.14	2,917.60
Others charges	273.47	53.24
Total	**2,167.61**	**2,970.84**
24 Net gain on fair value changes		
Net gain on financial instruments at fair value through profit or loss (FVTPL)		
On trading portfolio		
-Mutual fund investments at FVTPL	1,319.03	1,018.22
	1,319.03	**1,018.22**
Fair value changes		
Realised	1,319.03	1,018.22
Unrealised	-	-
	1,319.03	**1,018.22**
25 Other income		
Recovery of bad debts	86.88	52.96
Other non-operating income	64.37	10.29
	151.25	**63.25**
26 Finance costs		
(On financial liabilities measured at amortised cost)		
Interest on borrowings		
- term loans from banks	8,859.34	5,546.06
- cash credits and overdraft	9.30	15.61
- term loans from others*	7,969.18	3,158.88
Interest on debt securities	15,501.75	12,733.62
Interest on lease liability	179.55	167.76
Interest on current tax liability	-	71.58
	32,519.12	**21,693.51**

*Includes interest of INR 5,326.45 lakhs (March 31, 2020 - INR 1,606.83 lakhs) pertaining to borrowings from securitisation arrangements.

27 Fees expenses		
Amortisation of ancillary costs relating to borrowings	266.83	42.52
	266.83	**42.52**





Particulars	Year ended March 31, 2021	Year ended March 31, 2020
28 Impairment on financial instruments		
(On financial assets measured at amortised cost)		
Impairment loss allowance on loans*	3,517.57	4,934.19
	3,517.57	**4,934.19**
* Includes write-off of INR 996.83 lakhs (March 31, 2020 - INR 486.06 lakhs)		
29 Employee benefits expenses		
Salaries, wages and bonus	13,376.13	11,272.30
Contribution to provident and other funds	1,080.50	905.85
Employee stock option expenses (Refer note 41)	1,509.39	168.03
Staff welfare expenses	405.76	364.60
	16,371.78	**12,710.78**
30 Depreciation and amortization		
Depreciation on property, plant and equipment (Refer note 11)	531.25	499.74
Amortisation of intangible assets (Refer note 12)	52.81	68.75
Depreciation on Right of use asset (Refer note 37)	554.33	438.36
	1,138.39	**1,006.85**
31 Other expenses		
Rent	40.77	15.09
Rates and taxes	111.34	104.32
Electricity expenses	92.55	78.29
Repairs and maintenance	259.89	203.32
Communication costs	443.73	442.37
Printing and stationery	238.27	343.03
Advertisement and publicity	3.23	2.52
Directors fees, allowances and expenses	14.43	13.63
Auditor's fees and expenses (Refer note 31.1)	51.46	47.12
Legal and professional charges	1,183.11	1,389.62
Insurance	13.33	14.29
Corporate social responsibility expenses (Refer note 31.2)	428.64	7.39
Travel expenses	45.47	192.77
Information technology expenses	568.43	394.16
Loss on sale of property, plant and equipment	2.32	0.75
Bank charges	140.80	122.06
Customer referral expenses	1.57	25.86
Miscellaneous expenses	28.36	20.24
	3,667.70	**3,416.83**
31.1 Payments to auditors		
Statutory audit including limited review	41.42	38.15
Tax audit	2.18	2.18
Other services	5.45	5.18
Reimbursement of expenses	2.41	1.61
	51.46	**47.12**





Particulars	Year ended March 31, 2021	Year ended March 31, 2020
31.2 Details of expenditure on corporate social responsibility ("CSR")		
(a) Amount required to be spent by the Company during the year	428.64	216.28
(b) Amount spent during the year (in cash) :		
(i) Construction/ acquisition of any asset	-	-
(ii) On purposes other than (i) above*	428.64	7.39
* Includes INR 150 lakhs set aside towards the ongoing projects		
32 A Income tax		
i. Current tax		
In respect of current year	12,557.29	10,083.72
In respect of prior years	36.83	(27.65)
	12,594.12	**10,056.07**
ii. Deferred tax		
Attributable to–		
Origination and reversal of temporary differences	(849.48)	(1,321.06)
	(849.48)	**(1,321.06)**
Tax expense (i)+(ii)	**11,744.64**	**8,735.01**
32 B Income tax recognized in other comprehensive income		
Re-measurements of the defined benefit plan	(105.27)	(148.80)
Income tax relating to items that will not be reclassified to profit or loss	26.49	37.45
Net of tax	**(78.78)**	**(111.35)**
32.1 Reconciliation of total tax expense		
Profit before tax	47,644.08	34,930.05
Applicable tax rate	25.17%	25.17%
Computed tax expense	11,991.06	8,791.19
Tax effect of :		
Permanent differences		
Deduction u/s 80JJAA of the Income Tax Act, 1961	(362.55)	(244.92)
Disallowance related to CSR expenditure	108.34	1.71
Change in tax rate (refer note below)	-	194.35
Others	7.79	(7.32)
Income tax expense recognised in statement of profit and loss (Pertaining to current year)	**11,744.64**	**8,735.01**
Effective tax rate	24.65%	25.01%

Note: The Company has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961, as introduced by the Taxation laws (Amendment) Ordinance, 2019. Accordingly, the Company had recognised provision for income tax and remeasured its net deferred tax asset at concessional rate from the financial year 2019-2020 onwards.





Particulars	As at March 31, 2021	As at March 31, 2020
33 Commitments		
Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for	5.98	14.73
34 Contingent liabilities		
Claims against the Company not acknowledged as debt		
- Income tax related matters (excluding penalties and interest)	6.74	6.74
- Provident Fund (refer note below)		

In light of judgment of Honorable Supreme Court dated February 28, 2019 on the definition of "Basic Wages" under the Employees Provident Funds & Misc. Provisions Act, 1952 and based on the legal advise received, the Company has aligned the manner of computation of liability for Provident Fund effective the date of the order. There are significant uncertainties in determining the liability including, period of assessment, application for present and past employees and assessment of interest and penalties. The amount of the obligation therefore cannot be measured with sufficient reliability for past periods and hence disclosed as a contingent liability.

35 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Under Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with management and confirmation sought from suppliers on registration with specified authority under MSMED, principal amount, interest accrued and remaining unpaid and interest paid during the year to such enterprise is Nil.

The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting period		
Principal	-	-
Interest	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

36 Deferred tax assets / (liability):

In relation to :		
Difference between written down value of fixed assets as per books of accounts and income tax	134.10	95.19
Employee Benefits	448.51	303.92
Impairment allowance	1,987.18	1,289.74
Unamortised processing fee income	1,679.02	1,664.02
Unamortised processing fee expenses	(573.29)	(545.07)
Recognition of lease liability and right to use asset	23.42	15.16
	3,698.94	**2,822.96**

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36 Deferred tax assets / (liability) (Continued):

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense

	Opening Balance	Recognised in profit of loss	Recognised in other comprehensive income	Closing Balance
For the year ended 31 March, 2021:				
Difference between written down value of fixed assets as per books of accounts and income tax	95.19	38.91	-	134.10
Employee Benefits	303.92	118.10	26.49	448.51
Impairment allowance	1,289.74	697.44	-	1,987.18
Unamortised processing fee income	1,664.02	15.00	-	1,679.02
Unamortised processing fee expenses	(545.07)	(28.22)	-	(573.29)
Recognition of lease liability and right to use asset	15.16	8.26	-	23.42
Total	**2,822.96**	**849.49**	**26.49**	**3,698.94**

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense

	Opening Balance	Recognised in profit of loss	Recognised in other comprehensive income	Closing Balance
For the year ended 31 March, 2020:				
Difference between written down value of fixed assets as per books of accounts and income tax	69.52	25.67	-	95.19
Employee Benefits	159.30	107.17	37.45	303.92
Preliminary expense	1.06	(1.06)	-	-
Impairment allowance	342.87	946.87	-	1,289.74
Unamortised processing fee income	1,030.39	633.63	-	1,664.02
Unamortised processing fee expenses	(138.69)	(406.38)	-	(545.07)
Recognition of lease liability and right to use asset	-	15.16	-	15.16
Total	**1,464.46**	**1,321.06**	**37.45**	**2,822.96**

37 Leases

A Implementation of IND AS 116 from April 1, 2019 onwards

The Company has operating lease agreement primarily for office premises. The leases typically run for a period of 1 to 10 years, with an option to extend the lease or terminate, either at the option of lessee or lessor or on mutual agreement.

This note explains the impact of the adoption of Ind AS 116 Leases on the financial statements as at April 1, 2019 - date of transition.

Under the erstwhile standard, Ind AS 17 - Leases, the leases in which a substantial portion of the risk and rewards of the ownership were retained by the lessor were classified as operating leases. Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which have been applied by the Company.

On transition, the company recognised right-of use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

Lease liabilities as at April 1, 2019 were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate.

The discount rate applied to the lease liabilities as at April 1, 2019 is lessee's incremental borrowing rate as at April 1, 2019. This change is in accordance with the transitional provisions of Ind AS 116.

Effective April 1, 2019, the Company had adopted Ind AS 116 - Leases and applied it to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the cumulative adjustment has been taken to retained earnings on the date of initial application i.e. April 1, 2019. Based on the same and as permitted under the specific transitional provisions in the standard, the Company is not required to restate the figures prior to April 1, 2019.

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37 Leases (Continued)

Practical expedients applied

The Company has elected not to reassess the previously identified leases prior to April 1, 2019 applying Ind AS 17 - Leases as to whether a contract is, or contains a lease at the date of initial application.

Further, In applying Ind AS 116 for the first time, the company has also used the following practical expedients permitted by the standard:
- applying a single discount rate to a portfolio of leases with reasonably similar characteristics.
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application.
- using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application.

i) Movement in carrying value of right of use assets

Particulars	Year ended March 31, 2020
As at April 1, 2019	
Right of use asset recognised on initial application of IND AS 116	1,104.68
Reclassfication of prepaid rent as at April 1,2019	46.11
Additions during the year	884.19
Depreciation	(438.36)
Derecognition on termination of leases	(108.62)
Balance as at March 31, 2020	**1,488.00**
Additions during the year	683.29
Depreciation	(554.33)
Derecognition on termination of leases	(164.33)
Balance as at March 31, 2021	**1,452.63**

ii) Movement in lease liabilities

Particulars	Year ended March 31, 2021
As at April 1, 2019	
Lease liabilities recognised on initial application of IND AS 116	1,162.43
Additions during the year	871.57
Interest on lease liabilities	167.76
Rent payments	(531.20)
Derecognition on termination of leases	(115.23)
As at March 31, 2020	**1,555.33**
Additions during the year	681.94
Interest on lease liabilities	179.55
Rent payments	(680.80)
Derecognition on termination of leases	(206.66)
As at March 31, 2021	**1,529.36**

iii) Amounts recognised in statement of profit and loss

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Rent expense on short term leases	40.77	15.09
Interest on lease liabilities	179.55	167.76
Depreciation on Right of use asset	554.33	438.36
Gain recognised on derecognition of leases	(42.32)	(6.60)
Rent concession related to COVID-19	(19.08)	-

iv) Future lease commitments

Particulars	As at March 31, 2021	As at March 31, 2020
Future undiscounted lease payments to which leases is not yet commenced	88.28	38.59

v) Cash flows

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Total cash outflow for leases	721.57	546.29

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37 Leases (Continued)

vi) Maturity analysis of undiscounted lease liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Not later than one year	608.44	636.77
Later than one year and not later than five years	1,156.01	1,153.47
Later than five years	128.13	161.85

38 Earnings per share

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Profit after tax	35,899.44	26,195.04
Weighted Average Number of Equity Shares in calculation of basic earnings per share	2,56,18,177	2,53,73,397
Dilution on account of ESOP and partly-paid up shares	7,66,734	6,40,463
Weighted Average Number of Equity Shares in calculation of diluted earnings per share	2,63,84,911	2,60,13,860
Basic earnings per share	140.13	103.24
Diluted earnings per share	136.06	100.70

39 Segment Information

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Managing Director ('MD') to make decisions about resources to be allocated to the segments and assess their performance. The MD is considered to be the Chief Operating Decision Maker ('CODM') within the purview of Ind AS 108 Operating Segments.

The CODM considers the entire business of the Company on a holistic basis to make operating decisions and thus there are no segregated operating segments. The Company is primarily engaged in providing loans for business purposes, house renovation / extension purposes and other mortgage purposes. The CODM of the Company reviews the operating results of the Company as a whole and therefore not more than one reportable segment is required to be disclosed by the Company as envisaged by Ind AS 108 Operating Segments. Accordingly, amounts appearing in these financial statements relates to small business loans and loans for house renovations / extensions etc.

The Company does not have any separate geographic segment other than India. As such there are no separate reportable segments as per Ind AS 108 Operating Segments.





40 Employee benefits - post employment benefit plans

A Defined contribution plans

The Company makes provident fund and employee state insurance scheme contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised INR 672.19 lakhs (year ended March 31, 2020 - INR 492.28 lakhs) for provident fund contributions, and INR 204.48 lakhs (year ended March 31, 2020 - INR 168.58 lakhs) for employee state insurance scheme contributions in the statement of profit and loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

B Defined benefit plans

Gratuity

The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age/ resignation date.

The defined benefit plans expose the Company to risks such as Actuarial risk, Investment risk, Liquidity risk, Market risk, Legislative risk. These are discussed as follows:

Actuarial risk: It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse salary growth experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption then the gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption then the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

Investment risk: For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Liquidity risk: Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cash flows.

Market risk: Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in defined benefit obligation of the plan benefits and vice versa. This assumption depends on the yields on the government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Legislative risk: Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act, 1972, thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the defined benefit obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Funding

The Company has funded their gratuity liability with Life Insurance Corporation. Gratuity provision has been made based on the actuarial valuation.

Reconciliation of net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit asset (liability) and its components.

Particulars	As at March 31, 2021	As at March 31, 2020
Present value of obligations	811.61	501.04
Fair value of plan assets	(556.83)	(253.94)
Asset/ (Liability) recognised in the balance sheet	**(254.78)**	**(247.10)**

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B Defined benefit plans (Continued)

Reconciliation of present value of defined benefit obligation	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	501.04	255.65
Benefits paid	(20.91)	(8.43)
Current service cost	195.97	85.82
Interest cost	28.50	17.30
Actuarial (gain)/loss recognized in other comprehensive income		
changes in demographic assumptions	-	-
changes in financial assumptions	14.74	27.40
experience adjustments	92.27	123.30
Balance at the end of the year	**811.61**	**501.04**
Expense recognized in profit or loss		
Current service cost	195.97	85.82
Net Interest cost	5.66	8.92
	201.63	**94.74**
Remeasurements recognized in other comprehensive income		
Actuarial (gain) loss on defined benefit obligation	107.01	150.70
Return on plan assets excluding interest income	(1.74)	(1.90)
	105.27	**148.80**
Changes in the fair value of plan assets		
Fair value of plan assets as at the beginning of the period	253.94	-
Expected return on plan assets	22.84	8.38
Contributions	299.22	250.00
Direct Contributions towards direct benefit payments	-	2.09
Benefits paid and Charges deducted from the fund	(20.91)	(6.34)
Direct Benefit Payments	-	(2.09)
Actuarial gain/(loss) on plan assets	1.74	1.90
Fair value of plan assets as at the end of the period	**556.83**	**253.94**
Net defined benefit (asset) liability	**254.78**	**247.10**
Actuarial assumptions		
Discount rate	5.46%	5.81%
Future salary growth	15.00%	15.00%
Attrition rate	25.00%	25.00%

Five year information

Gratuity	31-Mar-21	31-Mar-20	31-Mar-19	31-Mar-18	31-Mar-17
Defined benefit obligation	811.61	501.04	255.65	141.72	65.39
Fair value of plan assets	556.83	253.94	-	-	-
Deficit in plan	(254.78)	(247.10)	(255.65)	(141.72)	(65.39)
Experience adjustments on plan liabilities	92.27	123.30	(36.61)	(10.59)	(10.92)
Experience adjustments on plan assets	1.74	1.90	-	-	-

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Discount rate		
-1% increase	(40.84)	(25.69)
-1% decrease	45.01	28.29
Future salary growth		
-1% increase	23.26	26.19
-1% decrease	(25.12)	(24.58)
Attrition rate		
-1% increase	(41.65)	(15.16)
-1% decrease	38.92	16.32

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown

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41 Share Based Payments

A Description of schemes

The decision to introduce Five-Star Associate Stock Option Scheme, 2015 (hereinafter called "FIVE-STAR ASOP, 2015") was taken by the Board of Directors at the meeting held on September 18, 2015 and was approved by the shareholders of the Company at the Extra Ordinary General Meeting held on April 12, 2016. The total options issuable under the plan are upto 5,63,000 options.

Later, the Board of Directors issued another scheme, named Five-Star Associate Stock Option Scheme, 2018 (hereinafter called "FIVE-STAR ASOP, 2018") at their meeting held on February 28, 2018 and was approved by the shareholders of the Company at the Extra Ordinary General Meeting held on March 26, 2018. The total options issuable under the plan are upto 5,00,000 options.
Nomination and Remuneration Committee constituted by the Board of Directors of the Company administers the plans. Under these plans, the participants are granted options which vest as per the schedule provided in the Grant Letter given to each of the participants. The time period for exercise of these options is defined in the Scheme document.

i Reconciliation of outstanding share options

	As at March 31, 2021		As at March 31, 2020	
	Weighted average exercise price per option	Number of options	Weighted average exercise price per option	Number of options
Outstanding at beginning of year	121.63	1,60,150	50.03	3,30,600
Forfeited during the year	-	-	85.00	1,000
Exercised during the year	46.31	62,850	12.19	1,78,450
Granted during the year	674.40	3,72,000	674.40	9,000
Outstanding as at end of year	569.88	4,69,300	121.63	1,60,150
Exercisable at March 31	**130.00**	**48,000**	**101.93**	**42,750**

The weighted average share price at the date of exercise of options exercised during the year ended ended March 31, 2021 is INR 1501.23 per share (March 31, 2020 : INR 2,122.87 per share)

For the options outstanding at the end of the year:

	As at March 31, 2021	As at March 31, 2020
Weighted average remaining contractual life (in years)	6.61	5.43
Range of exercise prices (INR)	10-674	10-674

ii Expense recognised in the statement of profit and loss

	Year ended March 31, 2021	Year ended March 31, 2020
Total expense	1,509.39	168.03

iii Measurement of fair values

The fair value of options have been estimated on the dates of each grant using the Black Scholes model. As the Company is unlisted, the expected price volatility is based on historical volatility (based on the remaining life of the options) in share prices of a listed proxy. The various inputs considered in the pricing model for the stock options granted by the Company during the year are as follows:

	Year ended March 31, 2021	Year ended March 31, 2020
Share price on Grant date (INR)	1,466.24-2,187.24	2,128.91
Weighted average share price (INR)	1,466.24-2,187.24	2,128.91
Exercise price (INR)	674.4	674.4
Fair value of options at grant date (INR)	932.13-1,755.59	1,591.82 - 1,716.24
Expected volatility	34.42% - 38.28%	31.06% - 33.56%
Option term	3.54-7.54 years	3.54-7.54 years
Expected dividends	Nil	Nil
Risk free interest rate	5.30%-5.40%	6.25%

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42 Related party disclosures

a Name of the related parties and nature of relationship:

Key Management Personnel :
D. Lakshmipathy, Chairman and Managing Director
K.Rangarajan, Chief Executive Officer
G. Srikanth, Chief Financial Officer
B. Shalini, Company Secretary
R Anand, Independent Director
Bhama Krishnamurthy, Independent Director
B. Haribabu, Independent Director
A. Ramanathan, Independent Director
L.R. Ravi Prasad, Non-executive Director
V. Thirulokchand, Non-executive Director

Director and relative of Key Management Personnel / Director
R. Bhuvaneswari, Wife of Mr. L.R Ravi Prasad
L.R.Deepak Krishna, Son of Mr. L.R Ravi Prasad
L.R.Venkatesh, Son of Mr. L.R. Ravi Prasad

Entities with substantial interest over the company
TPG Asia VII SF Pte. Ltd.(from 29 August 2019)
M/s.NHPEA Chocolate Holding B.V. (upto 29 August 2019)

b Key management personnel (KMP) compensation

	Year ended March 31, 2021	Year ended March 31, 2020
Short-term employee benefits		
D. Lakshmipathy	501.93	503.30
K.Rangarajan	192.15	176.64
G.Srikanth	111.90	101.07
B.Shalini	8.16	7.53
Post employment benefits		
D. Lakshmipathy	0.22	0.22
K.Rangarajan	0.22	0.22
G.Srikanth	0.22	0.22
B.Shalini	0.22	0.22
Share based payments		
K.Rangarajan	969.57	10.90
G.Srikanth	328.32	3.41
Directors sitting fees		
R Anand	6.15	5.50
Bhama Krishnamurthy	6.15	5.25
B. Haribabu	4.95	5.05
A. Ramanathan	5.55	5.40
L.R Ravi Prasad	4.45	4.80
V. Thirulokchand	4.50	4.50

Managerial remuneration above does not include gratuity and compensated absences, since the same are provided on actuarial basis for the company as a whole and the amount attributable to the key managerial personnel cannot be ascertained separately.

Compensation to independent and non-executive directors represent commission and sitting fees paid.





42 Related party disclosures (Continued)

c Details of related party transactions

Nature of transaction	Year ended March 31, 2021	Year ended March 31, 2020
Interest expense		
R.Bhuvaneshwari	-	0.01
L.R.Deepak Krishna	-	0.29
L.R. Ravi Prasad	-	0.03
L.R. Venkatesh	-	0.24
Issue of equity shares*		
TPG Asia VII SF Pte. Ltd.	-	133.23
D. Lakshmipathy	-	15.25
K.Rangarajan	-	0.64
G.Srikanth	-	0.45
Receipt of share premium*		
TPG Asia VII SF Pte. Ltd.	-	31,366.78
D. Lakshmipathy	-	137.25
K.Rangarajan	-	5.76
G.Srikanth	-	4.03

* excludes shares issued pursuant to Employee stock options

Nature of transaction	Year ended March 31, 2021	Year ended March 31, 2020
Loans repaid		
R.Bhuvaneshwari	-	1.15
L.R.Deepak Krishna	-	34.30
L.R. Ravi Prasad	-	3.00
L.R. Venkatesh	-	27.20
Year end balances : Others		
D. Lakshmipathy	106.75	100.17
K.Rangarajan	33.55	33.55
G.Srikanth	11.42	10.72
R Anand	2.78	2.70
Bhama Krishnamurthy	2.78	2.70
B. Haribabu	2.78	2.70
A. Ramanathan	2.78	2.70
L.R Ravi Prasad	2.78	2.70
V. Thirulokchand	2.78	2.70





43 Capital

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the regulator, Reserve Bank of India (RBI). The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

The Company has complied in full with all its externally imposed capital requirements over the reporting period.

Capital management

The primary capital management objective is to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years with regard to capital management. However, they are under constant review by the Board.

i Net Debt to Equity Ratio

Consistent with the others in industry, the company monitors the capital on the basis of gearing ratio (Net debt divided by equity). Under the terms of the major borrowing facilities, the company is required to maintain the gearing ratio in line with the RBI guidelines or in a slightly more conservative manner. The actual gearing stipulated differs between the various lending agreements. The company has complied with this covenant through out the year.

	As at March 31, 2021	As at March 31, 2020
Equity	2,31,817.22	1,94,458.05
Debt	3,42,519.67	2,36,369.31
Cash and Cash equivalents	1,26,718.28	28,977.95
Net Debt	2,15,801.39	2,07,391.36
Net Debt to Equity Ratio	**0.93**	**1.07**

ii Regulatory capital

The company has to mandatorily comply with the capital adequacy requirements stipulated by Reserve Bank of India from time to time. Capital adequacy ratio or capital-to-risk weighted assets ratio (CRAR) is computed by dividing company's Tier I and Tier II capital by risk weighted assets.

Tier I capital comprised of share capital, share premium, retained earnings including current year profit and Tier II capital comprises of provision on standard assets. Risk weighted assets represents the weighted sum of company's credit exposures based on their risk.

	As at March 31, 2021	As at March 31, 2020
Tier I Capital	1,96,690.03	1,84,777.38
Tier II Capital	-	-
Total Capital	**1,96,690.03**	**1,84,777.38**
CRAR%	58.86	52.94
CRAR - Tier I Capital%	58.86	52.94
CRAR - Tier II Capital%	-	-
Amount of subordinated debt raised as Tier-II capital	-	-
Amount raised by issue of perpetual debt instruments	-	-

Tier I capital consists of shareholders' equity and retained earnings. Tier II Capital consists of general provision and loss reserve against stage 1 assets. Credit enhancement relating to securitisation has been adjusted against Tier I and Tier II capital in accordance with RBI circular DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020. Tier 1 and Tier II capital has been reported on the basis of Ind AS financial information.

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44 Fair Value Measurement

Financial instruments by category

The carrying value and fair value of financial instruments by categories as of March 31, 2021 were as follows:

Particulars	Carrying amount			
	Amortised cost	Fair value through profit or loss	Other financial liabilities	Total carrying value
Financial assets:				
Cash and cash equivalents	1,26,718.28	-	-	1,26,718.28
Bank balances other than cash and cash equivalents	8,853.99	-	-	8,853.99
Loans	4,35,874.94	-	-	4,35,874.94
Other financial assets	474.34	-	-	474.34
Total	**5,71,921.55**	-	-	**5,71,921.55**
Financial liabilities:				
Trade payables	867.17	-	-	867.17
Debt securities	1,30,378.55	-	-	1,30,378.55
Borrowings (Other than debt securities)	2,12,141.12	-	-	2,12,141.12
Other financial liabilities	-	-	1,717.01	1,717.01
Total	**3,43,386.84**	-	**1,717.01**	**3,45,103.85**

The carrying value and fair value of financial instruments by categories as of March 31, 2020 were as follows:

Particulars	Carrying amount			
	Amortised cost	Fair value through profit or loss	Other financial liabilities	Total carrying value
Financial assets:				
Cash and cash equivalents	28,977.95	-	-	28,977.95
Bank balances other than cash and cash equivalents	16,134.94	-	-	16,134.94
Loans	3,83,080.44	-	-	3,83,080.44
Other financial assets	524.57	-	-	524.57
Total	**4,28,717.90**	-	-	**4,28,717.90**
Financial liabilities:				
Trade payables	662.40	-	-	662.40
Debt securities	1,07,886.42	-	-	1,07,886.42
Borrowings (Other than debt securities)	1,28,482.89	-	-	1,28,482.89
Other financial liabilities	-	-	1,568.10	1,568.10
Total	**2,37,031.71**	-	**1,568.10**	**2,38,599.81**

Note:
For all of the Company's assets and liabilities which are not carried at fair value, disclosure of fair value is not required as the carrying amounts approximates the fair values.

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45 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.

Particulars	As at March 31, 2021			As at March 31, 2020		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	1,26,718.28	-	1,26,718.28	28,977.95	-	28,977.95
Bank balances other than cash and cash equivalents	3.96	8,850.03	8,853.99	13,658.72	2,476.22	16,134.94
Loans	67,216.71	3,68,658.23	4,35,874.94	41,092.95	3,41,987.49	3,83,080.44
Other financial assets	185.68	288.66	474.34	201.49	323.08	524.57
	1,94,124.63	**3,77,796.92**	**5,71,921.55**	**83,931.11**	**3,44,786.79**	**4,28,717.90**
Non-financial assets						
Current tax assets (net)	795.79	-	795.79	435.46	-	435.46
Deferred tax assets (net)	-	3,698.94	3,698.94	-	2,822.96	2,822.96
Investment property	-	3.56	3.56	-	3.56	3.56
Property, plant and equipment	-	845.60	845.60	-	1,106.09	1,106.09
Right of use asset	-	1,452.63	1,452.63	-	1,488.00	1,488.00
Other intangible assets	-	190.30	190.30	-	192.80	192.80
Other non-financial assets	408.49	44.28	452.77	475.86	72.76	548.62
	1,204.28	**6,235.31**	**7,439.59**	**911.32**	**5,686.17**	**6,597.49**
Total assets	**1,95,328.91**	**3,84,032.23**	**5,79,361.14**	**84,842.43**	**3,50,472.96**	**4,35,315.39**
LIABILITIES AND EQUITY						
Financial liabilities						
Payables						
Trade payables						
total outstanding dues of micro and small enterprises	-	-	-	-	-	-
total outstanding dues of creditors other than micro and small enterprises	746.93	120.24	867.17	662.40	-	662.40
Debt securities	33,549.02	96,829.53	1,30,378.55	24,245.73	83,640.68	1,07,886.42
Borrowings (other than debt securities)	71,031.62	1,41,109.50	2,12,141.12	38,970.37	89,512.52	1,28,482.89
Other financial liabilities	679.31	1,037.69	1,717.01	520.11	1,047.99	1,568.10
	1,06,006.88	**2,39,096.96**	**3,45,103.84**	**64,398.61**	**1,74,201.20**	**2,38,599.81**
Non-financial liabilities						
Current tax liabilities (net)	-	-	-	74.80	-	74.80
Provisions	150.33	569.47	719.80	531.27	46.34	577.61
Other non-financial liabilities	1,720.27	-	1,720.27	1,605.12	-	1,605.12
	1,870.60	**569.47**	**2,440.07**	**2,211.19**	**46.34**	**2,257.53**
Total liabilities	**1,07,877.48**	**2,39,666.43**	**3,47,543.92**	**66,609.80**	**1,74,247.54**	**2,40,857.34**
Net worth			2,31,817.23			1,94,458.05

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46 Financial risk management objectives and policies

The Company's principal financial liabilities majorly comprise of borrowings from banks, debentures and trade payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include loan and advances, cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to a variety of financial risks, as listed below apart from various operating and business risks.

Market risk;
Credit risk; and
Liquidity risk

This note explains the sources of risks arising from financial instruments which the entity is exposed to and how the Company manages the risk.

Risk management framework

The Company's board of directors and risk management committee has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors and risk management committee along with the top management are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's risk management committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry or geographical location.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

(i) Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices which will affect the Companies income or the value of holdings of financial instruments. The company does not have exposure to currency risk and security price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

Interest rate risk

Interest rate risk primarily arises from borrowings with variable rates. The company's borrowings are carried at amortised cost. The borrowings with fixed rates are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The interest rate profile of the Company's interest bearing financial instruments is as follows:

	As at March 31, 2021	As at March 31, 2020
Fixed rate instruments		
Financial assets	5,39,562.50	4,15,079.10
Financial liabilities	2,52,382.61	1,68,586.62
	7,91,945.11	5,83,665.72
Variable rate instruments		
Financial assets	-	-
Financial liabilities	90,137.07	67,782.69
	90,137.07	67,782.69

Cash flow sensitivity analysis for variable-rate instruments:

	Profit / loss		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
March 31, 2021				
Variable-rate instruments	(732.35)	732.35	(548.03)	548.03
Cash flow sensitivity (net)	(732.35)	732.35	(548.03)	548.03
March 31, 2020				
Variable-rate instruments	(427.17)	427.17	(319.66)	319.66
Cash flow sensitivity (net)	(427.17)	427.17	(319.66)	319.66

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46 Financial risk management objectives and policies (Continued)

(ii) Credit risk

Loans and advances

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 advances and other financial assets. The carrying amount of financial assets represents the maximum credit exposure. The company has Credit policy approved by the Board of Directors, which is subject to annual review. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical concentrations, and by monitoring exposures in relation to such limits.

The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including periodical collateral revisions, as defined in the Credit policy. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

The disclosure of maximum exposure to credit risk without taking into account any collateral held or other credit enhancements has not been provided for financial assets, as their carrying amount best represent the maximum exposure to credit risk. All the loans provided are secured against mortgage of land and/or building. The fair value of the collateral is determined on the guidelines prescribed in the collateral management policy as approved by the Board of Directors.

Impairment assessment - Expected credit loss ("ECL"):

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the loan receivables are categorised into groups based on days past due. Each group is then assessed for impairment using the Expected Credit Loss (ECL) model as per the provisions of Ind AS 109 - financial instruments. The Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies.

ECL on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probability is low. ECL is calculated based on the following components:

a. Marginal probability of default ("MPD")
b. Loss given default ("LGD")
c. Exposure at default ("EAD")
d. Discount factor ("D")

Marginal probability of default:

PD is defined as the probability of whether borrowers will default on their obligations in the future. Historical PD is derived from the internal data which is calibrated with forward looking macroeconomic factors.

For computation of probability of default ("PD"), Vasicek Model was used to forecast the PD term structure over lifetime of loans. As per given long term PD and current macroeconomic conditions, conditional PD corresponding to current macroeconomic condition is estimated. The Company has worked out on PD based on the last six years historical data.

Marginal probability:

The PDs derived from the model, are the cumulative PDs, stating that the borrower can default in any of the given years, however to compute the loss for any given year, these cumulative PDs have to be converted to marginal PDs. Marginal PDs is probability that the obligor will default in a given year, conditional on it having survived till the end of the previous year.

Conditional marginal probability:

As per Ind AS 109, expected loss has to be calculated as an unbiased and probability-weighted amount for multiple scenarios.
The probability of default was calculated for 3 scenarios: best , worst and base. This weightage has been decided on best practices and expert judgement.
Marginal conditional probability was calculated for all 3 possible scenarios and one conditional PD was arrived as conditional weighted probability.





46 Financial risk management objectives and policies (Continued)

Staging of loans:

Definition of default and cure

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the loan has remained overdue for a period greater than 90 days.

It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when the loan becomes less than or equal to 90 days past due on its contractual obligations. Such cured loans are classified as Stage 1 or 2 depending upon the days past due after such cure has taken place.

As per Ind AS 109, Company assesses whether there is a significant increase in credit risk at the reporting date from the initial recognition. Company has staged the assets based on the Day past dues criteria and other market factors which significantly impacts the portfolio.

Days past dues status	Stage	Provisions
Current	Stage 1	12 Months Provision
1-30 Days	Stage 1	12 Months Provision
31-90 Days	Stage 2	Lifetime Provision
90+ Days	Stage 3	Lifetime Provision

Company's internal rating and PD estimation process

The Company's independent Credit Risk Department operates its internal rating models, in which customers are rated from Low to High using internal grades. The models incorporate both qualitative and quantitative information in addition to information specific to the borrower, utilise supplemental external information that could affect the borrower's behaviour.

Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 months ECL. However, if a Stage 1 loan that is expected to default in the 12 months from the balance sheet date and is also expected to cure and subsequently default again, then all linked default events are taken into account.

The Company determines EADs by modelling the range of possible exposure outcomes at various points in time, corresponding the multiple scenarios. The Ind AS 109 PDs are then assigned to each economic scenario based on the outcome of models.

Loss given default

The credit risk assessment is based on a standardised loss given default (LGD) assessment framework that results in a certain LGD rate. These LGD rates take into account the expected EAD in comparison to the amount expected to be recovered or realised from any collateral held.

The Company segments its retail lending products into smaller homogeneous portfolios, based on key characteristics that are relevant to the estimation of future cash flows. The applied data is based on historically collected loss data and involves a wider set of transaction characteristics (e.g., product type, wider range of collateral types) as well as borrower characteristics.

Further recent data and forward-looking economic scenarios are used in order to determine the Ind AS 109 LGD rate for each group of financial instruments. When assessing forward-looking information, the expectation is based on multiple scenarios. Examples of key inputs involve changes in, collateral values including property prices for mortgages, commodity prices, payment status or other factors that are indicative of losses in the group.

Under Ind AS 109, LGD rates are estimated for the Stage 1, Stage 2, Stage 3 and Purchased or originated credit impaired (POCI) Ind AS 109 segment of each asset class. The inputs for these LGD rates are estimated and, where possible, calibrated through back testing against recent recoveries. These are repeated for each economic scenario as appropriate.

Discounting:

As per Ind AS 109, ECL is computed by estimating the timing of the expected credit shortfalls associated with the defaults and discounting them using effective interest rate.

Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12 months ECL or Life-time ECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The Company considers the credit risk to be directly proportional to the delinquency status i.e. days past due of the loan under consideration. No further adjustments are made in the PD.

When estimating ECLs on a collective basis for a group of similar assets the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

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46 Financial risk management objectives and policies (Continued)

Grouping financial assets measured on a collective basis

The Company calculates ECL on a collective basis for all asset classes.

The Company combines these exposure into smaller homogeneous portfolios, based on the characteristics of the loans, as described below:

- Geographic location
- Loan type
- Ticket size

ECL computation:

Conditional ECL at DPD pool level was computed with the following method:

Conditional ECL for year (yt) = EAD (yt) * conditional PD (yt) * LGD (yt) * discount factor (yt)

The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Proportion of expected credit loss provided for across the stage is summarised below:

	Provisions	As at March 31, 2021	As at March 31, 2020
Stage 1	12 month provision	0.33%	0.48%
Stage 2	Life time provision	13.04%	8.70%
Stage 3	Life time provision	17.96%	17.70%

The loss rates are based on actual credit loss experience over past years. These loss rates are then adjusted appropriately to reflect differences between current and historical economic conditions and the Company's view of economic conditions over the expected lives of the loan receivables. Movement in provision of expected credit loss has been provided in below note.

Analysis of changes in the gross carrying amount and the corresponding ECL allowances:

Particulars	31-Mar-21				31-Mar-20			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	**3,43,232.28**	**40,667.94**	**5,322.63**	**3,89,222.85**	**1,87,880.35**	**21,533.13**	**1,867.19**	**2,11,280.67**
Asset derecognised or repaid (excluding write-off)	(30,980.83)	(4,229.42)	(463.14)	(35,673.39)	(17,956.55)	(3,455.54)	(219.57)	(21,631.66)
Assets partially repaid	(27,563.96)	(300.54)	-	(27,864.50)	(16,748.09)	(3,911.22)	(321.15)	(20,980.46)
Roll forwards to higher stages	(31,280.91)	(700.53)	-	(31,981.44)	(27,683.30)	(3,096.31)	-	(30,779.61)
Roll forward from lower stages	-	30,902.25	1,079.19	31,981.44	-	26,409.54	4,370.07	30,779.61
Roll back from higher stages	17,714.79	647.96	-	18,362.75	2,241.23	48.46	-	2,289.69
Roll back to lower stages	-	(17,597.31)	(765.44)	(18,362.75)	-	(2,218.83)	(70.86)	(2,289.69)
Amount written off	-	-	(996.83)	(996.83)	-	-	(486.06)	(486.06)
New assets originated/ incremental accretions	1,18,473.70	1,033.30	342.96	1,19,849.96	2,15,498.64	5,358.71	183.01	2,21,040.36
Gross carrying amount closing balance	**3,89,595.07**	**50,423.65**	**4,519.37**	**4,44,538.09**	**3,43,232.28**	**40,667.94**	**5,322.63**	**3,89,222.85**

Reconciliation of ECL balance is given below:

Particulars	31-Mar-21				31-Mar-20			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	**1,661.41**	**3,538.88**	**942.12**	**6,142.41**	**276.63**	**985.59**	**432.05**	**1,694.27**
Addition during the year	75.21	3,373.12	910.57	4,358.90	1,449.27	2,875.93	1,046.09	5,371.29
Reversal / Utilization/write off during the year	(460.10)	(337.21)	(1,040.85)	(1,838.16)	(64.49)	(322.64)	(536.02)	(923.15)
Closing provision of ECL	**1,276.52**	**6,574.79**	**811.84**	**8,663.15**	**1,661.41**	**3,538.88**	**942.12**	**6,142.41**

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46 Financial risk management objectives and policies (Continued)

Analysis of inputs to the ECL model under multiple economic scenarios

An overview of the approach to estimating ECLs is set out in Note 3.5 Summary of significant accounting policies. ECL on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probability is low. ECL is calculated based on the following components:

The following tables outline the impact of multiple scenarios on the allowance based on macro-economic factors considered:

ECL Scenario	As at March 31, 2021	As at March 31, 2020
Best case	8,584.22	5,372.70
Base case	8,654.68	5,809.36
Worst case	8,729.98	6,397.23

Analysis of credit concentration risks

The Company's concentrations of risk are managed by counterparty and geography. The maximum credit exposure to any individual client or counterparty as of March 31, 2021 was INR 63.30 Lakhs (March 31, 2020: INR 71.83 Lakhs).

The following table shows the risk concentration of loan portfolio by geography.

Geography	As at March 31, 2021	As at March 31, 2020
Tamil Nadu	1,82,290.54	1,64,585.54
Karnataka	32,192.50	25,946.28
Andhra Pradesh	1,25,096.37	1,07,903.48
Telangana	81,678.27	74,414.92
Others	23,280.41	16,372.63
	4,44,538.09	**3,89,222.85**

Cash and bank balances

The Company held cash and cash equivalents with credit worthy banks and financial institutions as at the reporting dates which has been measured on the 12-month expected loss basis. The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good with low credit risk.

Other financial assets

This balance is primarily constituted by security deposits and advance to employees. The Company does not expect any losses from non-performance by these counter-parties.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company is bound to comply with the Asset Liability Management guidelines issued by Reserve Bank of India. The company has Asset Liability Management policy approved by the board and has constituted Asset Liability Committee to oversee the liquidity risk management function of the company. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's principal sources of liquidity are borrowings, cash and cash equivalents and the cash flow that is generated from operations.

The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. In addition, the Company maintains the following undrawn borrowing facilities :

	As at March 31, 2021	As at March 31, 2020
Cash credit facilities	2,003.40	2,300.00
Others	-	55,000.00
Total	**2,003.40**	**57,300.00**

The cash credit facilities may be overdrawn anytime and may be terminated ay time without notice.





46 Financial risk management objectives and policies (Continued)

Exposure to liquidity risk

The table below provides details regarding the contractual maturities of financial liabilities and assets including interest as at March 31, 2021:

	Carrying amount	Less than 1 year	1-2 years	2-5 years	More than 5 years
Financial Liabilities					
Debt Securities	1,30,378.55	33,549.02	52,973.11	43,481.42	375.00
Borrowings (Other than Debt Securities)	2,12,141.12	71,031.62	62,064.87	79,044.63	-
Other payables	867.17	746.93	50.05	70.19	-
Other financial liabilities	1,717.01	679.31	380.09	554.06	103.54
Total	**3,45,103.84**	**1,06,006.88**	**1,15,468.12**	**1,23,150.30**	**478.54**
Financial Assets					
Cash and cash equivalents	1,26,718.28	1,26,718.28	-	-	-
Bank Balances other than cash and cash equivalents	8,853.99	3.96	787.51	5,838.73	2,223.79
Loans	4,35,874.94	67,216.71	66,958.54	2,28,710.05	72,989.64
Other Financial assets	474.34	185.68	98.41	157.30	32.95
Total	**5,71,921.55**	**1,94,124.63**	**67,844.46**	**2,34,706.08**	**75,246.38**

The table below provides details regarding the contractual maturities of financial liabilities and assets including interest as at March 31, 2020:

	Carrying amount	Less than 1 year	1-2 years	2-5 years	More than 5 years
Financial Liabilities					
Debt Securities	1,07,886.42	24,245.73	66,027.28	17,613.40	-
Borrowings (Other than Debt Securities)	1,28,482.89	38,970.37	36,641.10	50,874.47	1,996.95
Other payables	662.40	662.40	-	-	-
Other financial liabilities	1,568.10	520.11	409.12	509.92	128.95
Total	**2,38,599.81**	**64,398.61**	**1,03,077.50**	**68,997.79**	**2,125.90**
Financial Assets					
Cash and cash equivalents	28,977.95	28,977.95	-	-	-
Bank Balances other than cash and cash equivalents	16,134.94	13,658.72	-	1,719.47	756.75
Loans	3,83,080.44	41,092.95	56,621.26	2,00,946.93	84,419.30
Other Financial assets	524.57	201.49	82.85	203.89	36.34
Total	**4,28,717.90**	**83,931.11**	**56,704.11**	**2,02,870.29**	**85,212.39**

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FIVE-STAR BUSINESS FINANCE LIMITED CHENNAI 600 010

47 Disclosures required as per RBI Circulars/Directives

A Schedule to the Balance Sheet of a Non-Banking Financial Company as required under Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

Particulars	As at March 31, 2021		As at March 31, 2020	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
Liabilities side				
1 Loans and Advances availed by the non-banking financial company, inclusive of interest accrued thereon but not paid				
a. Debentures				
i. Secured	1,30,378.55	-	1,07,886.42	-
ii. Unsecured				
b. Deferred Credits	-	-	-	-
c. Term Loans*	2,11,944.51	-	1,28,482.89	-
d. Inter-corporate loans and borrowings	-	-	-	-
e. Commercial Paper	-	-	-	-
f. Public Deposits				
g. Other loans				
Loans repayable on demand (secured) - From Banks	196.60	-	-	-
Loans from related parties (unsecured)	-	-	-	-
Loans from others (unsecured)	-	-	-	-
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 party secured debentures i.e debentures where there is	-	-	-	-
c Other public deposits	-	-	-	-

* includes borrowings under securitisation

Particulars	Amount Outstanding as on March 31, 2021	Amount Outstanding as on March 31, 2020
Assets side		
3 Break-up of Loans and Advances, including Bills Receivables		
a. Secured	4,35,874.94	3,83,080.44
b. Unsecured	-	-
4 Break up of Leased Assets and Stock on Hire and Other Assets counting towards AFC activities		
(i) Leased assets including lease rentals under Receivables		
a. Financial lease	-	-
b. Operating lease	-	-
(ii) Stock on hire including hire charges under Receivables		
a. Assets on hire	-	-
b. Repossessed assets	-	-
(iii) Other loans counting towards AFC activities		
a. Loans where assets have been repossessed (net)	-	-
b. Loans other than (i) above	-	-
5 Break-up of Investments		
a Current Investments		
1 Quoted		
i. Shares		
a. Equity	-	-
b. Preference	-	-
ii. Debentures and Bonds	-	-
iii. Units of Mutual Funds	-	-
iv. Government Securities	-	-
v. Others	-	-
2 Unquoted		
i. Shares		
a Equity	-	-
b Preference	-	-
ii. Debentures and Bonds	-	-
iv. Government Securities	-	-
v. Others	-	-

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47 Disclosures required as per RBI Circulars/Directives (continued)

A Schedule to the Balance Sheet of a Non-Banking Financial Company as required under Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (Continued)

Particulars	Amount Outstanding as on March 31, 2021	Amount Outstanding as on March 31, 2020
b. Long-term Investments		
1 Quoted		
i. Shares		
a Equity	-	-
b Preference	-	-
ii. Debentures and Bonds	-	-
iii. Units of Mutual Funds	-	-
iv. Government Securities	-	-
v. Others	-	-
2 Unquoted		
i. Shares		
1 Equity	-	-
2 Preference	-	-
ii. Debentures and Bonds	-	-
iii. Units of Mutual Funds	-	-
iv. Government Securities	-	-
v. Others	-	-

6 Borrower group-wise classification of assets financed in 3 and 4 above

Category	Amount [Net of Provisions]					
	As at March 31, 2021			As at March 31, 2020		
	Secured	Unsecured	Total	Secured	Unsecured	Total
a. Related Parties						
i. Subsidiaries	-	-	-	-	-	-
ii. Companies in the same group	-	-	-	-	-	-
iii. Other Related Parties	-	-	-	-	-	-
b. Other than Related Parties	4,35,874.94	-	4,35,874.94	3,83,080.44	-	3,83,080.44
Total	**4,35,874.94**	-	**4,35,874.94**	**3,83,080.44**	-	**3,83,080.44**

7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

Category	As at March 31, 2021		As at March 31, 2020	
	Market value / breakup or Fair value or NAV	Book Value (Net of Provisions)	Market value / breakup or Fair value or NAV	Book Value (Net of Provisions)
a. Related Parties				
i. Subsidiaries	-	-	-	-
ii. Companies in the same group	-	-	-	-
iii. Other Related Parties	-	-	-	-
b. Other than Related Parties	-	-	-	-
Total	-	-	-	-

8 Other Information

Particulars	As at March 31, 2021	As at March 31, 2020
a. Gross Non-Performing Assets (stage 3 assets)		
i. Related Parties	-	-
ii. Other than Related Parties	4,519.36	5,322.63
b. Net Non-Performing Assets (stage 3 assets)		
i. Related Parties	-	-
ii. Other than Related Parties	3,707.52	4,380.51
c. Assets acquired in satisfaction of debt	-	-





47 **Disclosures required as per RBI Circulars/Directives (continued)**

Additional Disclosure pursuant to Reserve Bank of India notification DNBR (PD) CC. No.029/03.10.001/ 2014-15 dated April 10, 2015

B Derivatives (Forward rate agreement / interest rate swap)

There has been no forward rate contracts / interest rate swaps or any other derivative transactions carried out by the Company during the year ended March 31, 2021 and March 31, 2020.

C Investments

Particulars	As at March 31, 2021	As at March 31, 2020
1 Value of Investments		
i Gross value of investments		
a In India	-	-
b Outside India	-	-
ii Provision for depreciation		
a In India	-	-
b Outside India	-	-
iii Net value of investments		
a In India	-	-
b Outside India	-	-
2 Movement of provisions held towards depreciation on investments		
i Opening balance	-	-
ii Add : Provisions made during the year	-	-
iii Less : Write-off / write-back of excess provisions during the year	-	-
iv Closing balance	-	-

D Exposure to Real Estate Sector

Particulars	As at March 31, 2021	As at March 31, 2020
1 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	4,44,538.09	3,89,222.85
ii. Commercial Real Estate		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.).	-	-
iii. Investments in Mortgage Backed Securities (MBS) and other securitised exposures		
a. Residential	-	-
b. Commercial Real Estate	-	-
Total exposure to Real Estate sector (gross)	**4,44,538.09**	**3,89,222.85**

* These include all loans given by the Company which are secured by the underlying mortgaged properties.

E Customer Complaints

Particulars	As at March 31, 2021	As at March 31, 2020
No. of complaints pending at the beginning of the year	-	-
No. of complaints received during the year	31	15
No. of complaints redressed during the year	31	15
No. of complaints pending at the end of the year	-	-

F Exposure to Capital Market

The Company does not have any exposure to capital market and hence this disclosure is not applicable.

G Concentration of Advances

Particulars	As at March 31, 2021	As at March 31, 2020
Total Advances to twenty largest borrowers	917.00	1,131.50
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	0.17%	0.25%

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47 Disclosures required as per RBI Circulars/Directives (continued)

Additional Disclosure pursuant to Reserve Bank of India notification DNBR (PD) CC. No.029/03.10.001/2014-15 dated April 10, 2015 (continued)

H Concentration of exposures

Particulars	As at March 31, 2021	As at March 31, 2020
Total exposure to twenty largest borrowers	803.12	926.44
Percentage of exposures to twenty largest borrowers to Total exposure of the NBFC	0.18%	0.24%

I Concentration of NPAs (Stage 3 assets)

Particulars	As at March 31, 2021	As at March 31, 2020
Total exposure to top four NPA accounts	134.52	145.77

J Ratings assigned by Credit Rating Agencies

The Credit Analysis & Research Limited (CARE), CRISIL Limited (CRISIL) and ICRA Limited (ICRA) have assigned ratings for the various facilities availed by the Company, details of which are given below:

Particulars	As at March 31, 2021	As at March 31, 2020
Commercial Paper		
- CARE	A1	A1
Long term Bank Facilities		
- CARE	A	A
- ICRA	A	A
Short term bank facilities		
- CARE	A1	A1
Non Convertible Debentures		
- CARE	A	A
- ICRA	A	A
- CRISIL	-	BBB+

K Sector-wise Gross NPAs (Stage 3 assets)

Sector	Percentage of NPAs to total advances in that sector	
	As at March 31, 2021	As at March 31, 2020
Agriculture & allied activities	-	-
MSME*	7.78%	44.61%
Corporate borrowers	-	-
Services*	1.13%	1.55%
Unsecured personal loans	-	-
Auto loans (commercial vehicles)	-	-
Other personal loans	0.70%	0.88%

* Represents small business loans given to borrowers involved in manufacturing/service sectors.

The above sector-wise NPA and advances is based on the data available with the company and filed with Reserve Bank of India, which has been relied upon by the auditors.

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47 Disclosures required as per RBI Circulars/Directives (continued)

Additional Disclosure pursuant to Reserve Bank of India notification DNBR (PD) CC. No.029/03.10.001/2014-15 dated April 10, 2015 (continued)

L Movement of NPAs (Stage 3 assets)

Particulars	As at March 31, 2021	As at March 31, 2020
Gross NPAs to Net Advances (%)	1.02%	1.37%
Net NPAs to Net Advances (%)	0.84%	1.13%
Movement of NPAs (Gross)		
(a) Opening balance	5,322.63	1,867.19
(b) Additions during the year	1,422.15	4,553.08
(c) Reductions during the year	(1,228.58)	(611.58)
(d) Write off	(996.83)	(486.06)
(e) Closing balance	4,519.37	5,322.63
Movement of Net NPAs		
(a) Opening balance	4,380.51	1,435.14
(b) Additions during the year	511.58	3,506.99
(c) Reductions during the year	(1,184.56)	(561.62)
(d) Closing balance	3,707.53	4,380.51
Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	942.12	432.05
(b) Provisions made during the year	910.57	1,046.09
(c) Write-off / write-back of excess provisions	(1,040.85)	(536.02)
(d) Closing balance	811.84	942.12

M Other Regulator - Registration details

Regulator		Registration No.
i	Ministry of Corporate Affairs	U65991TN1984PLC010844
ii	Reserve Bank of India	B-07.00286
iii	National Housing Bank (NHB)*	05.0134.16

* Certificate of Registration has been surrendered to NHB on June 5, 2020

N Disclosure of penalties imposed by RBI and other regulators

The Company has paid not paid any penalty during the year ended March 31, 2021 (Year ended March 31, 2020 - 0.15 to NHB)

O Details of Single Borrower Limit (SGL)/ Group Borrower Limit (GBL)

The Company has not exceeded the prudential exposure limits during the year ended March 31, 2021 and March 31, 2020

P Overseas assets (for those with joint ventures and subsidiaries abroad)

The Company does not have any joint ventures and subsidiaries abroad during the year ended March 31, 2021 and March 31, 2020 and hence this disclosure is not applicable.

Q Details of financing of parent company products

The Company does not have a parent company and hence this disclosure is not applicable.

R Details of non-performing financial assets purchased/ sold

The Company has not purchased any non-performing assets during the financial year ended March 31, 2021 and March 31, 2020.

S Details of unsecured advances

The Company has not granted any advances against intangible securities during the financial year ended March 31, 2021 and March 31, 2020.

T Off-Balance Sheet SPVs sponsored

The Company does not have Off-Balance Sheet SPVs sponsored, which are required to be consolidated as per the accounting norms, during the financial year ended March 31, 2021 and March 31, 2020.

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47 Disclosures required as per RBI Circulars/Directives (continued)

Additional Disclosure pursuant to Reserve Bank of India notification DNBR (PD) CC. No.029/03.10.001/ 2014-15 dated April 10, 2015

U Remuneration to non-executive directors

The Company has incurred commission of INR 18 Lakhs and sitting fee of INR 13.75 lakhs during the year ended March 31, 2021 (March 31, 2020: Commission - INR 18 lakhs, sitting fee - INR 12.50 lakhs)

V Draw down from reserves

The Company has not made any draw down from reserves during the year ended March 31, 2021 and March 31, 2020.

W Provisions and Contingencies

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Category-wise Break up of 'Provisions and Contingencies' shown in the Statement of Profit and Loss		
Provisions for depreciation on investment	-	-
Provision towards non-performing assets*	866.56	996.42
Provision made towards income tax	12,594.12	10,056.07
Provision for compensated absences	399.18	379.48
Provision for gratuity	306.90	243.54
Provision for standard assets#	2,651.01	3,938.07

* Represents impairment loss allowance on stage 3 loans - Includes write-off of INR 996.83 lakhs (March 31, 2020 - INR 486.06 lakhs))
# Represents impairment loss allowance on stage 1 and stage 2 loans.

X Gold Loan Portfolio

The Company has not provided loan against gold during the year ended March 31, 2021 and March 31, 2020.

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FIVE-STAR BUSINESS FINANCE LIMITED CHENNAI 600 010

47 Disclosures required as per RBI Circulars/Directives (continued)

Additional Disclosure pursuant to Reserve Bank of India notification DNBR (PD) CC. No.029/03.10.001/ 2014-15 dated April 10, 2015 (Continued)

Y Asset Liability Management - Maturity pattern of certain items of assets and liabilities

As at March 31, 2021

Particulars	Upto 1 month	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5	Total
Liabilities									
Borrowings from Banks	3,386.54	3,357.10	3,226.62	9,805.16	18,771.12	49,866.69	9,755.40	-	98,168.63
Market Borrowings*	7,056.91	5,676.17	6,198.27	9,473.94	38,803.06	1,53,497.59	25,547.95	375.00	2,46,628.89
Assets									
Advances	9,164.06	4,673.72	4,735.06	15,570.43	34,381.85	1,46,167.08	1,59,311.40	76,393.56	4,50,397.16

As at March 31, 2020

Particulars	Upto 1 month	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5	Total
Liabilities									
Borrowings from Banks	2,341.42	2,436.19	2,405.62	6,837.51	13,553.82	35,943.95	14,071.03	-	77,589.54
Market Borrowings*	1,245.69	920.76	3,277.17	3,938.52	27,355.24	1,07,835.36	14,372.23	2,000.46	1,60,945.43
Assets									
Advances	4,721.32	2,063.73	2,099.79	6,464.20	28,255.60	1,24,413.99	1,41,019.11	85,853.50	3,94,891.24

* Market borrowings include borrowings from all sources other than banks.

Notes

- The balances considered are without netting of impairment loss allowance (for stage 1 and stage 2 assets) and unamortised borrowing costs/unamortised processing fee.
- The maturity pattern of advances as at March 31, 2020, represent estimated cashflows considering the moratorium given to the customers. Also refer note 51.
- The Company has obtained moratorium from the investors with respect to outstanding under securitisation arrangements. This has been given effect in maturity pattern of market borrowings as at March 31, 2020.

Z Disclosures in respect of fraud as per the Master Directions DNBS. PPD.01/66.15.001/2016-17, dated September 29, 2016

Particulars	Less than INR 1 Lakh		More than INR 1 Lakh less than INR 25 Lakh		Above INR 25 Lakh		Total	
	Number of Instances	Rs. in lakhs	Number of Instances	Rs. in lakhs	Number of Instances	Rs. in lakhs	Number of Instances	Rs. in lakhs
Person involved:								
Staff**	1.00	0.97	-	-	-	-	1	0.97
Outsiders	-	-	-	-	-	-	-	-
Total	1.00	0.97	-	-	-	-	1	0.97
Type of fraud:								
Cash Mishandling**	1.00	0.97	-	-	-	-	1	0.97
Others	-	-	-	-	-	-	-	-
Total	1.00	0.97	-	-	-	-	1	0.97

** The amount has been recovered fully and the above frauds have already been disclosed to the RBI, wherever applicable.

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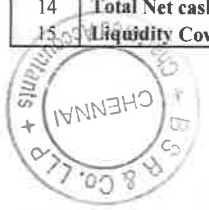
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47 Disclosures required as per RBI Circulars/Directives (continued)

AA Disclosures Pursuant to Reserve Bank of India Guidelines on Liquidity Risk Management RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03/.10.001/2019-20 dated November 4, 2019

As per the Guidelines on Liquidity Risk Management Framework for NBFCs issued by RBI vide notification no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20, all non-deposit taking NBFCs with asset size more than INR 5000 crores are required to maintain Liquidity Coverage Ratio (LCR) from December 1, 2020, with the minimum LCR to be 30%, progressively increasing, till it reaches the required level of 100%, by December 1, 2024.

	Particulars	Quarter ended 30 June 2020		Quarter ended 30 September 2020		Quarter ended 31 December 2020		Quarter ended 31 March 2021	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
	High Quality Liquid Assets								
1	Total High Quality Liquid Assets (comprise of cash on hand and demand deposits with Scheduled Commercial Banks)	45,077.52	45,077.52	47,465.99	47,465.99	36,764.77	36,764.77	15,185.85	15,185.85
	Cash outflows								
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	-	-	-	-	-	-	-	-
4	Secured wholesale funding	7,817.81	8,990.48	9,303.09	10,698.55	26,794.82	30,814.05	12,254.44	14,092.60
5	Additional requirements, of which	-	-	-	-	-	-	-	-
	(i) Outflows related to derivative exposures an other collateral requirements	-	-	-	-	-	-	-	-
	(ii) Outflows related to loss on funding on debt products	-	-	-	-	-	-	-	-
	(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	-	-	-	-	-	-	-	-
7	Other contingent funding obligations	21,783.33	25,050.83	21,383.33	24,590.83	20,983.33	24,130.83	20,366.67	23,421.67
8	**Total cash outflows**	**29,601.14**	**34,041.31**	**30,686.42**	**35,289.38**	**47,778.15**	**54,944.88**	**32,621.11**	**37,514.27**
	Cash Inflows								
9	Secured Lending	160.06	120.04	7,889.15	5,916.86	11,990.89	8,993.17	12,848.67	9,636.50
10	Inflows from fully performing exposures	-	-	-	-	-	-	-	-
11	Other cash inflows	9,077.33	6,808.00	50,807.74	38,105.80	79,479.00	59,609.25	89,469.11	67,101.83
12	**Total cash inflows**	**9,237.39**	**6,928.04**	**58,696.89**	**44,022.66**	**91,469.89**	**68,602.42**	**102,317.78**	**76,738.33**
			Total Adjusted Value		**Total Adjusted Value**		**Total Adjusted Value**		**Total Adjusted Value**
13	**Total HQLA**		45,077.52		47,465.99		36,764.77		15,185.85
14	**Total Net cash outflows**		27,113.27		8,822.35		13,736.22		9,378.57
15	**Liquidity Coverage Ratio (%)**		166%		538%		268%		162%





47 Disclosures required as per RBI Circulars/Directives (continued)

AA Disclosures Pursuant to Reserve Bank of India Guidelines on Liquidity Risk Management RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03/.10.001/2019-20 dated November 4, 2019

Notes:

1 The average weighted and unweighted amounts are calculated taking simple average based on monthly observation for the respective quarter. The weightage factor applied to compute weighted average value is constant for all the quarters.
2 Prior to introduction of LCR framework, the company used to maintain a substantial share of its liquidity in form of fixed deposits with banks and investment in mutual funds. Post the introduction of LCR framework, the Company has consciously worked towards increasing its investment in High Quality Liquid Assets (HQLA) as per the RBI guidelines.
3 Weighted values have been calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.
4 The above details is based on the data available with the Company, which has been relied upon by the auditors.
5 Since the disclosure is effective from current financial year, the comparative disclosure for previous year is not applicable.

Qualitative information:

1 The Company has implemented the guidelines on Liquidity Risk Management Framework prescribed by the Reserve Bank of India requiring maintenance of Liquidity Coverage Ratio (LCR), which aim to ensure that an NBFC maintains an adequate level of unencumbered HQLAs that can be converted into cash to meet its liquidity needs for a 30 calendar day time horizon under a significantly severe liquidity stress scenario.
2 LCR = Stock of High-Quality Liquid Assets (HQLAs)/Total Net Cash Outflows over the next 30 calendar days
3 HQLAs comprise of cash on hand and demand deposits with Scheduled Commercial Banks.
4 Total net cash outflows are arrived after taking into consideration total expected cash outflows minus total expected cash inflows for the subsequent 30 calendar days. As prescribed by RBI, total net cash outflows over the next 30 days = Stressed Outflows - [Min (stressed inflows; 75% of stressed outflows)]. Total expected cash outflows (stressed outflows) are calculated by multiplying the outstanding balances of various categories or types of liabilities and off-balance sheet commitments by 115% (15% being the rate at which they are expected to run off further or be drawn down). Total expected cash inflows (stressed inflows) are calculated by multiplying the outstanding balances of various categories of contractual receivables by 75% (25% being the rate at which they are expected to under-flow).
5 The inflows included under "Secured Lending" for quarter ended June 30, 2020 and September 30, 2020 are after considering the moratorium extended to the customers (also refer Note 51). "Other cash inflows" include mutual funds and callable fixed deposits maturing within 30 days.
6 The Liquidity Risk Management framework of the Company is governed by its Liquidity Risk Management Policy and Procedures approved by the Board. The Asset Liability Management Committee (ALCO) oversees the implementation of liquidity risk management strategy of the Company and ensure adherence to the risk tolerance/limits set by the Board.
7 The Company maintains a robust funding profile with no undue concentration of funding sources. In order to ensure a diversified borrowing mix, concentration of borrowing through various sources is monitored. Further, the Company has prudential limits on investments in different instruments to maintain a healthy investment profile. There is no currency mismatch in the LCR. The above is periodically monitored by ALCO.



47 Disclosures required as per RBI Circulars/Directives (continued)

AB Disclosures Pursuant to Reserve Bank of India Guidelines on Securitisation Transactions RBI//2012-13/170 DNBS. PD. No. 301/3.10.01/2012-13 dated August 21, 2012 and Additional Disclosure pursuant to Reserve Bank of India notification DNBR (PD) CC. No.029/03.10.001/ 2014-15 dated April 10, 2015

Details of securitisation during the year Securitisation of Assets:

S.No.	Particulars	As at March 31, 2021	As at March 31, 2020
1	No of Special Purpose Vehicle's (SPV's) sponsored by the NBFC for securitisation transactions (Nos.)	12	4
2	Total amount of securitised assets as per books of the SPVs sponsored by the NBFC*#	81,815.63	33,395.95
3	Total amount of exposures retained by the NBFC to comply with Minimum Retention Ratio (MRR) as on the date of balance sheet		
	a) Off-balance sheet exposures		
	- First loss	-	-
	- Others	-	-
	b) On-balance sheet exposures		
	- First loss	26,622.41	7,921.46
	- Others	-	-
4	Amount of exposures to securitisation transactions other than MRR*		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	- First loss	-	-
	- Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	- First loss	5,560.81	-
	- Others (Receivables from SPV's for Assets De-recognised)	-	-
	ii) Exposure to third party securitisations		
	- First loss	-	-
	- Others	-	-

represents the value of securitised assets retained in the books of the NBFC as the assets were not de-recognised . Does not include value of overcollateralisation on loan assets.

*The Company had consummated 2 transactions during the financial year ended March 31, 2021 under the partial credit guarantee scheme of the Government of India. While structually similar to other securitization/PTC Transactions uindertaken by the company, no SPVs were created for these 2 transactions. The above disclosure as at March 31, 2021 also includes the details pertaining to these transactions.

The Company has neither entered into any assignment transaction nor sold financial assets to Securitisation / Reconstruction Company for Asset Reconstruction. Hence the related disclosures are not applicable.

AC Disclosure relating to Securitisation pursuant to Reserve Bank of India notification DBOD. No.BP. 1502/21.04.048/ 2004-05 dated February 01, 2006*

S.No.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
1	Total number of contracts for loan assets securitised during the year	33,134	18,762
2	Book value of Loan assets securitised during the year*	78,578.96	39,886.34
3	Sale consideration received for securitised assets duringthe year	78,578.96	39,886.34
4	Gain/ Loss (if any) on sale of securitised loan assets	-	-
5	Quantum (Outstanding value) of service provided:		
	Credit Enhancement		
	Fixed Deposit	5,236.94	2,405.63
	Overcollateralisation	13,944.43	5,515.84

The securitised loans disclosed in the above notes (i.e 47-AB, 47-AC) do not qualify for de-recognition under Ind-AS. Nevertheless, the information in the notes is presented to ensure compliance with the RBI disclosure requirements.

* The value of overcollateralisation on loan assets, given as credit enhancement has not been considered here for the purpose of this disclosure.

The Company has neither entered into any assignment transaction nor sold financial assets to Securitisation / Reconstruction Company for Asset Reconstruction. Hence the related disclosures are not applicable.

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AD Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD.No No.109 /22.10.106/2019- 20 dated March 13, 2020 pertaining to Asset Classification as per RBI Norms

Comparison between Ind AS 109 provisions and IRACP norms

As at 31 March 2021

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	Provision required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
Standard assets	Stage 1	3,89,595.07	1,276.53	3,88,318.54	1,558.38	(281.85)
	Stage 2	50,423.65	6,574.78	43,848.86	201.69	6,373.09
Subtotal		**4,40,018.72**	**7,851.31**	**4,32,167.40**	**1,760.07**	**6,091.24**
Non -Performing assets*						
Substandard	Stage 3	2,931.21	552.40	2,378.81	293.01	259.39
Doubtful						
Upto 1 year	Stage 3	1,588.16	259.44	1,328.72	317.63	(58.19)
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		**1,588.16**	**259.44**	**1,328.72**	**317.63**	**(58.19)**
Loss assets	Stage 3	-	-	-	-	-
Subtotal for NPA		**4,519.37**	**811.84**	**3,707.53**	**610.64**	**201.20**
Other items	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal						
	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 2	-	-	-	-	-
Subtotal for other items		-	-	-	-	-
Total		**4,44,538.09**	**8,663.15**	**4,35,874.93**	**2,370.71**	**6,292.44**

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AD Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD.No No.109 /22.10.106/2019- 20 dated March 13, 2020 pertaining to Asset Classification as per RBI Norms (Continued)

Comparison between Ind AS 109 provisions and IRACP norms

As at 31 March 2020

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	Provision required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
Standard assets	Stage 1	3,43,232.28	1,661.41	3,41,570.87	1,373.10	288.31
	Stage 2	40,667.94	3,538.88	37,129.06	162.72	3,376.16
Subtotal		**3,83,900.22**	**5,200.29**	**3,78,699.93**	**1,535.82**	**3,664.47**
Non -Performing assets*						
Substandard	Stage 3	4,300.97	539.89	3,761.08	430.16	109.73
Doubtful						
Upto 1 year	Stage 3	720.64	101.21	619.43	144.23	(43.02)
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		**720.64**	**101.21**	**619.43**	**144.23**	**(43.02)**
Loss assets	Stage 3	301.02	301.02	-	301.02	-
Subtotal for NPA		**5,322.63**	**942.12**	**4,380.51**	**875.41**	**66.71**
Other items	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal for other items		-	-	-	-	-
Total		**3,89,222.85**	**6,142.41**	**3,83,080.44**	**2,411.23**	**3,731.18**

* The base amount considered for computation of provision required as per IRACP norms also include interest accrued on stage 3 assets

In terms of the requirement as per RBI notifications no. RBI/2019-20/170 DOR (NBFC).CC. PD No. 109/22.10.106/2019-20 dated March 13, 2020 on implementation of Indian accounting standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income recognition, Asset Classification and Provisioning (IRACP) Norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including standard asset provisioning) and accordingly, no amount is required to be transferred to impairment reserve. Also refer Note 51.

AE Disclosure pursuant to Reserve Bank of India Circular DOR.No.BP.BC.63/21.04.048/2020-21 dated April 17, 2020 pertaining to Asset Classification and Provisioning in terms of COVID19 Regulatory Package

Details of moratorium to SMA/overdue categories

S.No.	Particulars	As at March 31, 2021
1	Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended *	1,01,340.56
2	Respective amount where asset classification benefits is extended **	-
3	Provision made on the cases where asset classification benefit is extended ***	-
4	Provisions adjusted during the respective accounting periods against slippages and the residual provisions	-

* Outstanding as on March 31, 2021 on account of all cases where moratorium benefit is extended by the Company up to August 31, 2020.
** Outstanding on account of cases where the asset classification benefit is extended as on 31 March 2021 for cases which were entitled to a moratorium until August 31, 2020.
*** The Company has made provision for impairment loss allowance (as per Expected credit loss model) for the period ended March 31, 2021.

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48 Disclosure under clause 28 of the Listing Agreement for Debt Securities

S.No.	Particulars	As at March 31, 2021	As at March 31, 2020
1	Loans and advances in the nature of loans to subsidiaries	-	-
2	Loans and advances in the nature of loans to associates	-	-
3	Loans and advances in the nature of loans where there is -		
	(i) no repayment schedule or repayment beyond seven years	-	-
	(ii) no interest or interest below section 186 of Companies Act, 2013	-	-
4	Loans and advances in the nature of loans to firms/companies in which directors are interested	-	-

49 Disclosure of Specified Bank Notes ('SBN')

The disclosures regarding details of specified bank notes held and transacted during November 8, 2016 to December 30, 2016 has not been made in these financial statements since the requirement does not pertain to financial year ended March 31, 2021 and financial year ended March 31, 2020.

50 Amalgamation with Five-Star Housing Finance Private Limited - wholly owned subsidiary

During the year ended March 31, 2020, the Company vide its board meeting dated August 29, 2019 had approved the Scheme of Amalgamation ("the Scheme") of its wholly owned subsidiary - Five-Star Housing Finance Private Limited, which was in the business of providing long term housing finance, with the Company and their respective shareholders under sections 233 of the Act and other applicable provisions of the Act. The appointed date under the aforesaid Scheme is April 1, 2019. This scheme has been approved by the regulatory authorities. As required by the IND AS 103 - Business Combinations, pooling of interest method has been considered for common control business combination and accordingly, the assets and liabilities are reflected in the books of the Company at their respective carrying amounts. Further, in accordance with Ind AS 103 - Business Combinations, financial statements have been restated from April 1, 2018.

51 Impact of Covid-19

The outbreak of COVID-19 pandemic and consequent regional lockdowns has severely impacted various activities across the country. The extent of impact of second wave of COVID-19 on the economy would also be dependent upon on future developments including measures taken by the Government, Regulator, responses of businesses and consumers to the pandemic. Therefore, the impact on the Company's business, cash flows and financial statements, is dependent on such future developments, which are highly uncertain.

In accordance with the Reserve bank of India (RBI) guidelines related to "Covid-19 regulatory package" dated March 27, 2020 and subsequent guidelines on EMI moratorium dated April 17, 2020 and May 23, 2020 the Company has offered moratorium to its customers based the eligibility for EMIs falling due between March 1, 2020 to August 31, 2020. Further, the Company offered resolution plans to its customers pursuant to RBI's guideline 'Resolution framework for Covid-19 related stress' dated August 6, 2020. Disclosures as required by RBI for moratorium is given in Note 47 AE.

In accordance with the Board approved moratorium policy read with the Reserve Bank of India (RBI) guidelines dated March 27, 2020, April 17, 2020, May 23, 2020 and August 6, 2020 relating to 'COVID-19 – Regulatory Package' and guidelines issued thereto, the Company has granted moratorium up-to five months on the payment of instalments falling due between April 1, 2020 and August 31, 2020 to all eligible borrowers on a suo-moto basis based on the Company's policy approved by its Board. Based on an assessment by the Company, this relaxation has not been deemed to be automatically triggering significant increase in credit risk and in the absence of other credit risk indicators, the granting of a moratorium period does not result in accounts becoming past due and automatically triggering Stage 2 or Stage 3 classification criteria. Accordingly, in respect of accounts where moratorium benefit have been granted, the staging of those accounts as at March 31, 2021 is based on the days past due status considering the benefit of moratorium period in accordance with the Reserve Bank of India Covid-19 Regulatory Package.

Estimates and associated judgments / assumptions applied in preparation of these financial statements including determining the impairment loss allowance and expected future cash inflows / outflows are based on a combination of historical experience and emerging / forward looking indicators resulting from the pandemic. In addition to these early indicators, the Company has separately incorporated estimates, assumptions and judgements specific to the impact of the COVID-19 pandemic in the measurement of impairment loss allowance for the year ended March 31, 2021. In addition to the indicators available, the Company has also used potential stress on probability of default and exposure at default on the expected credit losses on loans and accordingly recognized an expected credit loss on loans of INR 8,663.15 lakhs as at March 31, 2021 (As at March 31, 2020 - INR 6,142.41 lakhs) including an additional impairment provision amounting to INR 3,517.57 lakhs (including write offs of INR 996.83 lakhs) during the current year (Year ended March 31, 2020 - INR 4,934.19 lakhs (including write offs of INR 486.06 lakhs)). The Company believes that it has considered all the possible impact of the currently known events arising out of COVID-19 pandemic in the preparation of financial statements. However, the impact assessment of COVID-19 is a continuing process given its uncertainty in nature and duration, this may have corresponding impact in the financial position. The Company will continue to monitor any material changes to the future economic conditions.

52 Disclosure under clause 16 of the Listing Agreement for Debt Securities

The listed debentures are secured by exclusive charge on identified book debts. Additionally, certain listed debentures are also backed by a pari passu charge on an immoveable property of the Company.

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FIVE STAR BUSINESS FINANCE LIMITED CHENNAI 600 010

53 The Company had complied with the interim order granted by the Honourable Supreme Court of India dated 3 September 2020 Public Interest Litigation (PIL) by Gajendra Sharma Vs Union of India (UOI) & ANR to not declare additional accounts as non-performing assets (NPA) post 31 August 2020 which were not declared as NPA as of 31 August 2020. The interim order stood vacated on 23 March 2021 in the matter of Small Scale Industrial Manufacturers Associations vs UOI & Others. In accordance with the order and the instructions in paragraph 5 of the RBI circular dated 7 April 2021 issued in this connection, the Company has complied with the asset classification of borrower accounts as per the extant RBI instructions / IRAC norms. The Company has made the provision on such borrower accounts, as per the requirement of Ind AS.

54 The Government of India, Ministry of Finance, vide its notification dated 23 October 2020, had announced COVID-19 Relief Scheme for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts ("the Scheme"), as per the eligibility criteria and other aspects specified therein and irrespective of whether RBI moratorium was availed or not. The Company had implemented the Scheme in accordance with the requirements of the notification and credited to the accounts of or remitted amounts to the eligible borrowers as per the Scheme.

55 Events after the reporting period

Ind AS 10 Events after the Reporting Period, requires an entity to evaluate information available after the balance sheet date to determine if such information constitutes an adjusting event, which would require an adjustment to the financial statements, or an on-adjusting event, which would only require disclosure.

a) In accordance with instructions in RBI circular dated April 7, 2021, all lending institutions shall put in place a Board approved policy and refund / adjust the 'interest on interest' charged to borrowers during the moratorium period, irrespective of whether moratorium had been fully or partially availed, or not availed. Pursuant to these instructions, the Company has put in place a Board approved policy on "Refund/Adjustment of Interest on Interest charged during the Moratorium Period" and accordingly estimated the said amount based on guidance provided by Indian Banks Association (IBA) on April 19, 2021 and reversed the income to the extent of INR 1,144.30 lakhs during the current financial year.

b) During the month of April 2021, the Company made preferential allotment of 14,71,771 fully paid-up equity shares at a price of Rs.10 each at a premium of Rs.3,508.71 per share pursuant to approval by the Board of Directors at its meeting held on March 22, 2021 which was followed by the approval of shareholders in the Extraordinary General Meeting held on April 22, 2021.

56 Previous year figures

Prior year figures have been reclassified / regrouped wherever necessary to conform to the current year's classification / disclosure.

As per our report of even date
for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

K Raghuram
Partner
Membership No: 211171

Place : Chennai
Date : May 28, 2021

For and on behalf of the Board of Directors of
Five-Star Business Finance Limited
CIN : U65991TN1984PLC010844

D Lakshmipathy
Chairman and Managing Director
DIN: 01723269

G Srikanth
Chief Financial Officer

Place : Chennai
Date : May 28, 2021

K Rangarajan
Chief Executive Officer

R Anand
Director
DIN: 00243485

B Shalini
Company Secretary
ACS: A51334

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of **Five-Star Business Finance Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Five-Star Business Finance Limited (the "Company"), which comprise the Balance Sheet as at March 31 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity 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), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India 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 audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matters	**How our audit addressed the key audit matter**
Impairment of Loans based on expected credit loss model	
Loans to customers represent a significant portion of the total assets of	Our audit procedures included the following:

Key audit matters	How our audit addressed the key audit matter
the Company. The Company has loans aggregating INR 520,529.65 lakhs as at March 31, 2022. As per the expected credit loss model of the Company developed in accordance with the principles set out in Ind-AS 109 on Financial Instruments, the Company is required to estimate the probability of loss / expected loss based on past experience and future considerations. This involves a significant degree of estimation and judgement, including determination of staging of financial assets; estimation of probability of defaults, loss given defaults, exposure at defaults; and forward-looking factors, micro and macro-economic factors, in estimating the expected credit losses. Additionally, having regard to the moratorium extended as part of restructuring packages announced by the Reserve Bank of India and other regulatory changes in asset classification, the Company has considered additional provision as part of its Expected Credit Loss provision on loans. Due to the significance of the amounts involved, judgments involved in classification of loans, relative complexity of various assumptions and estimates used, and other macro economic factors, this audit area is considered a key audit matter.	▶ We read and assessed the Company's Expected Credit Loss policy with reference to Ind-AS 109 and the credit loss framework approved by the Board of Directors as well as relevant regulatory guidelines and pronouncements in this regard. ▶ For expected credit loss provision against outstanding exposures classified across various stages, we obtained an understanding of the Company's provisioning methodology (including factors that affect the probability of default, loss given defaults and exposure at default; various forward looking, micro- and macro-economic factors), the underlying assumptions and the sufficiency of the data used by management, and tested the same on a sample basis. ▶ We performed tests of controls and test of details on a sample basis in respect of the staging of outstanding exposures, and other relevant data used in impairment computations prepared by management as compared to the Company's policy. ▶ Assessed the considerations applied by the management for staging of loans as Significant Increase in Credit Risk. ▶ We enquired with the management regarding significant judgments and estimates involved in the impairment computation and additional credit loss provisions having regard to macroeconomic environment, management overlay provision arising from the effects of the restructuring as per packages announced by the Reserve Bank of India, and evaluated the same. ▶ We tested the arithmetical accuracy of computation of ECL provision performed by the Company in spreadsheets. ▶ Involved risk modelling experts for quantitative and qualitative back-testing of ECL model to assess reasonability of estimates used in ECL model. ▶ Assessed disclosures included in the financial statements in respect of expected credit losses. including the specific disclosures made with regard to the impact of COVID-19 on ECL estimation.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the 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 such other information is materially inconsistent with the financial statements 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.

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The financial statements of the Company for the year ended March 31, 2021, included in these financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those financial statements on May 28, 2021.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" 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;

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

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

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(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 our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 35 to the financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 6, Note 14 and Note 19 to the financial statements;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 52 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 52 to the financial statements, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the 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 any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and



c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934
UDIN: 22210934AHWOMH8359
Place of Signature: Chennai
Date: April 27, 2022

S.R. Batliboi & Associates LLP
Chennai
Chartered Accountants

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Five-Star Business Finance Limited (the "Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

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

(i)(a)(B) The Company has maintained proper records showing full particulars of intangibles assets.

(i) (b) All Property, Plant and Equipment were physically verified by the management in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.

(i) (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 10 to the financial statements included in property, plant and equipment are held in the name of the Company.

(i)(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.

(i)(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii)(a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(ii)(b) As disclosed in note 17 to the financial statements, the Company has been sanctioned working capital limits in excess of rupees five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

(iii) (a) The company's principle business is to give loans and is a registered NBFC, accordingly, reporting under clause (iii)(a) is not applicable.

(iii)(b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest.

(iii)(c) In respect of loans and advances in the nature of loans, granted by the Company as part of its business of providing loans to retail customers, the schedule of repayment of principal and payment of interest has been stipulated by the Company. Having regard to the voluminous nature of loan transactions, it is not practicable to furnish entity-wise details of amounts, due date for repayment or receipt and the extent of delay (as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this



clause) in this Annexure 1, in respect of loans and advances which were not repaid / paid when they were due or were repaid / paid with a delay, in the normal course of lending business.

Further, except for those instances where there are delays or defaults in repayment of principal and / or interest as at the balance sheet date, in respect of which the Company has disclosed asset classification in note 6 to the financial statements in accordance with Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.

(iii)(d) In respect of loans and advances in the nature of loans, the total amount overdue for more than ninety days as at March 31, 2022 and the details of the number of such cases, are disclosed in note 6 to the financial statements. In such instances, in our opinion, reasonable steps have been taken by the Company for recovery of the overdue amount of principal and interest.

(iii)(e) The company's principle business is to give loans and is a registered NBFC, accordingly, reporting under clause (iii)(e) is not applicable.

(iii)(f) The 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 companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 of the Companies Act, 2013 are applicable and provisions of section 186 of the Companies Act, 2013 are not applicable to the Company and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(vii) (b) The following dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute:

Rs. In lakhs

Name of the statute	Nature of the dues	Amount (Rs)	Period to which the amount relates	Forum where the dispute is pending
Income-tax Act, 1961	Income-tax	6.74	AY 2006-07	Commissioner of Income-tax (Appeals)



Income-tax Act, 1961	Income-tax	33.68	AY 2018-19	Commissioner of Income-tax (Appeals)

(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 clause 3(viii) of the Order is not applicable to the Company.

(ix)(a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(ix)(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority

(ix)(c) Based on the information and explanation given to us by the management, term loans were applied for the purpose for which the loans were obtained, though idle/surplus funds which were not required for immediate utilization have been gainfully invested in liquid assets payable on demand..

(ix)(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

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

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

(x)(a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(x)(b) The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment or private placement of shares/ fully or partially or optionally convertible debentures respectively during the year. The funds raised, have been used for the purposes for which the funds were raised.

(xi)(a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(xi)(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(xi)(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.



(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv)(a) The Company has an internal audit system commensurate with the size and nature of its business.

(xiv)(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi)(a) The Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934)

(xvi)(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(xvi)(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvi)(d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current or immediately preceeding financial year.

(xviii) The previous statutory auditors of the Company have resigned during the year pursuant to the requirements of the Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated April 27, 2021, issued by the Reserve Bank of India, and there are no issues, objections or concerns raised by the outgoing auditors.

(xix) On the basis of the financial ratios disclosed in note 48 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx)(a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 32.2 to the financial statements.



(xx)(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 32.2 to the financial statements.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934
UDIN: 22210934AHWOMH8359
Place of Signature: Chennai
Date: April 27, 2022

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF FIVE-STAR BUSINESS FINANCE LIMTED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Five-Star Business Finance Limited (the "Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control 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 ("ICAI"). 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.



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

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, 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 issued by the ICAI.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934
UDIN: 22210934AHWOMH8359
Place of Signature: Chennai
Date: April 27, 2022

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

Five-Star Business Finance Limited
Balance Sheet as at March 31, 2022
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
Financial assets			
Cash and cash equivalents	4	61,316.28	1,26,718.28
Bank balances other than cash and cash equivalents	5	26,677.50	8,853.99
Loans	6	5,10,241.07	4,35,874.94
Investments	7	24,818.38	-
Other financial assets	8	1,797.93	474.34
		6,24,851.16	**5,71,921.55**
Non-financial assets			
Current tax assets (net)	9	220.07	795.79
Deferred tax assets (net)	37	4,666.74	3,698.94
Investment property	10	3.56	3.56
Property, plant and equipment	12	1,214.45	845.60
Right of use asset	38	1,978.10	1,452.63
Other intangible assets	13	88.74	190.30
Other non-financial assets	11	1,283.74	452.77
		9,455.40	**7,439.59**
Total Assets		6,34,306.56	5,79,361.14
LIABILITIES AND EQUITY			
Financial Liabilities			
Derivative financial instruments	14	138.92	-
Payables			
Trade payables			
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of creditors other than micro and Small enterprises	15	1,300.31	867.17
Debt securities	16	1,00,853.38	1,30,378.55
Borrowings (other than debt securities)	17	1,55,029.75	2,12,141.12
Other financial liabilities	18	4,146.84	1,717.01
		2,61,469.20	**3,45,103.85**
Non-financial liabilities			
Provisions	19	900.03	719.80
Other non-financial liabilities	20	902.23	1,720.27
		1,802.26	**2,440.07**
Equity			
Equity share capital	21	2,913.43	2,564.49
Other equity	22	3,68,121.67	2,29,252.73
		3,71,035.10	**2,31,817.22**
Total Liabilities and Equity		**6,34,306.56**	**5,79,361.14**

Significant accounting policies 2 and 3
The accompanying notes are integral part of the financial statements

As per our report of even date
for **S.R Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per **Bharath N S**
Membership No: 210934

Place : Chennai
Date : April 27, 2022

For and on behalf of the Board of Directors of
Five-Star Business Finance Limited
CIN : U65991TN1984PLC010844

D Lakshmipathy
Chairman and Managing Director
DIN: 01723269

R Anand
Independent Director
DIN: 00243485

G Srikanth
Chief Financial Officer

K Rangarajan
Chief Executive Officer

B Shalini
Company Secretary
ACS: A51334

Place : Chennai
Date : April 27, 2022

Five-Star Business Finance Limited
Statement of Profit and loss for the year ended March 31, 2022
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from operations			
Interest income	23	1,20,376.55	1,01,487.58
Fee Income	24	2,939.60	2,167.61
Net gain on fair value changes	25	2,090.21	1,319.03
Total revenue from operations (I)		**1,25,406.36**	**1,04,974.22**
Other income (II)	26	210.56	151.25
Total Income (III) = (I)+ (II)		**1,25,616.92**	**1,05,125.47**
Expenses			
Finance costs	27	30,060.00	32,519.12
Fees expenses	28	-	266.83
Impairment on financial instruments	29	4,551.81	3,517.57
Employee benefits expense	30	23,611.52	16,371.78
Depreciation and amortisation	31	1,224.47	1,138.39
Other expenses	32	5,748.21	3,667.70
Total Expenses (IV)		**65,196.01**	**57,481.39**
Profit before tax (V) = (III) - (IV)		**60,420.91**	**47,644.08**
Tax expense (VI)			
Current tax	33	15,959.12	12,594.12
Deferred tax (net)	37	(892.66)	(849.48)
		15,066.46	11,744.64
Profit for the year (A) = (V) - (VI)		**45,354.45**	**35,899.44**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurements of the defined benefit plan		(171.63)	(105.27)
Income Tax impact		43.20	26.49
		(128.43)	(78.78)
Items that will be reclassified subsequently to profit or loss			
Cash Flow Hedge Reserve		(126.92)	-
Income Tax impact		31.94	-
		(94.98)	-
Other comprehensive income/ (loss) net of tax for the year (B)		(223.41)	(78.78)
Total comprehensive income net of tax for the year (A) + (B)		**45,131.04**	**35,820.66**
Earnings per equity share (face value Re.1 each)			
Basic (in rupees)	39	16.09	14.01
Diluted (in rupees)		15.92	13.61
Significant accounting policies	2 and 3		

The accompanying notes are integral part of the financial statements

As per our report of even date
for **S.R Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per **Bharath N S**
Membership No: 210934

Place : Chennai
Date : April 27, 2022

For and on behalf of the Board of Directors of
Five-Star Business Finance Limited
CIN : U65991TN1984PLC010844

D Lakshmipathy
Chairman and Managing Director
DIN: 01723269

R Anand
Independent Director
DIN: 00243485

G Srikanth
Chief Financial Officer

K Rangarajan
Chief Executive Officer

B Shalini
Company Secretary
ACS: A51334

Place : Chennai
Date : April 27, 2022

Five-Star Business Finance Limited
Statement of Cash Flows for the year ended March 31, 2022
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A. Cash Flow from Operating Activities		
Net profit before tax	**60,420.91**	**47,644.08**
Adjustments for:		
Depreciation and amortisation	1,224.47	1,138.39
Impairment on financial instruments	4,551.80	3,517.57
Loss on sale/retirement of property, plant and equipment (net)	1.32	2.32
Profit on sale of current investment (net)	(2,090.21)	(1,319.03)
Interest income on deposits with banks / others	(2,703.35)	(1,937.47)
Interest on loans	(1,17,673.20)	(99,550.11)
Finance costs	30,060.00	32,785.95
Gain recognised on derecognition of leases	(21.73)	(42.32)
Employee stock option expenses	3,544.18	1,509.39
Operating cash flow before working capital changes	**(22,685.81)**	**(16,251.23)**
Changes in Working Capital:		
Adjustments for (Increase) / Decrease in Operating Assets:		
Loans	(77,227.15)	(55,972.13)
Other non- financial assets	(830.97)	95.85
Other financial assets	(1,323.59)	50.22
Adjustments for Increase / (Decrease) in Operating Liabilities:		
Trade payables	433.14	204.76
Provisions	8.60	36.92
Other financial liabilities	1,845.86	(899.70)
Other non financial liabilities	(818.05)	1,189.72
Net cash (used in) operations	**(1,00,597.97)**	**(71,545.59)**
Finance cost paid	(27,395.14)	(30,362.09)
Interest income received	1,15,660.55	99,210.18
Direct taxes paid (net)	(15,383.41)	(13,029.26)
Net Cash Used in Operating Activities (A)	**(27,715.97)**	**(15,726.76)**
B. Cash Flow from Investing Activities		
Purchase of fixed assets	(862.85)	(324.36)
Proceeds from sale of fixed assets	0.90	0.98
Profit on sale of current investments	2,090.21	1,319.03
(Purchase)/redemption of investments (Net)	(24,818.38)	-
Interest income on deposits with banks / others	2,155.27	1,778.77
Movement in bank balances other than cash and cash equivalents	(16,953.57)	7,439.65
Net Cash from / (used in) Investing Activities (B)	**(38,388.42)**	**10,214.07**
C. Cash Flow from Financing Activities		
Proceeds from issue of equity shares	348.94	6.28
Proceeds from securities premium	90,363.87	22.83
Share Issue Expenses	(170.10)	0
Fresh Borrowings during the year	31,541.00	2,36,179.03
Repayment of Borrowings during the year	(1,20,830.40)	(1,32,452.53)
Payment towards leases (excluding interest)	(550.92)	(502.59)
Net Cash from Financing Activities (C)	**702.39**	**1,03,253.02**
Net Increase in Cash and Cash Equivalents [(A) + (B) + (C)]	**(65,402.00)**	**97,740.33**
Cash and Cash Equivalents at the beginning of the year	1,26,718.28	28,977.95
Cash and Cash Equivalents at the end of the year	**61,316.28**	**1,26,718.28**

FIVE-STAR BUSINESS FINANCE LTD. CHENNAI 600 010

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

Five-Star Business Finance Limited
Statement of Cash Flows for the year ended March 31, 2022
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
Notes		
1 Cash and cash equivalents		
Cash on hand	504.00	425.85
Balances with banks		
(i) In current accounts	4,741.93	31,454.90
(ii) In deposit accounts (original maturity less than 3 months)	56,070.35	94,837.53
	61,316.28	**1,26,718.28**

Significant accounting policies 2 and 3
The accompanying notes are integral part of the financial statements

As per our report of even date
for **S.R Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per **Bharath** N S
Membership No: 210934

S.R. Batliboi & Associates LLP ★ Chartered Accountants ★ Chennai

Place : Chennai
Date : April 27, 2022

For and on behalf of the Board of Directors of
Five-Star Business Finance Limited
CIN : U65991TN1984PLC010844

D Lakshmipathy
Chairman and Managing Director
DIN: 01723269

R Anand
Independent Director
DIN: 00243485

G Srikanth
Chief Financial Officer

K Rangarajan
Chief Executive Officer

B Shalini
Company Secretary
ACS: A51334

Place : Chennai
Date : April 27, 2022

Five-Star Business Finance Limited

Statement of Changes in Equity for the year ended March 31, 2022

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

A Equity share capital

Particulars	Number of shares	Amount
Balance as at April 1, 2020	2,71,27,891	2,558.21
Change in equity share capital during the year		
Add: Issued during the year		
1 Fresh Issue of Equity Shares	-	-
2 Issue of Equity Shares under Employee Stock Option	62,850	6.28
3 Calling Up UnPaid Capital	-	-
Balance as at March 31, 2021	2,71,90,741	2564.49
Balance as at April 1, 2021	**2,71,90,741**	**2,564.49**
Change in equity share capital during the year		
Additional shares pursuant to share split issued during the year	**24,47,16,669**	
Add: Issued during the year		
1 Fresh Issue of Equity Shares	1,77,17,710	17.18
2 Issue of Equity Shares under Employee Stock Option	17,18,000	177.18
3 Calling Up UnPaid Capital	-	154.58
Balance as at March 31, 2022	**29,13,43,120**	**2913.43**

B Other Equity

	Reserves and surplus						Total
	Statutory Reserve	Securities premium	Share options outstanding account	General reserve	Retained earnings	Effective portion of Cash Flow Hedge Reserve	
As at April 1, 2020	10,861.82	1,39,069.20	428.30	719.60	40,820.92	-	1,91,899.84
Premium received on shares issued during the year	-	22.84	-	-	-	-	22.84
Profit for the year	-	-	-	-	35,899.44	-	35,899.44
Transfer to statutory reserve	7,179.89	-	-	-	(7,179.89)	-	-
Re-measurements of defined benefit plan	-	-	-	-	(78.78)	-	(78.78)
Share based payment expense for the year	-	-	1,509.39	-	-	-	1,509.39
Transfer to Securities Premium on Exercise of ESOP	-	142.42	(142.42)	-	-	-	-
	18,041.71	1,39,234.46	1,795.27	719.60	69,461.69	-	2,29,252.73
As at April 1, 2021	18,041.71	1,39,234.46	1,795.27	719.60	69,461.69	-	2,29,252.73
Premium received on shares issued during the year	-	90,363.86	-	-	-	-	90,363.86
Profit for the year	-	-	-	-	45,354.45	-	45,354.45
Other Comprehensive Income for the year						(94.98)	(94.98)
Transfer to statutory reserve	9,070.89	-	-	-	(9,070.89)	-	-
Re-measurements of defined benefit plan	-	-	-	-	(128.43)	-	(128.43)
Share based payment expense for the year	-	-	3,544.18	-	-	-	3,544.18
Share Issue Expenses	-	(170.10)	-	-	-	-	(170.10)
Transfer to Securities Premium on Exercise of ESOP	-	1,933.65	(1,933.65)	-	-	-	-
As at March 31, 2022	27,112.60	2,31,361.87	3,405.80	719.60	1,05,616.78	(94.98)	3,68,121.67

Significant accounting policies 2 and 3

The accompanying notes are integral part of the financial statements

As per our report of even date

For S.R Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

per **Bharath N S**

Membership No: 210934

Place : Chennai

Date : April 27, 2022

For and on behalf of the Board of Directors of

Five-Star Business Finance Limited

CIN : U65991TN1994PLC010844

D Lakshminathy

Chairman and Managing Director

DIN: 01723269

G Srikanth

Chief Financial Officer

K Rangarajan

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R Anand

Independent Director

DIN: 00243485

B Shalini

Company Secretary

ACS: A51334

Place : Chennai

Date : April 27, 2022

1 Corporate Information

Five-Star Business Finance Limited ("the Company"), is a public limited company domiciled in India, and incorporated under the provisions of Companies Act 1956. The Company is a systemically important non-deposit taking Non-Banking Finance Company (NBFC). The Company has received the Certificate of Registration dated June 9, 2016 in lieu of Certificate of Registration dated December 3, 2002 from the Reserve Bank of India ("RBI") to carry on the business of Non Banking Financial Institution without accepting public deposits ("NBFC-ND"). The Company is primarily engaged in providing loans for business purposes, house renovation / extension purposes and other mortgage purposes.

2 Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') as amended from time to time and other relevant provisions of the Act. Any directions issued by the RBI or other regulators are implemented as and when they become applicable.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

These financial statements were authorised for issue by the Company's Board of Directors on April 27, 2022

Details of the Company's accounting policies are disclosed in note 3.

2.2 Presentation of financial statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions') and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 and RBI/2020-21/15 DOR (NBFC).CC.PD.No.116/22.10.106/2020-21 dated 24 July 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI.

The financial statements are presented in Indian Rupee (INR) which is also the functional currency of the Company. The financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value. The financial statements are prepared on a going concern basis, as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

The Balance Sheet, the Statement of Profit and Loss and Statement of Changes in Equity are presented in the format prescribed under Division III of Schedule III as amended from time to time, for Non Banking Financial Companies ('NBFC') that are required to comply with Ind AS. The statement of cash flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

The Company presents its balance sheet in order of liquidity. 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 separately.

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.

Derivative assets and liabilities with master netting arrangements (e.g. ISDAs) are only presented net when they satisfy the eligibility of netting for all of the above criteria and not just in the event of default.

2.3 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs (upto two decimals), unless otherwise indicated.

2.4 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Financial assets and liabilities	Fair value /Amortised cost, as applicable
Liabilities for equity-settled share-based payment arrangements	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

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2.5 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

i) Business model assessment

Classification and measurement of financial assets depends on the results of business model and the solely payments of principal and interest ("SPPI") test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income (FVOCI) that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

ii) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

iii) Effective Interest Rate ("EIR") method

The Company's EIR methodology, as explained in Note 3.1(A), recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural 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 delayed interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to interest rates and other fee income/ expense that are integral parts of the instrument.

iv) Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

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

a) 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 expected credit loss ("LTECL") basis.
b) Development of ECL models, including the various formulae and the choice of inputs.
c) Determination of associations between macroeconomic scenarios and economic inputs, such as gross domestic products, lending interest rates and collateral values, and the effect on probability of default ("PD"), exposure at default ("EAD") and loss given default ("LGD").
d) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models.

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2.5 Use of estimates and judgements

v) Provisions and other 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 the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the outflow is considered to be 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.

These estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

vi) Leases

The estimates and judgements related to leases include:

a) The determination of lease term for some lease contracts in which the Company is a lessee, including whether the Company is reasonably certain to exercise lessee options.

b) The determination of the incremental borrowing rate used to measure lease liabilities.

vii) Other assumptions and estimation uncertainties

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

i) Measurement of defined benefit obligations: key actuarial assumptions;
ii) Estimated useful life of property, plant and equipment and intangible assets;
iii) Recognition of deferred taxes.

3 Significant accounting policies

3.1 Revenue Recognition from contracts with customers

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at the fair value of the consideration received or receivable

A. Effective Interest Rate ('EIR') Method

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

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any 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 financial instrument.

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3.1 Revenue Recognition

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. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

The Company calculates interest income by applying EIR to the gross carrying amount of financial assets.

When a financial asset becomes credit impaired and is, therefore, regarded as 'stage 3', the Company continues to calculate interest income on the amortized cost of the financial asset.

B. Dividend income

Dividend income is recognised when the Company's right to receive the payment is established and it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

C. Other interest income

Other interest income is recognised on a time proportionate basis.

D. Fee income

Fees income such as legal inspection charges, cheque bounce charges are recognised on an accrual basis in accordance with term of contract with the customer. Cheque Bounce charges are recognised as income upon certainity of receipt

E. Net gain on fair value changes:

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis in profit or loss

E. Others

Delayed interest and other operating income are recognized as income upon certainty of receipt.

The Company recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established

All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realisation / collection.

3.2 Financial instrument - initial recognition

A. Date of recognition

Debt securities issued are initially recognised when they are originated. Loans are recognised when funds are transferred to the customers account. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

B. Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at fair value through profit and loss (FVTPL), transaction costs are added to, or subtracted from this amount.

C. 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 asset's contractual terms, measured at either:

i) Amortised cost
ii) FVOCI
iii) FVTPL





3.3 Financial assets and liabilities

A. Financial assets

Business model assessment

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

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel.
b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
c) How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
d) The expected frequency, value and timing of sales are also important aspects of the Company's assessment.
The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

SPPI test

As a second step of its classification process, the Company assesses the contractual terms of financial assets to identify whether they meet SPPI test.

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

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than the minimum exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Accordingly, financial assets are measured as follows based on the existing business model:

i) 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. Bank balances, Loans, Trade receivables and other financial investments that meet the above conditions are measured at amortised cost.

Financial assets at fair value through Other Comprehensive Income (FVOCI)
Financial assets are measured at FVOCI when the instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset meets the SPPI test.

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

A financial asset which is not classified as measured at amortised cost/ FVOCI are measured at FVTPL.

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3.3 Financial assets and liabilities

B. Financial liabilities

i) Initial recognition and measurement

All financial liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liability, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method.

iii) Debt Securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the instrument.

The Company issues certain non-convertible debentures, the return of which is linked to performance of specified indices market indicators over the period of the debenture. Such debentures have a component of an embedded derivative which is fair valued at a reporting date. The resultant 'net unrealised loss or gain' on the fair valuation of these embedded derivatives is recognised in the statement of profit and loss. The debt component of such debentures is measured at amortised cost using yield to maturity basis.

iv) Embedded derivatives

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index or prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract. A derivative that is attached to a financial instrument, but is contractually transferable independently of that instrument, or has a different counterparty from that instrument, is not an embedded derivative, but a separate financial instrument

Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

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. Financial liabilities are never reclassified. The Company did not reclassify any of its significant financial assets or liabilities in the year ended March 31, 2022 and March 31, 2021.

3.5 Derecognition of financial assets and liabilities

A. Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes unless the new loan is deemed to be Purchased or originated credit impaired (POCI)

When assessing whether or not to derecognise a loan to a customer, amongst others, the Company considers the following factors:

- Change in currency of the loan
- Introduction of an equity feature
- Change in counterparty
- If the modification is such that the instrument would no longer meet the SPPI criterion.

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.

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B. Derecognition of financial assets other than due to substantial modification

i) Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit and loss.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.
Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay.

ii) Financial Liability

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 is recognised in the statement of profit and loss.

3.6 Impairment of financial assets

A. Overview of ECL principles

In accordance with Ind AS 109, the Company uses ECL model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL). The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.When estimating LTECLs for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down.

Expected credit losses are measured through a loss allowance at an amount equal to:

i.) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

ii.) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

Both LTECLs and 12 months ECLs are calculated on collective basis.

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3.6 Impairment of financial assets

Based on the above, the Company catagorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1:
When loans are first recognised, the Company recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed and also includes facilities where the credit risk has been improved and the loan has been reclassified from stage 2 or stage 3.

Stage 2:
When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the life time ECL. Stage 2 loans also includes facilities where the credit risk has improved and the loan has been reclassified from stage 3.

Stage 3:
Loans considered credit impaired are the loans which are past due for more than 90 days. The Company records an allowance for life time ECL.
For financial assets for which the Company has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

B. Calculation of ECLs

The mechanics of ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD):
Probability of Default ("PD") is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

Exposure at Default (EAD):
Exposure at Default ("EAD") is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest , whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

Loss Given Default (LGD):
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 and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The Company has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted at an approximation to the EIR. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

The mechanics of the ECL method are summarised below:
Stage 1:
The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-months default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2:
When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.





Significant increase in credit risk

The Company monitors all financial assets that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the GroupCompany will measure the loss allowance based on lifetimeLTECLs rather than 12mECLs.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the GroupCompany's historical experience and expert credit assessment including forward looking information.

Stage 3:
For loans considered credit-impaired, the Company recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

Credit-impaired financial assets

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- •significant financial difficulty of the borrower;
- •a breach of contract such as a default or past due event;
- •the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- •the disappearance of an active market for a security because of financial difficulties; or
- •the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event—instead, the combined effect of several events may have caused financial assets to become credit-impaired. The GroupCompany assesses whether debt instruments that are financial assets measured at amortised cost are credit-impaired at each reporting date.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment. For financial assets where concessions are contemplated but not granted the asset is deemed credit impaired when there is observable evidence of credit-impairment including meeting the definition of default. The definition of default includes unlikeliness to pay indicators and a back- stop if amounts are overdue for 90 days or more.

Loan Commitments

When estimating LTECLs for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down, based on a probability-weighting of the four scenarios. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan.

C. Forward looking information

In its ECL models, the Company relies on a broad range of forward looking macro parameters and estimated the impact on the default at a given point of time (Also refer note no. 47(ii)).
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.

3.7 Write-offs

Financial assets are written off when there is a significant doubt on recoverability in the medium term. 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 the statement of profit and loss.

3.8 Determination of fair value

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

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 over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3;

Level 3 financial instruments –Those that include one or more unobservable input that is 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 categorisation (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 evaluates the levelling in the hierarchy 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.

3.9 Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company, at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognized in profit or loss.

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3.10 Investment Property

Investment property represents property held to earn rentals or for capital appreciation or both.
Depreciation on building classified as investment property has been provided on the straight-line method over a period of 60 years based on the Company's estimate of their useful lives taking into consideration technical factors, which is the same as the period prescribed in Sch II to the Companies Act 2013.
Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer applying valuation models.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

3.10.1 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written down value method, and is generally recognised in the statement of profit and loss.

The Company follows estimated useful lives which are given under Part C of the Schedule II of the Companies Act, 2013. The estimated useful lives of items of property, plant and equipment are as follows:

Asset category	Estimated Useful life
Vehicles	8 years
Furniture and fittings	10 years
Office equipment	5 years
Computers and accessories	3 years
Servers	6 years

Leasehold improvements are depreciated over the remaining period of lease or estimated useful life of the assets, whichever is lower. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

3.11 Intangible assets

i. Recognition and measurement

Intangible assets including those acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

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iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight line method, and is included in depreciation and amortisation in Statement of Profit and Loss.

Asset category	Estimated Useful life
Computer softwares	5 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

3.12 Employee benefits

i. Post-employment benefits

Defined contribution plan

The Company's contribution to provident fund is considered as defined contribution plan and is charged as an expense as they fall due based on the amount of contribution required to be made and when the services are rendered by the employees.

Defined benefit plans

Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'),if any. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss on the earlier of:
•The date of the plan amendment or curtailment, and
•The date that the Company recognises related restructuring costs

The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

ii. Other long-term employee benefits

Compensated absences

The employees can carry forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

iii. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service. The cost of such compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
(b) in case of non-accumulating compensated absences, when the absences occur.

iv. Stock based compensation

The grant date fair value of equity settled share based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

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3.13 Provisions, contingent liabilities and contingent assets

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liability

A possible obligation that arises from past events and 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 or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for.

Contingent asset

A contingent asset is a possible asset that arises from past events and whose existence 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. Contingent assets are neither recognised not disclosed in the financial statements.

3.14 Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:
- Leases of low value assets; and
- Leases with a duration of 12 months or less.

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term.The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The Company recognises right-of-use assets at the commencement date of the lease (i.e.the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Company determines the lease term as the initial period agreed in the lease agreement , together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the initial period agreed in the lease agreement.

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3.15 Taxes

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Indirect taxes
Goods and services tax /value added taxes paid on acquisition of assets or on incurring expenses
Expenses and assets are recognised net of the goods and services tax/value added taxes paid, except:
- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

3.16 Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of the asset. Other borrowings costs are recognized as an expense in the statement of profit and loss account on an accrual basis using the effective interest method.

3.17 Cash and cash equivalents

Cash and cash equivalents comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

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3.18 Segment reporting- Identification of segments:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108 Operating Segments, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segements and geographic segments.

3.19 Earnings per share

The Company reports basic and diluted earnings per equity share in accordance with Ind AS 33, Earnings Per Share. Basic earnings per equity share is computed by dividing net profit / loss after tax attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed and disclosed by dividing the net profit/ loss after tax attributable to the equity share holders for the year after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

3.20 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non–cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated. Cash flows in foreign currencies are accounted at the actual rates of exchange prevailing at the dates of the transactions.

3.21 Impairment of non-financial assets

The Company determines periodically whether there is any indication of impairment of the carrying amount of its non-financial assets. The recoverable amount (higher of net selling price and value in use) is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. The recoverable amounts of such asset are estimated, if any indication exists and impairment loss is recognized wherever the carrying amount of the asset exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken in to account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses of continuing operations, are recognised in the statement of profit and loss.
For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is

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3.22 Derivative financial instruments

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rat index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e., the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected t have a similar response to changes in market factors.
- It is settled at a future date

The Company enters into derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk. Derivatives held include foreign exchange forward contracts, interest rate swaps and cross currency interest rate swaps.

Derivatives are initially recognised at fair value on the date when a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in the statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship. The Company designates certain derivatives as hedges of highly probable forecast transactions (cash flow hedges). A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

3.22.1 Hedge accounting policy

The Company makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specific criteria. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

3.22.2 Cash Flow Hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit and loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in Finance Cost in the statement of profit and loss. When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

The Company's hedging policy only allows for effective hedging relationships to be considered as hedges as per the relevant Ind-AS. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationships exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative and quantitative assessment of effectiveness is performed.

3.23 Standards issued but not yet effective

Ministry of Corporate Affairs has issued Companies (Indian Accounting Standards) Amendment Rules, 2022 on March 23, 2022, which contains various amendments to Ind AS. Management has evaluated these and have concluded that there is no material impact on the Company's financial statements.





Particulars	As at March 31, 2022	As at March 31, 2021
4 Cash and cash equivalents		
Cash on hand	504.00	425.85
Balances with banks		
(i) In current accounts	4,741.93	31,454.90
(ii) In deposit accounts (original maturity less than 3 months)	56,070.35	94,837.53
	61,316.28	1,26,718.28

Short-term deposits are made for varying periods of upto three months, depending on the immediate cash requirements of the company, and earn interest at the respective short-term deposit rates.

5 Bank Balances other than cash and cash equivalents		
Fixed Deposit with Banks	26,674.92	8,850.03
In earmarked accounts		
Unclaimed dividend account	2.58	3.96
	26,677.50	**8,853.99**

Fixed deposit and other balances with banks earns interest at fixed rate or floating rates based on daily bank deposit rates.

Fixed Deposits amounting to INR. 7287.10 lakhs (March 31, 2021- INR.7642.6 lakhs, March 31,2020-INR.2405.6 lakhs) have been provided as credit enhancement for securitisation transaction and INR 825 lakhs (March 31, 2021- 825 lakhs) have been provided as cash collateral against specific Non-Convertible Debentures

6 Loans (At amortised cost)		
A Based on nature		
Term Loans		
Gross term loans	5,06,707.77	4,44,538.09
Inter-Corporate Deposits	13,821.88	-
Gross loans	5,20,529.65	4,44,538.09
Less: Impairment loss allowance	10,288.58	8,663.15
Net loans	5,10,241.07	4,35,874.94
B Based on security		
Secured by tangible assets	5,06,707.77	4,44,538.09
Unsecured	13,821.88	-
Gross loans	**5,20,529.65**	**4,44,538.09**
Less: Impairment loss allowance	10,288.58	8,663.15
Net loans	5,10,241.07	4,35,874.94
C Based on region		
Loans in India	-	-
Public sector	5,20,529.65	4,44,538.09
Other than Public Sector	10,288.58	8,663.15
Less: Impairment loss allowance	5,10,241.07	4,35,874.94
Loans outside India	-	-
Less: Impairment loss allowance	-	-
	-	-
Net loans	5,10,241.07	4,35,874.94

Note:
Secured exposures are secured by registered mortgage of immoveable property
The Company has not granted any Loans or Advances to Promoters,directors, KMPs and the Related Parties (as defined under Companies Act 2013)

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6.1 Analysis of changes in the gross carrying amount and the corresponding ECL allowances:

6.1.1 Reconciliation of gross carrying amount is given below:

Gross Term Loans

Particulars	31-Mar-22				31-Mar-21			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	**3,89,595.07**	**50,423.65**	**4,519.37**	**4,44,538.09**	**3,43,232.28**	**40,667.94**	**5,322.63**	**3,89,222.85**
Asset derecognised or repaid (excluding write-off)	(45,171.22)	(6,392.23)	(310.89)	(51,874.34)	(30,980.83)	(4,229.42)	(463.14)	(35,673.39)
Assets partially repaid	(39,313.75)	(6,812.79)	(197.33)	(46,323.87)	(27,563.96)	(300.54)	-	(27,864.50)
Roll forwards to higher stages	(55,081.22)	(3,344.33)	-	(58,425.55)	(31,280.91)	(700.53)	-	(31,981.44)
Roll forward from lower stages	-	54,257.23	4,168.32	58,425.55	-	30,902.25	1,079.19	31,981.44
Roll back from higher stages	11,615.00	270.93	-	11,885.93	17,714.79	647.96	-	18,362.75
Roll back to lower stages	-	(11,530.02)	(355.91)	(11,885.93)	-	(17,597.31)	(765.44)	(18,362.75)
Amount written off	-	-	(2,926.39)	(2,926.39)	-	-	(996.83)	(996.83)
New assets originated/ incremental accretions	1,60,052.48	2,833.97	407.83	1,63,294.28	1,18,473.70	1,033.30	342.96	1,19,849.96
Gross carrying amount closing balance*	**4,21,696.36**	**79,706.41**	**5,305.00**	**5,06,707.77**	**3,89,595.07**	**50,423.65**	**4,519.37**	**4,44,538.09**

* 1621 loan accounts in Stage 3 as on March 31, 2022

Inter-Corporate Deposits

Particulars	31-Mar-22				31-Mar-21			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	-	-	-	-	-	-	-	-
Asset derecognised or repaid (excluding write-off)	-	-	-	-	-	-	-	-
Assets partially repaid	-	-	-	-	-	-	-	-
Roll forwards to higher stages	-	-	-	-	-	-	-	-
Roll forward from lower stages	-	-	-	-	-	-	-	-
Roll back from higher stages	-	-	-	-	-	-	-	-
Roll back to lower stages	-	-	-	-	-	-	-	-
Amount written off	-	-	-	-	-	-	-	-
New assets originated/ incremental accretions	13,821.88	-	-	13,821.88	-	-	-	-
Gross carrying amount closing balance	**13,821.88**	-	-	**13,821.88**	-	-	-	-

6.1.2 Reconciliation of ECL balance is given below:

Particulars	31-Mar-22				31-Mar-21			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Impairment Loss Allowance- opening balance	**1,276.52**	**6,574.79**	**811.84**	**8,663.15**	**1,661.41**	**3,538.88**	**942.12**	**6,142.41**
New assets originated/ incremental accretions	889.24	5,201.58	3,095.99	9,186.81	75.21	3,373.12	910.57	4,358.90
Reversal/Utilization/write off during the Year	(717.30)	(4,787.20)	(2,056.88)	(7,561.38)	(460.09)	(337.21)	(1,040.85)	(1,838.16)
Amount written off	-	-	(2,926.39)	(2,926.39)	-	-	(996.76)	(996.76)
Impairment Loss Allowance- closing balance	**1,448.46**	**6,989.17**	**1,850.95**	**10,288.58**	**1,276.52**	**6,574.79**	**811.84**	**8,663.15**

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Particulars	As at March 31, 2022	As at March 31, 2021
7 Investments		
Investments in Government Securities (At amortized Cost)*		
Investment in Treasury Bills	7,423.24	-
Investment in Government of India Fixed Rate Bonds	7,528.39	-
Investment in Government of India STRIPS	9,866.75	-
	24,818.38	-

* Investments are made in India

7.1 Internal rating grade (Investments measured at amortized Cost)

	As at 31st March 2022			
Grade	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Low Risk	24,818.38	-	-	24,818.38
Medium Risk	-	-	-	-
High Risk	-	-	-	-
	24,818.38	-	-	24,818.38

	As at 31st March 2021			
Grade	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Low Risk	-	-	-	-
Medium Risk	-	-	-	-
High Risk	-	-	-	-
	-	-	-	-

7.2 Movement in investments (Investments measured at Amortised cost)

Particulars	**Stage 1**	**Stage 2**	**Stage 3**
Opening balance as at April 01, 2020	-	-	-
New assets purchased	-	-	-
Assets redeemed	-	-	-
Assets derecognized or written off	-	-	-
Transfer to stages	-	-	-
Closing balance as at March 31, 2021	-	-	-
New assets purchased	28,350.46	-	-
Assets redeemed	(3,532.08)	-	-
Assets derecognized or written off	-	-	-
Transfer to stages	-	-	-
Closing balance as at March 31, 2022	**24,818.38**	-	-

8 Other financial assets		
Unsecured, considered good (At Amortized Cost)		
Security deposits	457.03	369.56
Other receivables*	1,340.90	104.78
	1,797.93	474.34

Other receivables include INR 1,280.09 lakhs incurred towards various expenses in connection with proposed initial public offer of equity shares of the Company.

9 Current tax assets (net)		
Advance income tax paid (net of provision for tax)	220.07	795.79
	220.07	**795.79**

10 Investment property		
Land		
Cost or deemed cost (Gross carrying amount)		
Balance at the beginning of the year	3.56	3.56
Acquisitions	-	-
Transfer from property, plant and equipment	-	-
Balance at the end of the year	**3.56**	**3.56**
Accumulated depreciation		
Balance at the beginning of the year	-	-
Depreciation for the year	-	-
Balance at the end of the year	-	-
Net carrying amounts	**3.56**	**3.56**
Fair value	**7.24**	**6.50**

Note:
1. The Fair value of the investment property is based on the valuation by registered valuer as defined under rule 2 of Companies (Registered Valuer and Valuations) Rules, 2017.
There were no immovable properties where the title deeds are not held in the name of the Company.
2. Price per Square feet is the Significant unobservable input used for the Fair valuation of the Investment Property. The fair value changes by INR. 0.7 lakhs as at March 31, 2022 at a sensitivity of 10%

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Particulars	As at March 31, 2022	As at March 31, 2021
11 Other non-financial assets		
Capital advances	98.18	42.62
Prepaid expenses	865.80	331.14
Balance with government authorities	319.76	79.01
	1,283.74	**452.77**

14 Derivative Financial Instruments

	As at March 31, 2022		As at March 31, 2021	
	Notional Amount(lakhs)	Fair Value of Liabilites(Lakhs)	Notional Amount(lakhs)	Fair Value of Liabilites(lakhs)
Part-I				
Other Derivatives-Cross Currency Swap	7,591.00	138.92	-	-
	7591.00	**138.92**	-	-
Part-II				
Included in above (Part-I) are derivatives held for hedging and risk management purposes as follows:				
Cash Flow Hedging-Cross Currency Swap	7,591.00	138.92	-	-
	7591.00	138.92	-	-

The Notional amounts in the above table refers to the foreign currency borrowing on which the company has hedged the risk of foreign currency fluctuations.
The company has entered into a Derivative Financial Instrument, with a scheduled bank with Investment grade credit rating. Derivatives are fair valued using inputs that are directly or indirectly observable in market place.
The Asset Liability Management Committee and Business Resource Committee periodically monitors and reviews the risks involved.

15 Trade payables	-	-
total outstanding dues of micro and small enterprises	1,300.31	867.17
total outstanding dues of creditors other than micro and small enterprises	**1,300.31**	**867.17**
	-	-
To related parties	1,300.31	867.17
Others	**1,300.31**	**867.17**

15.1 Trade payables (Ageing Schedule)

The following schedules reflect ageing of trade payables with respect to the due date of Payment

As at 31 March 2022

Particulars	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	-	271.39	-	-	-	271.39
(iii) Disputed Dues-MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
Subtotal (i+ii+iii+iv)	-	**271.39**	-	-	-	**271.39**
(v) Unbilled Amounts	-	1,028.92	-	-	-	1,028.92
Subtotal (v)	-	**1,028.92**	-	-	-	**1,028.92**
Grand Total	-	**1,300.31**	-	-	-	**1,300.31**

As at 31 March 2021

Particulars	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	-	241.07	0.30	-	-	241.37
(iii) Disputed Dues-MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
Subtotal (i+ii+iii+iv)	-	**241.07**	**0.30**	-	-	**241.37**
(v) Unbilled Amounts	-	625.80	-	-	-	625.80
Subtotal (v)	-	**625.80**	-	-	-	**625.80**
Grand Total	-	**866.87**	**0.30**	-	-	**867.17**

Based on information received from the suppliers, the management has identified the enterprises which have provided services to the Company and which qualify under the definition of micro, medium and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"). Such determination / identification for the purpose of presentation under this disclosure has been done on the basis of information received and available with the Company which has been solely relied upon by the auditors.

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Particulars	As at March 31, 2022	As at March 31, 2021
16 Debt securities (refer note 16.1)		
At amortised cost		
Secured debentures		
55, (March 31, 2020 - 420) 12.50% redeemable, non-convertible debentures of INR 100 each	0.80	6.20
Nil, (March 31, 2021 - 1000) 12.64% redeemable, non-convertible debentures of INR 10 lakh each	-	10,013.53
Nil, (March 31, 2021 - 500) 9.75% redeemable, non-convertible debentures of INR 10 lakh each	-	5,363.29
Nil, (March 31, 2021 - 500) 9.75% redeemable, non-convertible debentures of INR 10 lakh each	-	5,325.89
Nil, (March 31, 2021 - 500) 9.75% redeemable, non-convertible debentures of INR 10 lakh each	-	5,325.89
Nil, (March 31, 2021 - 250) 9.50% redeemable, non-convertible debentures of INR 10 lakh each	-	2,645.75
Nil, (March 31, 2021 - 250) 9.50% redeemable, non-convertible debentures of INR 10 lakh each	-	2,645.75
Nil, (March 31, 2021 - 2000) redeemable, non-convertible debentures of INR 1 lakh each	-	2,058.30
250, (March 31, 2021 - 250) 9.50% redeemable, non-convertible debentures of INR 10 lakh each	2,586.54	2,586.54
2,000 (March 31, 2021 - 2000), 10.30% redeemable, non-convertible debentures of INR 10 lakh each	20,022.58	20,023.30
2000, (March 31, 2021 - 2000) redeemable, non-convertible debentures of INR 1 lakh each*	2,836.96	2,510.58
1250, (March 31, 2021 - 1250) 11.88% redeemable, non-convertible debentures of INR 10 lakh each	12,637.71	12,637.70
750, (March 31, 2021 - 750) redeemable, non-convertible debentures of INR 10 lakh each*	8,406.97	7,695.17
500, (March 31, 2021 - 500) redeemable, non-convertible debentures of INR 10 lakh each*	5,603.32	5,128.88
2500, (March 31, 2021 - 2500) redeemable, non-convertible debentures of INR 1 lakh each*	2,932.42	2,647.77
150, (March 31, 2021 - 150) 12.75% redeemable, non-convertible debentures of INR 10 each	1,500.52	1,500.52
500, (March 31, 2021 - 500) 11.00% redeemable, non-convertible debentures of INR 10 lakh each	5,105.48	5,105.48
150, (March 31, 2021 - 150) 11.00% redeemable, non-convertible debentures of INR 10 lakh each	1,531.64	1,531.64
500, (March 31, 2021 - 500) 11.00% redeemable, non-convertible debentures of INR 10 lakh each	5,105.48	5,105.48
1500 (March 31, 2021 - 1500) redeemable, non-convertible debentures of INR 10 lakh each*	16,591.39	15,221.28
150, (March 31, 2021- 150) 10.50% redeemable, non-convertible debentures of INR 10 lakh each	1,632.90	1,631.32
250, (March 31, 2021 - 250) 11.00% redeemable, non-convertible debentures of INR 10 lakh each	2,515.07	2,515.07
2000, (March 31, 2021 - 2000) redeemable, non-convertible debentures of INR 1 lakh each*	2,278.30	2,059.94
700, (March 31, 2021 - 700) 10.91% redeemable, non-convertible debentures of INR 10 lakh each	7,004.43	7,004.41
300,00,000 , (March 31, 2021 - 300,00,000) 11.40% redeemable, non-convertible debentures of INR 10 each	3,001.06	3,001.12
	1,01,293.58	**1,31,290.80**
Less: Unamortised processing fee	(440.21)	(912.25)
	1,00,853.38	**1,30,378.55**
Debts securities in India	1,01,293.58	1,31,290.80
Debts securities outside India	-	-
	1,01,293.58	**1,31,290.80**

* Coupon rates are linked to performance of specified indices including market indicators over the period of the debentures.

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16.1 Details of terms of redemption/repayment and security provided in respect of debt securities and borrowings

Particulars	Repayment Terms	Tenor	Earliest installment date	As at March 31, 2022	As at March 31, 2021
Secured debentures					
55, (March 31, 2020 - 420) 12.50% redeemable, non convertible debentures of INR 100 each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	36 months	November 19, 2014	0.80	6.20
Nil, (March 31, 2021 - 1000) 12.64% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Repayable in 12 monthly installments Coupon payment frequency: Quarterly	36 months	April 29, 2021	0.00	10,013.53
Nil, (March 31, 2021 - 500) 9.75% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Half Yearly	18 months	January 3, 2022	0.00	5,363.29
Nil, (March 31, 2021 - 500) 9.75% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Half Yearly	18 months	January 31, 2022	0.00	5,325.89
Nil, (March 31, 2021 - 500) 9.75% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Half Yearly	18 months	January 31, 2022	0.00	5,325.89
Nil, (March 31, 2021 - 250) 9.50% redeemable, non convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Half Yearly	18 months	February 21, 2022	0.00	2,645.75
Nil, (March 31, 2021 - 250) 9.50% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Half Yearly	18 months	February 21, 2022	0.00	2,645.75
Nil, (March 31, 2021 - 2000) redeemable, non-convertible debentures of INR 1 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	15 months	March 15, 2022	0.00	2,058.30
250, (March 31, 2021 - 250) 9.50% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Yearly	18 months	May 19, 2022	2586.54	2,586.54
2,000 (March 31, 2021 - 2000), 10.30% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Repayable in 4 quarterly installments Coupon payment frequency: Quarterly	60 months	June 28, 2022	20022.58	20,023.30
2000, (March 31, 2021 - 2000) redeemable, non-convertible debentures of INR 1 lakh each*	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	38 months	July 3, 2022	2836.96	2,510.58
1250, (March 31, 2021 - 1250) 11.88% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Half Yearly	36 months	August 28, 2022	12637.71	12,637.70
750, (March 31, 2021 - 750) redeemable, non-convertible debentures of INR 10 lakh each*	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	24 months	December 16, 2022	8406.97	7,695.17
500, (March 31, 2021 - 500) redeemable, non-convertible debentures of INR 10 lakh each*	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	24 months	December 17, 2022	5603.32	5,128.88
2500, (March 31, 2021 - 2500) redeemable, non-convertible debentures of INR 1 lakh each*	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	30 months	February 28, 2023	2932.42	2,647.77
150, (March 31, 2021 - 150) 12.75% redeemable, non-convertible debentures of INR 10 each	Principal payment frequency: Repayable yearly in 4 installments Coupon payment frequency: Quarterly	72 months	March 31, 2023	1500.52	1,500.52
500, (March 31, 2021 - 500) 11.00% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Quarterly	33 months	April 21, 2023	5105.48	5,105.48
150, (March 31, 2021 - 150) 11.00% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Quarterly	33 months	April 21, 2023	1531.64	1,531.64
500, (March 31, 2021 - 500) 11.00% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Quarterly	33 months	April 21, 2023	5105.48	5,105.48
1500 (March 31, 2021 - 1500) redeemable, non-convertible debentures of INR 10 lakh each*	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	27 months	April 30, 2023	16591.39	15,221.28
150, (March 31, 2021- 150) 10.50% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Yearly	36 months	May 26, 2023	1632.90	1,631.32
250, (March 31, 2021 - 250) 11.00% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Quarterly	36 months	June 12, 2023	2515.07	2,515.07
2000, (March 31, 2021 - 2000) redeemable, non-convertible debentures of INR 1 lakh each*	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	30 months	June 15, 2023	2278.30	2,059.94
700, (March 31, 2021 - 700) 10.91% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Half Yearly	36 months	September 30, 2023	7004.43	7,004.41
300,00,000 , (March 31, 2021 - 300,00,000) 11.40% redeemable, non-convertible debentures of INR 10 each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Monthly	60 months	April 11, 2024	3001.06	3,001.12
				1,01,293.56	1,31,290.82

All debentures are secured by an exclusive first charge on book debts and pari passu charge on immovable property with security cover ranging from 1 to 1.25 times of the outstanding amount at any point in time

* Coupon rates are linked to performance of specified indices including market indicators over the period of the debentures.





16.1 Details of terms of redemption/repayment and security provided in respect of debt securities and borrowings

Particulars	Repayment Terms	Tenor	Earliest installment date	As at March 31, 2022	As at March 31, 2021
Term loans from banks					
Term Loan 1	Repayable in 58 monthly installments	60 months	April 30, 2017	0.00	696.14
Term Loan 2	Repayable in 9 half-yearly installments	60 months	March 28, 2018	0.00	111.11
Term Loan 3	Repayable in 48 monthly installments	48 months	April 23, 2018	0.00	246.38
Term Loan 4	Repayable in 36 monthly installments	36 months	May 5, 2018	0.00	30.27
Term Loan 5	Repayable in 36 monthly installments	36 months	May 5, 2018	0.00	70.19
Term Loan 6	Repayable in 40 monthly installments	42 months	September 30, 2018	0.00	1,125.31
Term Loan 7	Repayable in 60 monthly installments	60 months	December 5, 2018	335.29	536.56
Term Loan 8	Repayable in 36 monthly installments	36 months	February 5, 2019	0.00	698.29
Term Loan 9	Repayable in 60 monthly installments	60 months	March 3, 2019	1466.12	2,231.74
Term Loan 10	Repayable in 36 monthly installments	36 months	May 1, 2019	0.00	1,093.91
Term Loan 11	Repayable in 34 monthly installments	36 months	May 18, 2019	0.00	1,618.10
Term Loan 12	Repayable in 36 monthly installments	36 months	May 31, 2019	0.00	1,625.00
Term Loan 13	Repayable in 20 quarterly installments	60 months	June 30, 2019	1994.91	3,000.88
Term Loan 14	Repayable in 36 monthly installments	36 months	June 30, 2019	166.67	1,178.21
Term Loan 15	Repayable in 48 monthly installments	48 months	July 29, 2019	468.75	843.75
Term Loan 16	Repayable in 36 monthly installments	36 months	September 25, 2019	277.78	951.84
Term Loan 17	Repayable in 57 monthly installments	60 months	September 30, 2019	455.44	666.76
Term Loan 18	Repayable in 33 monthly installments	36 months	December 30, 2019	378.89	1,288.64
Term Loan 19	Repayable in 60 monthly installments	60 months	January 30, 2020	1649.96	2,319.44
Term Loan 20	Repayable in 60 monthly installments	62 months	January 30, 2020	11188.27	15,258.90
Term Loan 21	Repayable in 36 monthly installments	36 months	February 5, 2020	833.54	1,834.51
Term Loan 22	Repayable in 36 monthly installments	36 months	March 5, 2020	646.84	1,351.77
Term Loan 23	Repayable in 60 monthly installments	60 months	April 30, 2020	2215.60	2,938.92
Term Loan 24	Repayable in 36 monthly installments	36 months	May 1, 2020	1456.22	2,809.54
Term Loan 25	Repayable in 12 quarterly installments	37 months	May 26, 2020	633.41	1,277.59
Term Loan 26	Repayable in 57 monthly installments	60 months	June 25, 2020	2718.22	3,648.84
Term Loan 27	Repayable in 34 monthly installments	36 Months	August 16, 2020	1441.54	2,677.21
Term Loan 28	Repayable in 34 monthly installments	36 Months	September 30, 2020	1765.15	3,177.35
Term Loan 29	Repayable in 48 monthly installments	52 months	October 1, 2020	0.00	1,358.37
Term Loan 30	Repayable in 46 monthly installments	48 Months	November 25, 2020	1576.09	2,249.47
Term Loan 31	Repayable in 36 monthly installments	36 Months	November 30, 2020	1319.80	2,153.38
Term Loan 32	Repayable in 36 monthly installments	36 Months	December 10, 2020	1318.49	2,240.03
Term Loan 33	Repayable in 34 monthly installments	36 Months	December 31, 2020	2333.32	4,333.32
Term Loan 34	Repayable in 36 monthly installments	36 Months	January 31, 2021	583.33	916.67
Term Loan 35	Repayable in 48 monthly installments	48 Months	February 5, 2021	1639.89	2,221.12
Term Loan 36	Repayable in 20 quarterly installments	60 months	February 28, 2021	2883.00	3,778.00
Term Loan 37	Repayable in 60 monthly installments	60 Months	March 3, 2021	1578.85	1,981.96
Term Loan 38	Repayable in 36 monthly installments	36 Months	March 23, 2021	1544.50	2,427.10
Term Loan 39	Repayable in 36 monthly installments	36 Months	April 30, 2021	333.33	500.00
Term Loan 40	Repayable in 36 monthly installments	36 Months	April 30, 2021	5001.19	7,501.79
Term Loan 41	Repayable in 48 monthly installments	48 Months	May 1, 2021	4662.32	6,003.12
Term Loan 42	Repayable in 33 monthly installments	36 Months	May 31, 2021	1655.15	2,500.00
Term Loan 43	Repayable in 32 monthly installments	35 Months	July 31, 2021	1858.79	2,500.00
Term Loan 44	Repayable in 36 monthly installments	36 Months	January 31, 2022	4583.00	-
Term Loan 45	Repayable in 48 monthly installments	48 Months	March 15, 2022	1958.33	-
Term Loan 46	Repayable in 34 monthly installments	36 Months	March 30, 2022	1941.63	-
Term Loan 47	Repayable in 60 monthly installments	60 Months	April 30, 2022	7501.80	-
Term Loan 48	Repayable in 57 monthly installments	60 Months	June 30, 2022	4951.08	-
Term Loan 49	Repayable in 72 monthly installments	74 Months	June 30, 2022	2501.27	-
				81,817.77	97,971.50

All the above loans are secured by an exclusive first charge on book debts with security cover ranging from 1.05 to 1.25 times of the outstanding amount at any point in time.
As at March 31, 2022, the rate of interest across term loans from banks was in the range of 7.95% p.a to 10.90% p.a (March 31, 2021- 7.50% p.a to 11.50% p.a)

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16.1 Details of terms of redemption/repayment and security provided in respect of debt securities and borrowings

Particulars	Repayment Terms	Tenor	Earliest installment date	As at March 31, 2022	As at March 31, 2021
Term loans from others					
Term loans from others 1	Repayable in 60 monthly installments	60 months	April 22, 2017	0.00	370.77
Term loans from others 2	Repayable in 48 monthly installments	48 months	February 11, 2018	520.96	1,146.13
Term loans from others 3	Repayable in 48 monthly installments	48 months	January 29, 2019	0.00	989.11
Term loans from others 4	Repayable in 36 monthly installments	36 months	March 20, 2019	0.00	310.95
Term loans from others 5	Repayable in 60 monthly installments	60 months	April 27, 2019	0.00	333.47
Term loans from others 6	Repayable in 42 monthly installments	48 months	April 30, 2019	142.89	428.68
Term loans from others 7	Repayable in 60 monthly installments	60 months	May 1, 2019	487.85	688.59
Term loans from others 8	Repayable in 20 quarterly installments	60 months	September 1, 2019	606.39	879.00
Term loans from others 9	Repayable in 36 monthly installments	36 months	January 22, 2020	281.27	622.44
Term loans from others 10	Repayable in 36 monthly installments	36 months	February 22, 2020	933.57	1,948.07
Term loans from others 11	Repayable in 20 quarterly installments	60 months	February 29, 2020	0.00	1,125.33
Term loans from others 12	Repayable in 48 monthly installments	48 months	March 5, 2020	376.29	573.01
Term loans from others 13	Repayable in 36 monthly installments	36 months	May 27, 2020	0.00	1,818.08
Term loans from others 14	Repayable in 8 monthly installments	10 months	September 10, 2020	0.00	502.42
Term loans from others 15	Repayable in 36 monthly installments	36 months	January 20, 2021	2926.02	4,597.97
Term loans from others 16	Repayable in 36 monthly installments	36 months	January 31, 2021	1750.41	2,750.69
Term loans from others 17	Repayable in 3 annual installments	36 months	February 1, 2021	1250.00	1,875.00
Term loans from others 18	Repayable in 30 monthly installments	32 months	February 3, 2021	2125.56	3,790.83
Term loans from others 19	Repayable in 16 quarterly installments	48 months	April 1, 2021	1500.00	2,005.14
Term loans from others 20	Repayable in 36 monthly installments	36 months	April 30, 2021	1260.76	1,800.00
Term loans from others 21	Repayable in 16 quarterly installments	48 months	June 1, 2021	1889.69	2,500.00
				16,051.65	31,055.67

All the above loans are secured by an exclusive first charge on book debts with security cover ranging from 1.10 to 1.20 times of the outstanding amount at any point in time
As at March 31, 2022, the rate of interest across term loans from others was in the range of 9.50% p.a to 11.75% p.a (March 31, 2021- 6.32% p.a to 11.75% p.a)

Borrowings Under Securitization

Borrowings Under Securitization 1	Repayable in 33 monthly installments	35 months	August 16, 2019	0.00	2,022.31
Borrowings Under Securitization 2	Repayable in 59 monthly installments	59 months	September 17, 2019	2170.97	4,706.73
Borrowings Under Securitization 3	Repayable in 64 monthly installments	65 months	February 17, 2020	3392.64	8,243.35
Borrowings Under Securitization 4	Repayable in 40 monthly installments	40 months	March 21, 2020	778.51	3,150.43
Borrowings Under Securitization 5	Repayable in 60 monthly installments	60 months	May 15, 2020	4355.36	6,958.17
Borrowings Under Securitization 6	Repayable in 60 monthly installments	60 months	July 15, 2020	4375.66	7,121.09
Borrowings Under Securitization 7	Repayable in 65 monthly installments	65 months	August 14, 2020	3831.51	6,423.15
Borrowings Under Securitization 8	Repayable in 55 monthly installments	55 months	November 20, 2020	4654.53	7,174.06
Borrowings Under Securitization 9	Repayable in 59 monthly installments	60 months	January 16, 2021	2321.17	3,946.03
Borrowings Under Securitization 10	Repayable in 48 monthly installments	48 months	January 15, 2021	1303.06	2,225.94
Borrowings Under Securitization 11	Repayable in 60 monthly installments	61 months	February 21, 2021	9966.88	13,944.04
Borrowings Under Securitization 12	Repayable in 61 monthly installments	61 months	February 18, 2021	2027.59	3,307.86
Borrowings Under Securitization 13	Repayable in 57 monthly installments	57 months	April 21, 2021	4966.12	6,815.79
Borrowings Under Securitization 14	Repayable in 53 monthly installments	53 months	April 16, 2021	5572.66	8,244.01
				49,716.69	84,282.94

*Refer Note No 47-AB, 47-AC for security and credit enhancement details pertaining to borrowings from securitisation arrangements
As at March 31, 2022, the rate of interest across loans from Securitisation was in the range of 8.55% p.a to 11.00% p.a (March 31, 2021- 9.00% p.a to 11.00% p.a)

Term loans from others parties (unsecured) - (External Commercial Borrowing)					
External Commercial Borrowing-1	Repayable in 5 Half yearly installments	60 months	March 31, 2025	7584.45	-
				7,584.45	-

As at March 31, 2022, the rate of interest on External Commercial Borrowing was 4.20% p.a (March 31, 2021- Nil p.a)

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Particulars	As at March 31, 2022	As at March 31, 2021
17 Borrowings (other than debt securities) (refer note 16.1)		
At amortised cost		
Term loans (secured)	81,817.77	97,971.50
From banks	16,051.65	31,055.67
From other financial institutions	49,716.69	84,282.94
Borrowings under Securitisation (secured)		
Loans repayable on demand (secured)	765.61	196.60
From banks		
Term loans from others parties (unsecured)	7,584.45	-
External Commercial Borrowings	**1,55,936.16**	**2,13,506.71**
	(906.41)	(1,365.59)
Less: Unamortised processing fee	**1,55,029.75**	**2,12,141.12**
	1,48,351.71	2,13,506.71
Borrowings in India	7,584.45	-
Borrowings outside India	**1,55,936.16**	**2,13,506.71**

Loans repayable on demand includes on cash credit and working capital demand loans from banks which are secured by specific charge on identified receivables. As at 31 March 2022, the rate of interest across the cash credit and working capital demand loans was in the range of 7.95% p.a to 11.00% p.a (March 31, 2021 - 9.25% p.a to 11.45% p.a)
The Company has not defaulted in the repayment of the borrowings (including debt securities) and was regular in repayments during the year

Debt Securities and borrowings other than debt securities aggregating to INR 77,228.37 lakhs (March 31, 2021-INR 1,22,645.68 lakhs) has been guaranteed by the promoter, Mr. D Lakshmipathy.

The Company has not defaulted in the repayment of borrowings and interest during any of the years presented

The Company has used the borrowings from banks and financial institutions for the specified purpose as per agreement with the lender.
The quarterly returns/statements of current assets filed by the Company with banks or financial institutions in relation to secured borrowings wherever applicable, are in agreement with the books of accounts.

18 Other financial liabilities		
Unpaid dividends	2.58	3.96
Lease liability	2,113.32	1,529.37
Employee related payables	1,895.32	-
Others*	135.62	183.68
	4,146.84	**1,717.01**

*Others include unspent corporate social responsibility fund amounting to INR 100.00 lakhs (March 31, 2021 :INR 150.00 lakhs)

19 Provisions		
Provision for employee benefits	339.64	254.78
Provision for gratuity	560.39	465.02
Provision for compensated absences	**900.03**	**719.80**

20 Other non-financial liabilities		
Statutory dues payable	902.23	487.39
Employee related payables	-	1232.88
	902.23	**1,720.27**

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12 Property, plant and equipment

Particulars	Furniture and fittings	Computers and accessories	Office equipments	Vehicles	Leasehold improvements	Total
Cost or deemed cost (gross carrying amount)						
As at March 31, 2020	**605.42**	**871.72**	**258.55**	**39.26**	**404.95**	**2,179.90**
Additions	133.72	81.28	59.00	-	0.05	274.05
Disposals	10.14	0.47	0.06	-	-	10.67
As at March 31, 2021	**729.00**	**952.53**	**317.49**	**39.26**	**405.00**	**2,443.28**
Additions	187.12	494.55	156.39	-	9.45	847.51
Disposals	8.19	-	0.66	-	-	8.85
As at March 31, 2022	**907.93**	**1,447.08**	**473.22**	**39.26**	**414.45**	**3,281.94**
Accumulated depreciation						
As at March 31, 2020	**206.83**	**462.49**	**102.10**	**26.41**	**275.98**	**1,073.81**
Depreciation for the year	119.92	277.81	83.94	3.96	45.62	531.25
Depreciation on disposals	6.99	0.34	0.05	-	-	7.38
As at March 31, 2021	**319.76**	**739.96**	**185.99**	**30.37**	**321.60**	**1,597.68**
Depreciation for the year	122.95	236.16	75.78	2.47	39.07	476.43
Depreciation on disposals	5.77	0.34	0.51	-	-	6.62
As at March 31, 2022	**436.94**	**975.78**	**261.26**	**32.84**	**360.67**	**2,067.49**
Carrying amount (net)						
As at March 31, 2021	**409.24**	**212.57**	**131.50**	**8.89**	**83.40**	**845.60**
As at March 31, 2022	**470.99**	**471.30**	**211.96**	**6.42**	**53.78**	**1,214.45**

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13 Other Intangible assets

Particulars	Softwares	Total
Cost or deemed cost (gross carrying amount)		
As at March 31, 2020	**355.67**	**355.67**
Additions	50.31	50.31
Disposals	-	-
As at March 31, 2021	**405.98**	**405.98**
Additions	15.35	15.35
Disposals	-	-
As at March 31, 2022	**421.33**	**421.33**
Accumulated amortisation		
As at March 31, 2020	**162.87**	**162.87**
Amortisation for the year	52.81	52.81
Amortisation on disposals	-	-
As at March 31, 2021	**215.68**	**215.68**
Amortisation for the year	116.91	116.91
Amortisation on disposals	-	-
As at March 31, 2022	**332.59**	**332.59**
Carrying amount (net)		
As at March 31, 2021	**190.30**	**190.30**
As at March 31, 2022	**88.74**	**88.74**

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Particulars	As at March 31, 2022	As at March 31, 2021
21 Equity share capital		
Authorised		
550,00,000 shares of INR 1 each (March 31, 2021 - 55,000,000) of INR 10 each	5,500.00	5,500.00
Issued, subscribed and paid up		
29,13,43,120 shares of INR 1 each fully paid up (March 31, 2021 - 25,473,144) of INR 10 each fully paid up	2,913.43	2,547.31
Nil shares (March 31, 2021 - 1,71,75,970) of INR 1 each (partly paid up - INR 0.1 each paid up)	-	17.18

Note: During the year ended March 31, 2022, the Board of Directors of the Company in its meeting held on September 8, 2021 and shareholders in the Extraordinary General Meeting held on October 8, 2021 approved the sub-division of shares from ₹ 10 per share to ₹ 1 per share. Also refer note-39 .

Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year

	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount in Lakhs of INR	Number of shares	Amount in Lakhs of INR
As at beginning of the year	2,71,90,741	2,564.49	2,71,27,891	2,558.21
Additional shares pursuant to share split issued during the year	24,47,16,669			
Equity Shares issued in exercise of employee stock options	17,18,000	17.18	62,850	6.29
Equity Shares issued	1,77,17,710	177.18	-	-
Receipt of pending call money on partly paid up equity shares	-	154.58	-	-
As at the end of the year	**29,13,43,120**	**2,913.43**	**2,71,90,741**	**2,564.49**

Terms/rights attached to Equity Shares:

The Company has a single class of equity shares. Accordingly all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend to the extent the shares are paid up, as declared from time to time subject to payment of dividend to preference shareholders. Dividends are paid in Indian Rupees. Dividend proposed by the board of directors, if any, is subject to the approval of the shareholders at the General Meeting, except in the case of interim dividend.

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 preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders,to the extent the shares are paid up.

Equity Shares reserved for issue under options

Information relating to employee stock option schemes including the details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in Note 42.

Promoter Holdings**

	As at March 31, 2022					
Name of Promoter	Number of Shares at the beginning of the period	Additional shares pursuant to share split issued during the year	Movement during the period	Number of Shares at the end of the period	% of Total Shares	% of Change during the period
Fully paid up shares						
(i) D. Lakshmipathy	21,85,771	1,96,71,939	1,41,79,740	3,60,37,450	12.37%	648.73%
(ii) L.Hema	20,89,060	1,88,01,540	-	2,08,90,600	7.17%	-
(iii) L.Shritha	20,000	1,80,000	-	2,00,000	0.07%	-
(iv) Matrix Partners India Investment Holding II LLC	41,00,999	3,69,08,991	-	4,10,09,990	14.08%	-
(v) SCI Investments V	25,69,650	2,31,26,850	-	2,56,96,500	8.82%	-
Sub-Total	**1,09,65,480**	**9,86,89,320**	**1,41,79,740**	**12,38,34,540**	**42.50%**	**129.31%**
Partly paid up shares						
(i) D. Lakshmipathy	1,52,50,000		(1,52,50,000)	-	-	(100.00%)
Sub-Total	**1,52,50,000**	-	**(1,52,50,000)**	-	-	(100.00%)
Grand Total	**2,62,15,480**	**9,86,89,320**	**(10,70,260)**	**12,38,34,540**	**42.50%**	**(4.08%)**

The Board of Directors of the Company, pursuant to their resolution dated October 21, 2021 have taken on record, that D. Lakshmipathy, L.Hema, L.Shritha, Matrix Partners India Investment Holdings II, LLC and SCI Investments V be identified as the promoters of the Company for the purposes of its proposed initial public offering of its equity shares and for all other purposes, regulatory, statutory or otherwise.

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Promoter Holdings

Name of Promoter	As at March 31, 2021				
	Number of Shares at the beginning of the period	Movement during the period	Number of Shares at the end of the period	% of Total Shares	% of Change during the period
Fully paid up shares					
(i) D. Lakshmipathy	21,85,771	-	21,85,771	8.04%	-
(ii) L.Hema	20,89,060	-	20,89,060	7.68%	-
(iii) L.Shritha	20,000	-	20,000	0.07%	-
(iv) R.Deenadayalan	1,63,200	-	1,63,200	0.60%	-
(v) D.Varalakshmi	44,770	-	44,770	0.16%	-
Sub-Total	**45,02,801**	-	**45,02,801**	**16.56%**	-
Partly paid up shares					
(i) D. Lakshmipathy	15,25,000	-	15,25,000	5.61%	-
Sub-Total	**15,25,000**	-	**15,25,000**	**5.61%**	-
Grand Total	**60,27,801**	-	**60,27,801**	**22.17%**	-

**Promoter means Promoter as defined in Companies Act 2013
The determination /identification of promoters for the purpose of presentation under this disclosure has been done on the basis of information available with the company which has been solely relied upon by the auditors.

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

Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% of total shares in class	Number of shares	% of total shares in class
TPG Asia VII SF Pte. Ltd.	6,11,06,730	20.97%	61,10,673	22.47%
Matrix Partners India Investment Holdings II, LLC	4,10,09,990	14.08%	41,00,999	15.08%
D. Lakshmipathy	3,60,37,450	12.37%	37,10,771	13.65%
NHPEA Chocolate Holding B.V	-		35,98,051	13.23%
Norwest Venture Partners X - Mauritius	2,97,48,060	10.21%	25,69,650	9.45%
SCI Investments V	2,56,96,500	8.82%	25,69,650	9.45%
L. Hema	2,08,90,600	7.17%	20,89,060	7.68%
Sirius II Pte Ltd	1,75,93,990	6.04%	-	0.00%

The above disclosures given in Note 21 with respect to number of shares are based on face value of INR 1. During the Period, the Company has approved the sub-division of each equity share of face value of INR 10 each fully paid up into 10 equity shares of face value of INR 1 each fully paid up.

	Particulars	As at March 31, 2022	As at March 31, 2021
22	**Other Equity**		
	Statutory reserve	27,112.60	18,041.71
	Share options outstanding account	3,405.80	1,795.27
	Securities premium	2,31,361.87	1,39,234.46
	General reserve	719.60	719.60
	Retained earnings	1,05,616.78	69,461.69
	Cash Flow Hedge Reserve	(94.98)	-
		3,68,121.67	**2,29,252.73**

	Particulars	As at March 31, 2022	As at March 31, 2021
i	**Statutory reserve**		
	Opening balance	18,041.71	10,861.82
	Amount transferred from surplus in the statement of profit and loss	9,070.89	7,179.89
	Closing balance	**27,112.60**	**18,041.71**

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As per Section 45-IC of the Reserve Bank of India Act, 1934, the Company is required to create a reserve fund at the rate of 20% of the net profit after tax of the Company every year. Accordingly, the Company has transferred an amount of INR 9,070.89 lakhs (March 31, 2021: INR 7,179.89 lakhs), out of the profit after tax for the year ended March 31, 2022 to Statutory Reserve.

Five-Star Housing Finance Private Limited, the wholly owned subsidiary amalgamated with the Company with appointed date under the aforesaid Scheme as April 1, 2019. The erstwhile wholly owned subsidiary has surrendered its Certificate of Registration to carry on the business of housing finance institution to National Housing Bank (NHB) on June 5, 2020. The statutory reserve maintained by the wholly owned subsidiary under section 29C of the National Housing Bank Act, 1987 was subsumed in the statutory reserve maintained by the Company.

No appropriation of any sum from this reserve fund shall be made by the non-banking financial company except for the purpose as may be specified by RBI.

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Particulars	As at March 31, 2022	As at March 31, 2021
ii Share options outstanding account		
Opening balance	1,795.27	428.30
Share based payment expense	3,544.18	1,509.39
Less : Transfer to securities premium	1,933.65	142.42
Closing balance	3,405.80	1,795.27

The amount represents reserve created to the extent of granted options based on the Employees Stock Option Schemes. Under Ind AS 102, fair value of the options granted is to be expensed out over the life of the vesting period as employee compensation costs reflecting period of receipt of service. Also refer note 42.

iii Securities premium		
Opening balance	1,39,234.46	1,39,069.20
Premium on shares issued during the year	92,297.51	165.26
Less : Utilised during the year for share issue expenses	(170.10)	-
Closing balance	2,31,361.87	1,39,234.46

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013. During the year ended March 31, 2022, Securities premium was utilised to the extent of INR 170.10 lakhs towards share issue expenses, in line with Section 52 of the Companies Act 2013.

iv General reserve		
Opening balance	719.60	719.60
Amount transferred from surplus in the statement of profit and loss	-	-
Closing balance	**719.60**	**719.60**

General reserve is a free reserves which can be utilised for any purpose as may be required.

v Retained earnings		
Opening balance	69,461.69	40,820.92
Profit for the year	45,354.45	35,899.44
Less: Transfer to Statutory reserve	9,070.89	7,179.89
Re-measurements of defined benefit plan	(128.43)	(78.78)
Closing balance	1,05,616.78	69,461.69

Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings is a free reserve available to the Company and eligible for distribution to shareholders, in case where it is having positive balance representing net earnings till date. The amount that can be distributed by the Company as dividends to its Equity Shareholders is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013 and the Regulations of Reserve Bank of India.

vi Cash flow Hedge Reserve		
Opening balance	-	-
Additions	(94.98)	-
Closing balance	**(94.98)**	-

Cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item, consistent with the Company accounting policies.

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Particulars	Year ended March 31, 2022	Year ended March 31, 2021
23 Interest income		
(On financial assets measured at amortised cost)		
Interest on loans	1,17,051.64	99,550.11
Interest on deposits with banks	2,703.35	1,937.47
Interest on Investment in Government Securities	621.56	
Total	**1,20,376.55**	**1,01,487.58**
24 Fee Income		
Legal and inspection fees	2,562.31	1,894.14
Others charges*	377.29	273.47
Total	**2,939.60**	**2,167.61**

* Comprises of charges collected from the customers in the nature of Document storage charges, Cheque dishonour charges and other charges as applicable.

All services that generate revenue from contract with Customers are rendered at a point in time and are rendered in India

25 Net gain on fair value changes		
Net gain on financial instruments at fair value through profit or loss (FVTPL)		
On trading portfolio		
-Mutual fund investments at FVTPL	2,090.21	1,319.03
	2,090.21	**1,319.03**
Fair value changes		
Realised	2,090.21	1,319.03
Unrealised	-	-
	2,090.21	**1,319.03**
26 Other income		
Recovery of assets written off	185.84	86.88
Other non-operating income	24.72	64.37
	210.56	**151.25**

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	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
27	**Finance costs**		
	(On financial liabilities measured at amortised cost)		
	Interest on borrowings		
	- term loans from banks	7,807.55	8,859.34
	- cash credits and overdraft	16.04	9.30
	- term loans from others*	9,180.85	7,969.18
	Interest on debt securities	12,735.93	15,501.75
	Interest on lease liability	219.97	179.55
	Other borrowing costs	99.65	-
		30,060.00	**32,519.12**

*Includes interest of INR 6,361.38 lakhs (March 31, 2021 - INR 5,326.45 lakhs) pertaining to borrowings from securitisation arrangements.

28	**Fees expenses**		
	Amortization of Ancillary costs relating to borrowings	-	266.83
		-	**266.83**
29	**Impairment on financial instruments**		
	(On financial assets measured at amortised cost)		
	Impairment loss allowance on loans*	4,551.81	3,517.57
		4,551.81	**3,517.57**

* Includes write-off of INR 2926.39 lakhs (March 31, 2021 - INR 996.83 lakhs)

30	**Employee benefits expense**		
	Salaries, wages and bonus	17,854.07	13,376.13
	Contribution to provident and other funds	1,396.01	1,080.50
	Employee stock option expenses (Refer note 42)	3,544.18	1,509.39
	Staff welfare expenses	817.26	405.76
		23,611.52	**16,371.78**
31	**Depreciation and amortisation**		
	Depreciation on property, plant and equipment (Refer note 12)	476.43	531.25
	Amortisation of intangible assets (Refer note 13)	116.91	52.81
	Depreciation on Right of use asset (Refer note 38)	631.13	554.33
		1,224.47	**1,138.39**
32	**Other expenses**		
	Rent expense	52.86	40.77
	Rates and taxes	42.30	111.34
	Electricity expenses	97.33	92.55
	Repairs and maintenance	348.28	259.89
	Communication costs	620.96	443.73
	Printing and stationery	294.16	238.27
	Advertisement and publicity	7.47	3.23
	Directors fees, allowances and expenses	77.50	14.43
	Auditor's fees and expenses (Refer note 32.1)	149.48	51.46
	Legal and professional charges	1,528.71	1,183.11
	Insurance	16.96	13.33
	Corporate social responsibility expenses (Refer note 32.2)	699.70	428.64
	Travel expenses	226.01	45.47
	Information technology expenses	1,100.94	568.43
	Loss on sale of property, plant and equipment	1.32	2.32
	Bank charges	181.27	140.80
	Collection/Recovery costs	279.18	-
	Miscellaneous expenses	23.78	29.93
		5,748.21	**3,667.70**

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Particulars	Year ended March 31, 2022	Year ended March 31, 2021
32.1 Payments to auditors (Refer note)		
Statutory audit including limited review	140.76	41.42
Tax audit	2.18	2.18
Other services	6.54	5.45
Reimbursement of expenses	-	2.41
	149.48	**51.46**

Note:

1. Payment to auditors towards statutory audit including limited review above includes INR.40.48 lakhs paid to predecessor auditors during financial year 2021-2022.

2.Excludes remuneration to predecessor auditor during FY 2021-22 for services in connection with proposed initial public offer of equity shares of the Company, which is included under other receivables

32.2 Details of expenditure on corporate social responsibility ("CSR")

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Amount required to be spent by the Company during the period/year	699.43	428.64
(b) Amount of expenditure incurred during the period/year	699.70	278.64
(c) Shortfall at the end of the period/year	-	150.00
(d) Total of previous years shortfall**	100.00	Not Applicable
(e) Reason for shortfall	Not Applicable Contribution towards projects in the domain of education and healthcare .	* Contribution to government relief funds and funds expended towards projects in the domain of education and others.
(f) Nature of CSR activities		
(g) Details of related party transactions	Nil	Nil

* The reason for shortfall in CSR exepnditure is on account of the fact that the management was in the process of identifying suitable projects and programme which can be identified which would compliment the businessess of the company. Auditors have relied on the reasoning provided by the management

** Against the shortall of INR 100 lakhs for the year ended March 31, 2021, the company pursuant to the approval of the board at it's meeting held on March 22, 2021, has earmarked INR 100 lakhs to be spent on an ongoing project towards welfare of education, under section 135 of the Companies Act 2013

33 Income tax

i. Current tax		
In respect of current year	15,959.12	12,557.29
In respect of prior years	-	36.83
	15,959.12	**12,594.12**
ii. Deferred tax		
Attributable to–		
Origination and reversal of temporary differences	(892.66)	(849.48)
	(892.66)	**(849.48)**
Tax expense (i)+(ii)	**15,066.46**	**11,744.64**

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	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
33.1	**Deferred tax related to Items recognized in OCI during the Year**		
	Tax impact on Re-measurements of the defined benefit plan	43.20	26.49
	Tax impact due to Cash Flow hedge reserve	31.94	-
	Deferred tax charged to OCI	**75.14**	**26.49**
33.2	**Reconciliation of total tax expense**		
	Profit before tax	60,420.91	47,644.08
	Applicable tax rate	25.17%	25.17%
	Computed tax expense	15,206.73	11,991.06
	Tax effect of :		
	Permanent differences		
	Deduction u/s 80JJAA of the Income Tax Act, 1961	(288.67)	(362.55)
	Disallowance related to CSR expenditure	176.10	108.34
	Others	(27.71)	7.79
	Income tax expense recognised in statement of profit and loss (Pertaining to current year)	**15,066.46**	**11,744.64**
	Effective tax rate	24.94%	24.65%

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Particulars	As at March 31, 2022	As at March 31, 2021
34 Commitments		
Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for	162.53	5.98
35 Contingent liabilities		
Claims against the Company not acknowledged as debt		
- Income tax related matters (excluding penalties and interest)	6.74	6.74

36 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Under Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with management and confirmation sought from suppliers on registration with specified authority under MSMED, principal amount, interest accrued and remaining unpaid and interest paid during the year to such enterprise is Nil.

The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting period		
Principal	-	-
Interest	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

37 Deferred tax assets / (liability):

In relation to :		
Difference between written down value of fixed assets as per books of accounts and income tax	197.28	134.10
Employee Benefits	640.62	448.51
Cash flow hedge reserve	31.94	-
Impairment allowance	2,277.89	1,987.18
Impact of Effective interest rate adjustment on Financial Assets	1,829.81	1,679.02
Impact of Effective interest rate adjustment on Financial liabilities	(338.92)	(573.29)
Recognition of lease liability and right to use asset	28.12	23.42
	4,666.74	**3,698.94**

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37.1 Deferred tax assets / (liability)

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense

	Opening Balance	Recognised in profit of loss	Recognised in other comprehensive income	Closing Balance
For the year ended 31 March, 2022:				
Difference between written down value of fixed assets as per books of accounts and income tax	134.10	63.18	-	197.28
Employee Benefits	448.51	148.91	43.20	640.62
Cash flow hedge reserve	-	-	31.94	31.94
Impairment allowance (including Write-Off)	1,987.18	290.71	-	2,277.89
Unamortised processing fee income	1,679.02	150.79	-	1,829.81
Unamortised processing fee expenses	(573.29)	234.37	-	(338.92)
Recognition of lease liability and right to use asset	23.42	4.70	-	28.12
Total	3,698.94	892.66	75.14	4,666.74

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense

	Opening Balance	Recognised in profit of loss	Recognised in other comprehensive income	Closing Balance
For the year ended 31 March, 2021:				
Difference between written down value of fixed assets as per books of accounts and income tax	95.19	38.91	-	134.10
Employee Benefits	303.92	118.10	26.49	448.51
Cash flow hedge reserve	-	-	-	-
Impairment allowance (including Write-Off)	1,289.74	697.44	-	1,987.18
Unamortised processing fee income	1,664.02	15.00	-	1,679.02
Unamortised processing fee expenses	(545.07)	(28.22)	-	(573.29)
Recognition of lease liability and right to use asset	15.16	8.26	-	23.42
Total	**2,822.96**	**849.49**	**26.49**	**3,698.94**

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38 Leases

The Company has taken office premises on lease for its operations. The Company's obligations under its leases are secured by the lessor's title to the leased assets. The Company also has certain leases with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.
Set out below are the carrying amounts of lease liabilities included under financial liabilities and the movements during the year:

i) Movement in carrying value of right of use assets

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening balance	**1,452.63**	**1,488.00**
Additions during the year	1,263.90	683.29
Depreciation	(631.13)	(554.33)
Derecognition on termination of leases	(107.30)	(164.33)
Closing balance	**1,978.10**	**1,452.63**

ii) Movement in lease liabilities

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening balance	1,529.36	**1,555.33**
Additions during the year	1,272.73	681.94
Interest on lease liabilities	219.97	179.55
Rent payments	(779.72)	(680.80)
Derecognition on termination of leases	(129.02)	(206.66)
Closing balance	**2,113.32**	**1,529.36**

iii) Amounts recognised in statement of profit and loss

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Rent expense on short term leases	52.86	40.77
Interest on lease liabilities	219.97	179.55
Depreciation on Right of use asset	631.13	554.33
Gain recognised on derecognition of leases	(21.73)	(42.32)
Rent concession related to COVID-19	-	(19.08)

iv) Future lease commitments

Particulars	As at March 31, 2022	As at March 31, 2021
Future undiscounted lease payments to which leases is not yet commenced	41.14	88.28

v) Cash flows

Particulars	As at March 31, 2022	Year ended March 31, 2021
Total cash outflow for leases	832.58	721.57

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vi) Maturity analysis of undiscounted lease liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Not later than one year	805.60	608.44
Later than one year and not later than five years	1,554.89	1,156.01
Later than five years	191.88	128.13

Lease liabilities are recognised at weighted average incremental borrowing rate ranging from 8.50% to 12.50%

39 Earnings per share

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit after tax	45,354.45	35,899.44
Weighted Average Number of Equity Shares in calculation of basic earnings per share	28,18,98,756	25,61,81,767
Dilution on account of ESOP and partly-paid up shares	30,29,537	76,67,340
Weighted Average Number of Equity Shares in calculation of diluted earnings per share	28,49,28,293	26,38,49,107
Basic earnings per share	16.09	14.01
Diluted earnings per share	15.92	13.61

During the year ended March 31, 2022, the Board of Directors of the Company in its meeting held on September 8, 2021 and shareholders in the Extraordinary General Meeting held on October 8, 2021 approved the sub-division of shares from ₹ 10 per share to ₹ 1 per share. The number of shares used for the calculation of earnings per share, and the earnings per share in the above note (including that in the comparative periods), have been adjusted for pursuant to Paragraph 64 of Ind AS 33 - "Earnings Per Share", prescribed under Section 133 of the Companies Act, 2013.

40 Segment Information

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chairman and Managing Director ('MD') to make decisions about resources to be allocated to the segments and assess their performance. The MD is considered to be the Chief Operating Decision Maker ('CODM') within the purview of Ind AS 108 Operating Segments.

The CODM considers the entire business of the Company on a holistic basis to make operating decisions and thus there are no segregated operating segments. The Company is primarily engaged in providing loans for business purposes, house renovation / extension purposes and other mortgage purposes. The CODM of the Company reviews the operating results of the Company as a whole and therefore not more than one reportable segment is required to be disclosed by the Company as envisaged by Ind AS 108 Operating Segments. Accordingly, amounts appearing in these financial statements relates to small business loans and loans for house renovations / extensions etc.

The Company does not have any separate geographic segment other than India. As such there are no separate reportable segments as per Ind AS 108 Operating Segments.

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41 Employee benefits - post employment benefit plans

A Defined contribution plans

The Company makes provident fund and employee state insurance scheme contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised INR 889.79 lakhs (year ended March 31, 2021 - INR 672.19 lakhs) for provident fund contributions, and INR 245.20 lakhs (year ended March 31, 2021 - INR 204.48 lakhs) for employee state insurance scheme contributions in the statement of profit and loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

B Defined benefit plans

Gratuity

The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age/ resignation date.

The defined benefit plans expose the Company to risks such as Actuarial risk, Investment risk, Liquidity risk, Market risk, Legislative risk. These are discussed as follows:

Actuarial risk: It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse salary growth experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption then the gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption then the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

Investment risk: For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Liquidity risk: Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cash flows.

Market risk: Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in defined benefit obligation of the plan benefits and vice versa. This assumption depends on the yields on the government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Legislative risk: Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act, 1972, thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the defined benefit obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Funding

The Company has funded their gratuity liability with Life Insurance Corporation. Gratuity provision has been made based on the actuarial valuation.

Reconciliation of net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit asset (liability) and its components.

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of obligations	1,246.93	811.61
Fair value of plan assets	(907.29)	(556.83)
Asset/ (Liability) recognised in the balance sheet	**(339.64)**	**(254.78)**

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B Defined benefit plans

Reconciliation of present value of defined benefit obligation	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	811.61	501.04
Benefits paid	(39.47)	(20.91)
Current service cost	253.35	195.97
Interest cost	43.24	28.50
Actuarial (gain)/loss recognized in other comprehensive income		
changes in demographic assumptions	-	-
changes in financial assumptions	(24.43)	14.74
experience adjustments	202.63	92.27
Balance at the end of the year	**1,246.93**	**811.61**
Expense recognized in profit or loss		
Current service cost	253.35	195.97
Net Interest cost	4.50	5.66
	257.85	**201.63**
Remeasurements recognized in other comprehensive income		
Actuarial (gain) loss on defined benefit obligation	178.21	107.01
Return on plan assets excluding interest income	(6.58)	(1.74)
	171.63	**105.27**
Changes in the fair value of plan assets		
Fair value of plan assets as at the beginning of the year	556.83	253.94
Expected return on plan assets	38.73	22.84
Contributions	344.62	299.22
Direct Contributions towards direct benefit payments	-	-
Benefits paid and Charges deducted from the fund	(39.47)	(20.91)
Direct Benefit Payments	-	-
Actuarial gain/(loss) on plan assets	6.58	1.74
Fair value of plan assets as at the end of the year	**907.29**	**556.83**
Net defined benefit (asset) liability	**339.64**	**254.78**
Actuarial assumptions		
Discount rate	5.85%	5.46%
Future salary growth	15.00%	15.00%
Attrition rate	25.00%	25.00%

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Discount rate		
-1% increase	(58.71)	(40.84)
-1% decrease	64.51	45.01
Attrition rate		
-1% increase	30.14	23.26
-1% decrease	(32.52)	(25.12)
Future salary growth		
-1% increase	(60.29)	(41.65)
-1% decrease	56.64	38.92

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown





Five-Star Business Finance Limited
Notes forming part of the financial statements for the year ended March 31, 2022
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

Additional Disclosures required under Ind AS 19

Particulars	As at March 31, 2022	As at March 31, 2021
Average Duration of Defined Benefit Obligations (in Years)	5.70	6.05
Projected undiscounted expected benefit outgo (mid year cash flows) (in lakhs)		
Year 1	149.42	80.33
Year 2	182.02	97.90
Year 3	198.28	115.37
Year 4	172.51	129.71
Year 5	156.24	108.69
Next 5 Years	507.39	340.89
Expected benefit payments for the next annual reporting year (in lakhs)	149.42	80.33

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42 Share Based Payments

A Description of schemes

The decision to introduce Five-Star Associate Stock Option Scheme, 2015 (hereinafter called "FIVE-STAR ASOP, 2015") was taken by the Board of Directors at the meeting held on September 18, 2015 and was approved by the shareholders of the Company at the Extra Ordinary General Meeting held on April 12, 2016. The total options issuable under the plan are upto 5,63,000 options.

Later, the Board of Directors issued another scheme, named Five-Star Associate Stock Option Scheme, 2018 (hereinafter called "FIVE-STAR ASOP, 2018") at their meeting held on February 28, 2018 and was approved by the shareholders of the Company at the Extra Ordinary General Meeting held on March 26, 2018. The total options issuable under the plan are upto 5,00,000 options.
Nomination and Remuneration Committee constituted by the Board of Directors of the Company administers the plans. Under these plans, the participants are granted options which vest as per the schedule provided in the Grant Letter given to each of the participants. The time period for exercise of these options is defined in the Scheme document.

i Reconciliation of outstanding share options

	As at March 31, 2022		As at March 31, 2021	
	Weighted average exercise price per option	Number of options	Weighted average exercise price per option	Number of options
Outstanding at beginning of year	56.99	4,69,300	121.63	1,60,150
Addition in number of options on account of share split*	-	42,23,700	-	-
Forfeited during the year	114.96	2,04,000	-	-
Exercised during the year	44.53	17,18,000	46.31	62,850
Granted during the year	76.12	11,37,000	674.40	3,72,000
Outstanding as at end of year	65.01	39,08,000	569.88	4,69,300
Exercisable at March 31	**67.44**	**2,000**	**130.00**	**48,000**

The weighted average share price at the date of exercise of options exercised during the year ended ended March 31, 2022 is INR 375.49 per share (March 31, 2021 : INR 150.12 per share)

During the year ended March 31, 2022, the Board of Directors of the Company in its meeting held on September 8, 2021 and shareholders in the Extraordinary General Meeting held on October 8, 2021 approved the sub-division of shares from ₹ 10 per share to ₹ 1 per share. Also refer note:39

For the options outstanding at the end of the year:

	As at March 31, 2022	As at March 31, 2021
Weighted average remaining contractual life (in years)	6.63	6.61
Range of exercise prices (INR)	1 - 236.44	10 - 674.40

ii Expense recognised in the statement of profit and loss

	As at March 31, 2022	As at March 31, 2021
Total expense	3,544.18	1,509.39

iii Measurement of fair values

The fair value of options have been estimated on the dates of each grant using the Black Scholes model. As the Company is unlisted, the expected price volatility is based on historical volatility (based on the remaining life of the options) in share prices of a listed proxy. The various inputs considered in the pricing model for the stock options granted by the Company during the year are as follows:

	As at March 31, 2022	Year ended March 31, 2021
Share price on Grant date (INR)	351.80 - 385.49	1,466.24 - 2,187.24
Weighted average share price (INR)	351.80 - 385.49	1,466.24 - 2,187.24
Exercise price (INR)	1 - 236.44	674.4
Fair value of options at grant date (INR)	212.56 - 384.82	932.13 - 1,755.59
Expected volatility	37.67% - 47.78%	34.42% - 38.28%
Option term	3.54 - 7.54 years	3.54 - 7.54 years
Expected dividends	Nil	Nil
Risk free interest rate	5.30% - 5.40%	5.30% - 5.40%

#The above disclosure for March 31, 2022 is after considering the subdivision of shares from ₹ 10 per share to ₹ 1 per share. Also Refer note 39.

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43 Related party disclosures

a Name of the related parties and nature of relationship:

Key Management Personnel :
D. Lakshmipathy, Chairman and Managing Director
K.Rangarajan, Chief Executive Officer
G. Srikanth, Chief Financial Officer upto May 31, 2021; Chief - Strategy and Finance from June 1, 2021 to March 19, 2022 and Chief Financial Officer from March 20, 2022
Roopa Sampath Kumar, Chief Financial Officer (from June 1, 2021 to March 19 2022)
B. Shalini, Company Secretary

Director and relative of Key Management Personnel / Director
Hema Lakshmipathy, wife of Lakshmipathy Deenadayalan
Shritha Lakshmipathy, Daughter of Lakshmipathy Deenadayalan
Bhama Krishnamurthy, Independent Director
B. Haribabu, Independent Director (upto October 20, 2021)
A. Ramanathan, Independent Director
L.R. Ravi Prasad, Non-executive Director (upto October 20, 2021)
T.T. Srinivasaraghavan, Independent Director (from August 25, 2021)
V. Thirulokchand, Non-executive Director
R Anand, Independent Director
Vikram Vaidyanathan, Non-Executive Director
G V Ravishankar, Non-Executive Director

Entities with Significant Influence over the Company
TPG Asia VII SF Pte. Ltd.
Matrix Partners India Investment Holding II LLC
SCI Investments V

b Key management personnel (KMP) compensation

	Year ended March 31, 2022	Year ended March 31, 2021
Short-term employee benefits		
D. Lakshmipathy	631.66	501.93
K.Rangarajan	235.60	192.15
G.Srikanth	135.08	111.90
Roopa Sampath Kumar	96.10	-
B.Shalini	11.32	8.16
Post employment benefits		
D. Lakshmipathy	0.22	0.22
K.Rangarajan	0.22	0.22
G.Srikanth	0.22	0.22
Roopa Sampath Kumar	0.20	-
B.Shalini	0.22	0.22
Share based payments		
K.Rangarajan	2,332.49	969.57
G.Srikanth	624.12	328.32
B.Shalini	14.72	-
Directors sitting fees		
R Anand	9.80	6.15
Bhama Krishnamurthy	9.40	6.15
B. Haribabu	4.60	4.95
A. Ramanathan	9.40	5.55
L.R Ravi Prasad	4.60	4.45
V. Thirulokchand	5.00	4.50
T.T. Srinivasaraghavan	4.30	-

Managerial remuneration above does not include gratuity and compensated absences, since the same are provided on actuarial basis for the company as a whole and the amount attributable to the key managerial personnel cannot be ascertained separately.

Compensation to independent and non-executive directors represent commission and sitting fees paid.

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43 Related party disclosures

c Details of related party transactions

Nature of transaction	Year ended March 31, 2022	Year ended March 31, 2021
Issue of equity shares		
D. Lakshmipathy	30.00	-
K.Rangarajan	12.51	15.64
G. Srikanth	6.53	2.95
Receipt of pending call money of partly paid up shares		
D. Lakshmipathy	137.25	-
K.Rangarajan	5.76	-
G. Srikanth	4.03	-
Receipt of securities premium		
D. Lakshmipathy	35,681.78	-
K.Rangarajan	126.66	-
G.Srikanth	72.19	-
*excludes transfer from Share Based Payment reserve to Securities Premium on exercise of employee stock options		
Personal Guarantee received for Borrowings		
D. Lakshmipathy	9,217.18	55,402.99
Balances as at Year Ended 31st March 2022:		
Employee Benefits Payable		
D. Lakshmipathy	125.96	106.75
K.Rangarajan	40.92	33.55
G.Srikanth	12.86	11.42
Director Commission Payable		
R Anand	3.60	2.78
Bhama Krishnamurthy	3.60	2.78
B. Haribabu	1.80	2.78
A. Ramanathan	3.60	2.78
L.R Ravi Prasad	1.80	2.78
V. Thirulokchand	3.60	2.78
T.T. Srinivasaraghavan	3.60	-

In addition to the above note, the Debt Securities and borrowings other than debt securities aggregating to INR 77,228.40 lakhs has been guaranteed by the promoter, Mr. D Lakshmipathy.

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44 Capital

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the regulator, Reserve Bank of India (RBI). The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

The Company has complied in full with all its externally imposed capital requirements over the reporting period.

Capital management
The primary capital management objective is to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years with regard to capital management. However, they are under constant review by the Board.

i Net Debt to Equity Ratio

Consistent with the others in industry, the company monitors the capital on the basis of gearing ratio (Net Debt divided by Equity). Under the terms of the major borrowing facilities, the company is required to maintain the gearing ratio in line with the RBI guidelines or in a slightly more conservative manner. The actual gearing stipulated differs between the various lending agreements. The company has complied with this covenant through out the year.

	As at March 31, 2022	As at March 31, 2021
Equity	3,71,035.10	2,31,817.22
Debt Securities	1,00,853.38	1,30,378.55
Borrowings other than Debt Securities	1,55,029.75	2,12,141.12
Cash and Cash equivalents	61,316.28	1,26,718.28
Net Debt	1,94,566.85	2,15,801.39
Net Debt to Equity Ratio	**0.52**	**0.93**

ii Regulatory capital

The company has to mandatorily comply with the capital adequacy requirements stipulated by Reserve Bank of India from time to time. Capital adequacy ratio or capital-to-risk weighted assets ratio (CRAR) is computed by dividing company's Tier I and Tier II capital by risk weighted assets.

	As at March 31, 2022	As at March 31, 2021
Tier I Capital	3,35,814.66	1,96,690.03
Tier II Capital	-	-
Total Capital	**3,35,814.66**	**1,96,690.03**
Total Risk Weighted Assets	4,46,586.18	3,34,165.86
Capital Ratios		
CRAR - Tier I Capital%	75.20	58.86
CRAR - Tier II Capital%	-	-
CRAR%	**75.20**	**58.86**
Amount of subordinated debt raised as Tier-II capital	-	-
Amount raised by issue of perpetual debt instruments	-	-

Tier I capital comprises of shareholders' equity and retained earnings. Tier II Capital comprises of general provision and loss reserves (12 month expected credit losses). Credit enhancement relating to securitisation transactions have been adjusted against Tier I and Tier II capital in accordance with RBI circular DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020. Tier 1 and Tier II capital have been reported on the basis of Ind AS financial statements. Risk weighted assets represents the weighted sum of company's credit exposures based on their risk as prescribed by RBI guidelines.

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45 Fair Value Measurement

Fair Value Hierarchy
This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair value disclosures are provided in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standards.

The Following methodologies and and assumptions were used to estimate the fair values of the financial assets or liabilities

i) The fair value of loans have estimated by discounting expected future cash flows using discount rate equal to the rate near to the reporting date of the comparable product

ii) The fair value of debt securities, borrowings other than debt securities and subordinated liabilities have estimated by discounting expected future cash flows discounting

iii) The fair values of Debt Securities and Borrowings other than Debt securities are estimated by discounted cash flow models that incorporate interest cost estimates considering all significant characteristics of the borrowing. They are classified as Level 3 fair values in the fair value hierarchy due to the use of unobservable inputs

iv) The fair value of investment in Government securities are derived from rate equal to the rate near to the reporting date of the comparable product.

v) The fair value of Derivatives are determined using inputs that are directly or indirectly observable in market place.

Fair Value of financial instruments recognised and measured at fair value

Particulars	Level 1	Level 2	Level 3	Total
As at March 31, 2022				
Financial liabilities:				
Derivative Financial Instruments	-	138.92	-	**138.92**

For all the Company's assets and liabilities which are not carried at fair value, disclosure of fair value is not required as the carrying amounts approximates the fair value, except as stated below. Such estimation is determined based on inputs where one or more unobservable input is significant to the measurement of the instrument as a whole (level 3), except for cash and cash equivalents, bank balances other than cash and cash equivalents and investments where such estimation is determined based on unadjusted quoted prices from active markets for identical assets (level 1). The fair value of investment, Loans, debt securities and borrowings other than debt securities for FY 22 amounted to INR 24,546.47 lakhs, INR 5,17,539.33 lakhs, INR 1,06,291.77 lakhs and INR 1,55,656.75 lakhs respectively.

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Fair Value of Financial Instruments Recognition

Financial instruments by category

The carrying value and fair value of financial instruments by categories as of March 31, 2022 were as follows:

Particulars	Carrying amount			
	Amortised cost	Fair value through profit or loss	Other Comprehensive Income	Total carrying value
Financial assets:				
Cash and cash equivalents	61,316.28	-	-	61,316.28
Bank balances other than cash and cash equivalents	26,677.50	-	-	26,677.50
Loans	5,10,241.07	-	-	5,10,241.07
Investments	24,818.38	-	-	24,818.38
Other financial assets	1,797.93	-	-	1,797.93
Total	**6,24,851.16**	-	-	**6,24,851.16**
Financial liabilities:				
Derivative Financial Liability	-	-	138.92	138.92
Trade payables	1,300.31	-	-	1,300.31
Debt securities	1,00,853.38	-	-	1,00,853.38
Borrowings (Other than debt securities)	1,55,029.75	-	-	1,55,029.75
Other financial liabilities	4,146.84	-	-	4,146.84
Total	2,61,330.28	-	138.92	2,61,469.20

The carrying value and fair value of financial instruments by categories as of March 31, 2021 were as follows:

Particulars	Carrying amount			
	Amortised cost	Fair value through profit or loss	Other Comprehensive Income	Total carrying value
Financial assets:				
Cash and cash equivalents	1,26,718.28	-	-	1,26,718.28
Bank balances other than cash and cash equivalents	8,853.99	-	-	8,853.99
Loans	4,35,874.94	-	-	4,35,874.94
Investments	-			
Other financial assets	474.34	-	-	474.34
Total	**5,71,921.55**	-	-	**5,71,921.55**
Financial liabilities:				
Trade payables	867.17	-	-	867.17
Debt securities	1,30,378.55	-	-	1,30,378.55
Borrowings (Other than debt securities)	2,12,141.12	-	-	2,12,141.12
Other financial liabilities	1,717.01	-	-	1,717.01
Total	3,45,103.86	-	-	3,45,103.86

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46 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.

Particulars	As at March 31, 2022			As at March 31, 2021		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	61,316.28	-	61,316.28	1,26,718.28	-	1,26,718.28
Bank balances other than cash and cash equivalents	18,173.58	8,503.92	26,677.50	3.96	8,850.03	8,853.99
Loans	88,263.49	4,21,977.58	5,10,241.07	67,216.71	3,68,658.23	4,35,874.94
Investments	10,798.06	14,020.32	24,818.38			
Other financial assets	1,525.95	271.98	1,797.93	185.68	288.66	474.34
	1,80,077.36	**4,44,773.80**	**6,24,851.16**	**1,94,124.63**	**3,77,796.92**	**5,71,921.55**
Non-financial assets						
Current tax assets (net)	-	220.07	220.07	795.79	-	795.79
Deferred tax assets (net)	-	4,666.74	4,666.74	-	3,698.94	3,698.94
Investment property	-	3.56	3.56	-	3.56	3.56
Property, plant and equipment	-	1,214.45	1,214.45	-	845.60	845.60
Right of use asset	-	1,978.10	1,978.10	-	1,452.63	1,452.63
Other intangible assets	-	88.74	88.74	-	190.30	190.30
Other non-financial assets	1,265.87	17.87	1,283.74	408.49	44.28	452.77
	1,265.87	**8,189.53**	**9,455.40**	**1,204.28**	**6,235.31**	**7,439.59**
Total assets	**1,81,343.23**	**4,52,963.33**	**6,34,306.56**	**1,95,328.91**	**3,84,032.23**	**5,79,361.14**
LIABILITIES AND EQUITY						
Financial liabilities						
Derivative financial instruments	-	138.92	138.92	-	-	-
Payables						
Trade payables						
total outstanding dues of micro and small enterprises	-	-	-	-	-	-
total outstanding dues of creditors other than micro and small enterprises	1,300.31	-	1,300.31	746.93	120.24	867.17
Debt securities	55,798.91	45,054.47	1,00,853.38	33,549.02	96,829.53	1,30,378.55
Borrowings (other than debt securities)	65,013.93	90,015.82	1,55,029.75	71,031.62	1,41,109.50	2,12,141.12
Other financial liabilities	2,700.78	1,446.06	4,146.84	679.33	1,037.68	1,717.01
	1,24,813.93	**1,36,655.27**	**2,61,469.20**	**1,06,006.89**	**2,39,096.95**	**3,45,103.86**
Non-financial liabilities						
Provisions	364.81	535.22	900.03	150.33	569.47	719.80
Other non-financial liabilities	902.23	-	902.23	1,720.27	-	1,720.27
	1,267.04	**535.22**	**1,802.26**	**1,870.61**	**569.47**	**2,440.07**
Total liabilities	**1,26,080.97**	**1,37,190.48**	**2,63,271.46**	**1,07,877.50**	**2,39,666.42**	**3,47,543.92**
Net Assets/ (Liabilities)			3,71,035.10			2,31,817.21





47 Financial risk management objectives and policies

The Company's principal financial liabilities primarily comprise of borrowings from banks, debentures and trade payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include loans, cash and cash equivalents that relate directly to its operations.

These activities exposes the Company to a variety of financial risks, as listed below apart from various operating and business risks, and the note below also explains how the Company manages such risks.

Market risk;
Credit risk; and
Liquidity risk
This note explains the sources of risks arising from financial instruments which the entity is exposed to and how the Company manages the risk.

Risk management framework

The Company's board of directors and risk management committee has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors and risk management committee along with the top management are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's risk management committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry or geographical location.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

(i) Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices which will affect the Companies income or the value of holdings of financial instruments. The company does not have exposure to currency risk and security price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

Interest rate risk

Interest rate risk primarily arises from borrowings with variable rates. The company's borrowings are carried at amortised cost. The borrowings with fixed rates are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The interest rate profile of the Company's interest bearing financial instruments is as follows:

	As at March 31, 2022	As at March 31, 2021
Fixed rate instruments		
Financial assets	6,17,804.72	5,39,562.50
Financial liabilities	1,67,758.55	2,52,382.61
	7,85,563.28	7,91,945.11
Variable rate instruments		
Financial assets	-	-
Financial liabilities	88,124.58	90,137.07
	88,124.58	90,137.07

Cash flow sensitivity analysis for variable-rate instruments:

	Profit / loss		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
March 31, 2022				
Variable-rate instruments	(1,104.79)	1,104.79	(826.74)	826.74
Cash flow sensitivity (net)	(1,104.79)	1,104.79	(826.74)	826.74
March 31, 2021				
Variable-rate instruments	(732.35)	732.35	(548.03)	548.03
Cash flow sensitivity (net)	(732.35)	732.35	(548.03)	548.03

The sensitivity analysis above has been determined for borrowings where interest rates are variable. A 100 basis points increase or decrease in interest rates is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

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47 Financial risk management objectives and policies

(ii) Credit risk

Loans and advances

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 advances and other financial assets. The carrying amount of financial assets represents the maximum credit exposure. The company has Credit policy approved by the Board of Directors, which is subject to annual review. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical concentrations, and by monitoring exposures in relation to such limits.

The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including periodical collateral revisions, as defined in the Credit policy. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

The disclosure of maximum exposure to credit risk without taking into account any collateral held or other credit enhancements has not been provided for financial assets, as their carrying amount best represent the maximum exposure to credit risk. All the loans provided are secured against mortgage of land and/or building. The fair value of the collateral is determined on the guidelines prescribed in the collateral management policy as approved by the Board of Directors.

Impairment assessment - Expected credit loss ("ECL"):
An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the loan receivables are categorised into groups based on days past due. Each group is then assessed for impairment using the Expected Credit Loss (ECL) model as per the provisions of Ind AS 109 - financial instruments. The Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies.

ECL on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probability is low. ECL is calculated based on the following components:

a. Probability of default ("PD")
b. Loss given default ("LGD")
c. Exposure at default ("EAD")
d. Discount factor ("D")

Probability of default:
PD is defined as the probability of whether borrowers will default on their obligations in the future. Historical PD is derived from the internal data which is calibrated with forward looking macroeconomic factors.

For computation of probability of default ("PD"), Vasicek Model was used to forecast the PD term structure over lifetime of loans. As per given long term PD and current macroeconomic conditions, conditional PD corresponding to current macroeconomic condition is estimated. The Company has worked out on PD based on the last six years historical data.

The PDs derived from the model, are the cumulative PDs, stating that the borrower can default in any of the given years, however to compute the loss for any given year, these cumulative PDs have to be converted to marginal PDs. Marginal PDs is probability that the obligor will default in a given year, conditional on it having survived till the end of the previous year.

As per Ind AS 109, expected loss has to be calculated as an unbiased and probability-weighted amount for multiple scenarios.
The probability of default was calculated for 3 scenarios: best , worst and base. This weightage has been decided on best practices and expert judgement. Marginal conditional probability was calculated for all 3 possible scenarios and one conditional PD was arrived as conditional weighted probability.

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47 Financial risk management objectives and policies

Staging of loans:

Definition of default and cure

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the loan has remained overdue for a period greater than 90 days.

It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when the loan becomes less than or equal to 90 days past due on its contractual obligations. Such cured loans are classified as Stage 1 or 2 depending upon the days past due after such cure has taken place.

As per Ind AS 109, Company assesses whether there is a significant increase in credit risk at the reporting date from the initial recognition. The Company considers the credit risk to be directly proportional to the delinquency status i.e. days past due of the loan under consideration. No further adjustments are made in the PD.

Days past dues status	Stage	Provisions
Current	Stage 1	12 Months ECL
1-30 Days	Stage 1	12 Months ECL
31-90 Days	Stage 2	Lifetime ECL
90+ Days	Stage 3	Lifetime ECL

Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 months ECL. However, if a Stage 1 loan that is expected to default in the 12 months from the balance sheet date and is also expected to cure and subsequently default again, then all linked default events are taken into account.

The Company determines EADs by modelling the range of possible exposure outcomes at various points in time, corresponding the multiple scenarios. The Ind AS 109 PDs are then assigned to each economic scenario based on the outcome of models.

Loss given default

The credit risk assessment is based on a standardised loss given default (LGD) assessment framework that results in a certain LGD rate. These LGD rates take into account the expected EAD in comparison to the amount expected to be recovered or realised from any collateral held.

The Company segments its retail lending products into smaller homogeneous portfolios, based on key characteristics that are relevant to the estimation of future cash flows.

Further recent data and forward-looking economic scenarios are used in order to determine the LGD rate for each of the homogeneous portfolios. When assessing forward-looking information, the expectation is based on multiple scenarios.

Under Ind AS 109, LGD rates are estimated for each of the homogeneous portfolios. The inputs for these LGD rates are estimated and, where possible, calibrated through back testing against recent recoveries. These are repeated for each economic scenario as appropriate.

Discounting:

As per Ind AS 109, ECL is computed by estimating the timing of the expected credit shortfalls associated with the defaults and discounting them using effective interest rate.

Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12 months ECL or Life-time ECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition.The Company considers the credit risk to be directly proportional to the delinquency status i.e. days past due of the loan under consideration. No further adjustments are made in the PD.

When estimating ECLs on a collective basis for a group of similar assets the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition. (Refer Note-6.1 for analysis of changes in the gross carrying amount and the corresponding ECL allowances)

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47 Financial risk management objectives and policies

Grouping financial assets measured on a collective basis

The Company calculates ECL on a collective basis for all asset classes.
The Company combines these exposure into smaller homogeneous portfolios, based on the characteristics of the loans, as described below:

Geographic location
Loan Type (Till March 31, 2021)
Ticket size

ECL computation:
Conditional ECL at DPD pool level was computed with the following method:
Conditional ECL for year (yt) = EAD (yt) * conditional PD (yt) * LGD (yt) * discount factor (yt)
The Company measures ECL as the product of PD , LGD and EAD estimates for its Ind AS 109 specified financial assets.
The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Proportion of expected credit loss provided for across the stage is summarised below:

	Provisions	As at March 31, 2022	As at March 31, 2021
Stage 1	12 month provision	0.34%	0.33%
Stage 2	Life time provision	8.77%	13.04%
Stage 3	Life time provision	34.89%	17.96%

The loss rates are based on actual credit loss experience over past years. These loss rates are then adjusted appropriately to reflect differences between current and historical economic conditions and the Company's view of economic conditions over the expected lives of the loan receivables.

47 Financial risk management objectives and policies

Analysis of credit concentration risks
The Company's concentrations of risk are managed by counterparty and geography. The maximum credit exposure to any individual client or counterparty as of March 31, 2022 was INR 79.78 Lakhs (March 31, 2021: INR 63.30 Lakhs).

The following table shows the risk concentration of loan portfolio by geography.

Geography	As at March 31, 2022	As at March 31, 2021
Tamil Nadu	1,93,981.67	1,82,290.54
Karnataka	36,807.78	32,192.50
Andhra Pradesh	1,48,432.90	1,25,096.37
Telangana	97,344.41	81,678.27
Others	30,141.01	23,280.41
	5,06,707.77	**4,44,538.09**

Note: The above risk concentration of loan portfolio excludes Inter-Corporate Deposits amounting to Rs. 13,821.88 lakhs as at March 31, 2022.

Cash and bank balances
The Company held cash and cash equivalents with credit worthy banks and financial institutions as at the reporting dates which has been measured on the 12-month expected loss basis. The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good with low credit risk.

Investments
Investments comprises of mutual funds and government securities in accordance with the investment policy. Govenment securitites have sovereign rating and mutual fund investments are made with counterparties with low credit risk. The credit worthiness is of these counterparties are evaluated on an ongoing basis .

Other Financial Assets
Other financial assets is primarily constituted by security deposits and other receivables. The Company does not expect any losses from non-performance by these counter-parties.

(iii) Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company is bound to comply with the Asset Liability Management guidelines issued by Reserve Bank of India. The company has Asset Liability Management policy approved by the board and has constituted Asset Liability Committee to oversee the liquidity risk management function of the company. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's principal sources of liquidity are borrowings, cash and cash equivalents and the cash flow that is generated from operations.

The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

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47 Financial risk management objectives and policies

Exposure to liquidity risk

The table below provides details regarding the contractual maturities of financial liabilities and assets including interest as at March 31, 2022:

	Carrying amount	Less than 1 year	1-2 years	2-5 years	More than 5 years
Financial Liabilities					
Derivative Financial Instruments	138.92	-	-	138.92	-
Debt Securities	1,00,853.38	61,573.88	45,065.78	3,908.41	-
Borrowings (Other than Debt Securities)	1,55,029.75	76,292.31	54,564.04	46,375.35	-
Trade Payable	1,300.31	1,300.31	-	-	-
Other financial liabilities	4,146.84	2,839.11	695.67	859.14	191.01
Total (B)	**2,61,469.20**	**1,42,005.61**	**1,00,325.49**	**51,281.82**	**191.01**
Financial Assets					
Cash and cash equivalents	61,316.28	61,316.28	-	-	-
Bank Balances other than cash and cash equivalents	26,677.50	18,434.26	1,168.81	8,417.12	-
Loans	5,10,241.07	2,03,659.57	1,79,905.76	4,09,452.74	77,544.53
Investments	24,818.38	11,169.15	4,344.75	10,938.88	-
Other Financial assets	1,797.93	1,525.95	52.01	188.12	31.85
Total (A)	**6,24,851.16**	**2,96,105.21**	**1,85,471.33**	**4,28,996.86**	**77,576.38**

The table below provides details regarding the contractual maturities of financial liabilities and assets including interest as at March 31, 2021:

	Carrying amount	Less than 1 year	1-2 years	2-5 years	More than 5 years
Financial Liabilities					
Derivative Financial Instruments	-	-	-	-	-
Debt Securities	1,30,378.55	33,549.02	52,973.11	43,481.42	375.00
Borrowings (Other than Debt Securities)	2,12,141.12	71,031.62	62,064.87	79,044.63	-
Trade Payable	867.17	746.93	50.05	70.19	-
Other financial liabilities	1,717.01	679.32	380.09	554.06	103.54
Total (B)	**3,45,103.85**	**1,06,006.88**	**1,15,468.12**	**1,23,150.30**	**478.54**
Financial Assets					
Cash and cash equivalents	1,26,718.28	1,26,718.28	-	-	-
Bank Balances other than cash and cash equivalents	8,853.99	3.96	787.51	5,838.73	2,223.79
Loans	4,35,874.94	67,216.71	66,958.54	2,28,710.05	72,989.64
Invesments	-	-	-	-	-
Other Financial assets	474.34	185.68	98.41	157.30	32.95
Total (A)	**5,71,921.55**	**1,94,124.63**	**67,844.46**	**2,34,706.08**	**75,246.38**

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47 (iv) Foreign Currency Risk

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

The Company holds a derivative financial instrument of Cross currency swap to mitigate risk of changes in exchange rate in foreign currency

The Counterparty for the contract is a bank. Derivatives are fair valued using inputs that are directly or indirectly observable in market place.

Disclosure of Effects of Hedge Accounting

Cash Flow Hedge

Impact of hedging instrument on balance sheet is, as follows:

As on 31st March 2022

Foreign Exchange Risk on Cash Flow Hedge	No of Contracts		Nominal Value of Hedging Instrument (In Lakhs)	Carrying Value (In Lakhs)	Maturity Date	Changes in Fair Value of Hedging Instrument (in Lakhs)	Changes in Value of Hedged Item used as a Basis for recognising hedge effectiveness(in Lakhs)	Line Item in Balance Sheet
	Asset	Liability	Liability	Liability				
Cross Currency Interest Rate Swap	-	1	7,591.00	138.92	March 30, 2022 to December 27, 2026	138.92	12.00	Borrowings

Cash Flow Hedge	Change in the Value of hedging Instrument recognized in Other Comprehensive Income	Ineffectiveness recognised in Profit and Loss (in lakhs)	Amount reclassified from Cash Flow hedge reserve to Profit or Loss	Line item affected in statement of Profit and Loss because of the reclassification
Foreign Exchange risk and exchange rate risk	(126.92)	-	-	NA

As on 31st March 2021

Foreign Exchange Risk on Cash Flow Hedge	No of Contracts		Nominal Value of Hedging Instrument (In Lakhs)	Carrying Value (In Lakhs)	Maturity Date	Changes in Fair Value of Hedging Instrument (in Lakhs)	Changes in Value of Hedged Item used as a Basis for recognising hedge effectiveness(in Lakhs)	Line Item in Balance Sheet
	Asset	Liability	Liability	Liability				
Cross Currency Interest Rate Swap	-	-	-	-	-	-	-	NA

Cash Flow Hedge	Change in the Value of hedging Instrument recognized in Other Comprehensive Income	Ineffectiveness recognised in Profit and Loss (in lakhs)	Amount reclassified from Cash Flow hedge reserve to Profit or Loss	Line item affected in statement of Profit and Loss because of the reclassification
Foreign Exchange risk and exchange rate risk	-	-	-	NA

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48 Disclosures required as per RBI Circulars/Directives

A Schedule to the Balance Sheet of a Non-Banking Financial Company as required under Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

Particulars	As at March 31, 2022		As at March 31, 2021	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
Liabilities side				
1 Loans and Advances availed by the non-banking financial company, inclusive of interest accrued thereon but not paid				
a. Debentures				
i. Secured	1,01,293.58	-	1,31,290.80	-
ii. Unsecured				
b. Deferred Credits	-	-	-	-
c. Term Loans*	1,47,586.10	-	2,13,310.11	-
d. Inter-corporate loans and borrowings	-	-	-	-
e. Commercial Paper	-	-	-	-
f. Public Deposits				
g. Other loans				
Loans repayable on demand (secured) - From Banks	765.61	-	196.60	-
Loans from related parties (unsecured)	-	-	-	-
Term loans from others parties (unsecured)	7,584.45	-	-	-
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 party secured debentures i.e debentures where there is	-	-	-	-
c Other public deposits	-	-	-	-

* includes borrowings under securitisation

Particulars	Amount Outstanding as on March 31, 2022	Amount Outstanding as on March 31, 2021
Assets side		
3 Break-up of Loans and Advances, including Bills Receivables		
a. Secured (net of impairment loss allowance)	4,96,419.19	4,35,874.94
b. Unsecured	13,821.88	-
4 Break up of Leased Assets and Stock on Hire and Other Assets counting towards AFC activities		
(i) Leased assets including lease rentals under Receivables		
a. Financial lease	-	-
b. Operating lease	-	-
(ii) Stock on hire including hire charges under Receivables		
a. Assets on hire	-	-
b. Repossessed assets	-	-
(iii) Other loans counting towards AFC activities		
a. Loans where assets have been repossessed (net)	-	-
b. Loans other than (i) above	-	-
5 Break-up of Investments		
a Current Investments		
1 Quoted		
i. Shares		
a. Equity	-	-
b. Preference	-	-
ii. Debentures and Bonds	-	-
iii. Units of Mutual Funds	-	-
iv. Government Securities*	10,797.68	-
v. Others	-	-
2 Unquoted		
i. Shares		
a Equity	-	-
b Preference	-	-
ii. Debentures and Bonds	-	-
iv. Government Securities	-	-
v. Others	-	-

* Includes investments in Treasury Bills, Government of India STRIPS and Fixed Rate Bonds.

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48 Disclosures required as per RBI Circulars/Directives

A Schedule to the Balance Sheet of a Non-Banking Financial Company as required under Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

Particulars	Amount Outstanding as on March 31, 2022	Amount Outstanding as on March 31, 2021
b. Long-term Investments		
1 Quoted		
i. Shares		
a Equity	-	-
b Preference	-	-
ii. Debentures and Bonds	-	-
iii. Units of Mutual Funds	-	-
iv. Government Securities*	14,020.70	-
v. Others	-	-
2 Unquoted		
i. Shares		
1 Equity	-	-
2 Preference	-	-
ii. Debentures and Bonds	-	-
iii. Units of Mutual Funds	-	-
iv. Government Securities	-	-
v. Others	-	-

* Includes investments in Treasury Bills, Government of India STRIPS and Fixed Rate Bonds.

6 Borrower group-wise classification of assets financed in 3 and 4 above

Category	Amount [Net of Provisions]			
	As at March 31, 2022		As at March 31, 2021	
	Total	Secured	Total	Secured
a. Related Parties				
i. Subsidiaries	-	-	-	-
ii. Companies in the same group	-	-	-	-
iii. Other Related Parties	-	-	-	-
b. Other than Related Parties	5,10,241.07	4,96,419.19	4,35,874.94	4,35,874.94
Total	**5,10,241.07**	**4,96,419.19**	**4,35,874.94**	**4,35,874.94**

7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

Category	As at March 31, 2022		As at March 31, 2021	
	Market value / breakup or Fair value or NAV	Book Value (Net of Provisions)	Market value / breakup or Fair value or NAV	Book Value (Net of Provisions)
a. Related Parties				
i. Subsidiaries	-	-	-	-
ii. Companies in the same group	-	-	-	-
iii. Other Related Parties	-	-	-	-
b. Other than Related Parties	24,546.47	24,818.38	-	-
Total	**24,546.47**	**24,818.38**	-	-

8 Other Information

Particulars	As at March 31, 2022	As at March 31, 2021
a. Gross Non-Performing Assets (stage 3 assets)		
i. Related Parties	-	-
ii. Other than Related Parties	5,304.99	4,519.37
b. Net Non-Performing Assets (stage 3 assets)		
i. Related Parties	-	-
ii. Other than Related Parties	3,454.04	3,707.53
c. Assets acquired in satisfaction of debt	-	-

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48 Disclosures required as per RBI Circulars/Directives

Disclosure pursuant to Reserve Bank of India Master Direction DNBR.PD.008/03.10.119/2016-17 dated September 01, 2016

B Derivatives (Forward rate agreement / interest rate swap)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Notional Principal of Swap Accounts	7,591.00	-
(ii) Losses which would be incurred of counter parties failed to fulfill their obligations under the agreement	-	-
(iii) Collateral required by the applicable NBFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from Swaps	-	-
(v) The fair value of the swap Book	138.92	-

-The Company has hedged its foreign currency borrowings through cross currency swaps. For Accounting Policy & Risk Management Policy. (Refer note no. 3.22 and 47(iv))

Exchange traded interest rate derivatives
The Company has not traded in exchange traded interest rate derivative during the current and previous year.

Disclosures on risk exposure in derivatives

Qualitative Disclosure
Details for qualitative disclosure are part of accounting policy as per financial statements. (refer note no. 3.22)

Quantitative Disclosure

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Derivatives (notional principal amount) for hedging	7,591.00	-
(ii) Marked to market positions	-	-
(a) Asset	-	-
(a) Liability	138.92	-
(iii) Credit Exposure	-	-
(iv) Unhedged Exposures	-	-

C Investments

Particulars	As at March 31, 2022	As at March 31, 2021
1 Value of Investments		
i Gross value of investments		
a In India	24,818.38	-
b Outside India	-	-
ii Provision for depreciation		
a In India	-	-
b Outside India	-	-
iii Net value of investments		
a In India	24,818.38	-
b Outside India	-	-
2 Movement of provisions held towards depreciation on investments		
i Opening balance	-	-
ii Add : Provisions made during the year	-	-
iii Less : Write-off / write-back of excess provisions during the year	-	-
iv Closing balance	-	-

D Exposure to Real Estate Sector

Particulars	As at March 31, 2022	As at March 31, 2021
1 **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	5,06,598.53	4,44,380.60
ii. Commercial Real Estate Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.).	109.24	157.49
iii. Investments in Mortgage Backed Securities (MBS) and other securitised exposures		
a. Residential	-	-
b. Commercial Real Estate	-	-
Total exposure to Real Estate sector (gross)	**5,06,707.77**	**4,44,538.09**

*Represents gross carrying amount as at the reporting date which are secured by underlying mortgaged properties.

Note: The above exposure excludes Inter-Corporate Deposits amounting to INR. 13,821.88 lakhs as at March 31, 2022.

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E Customer Complaints

Particulars	As at March 31, 2022	As at March 31, 2021
No. of complaints pending at the beginning of the year	-	-
No. of complaints received during the year	83	31
No. of complaints redressed during the year	82	31
No. of complaints pending at the end of the year	1	-

F Exposure to Capital Market

The Company does not have any exposure to capital market and hence this disclosure is not applicable.

G Concentration of Advances

Particulars	As at March 31, 2022	As at March 31, 2021
Total Advances to twenty largest borrowers	899.70	917.00
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	0.14%	0.17%

-The above exposure denotes gross carrying amount

Note: The above concentration of advances excludes Inter-Corporate Deposits amounting to INR 13,821.88 lakhs as at March 31, 2022.

48 Disclosures required as per RBI Circulars/Directives

Disclosure pursuant to Reserve Bank of India Master Direction DNBR.PD.008/03.10.119/2016-17 dated September 01, 2016

H Concentration of exposures

Particulars	As at March 31, 2022	As at March 31, 2021
Total exposure to twenty largest borrowers	707.15	803.12
Percentage of exposures to twenty largest borrowers to Total exposure of the NBFC	0.14%	0.18%

-The above exposure denotes gross carrying amount

Note: The above concentration of exposure excludes Inter-Corporate Deposits amounting to Rs. 13,821.88 lakhs as at March 31, 2022.

I Concentration of NPAs (Stage 3 assets)

Particulars	As at March 31, 2022	As at March 31, 2021
Total exposure to top four NPA accounts (Stage 3 assets)	84.72	134.52

J Ratings assigned by Credit Rating Agencies

The Credit Analysis & Research Limited (CARE), CRISIL Limited (CRISIL) and ICRA Limited (ICRA) have assigned ratings for the various facilities availed by the Company, details of which are given below:

Particulars	As at March 31, 2022	As at March 31, 2021
Commercial Paper		
- CARE	A1+	A1
Long term Bank Facilities		
- CARE	A+	A
- ICRA	A+	A
Short term bank facilities		
- CARE	A1+	A1
Non Convertible Debentures		
- CARE	A+	A
- ICRA	A+	A

K Sector-wise Gross NPAs (Stage 3 assets)

Sector	Percentage of NPAs to total advances in that sector	
	As at March 31, 2022	As at March 31, 2021
Agriculture & allied activities	-	-
MSME*	0.00%	7.78%
Corporate borrowers	-	-
Services*	1.18%	1.13%
Unsecured personal loans	-	-
Auto loans (commercial vehicles)	-	-
Other personal loans	0.82%	0.70%

* Represents small business loans given to borrowers involved in manufacturing/service sectors.
The above sector-wise NPA and advances is based on the data available with the company.

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48 Disclosures required as per RBI Circulars/Directives

Disclosure pursuant to Reserve Bank of India Master Direction DNBR.PD.008/03.10.119/2016-17 dated September 01, 2016

L Movement of NPAs (Stage 3 assets)

Particulars	As at March 31, 2022	As at March 31, 2021
Gross NPAs to Net Advances (%)	1.05%	1.02%
Net NPAs to Net Advances (%)	0.68%	0.84%
Movement of NPAs (Gross)		
(a) Opening balance	4,519.37	5,322.63
(b) Additions during the year	4,576.15	1,422.15
(c) Reductions during the year	(864.14)	(1,228.58)
(d) Write off	(2,926.39)	(996.83)
(e) Closing balance	5,304.99	4,519.37
Movement of Net NPAs		
(a) Opening balance	3,707.53	4,380.51
(b) Additions during the year	1,480.15	511.58
(c) Reductions during the year	(1,733.64)	(1,184.56)
(d) Closing balance	3,454.04	3,707.53
Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	811.84	942.12
(b) Provisions made during the year	3,095.99	910.57
(c) Write-off / write-back of excess provisions	(2,056.88)	(1,040.85)
(d) Closing balance	1,850.95	811.84

M Other Regulator - Registration details

Regulator		Registration No.
i	Ministry of Corporate Affairs	U65991TN1984PLC010844
ii	Reserve Bank of India	B-07.00286
iii.	National Housing Bank (NHB)*	05.0134.16

* Certificate of Registration has been surrendered to NHB on June 5, 2020

N Disclosure of penalties imposed by RBI and other regulators

The Company has not paid any penalty during the year ended March 31, 2022 and the year ended March 31, 2021.

O Details of Single Borrower Limit (SGL)/ Group Borrower Limit (GBL)

The Company has not exceeded the Single Borrower Limit (SGL)/ Group Borrower Limit (GBL) during the year ended March 31, 2022 and March 31, 2021

P Overseas assets (for those with joint ventures and subsidiaries abroad)

The Company does not have any joint ventures and subsidiaries abroad during the year ended March 31, 2022 and March 31, 2021 and hence this disclosure is not applicable.

Q Details of financing of parent company products

The Company does not have a parent company and hence this disclosure is not applicable.

R Details of non-performing financial assets purchased/ sold

The Company has not purchased any non-performing assets during the financial year ended March 31, 2022 and March 31, 2021.

S Details of unsecured advances

The Company has unsecured Intercorporate deposits amounting to Rs.13,281.88 lakhs as at March 31, 2022 (March 31, 2021 - Rs. Nil).
The company has not financed any unsecured advances against intangible securities such as rights, licenses, authority etc. as collateral security.

T Off-Balance Sheet SPVs sponsored

The Company does not have Off-Balance Sheet SPVs sponsored, which are required to be consolidated as per the accounting norms, during the financial year ended March 31, 2022 and March 31, 2021.

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48 Disclosures required as per RBI Circulars/Directives

Disclosure pursuant to Reserve Bank of India Master Direction DNBR.PD.008/03.10.119/2016-17 dated September 01, 2016

U Remuneration to non-executive directors

The Company has incurred commission of INR 24 Lakhs and sitting fee of INR 47.10 lakhs during the year ended March 31, 2022 (March 31, 2021: Commission - INR 18 lakhs, sitting fee - INR 13.75 lakhs)

V Draw down from reserves

The Company has not made any draw down from reserves during the year ended March 31, 2022 except for utilisation of securities premium towards share issue expenses in accordance with Section 52 of Companies Act 2013 (refer note 22 (iii)).

The Company has not made any draw down from reserves during the year ended March 31, 2021.

W Provisions and Contingencies

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Category-wise Break up of 'Provisions and Contingencies' shown in the Statement of Profit and Loss (including Other Comprehensive Income)		
Provisions for depreciation on investment	-	-
Provision towards non-performing assets*	3,965.50	866.56
Provision made towards income tax	15,959.12	12,594.12
Provision for compensated absences	512.07	399.18
Provision for gratuity	429.48	306.90
Provision for standard assets #	586.31	2,651.01

* Represents impairment loss allowance on stage 3 assets - Includes write-off of INR 2,929.39 lakhs (March 31, 2020 - INR 996.83 lakhs)
# Represents impairment loss allowance on stage 1 and stage 2 assets.

X Gold Loan Portfolio

The Company has not provided loan against gold during the year ended March 31, 2022 and March 31, 2021.

Y Related Party Transaction

Details of all material transactions with related parties are disclosed in Note 43

Z 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.

AA Revenue Recognition

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

AB Ind As 110 – Consolidated Financial Statements (CFS)

The Company does not have any Subsidiary, Associate or Joint venture and hence is not required to prepare Consolidated financial statement.

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48 Disclosures required as per RBI Circulars/Directives

AC Public disclosure on Liquidity Risk

(i) Funding Concentration based on significant counterparty (borrowings)

S. No.	No. of Significant Counterparties	Amount (In lakhs)	% of Total Liabilities
1	22	1,74,294.98	66.20%

(ii) Top 20 large deposits (amount in Rs. and % of total deposits)

Not Applicable

(iii) Top 10 borrowings (amount in Rs. and % of total borrowings)

S. No.	Name of the Facility	Amount (In lakhs)	% of Total Borrowings
1	Total of top 10 borrowings	1,05,879.20	41.38%

(iv) Funding Concentration based on significant instrument/product

S. No.	Name of the Instrument/Product	Amount (In lakhs.)	% of Total Liabilities
1	Non-Convertible Debentures	1,00,853.38	38.31%
2	Term Loan	97,386.21	36.99%
3	Securitisation	49,414.81	18.77%
4	External commercial borrowings	7,471.01	2.84%

(iv) Stock Ratios

S. No.	Name of the Instrument/Product	Percentage
1	Commercial papers as a % of total public funds, total liabilities and total assets	-
2	Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets	-
3	Other short-term liabilities, if any as a % of total public funds	48.78%
4	Other short-term liabilities, if any as a % of total liabilities	47.41%
5	Other short-term liabilities, if any as a % of total assets	19.85%

Definitions:

"Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the total liabilities.

"significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the total liabilities.

Public funds includes funds raised either directly or indirectly through public deposits, inter-corporate deposits, bank finance and all funds received from outside sources such as funds raised by issue of Commercial Papers, debentures etc. but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding 5 years from the date of issue.

Total assets represents total assets as per the Balance Sheet netted off by intangible assets.

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48 Disclosures required as per RBI Circulars/Directives

Disclosure pursuant to Reserve Bank of India Master Direction DNBR.PD.008/03.10.119/2016-17 dated September 01, 2016

AD Asset Liability Management - Maturity pattern of certain items of assets and liabilities

As at March 31, 2022

Particulars	1-7 Days	8-14 Days	15-31 Days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5	Total
Advances*	6,642.26	2,106.79	3,667.47	5,860.48	5,954.30	19,702.43	44,329.75	1,80,577.27	1,77,341.70	65,944.76	5,12,127.23
Investments	-	-	16.41	16.41	6,083.33	2,573.92	2,107.99	14,020.33	-	-	24,818.38
Borrowings	1,373.05	527.25	4,100.33	7,925.19	10,573.91	36,651.99	59,655.67	1,18,866.94	9,970.96	-	2,49,645.29
Foreign Currency Liabilities	-	-	-	-	-	5.45	-	1,515.80	6,063.20	-	7,584.45

*The above advances excludes Inter-Corporate Deposits amounting to INR 13,821.88 lakhs as at March 31, 2022

As at March 31, 2021

Particulars	0-7 Days	8-15 Days	16-31 Days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5	Total
Advances	4,266.28	2,208.53	2,689.25	4,673.72	4,735.06	15,570.43	34,381.85	1,46,167.08	1,59,311.40	76,393.56	4,50,397.16
Investments	-	-	-	-	-	-	-	-	-	-	-
Borrowings	34.97	650.36	9,758.12	9,033.27	9,424.89	19,279.10	57,574.18	2,03,364.28	35,303.35	375.00	3,44,797.52
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-

* Market borrowings include borrowings from all sources other than banks.

Notes
- The balances considered are without netting of impairment loss allowance (for stage 1 and stage 2 assets) and unamortized Borrowing cost and Processing Fee

AE Disclosures in respect of fraud as per the Master Directions DNBS. PPD.01/66.15.001/2016-17, dated September 29, 2016

Particulars	Less than INR 1 Lakh				More than INR 1 Lakh less than INR 25 Lakh		Above INR 25 Lakh		Total	
	Number of Instances			Rs. in lakhs	Number of Instances	Rs. in lakhs	Number of Instances	Rs. in lakhs	Number of Instances	Rs. in lakhs
Person involved:										
Staff**	-			-	3	11.33	-	-	3	11.33
Outsiders	-			-	-	-	-	-	-	-
Total	-			-	3	11.33	-	-	3	11.33
Type of fraud:										
Cash Mishandling**	-			-	3	11.33	-	-	3	11.33
Others	-			-	-	-	-	-	-	-
Total	-			-	3	11.33	-	-	3	11.33

** The amount has been recovered fully and the above frauds have already been disclosed to the RBI, wherever applicable.

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FIVE-STAR BUSINESS FINANCE LTD. ★ CHENNAI 600 010

48 Disclosures required as per RBI Circulars/Directives

AF Disclosures Pursuant to Reserve Bank of India Guidelines on Liquidity Risk Management RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03/.10.001/2019-20 dated November 4, 2019

As per the Guidelines on Liquidity Risk Management Framework for NBFCs issued by RBI vide notification no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20, all non-deposit taking NBFCs with asset size more than INR 5000 crores are required to maintain Liquidity Coverage Ratio (LCR) from December 1, 2020, with the minimum LCR to be 30%, progressively increasing, till it reaches the required level of 100%, by December 1, 2024.

	Particulars	Quarter ended 30 June 2021		Quarter ended 30 September 2021		Quarter ended 31 December 2021		Quarter ended 31 March 2022	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
	High Quality Liquid Assets								
1	Total High Quality Liquid Assets (comprise of cash on hand and demand deposits with Scheduled Commercial Banks and Unencumbered Government Securities)	7,877.00	7,876.71	15,816.00	15,816.46	33,179.16	33,179.16	30,764.11	30,764.11
	Cash outflows								
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	-	-	-	-	-	-	-	-
4	Secured wholesale funding	13,839.99	15,915.99	9,440.00	10,856.08	13,533.46	15,563.48	13,603.97	15,644.57
5	Additional requirements, of which	-	-	-	-	-	-	-	-
	(i) Outflows related to derivative exposures an other collateral requirements	-	-	-	-	-	-	-	-
	(ii) Outflows related to loss on funding on debt products	-	-	-	-	-	-	-	-
	(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	-	-	-	-	-	-	1,870.23	2,150.77
7	Other contingent funding obligations	20,000.00	23,000.00	20,000.00	23,000.00	20,000.00	23,000.00	20,000.00	23,000.00
8	**Total cash outflows**	**33,839.99**	**38,915.99**	**29,440.00**	**33,856.08**	**33,533.46**	**38,563.48**	**35,474.22**	**40,795.34**
	Cash Inflows								
9	Secured Lending	13,880.63	10,410.55	13,975.00	10,481.33	14,637.62	10,978.22	13,009.18	11,312.33
10	Inflows from fully performing exposures	-	-	-	-	-	-	-	-
11	Other cash inflows	1,13,159.27	84,868.78	1,10,154.00	82,614.85	84,366.46	63,274.85	36,537.01	31,771.31
12	**Total cash inflows**	**1,27,039.90**	**95,279.33**	**1,24,129.00**	**93,096.17**	**99,004.08**	**74,253.07**	**49,546.20**	**43,083.64**
			Total Adjusted Value		**Total Adjusted Value**		**Total Adjusted Value**		**Total Adjusted Value**
13	**Total HQLA**		7,876.71		15,816.46		33,179.16		30,764.11
14	**Total Net cash outflows**		9,729.00		8,464.02		9,640.87		10,198.83
15	**Liquidity Coverage Ratio (%)**		81%		187%		344%		302%

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48 Disclosures required as per RBI Circulars/Directives

AF Disclosures Pursuant to Reserve Bank of India Guidelines on Liquidity Risk Management RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03/.10.001/2019-20 dated November 4, 2019

	Particulars	Quarter ended 30 June 2020		Quarter ended 30 September 2020		Quarter ended 31 December 2020		Quarter ended 31 March 2021	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
	High Quality Liquid Assets								
1	Total High Quality Liquid Assets (comprise of cash on hand and demand deposits with Scheduled Commercial Banks and Unencumbered Government securities)	45,077.52	45,077.52	47,465.99	47,465.99	36,764.77	36,764.77	15,185.85	15,185.85
	Cash outflows								
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	-	-	-	-	-	-	-	-
4	Secured wholesale funding	7,817.81	8,990.48	9,303.09	10,698.55	26,794.82	30,814.05	12,254.44	14,092.60
5	Additional requirements, of which	-	-	-	-	-	-	-	-
	(i) Outflows related to derivative exposures an other collateral requirements	-	-	-	-	-	-	-	-
	(ii) Outflows related to loss on funding on debt products	-	-	-	-	-	-	-	-
	(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	-	-	-	-	-	-	-	-
7	Other contingent funding obligations	21,783.33	25,050.83	21,383.33	24,590.83	20,983.33	24,130.83	20,366.67	23,421.67
8	**Total cash outflows**	**29,601.14**	**34,041.31**	**30,686.42**	**35,289.38**	**47,778.15**	**54,944.88**	**32,621.11**	**37,514.27**
	Cash Inflows								
9	Secured Lending	160.06	120.04	7,889.15	5,916.86	11,990.89	8,993.17	12,848.67	9,636.50
10	Inflows from fully performing exposures	-	-	-	-	-	-	-	-
11	Other cash inflows	9,077.33	6,808.00	50,807.74	38,105.80	79,479.00	59,609.25	89,469.11	67,101.83
12	**Total cash inflows**	**9,237.39**	**6,928.04**	**58,696.89**	**44,022.66**	**91,469.89**	**68,602.42**	**1,02,317.78**	**76,738.33**
			Total Adjusted Value		**Total Adjusted Value**		**Total Adjusted Value**		**Total Adjusted Value**
13	**Total HQLA**		45,077.52		47,465.99		36,764.77		15,185.85
14	**Total Net cash outflows**		27,113.27		8,822.35		13,736.22		9,378.57
15	**Liquidity Coverage Ratio (%)**		166%		538%		268%		162%

Notes:

The average weighted and unweighted amounts are calculated based on simple average of monthly observations for the quarters ended June 30, 2021, September 30, 2021 and December 31, 2021 and based on simple average of daily observations for the
1 quarter ended March 31, 2022. The weightage factor applied to compute weighted average value is constant for all the quarters.

2 Prior to introduction of LCR framework, the company used to maintain a substantial share of its liquidity in form of fixed deposits with banks and investment in mutual funds. Post the introduction of LCR framework, the Company has consciously worked towards increasing its investment in High Quality Liquid Assets (HQLA) as per the RBI guidelines.

3 Weighted values have been calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.

4 The disclosures above are based on the information and records maintained and compiled by the management and have been relied upon by the auditors.

5 RBI has mandated minimum liquidity coverage ratio (LCR) of 60% to be maintained by December 2021, which is to be gradually increased to 100% by December 2024. The Company has LCR of 302% as of March 31, 2022 as against the LCR of 60% mandated by RBI.





48 Disclosures required as per RBI Circulars/Directives

AF Disclosures Pursuant to Reserve Bank of India Guidelines on Liquidity Risk Management RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03/.10.001/2019-20 dated November 4, 2019

Qualitative information:

1 The Company has implemented the guidelines on Liquidity Risk Management Framework prescribed by the Reserve Bank of India requiring maintenance of Liquidity Coverage Ratio (LCR), which aim to ensure that an NBFC maintains an adequate level of unencumbered HQLAs that can be converted into cash to meet its liquidity needs for a 30 calendar day time horizon under a significantly severe liquidity stress scenario.

2 LCR = Stock of High-Quality Liquid Assets (HQLAs)/Total Net Cash Outflows over the next 30 calendar days

3 HQLAs comprise of cash on hand, demand deposits with Scheduled Commercial Banks and Unencumbered government securities.

4 Total net cash outflows are arrived after taking into consideration total expected cash outflows minus total expected cash inflows for the subsequent 30 calendar days. As prescribed by RBI, total net cash outflows over the next 30 days = Stressed Outflows - [Min (stressed inflows; 75% of stressed outflows)]. Total expected cash outflows (stressed outflows) are calculated by multiplying the outstanding balances of various categories or types of liabilities and off-balance sheet commitments by 115% (15% being the rate at which they are expected to run off further or be drawn down). Total expected cash inflows (stressed inflows) are calculated by multiplying the outstanding balances of various categories of contractual receivables by 75% (25% being the rate at which they are expected to under-flow).

5 The inflows included under "Secured Lending" for quarter ended June 30, 2020 and September 30, 2020 are after considering the moratorium extended to the customers. "Other cash inflows" include mutual funds and callable fixed deposits maturing within 30 days.

6 The Liquidity Risk Management framework of the Company is governed by its Liquidity Risk Management Policy and Procedures approved by the Board. The Asset Liability Management Committee (ALCO) oversees the implementation of liquidity risk management strategy of the Company and ensure adherence to the risk tolerance/limits set by the Board.

7 The Company maintains a funding profile with no undue concentration of funding sources. In order to ensure a diversified borrowing mix, concentration of borrowing through various sources is monitored. Further, the Company has prudential limits on investments in different instruments. There is no currency mismatch in the LCR. The above is periodically monitored by ALCO.





48 Disclosures required as per RBI Circulars/Directives

AG Disclosure as per format prescribed under notification RBI/2020-21/16 DOR No BP BC/3/21.04 048/2020-21 dated 6 August 2020 for the period ended 31 March 2022 (borrowers who has been provided restructuring under RBI Resolution Framework – 2.0):

Type of borrower**	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of 31st March 2022
Personal Loans	2,853.97	4.52	143.19	144.96	2,561.30
Corporate persons*	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	5,528.97	12.98	412.14	303.23	4,800.62
Total	**8,382.94**	**17.50**	**555.33**	**448.19**	**7,361.92**

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016.

** Classification of borrowers is based on the data available with the Company and has been relied upon by the auditors. Above loans are secured wholly by mortgage of property.

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48 Disclosures required as per RBI Circulars/Directives

AH Disclosure pertaining to RBI Master Direction - RBI/DOR/2021-22/85 DOR.STR.REC.53/21.04.177/2021-22 Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 dated September 24, 2021

Details of securitisation during the year Securitisation of Assets:

S.No.	Particulars	As at March 31, 2022	As at March 31, 2021
1	No of Special Purpose Vehicle's (SPV's) sponsored by the NBFC for securitisation transactions (Nos.)	11	12
2	Total amount of securitised assets as per books of the SPVs sponsored by the NBFC	49,538.39	81,815.63
3	Total amount of exposures retained by the NBFC to comply with Minimum Retention Ratio (MRR) as on the date of balance sheet		
	a) Off-balance sheet exposures		
	- First loss	-	-
	- Others	-	-
	b) On-balance sheet exposures		
	- First loss	25,426.26	32,183.21
	- Others	-	-
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	- First loss	-	-
	- Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	- First loss	-	-
	- Others (Receivables from SPV's for Assets De-recognised)	-	-
	ii) Exposure to third party securitisations		
	- First loss	-	-
	- Others		
5	Sale consideration received for securitised assets and gain or loss on account of sale of Securitisation during the year	-	78,578.96
6	Performance of facility provided (Credit Enhancement)	-	
	(a) Amount Paid		
	(b) Repayment received	-	
	(c) Outstanding Amount	25,426.26	32,183.21
7	Average default rate of portfolio*		
	(a) Loan agaisnt property	0.03%- 0.42%	0.03%-0.11%
8	Additional/top up loan given on the same underlying asset.		
	-Amount (lakhs)	3,189.86	1,772.86
	-Number	2,057.00	1,054.00
9	Investor Complaints		
	(a) Received	-	-
	(b) Outstanding	-	-

The Company had additionally consummated 2 transactions during the financial year ended March 31, 2021 under the partial credit guarantee scheme of the Government of India. The above disclosure does not include the details pertaining to these transactions. The amount payable towards such transactions as at March 2022 aggregates to Rs. 8,695.79 lakhs (As at March 31, 2021 - Rs 14,018.39 lakhs) and first loss credit enhancement towards such transactions as at March 31, 2022 is Rs. 5,621.28 lakhs (As at March 31, 2021 -Rs 5,560.81 lakhs)

*The period considered is from the date of initiation of the securitisation transactions till the period then ended .

AI Disclosure pertaining to RBI Master Direction - RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated September 24, 2021

Details of Assignments during the year

a)The Company has not transferred any loans during year ended March 31, 2022.
b)The Company has not acquired any loans (not in default) through assignment during the financial year ended March 31, 2022
c)The Company has neither acquired nor transferred any stressed loans during the year ended March 31, 2022.

The securitised loans disclosed in the above notes (i.e 48-AH) do not qualify for de-recognition under Ind-AS. Nevertheless, the information in the notes is presented to ensure compliance with the RBI disclosure requirements.

The Company has neither entered into any assignment transaction nor sold financial assets to Securitisation / Reconstruction Company for Asset Reconstruction. Hence the related disclosures are not applicable.

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AJ Disclosure pursuant to Reserve Bank of India Master Direction DNBR.PD.008/03.10.119/2016-17 dated September 01, 2016

Comparison between Ind AS 109 provisions and IRACP norms

As at 31 March 2022

Asset classification as per RBI norms	Asset Classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provision required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
Standard assets	Stage 1	4,21,696.37	1,448.46	4,20,247.91	2,003.46	(554.99)
	Stage 2	79,706.41	6,989.17	72,717.24	745.23	6,243.94
Subtotal		**5,01,402.78**	**8,437.63**	**4,92,965.15**	**2,748.69**	**5,688.95**
Non -Performing assets*						
Substandard	Stage 3	4,253.95	794.88	3,459.07	373.52	421.36
Doubtful						
Upto 1 year	Stage 3	1,051.05	1,056.07	(5.02)	171.28	884.79
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		**1,051.05**	**1,056.07**	**-5.02**	**171.28**	**884.79**
Loss assets	Stage 3	-	-	-	-	-
Subtotal for NPA		**5,305.00**	**1,850.95**	**3,454.04**	**544.80**	**1,306.15**
Total		**5,06,707.77**	**10,288.58**	**4,96,419.19**	**3,293.49**	**6,995.10**

As at 31 March 2021

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	Provision required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
Standard assets	Stage 1	3,89,595.08	1,276.53	3,88,318.55	1,558.38	(281.85)
	Stage 2	50,423.65	6,574.78	43,848.86	201.69	6,373.09
Subtotal		**4,40,018.73**	**7,851.31**	**4,32,167.41**	**1,760.07**	**6,091.24**
Non -Performing assets*						
Substandard	Stage 3	2,931.20	552.40	2,378.80	293.01	259.39
Doubtful						
Upto 1 year	Stage 3	1,588.16	259.44	1,328.72	317.63	(58.19)
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		**1,588.16**	**259.44**	**1,328.72**	**317.63**	**(58.19)**
Loss assets	Stage 3	-	-	-	-	-
Subtotal for NPA		**4,519.36**	**811.84**	**3,707.52**	**610.64**	**201.20**
Total		**4,44,538.10**	**8,663.15**	**4,35,874.94**	**2,370.71**	**6,292.44**

Note:Provision required as per IRACP norms includes provision calculated on Securitised portfolio

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

AK On November 12, 2021, the Reserve Bank of India (RBI) had issued circular no. RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22, requiring changes to and clarifying certain aspects of Income Recognition, Asset Classification and Provisioning norms (IRACP norms) pertaining to Advances. On February 15, 2022, RBI had issued circular no. RBI/2021-2022/158 DOR.STR.REC.85/21.04.248/2021-22, providing time till September 30, 2022. Accordingly, the Company will implement the updated norms under IRACP w.e.f. October 01, 2022.

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49 Analytical ratios

a) Liquidity Coverage Ratio (LCR)

As per the Guidelines on Liquidity Risk Management Framework for NBFCs issued by RBI vide notification no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20, all non-deposit taking NBFCs with asset size more than INR 5,000 crores are required to maintain Liquidity Coverage Ratio (LCR) from December 1, 2020, with the minimum LCR to be 30%, progressively increasing, till it reaches the required level of 100%, by December 1, 2024.

Particulars	High Quality Liquid Assets ("HQLA")	Net cash outflows	Current period	Previous reporting period	Variance	Reasons for variance (if above 25%)
Quarter ended March 31, 2022	3,076.41	1,019.88	302%	162%	86%	Increase on account of equity infusion during the year and deployment in HQLA assets
Quarter ended March 31, 2021	1,518.58	937.86	162%	130%	25%	

b) Capital adequacy ratios

Particulars	Tier I Capital/ Tier II Capital/ Total Capital	Risk-weighted assets	Current period	Previous reporting period	Variance	Reasons for variance (if above 25%)
As at March 31, 2022						
CRAR	33,581.47	44,658.62	75.20%	58.86%	28%	Increase on account of equity infusion during the intervening period
CRAR - Tier I Capital	33,581.47	44,658.62	75.20%	58.86%		
CRAR - Tier II Capital	-	-	-	-		
As at March 31, 2021						
CRAR	19,669.00	33,416.35	58.86%	53.94%	9%	-
CRAR - Tier I Capital	19,669.00	33,416.35	58.86%	53.94%		
CRAR - Tier II Capital	-	-	-	-		

50 Change in liabilities arising from financing activities

Particulars	Debt securities	Borrowings (other than debt securities)
As at March 31, 2020	**1,07,886.42**	**1,28,482.89**
Cash flows (net)	22,158.93	84,103.62
Others*	333.21	(445.39)
As at March 31, 2021	**1,30,378.55**	**2,12,141.12**
Cash flows (net)	(31,097.32)	(58,192.09)
Others*	1,572.14	1,080.72
As at March 31, 2022	**1,00,853.38**	**1,55,029.75**

* Others column includes the effect of interest accrued but not due, amortization of processing fees etc.

51 Impact of Covid-19 Pandemic

The COVID–19 pandemic resulted in significant volatility in financial markets and a decrease in global and India's economic activities in FY 2021 and early FY 2022. Consequent lockdowns and varying restrictions imposed by the central and various state governments had led to disruptions and dislocations of individuals and businesses. However, with the gradual lifting of the lockdown restrictions during the year, the operations of the Company have returned to normal levels of activity. The Company has been lending actively to its customers and has also implemented its restructuring package based on the Reserve Bank of India's restructuring package announced in this regard. The overall financial metrices of the Company have improved from the prior year and the Company has made adequate expected credit loss provisions on its loan in accordance with accounting principles in India and accordingly in the opinion of the Company the impact of COVID 19 on its financial metrices are no longer significantly uncertain. The Company has evaluated the impact of COVID-19 on the business and operations of the Company as at March 31, 2022 and is of the view that it does not have any material impact on the financial results of the Company on the basis of the facts and events upto the date of approval of these financial statements/results.

However, in view of the dynamic nature of the pandemic, the Company will continue to monitor future events / developments that may result in an adverse effect on the business and operations of the Company.

52 Other statutory information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
(ii) The company does not have transactions with companies struck off under Section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
(iv)The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
(v) The Company borrows funds from various Banks and financial institutions for the purpose of onward lending to end customers as per the terms of such borrowings. These transactions are part of the Company's normal lending activities, which is conducted after exercising proper due diligence including adherence to the terms of credit policies and other relevant guidelines.

Other than the nature of transactions described above.

i. No funds have been advanced or loans or invested by the Company to or in any other person(s) or entity(ies) ("intermediaries") with the understanding that the Intermediary shall lend or invest in party identified by or on behalf of the Company ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
ii. The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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(vi) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

(vii) The Company is not declared as wilful defaulter by any bank or financial institution or any other lender.

As per our report of even date
for **S.R Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per **Bharath N S**
Membership No: 210934

Place : Chennai
Date : April 27, 2022

For and on behalf of the Board of Directors of
Five-Star Business Finance Limited
CIN : U65991TN1984PLC010844

D Lakshmipathy
Chairman and Managing Director
DIN: 01723269

R Anand
Independent Director
DIN: 00243485

G Srikanth
Chief Financial Officer

K Rangarajan
Chief Executive Officer

B Shalini
Company Secretary
ACS: A51334

Place : Chennai
Date : April 27, 2022

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

6th Floor - "A" Block
Tidel Park, No. 4
Rajiv Gandhi Salai
Taramani, Chennai - 600 113, India
Tel : +91 44 6117 9000

INDEPENDENT AUDITOR'S REPORT

To the Members of Five-Star Business Finance Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Five-Star Business Finance Limited (the "Company"), which comprise the Balance sheet as at March 31 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity 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), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India 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 audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2023. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.



Key audit matters	How our audit addressed the key audit matter
Impairment of Loans based on expected credit loss model *(Refer Note 6 of the financial statements)*	
Loans to customers represent a significant portion of the total assets of the Company. The Company has loans aggregating INR 693,325.45 lakhs as at March 31, 2023. As per the expected credit loss model of the Company developed in accordance with the principles set out in Ind-AS 109 on Financial Instruments, the Company is required to estimate the probability of loss / expected loss based on past experience and future considerations. This involves a significant degree of estimation and judgement, including determination of staging of financial assets; estimation of probability of defaults, loss given defaults, exposure at defaults; and forward-looking factors, micro and macro-economic factors, in estimating the expected credit losses. Additionally, regulatory changes on asset classification due to changes pursuant to RBI Circular dated November 12, 2021 read with RBI Circular February 15, 2022, have been collectively considered by the management in the classification / staging of financial assets including additional provision as part of its Expected Credit Loss provision on loans. In view of the high degree of management's judgement involved in estimation of ECL and the overall significance of the impairment loss allowance to the financial statements, it is considered as a key audit matter.	Our audit procedures included the following: • Read and assessed the Company's accounting policies for impairment of financial assets considering the requirements of Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines. • Evaluated the management estimates by understanding the process of ECL estimation and related assumptions and tested the controls around data extraction, validation and computation. • Assessed the criteria for staging of loans based on their past due status as per the requirements of Ind AS 109. Tested a sample of performing loans to assess whether any SICR or loss indicators were present requiring them to be classified under higher stages. • Involved internal experts for testing of the ECL model and computation, including factors that affect the PD, LGD and EAD considering various forward looking, micro and macro-economic factors. • Tested assumptions used by the management in determining the overlay for macro-economic and other factors. • Assessed disclosures included in the financial statements in respect of expected credit losses.

We have determined that there are no other key audit matters to communicate in our report.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Chairman's Message, Director's Report including annexures, Management Discussion and Analysis, Business Responsibility and Sustainability Report, Corporate Governance Report, but does not include the 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 such other information is materially inconsistent with the financial statements 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.



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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (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 with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (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 our information and according to the explanations given to us:



i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 35 to the financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 6, Note 14 and Note 19 to the financial statements;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 49 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 49 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the 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 any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company;

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934
UDIN: 23210934BGYJLR8142
Place of Signature: Chennai
Date: May 9, 2023

S.R. Batliboi & Associates LLP ★ Chartered Accountants ★ Chennai

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Five-Star Business Finance Limited (the "Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

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

(i)(a)(B) The Company has maintained proper records showing full particulars of intangibles assets.

(i) (b) All Property, Plant and Equipment were physically verified by the management in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.

(i) (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 10 to the financial statements included in property, plant and equipment are held in the name of the Company.

(i)(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.

(i)(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii)(a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(ii)(b) As disclosed in note 17 to the financial statements, the Company has been sanctioned working capital limits in excess of rupees five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the unaudited books of accounts of the Company. The Company do not have sanctioned working capital limits in excess of rupees five crores in aggregate from financial institutions during the year on the basis of security of current assets of the Company.

(iii) (a) The company's principle business is to give loans and is a registered NBFC, accordingly, reporting under clause (iii)(a) is not applicable.

(iii)(b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans, investments and guarantees to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest.

(iii)(c) In respect of loans and advances in the nature of loans, granted by the Company as part of its business of providing loans to customers, the schedule of repayment of principal and payment of interest has been stipulated by the Company. Having regard to the voluminous nature of loan transactions, it is not practicable to furnish entity-wise details of amounts, due date for repayment or receipt and the extent of delay (as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause), in respect of



loans and advances which were not repaid / paid when they were due or were repaid / paid with a delay, in the normal course of lending business.

Further, except in respect of 49,703 loans with aggregate exposure of principal and interest of Rs. 111,410.15 lakhs where there are delays or defaults in repayment of principal and / or interest as at the balance sheet date, in respect of which the Company has disclosed staging in note to the financial statements in accordance with Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.

(iii)(d) In respect of loans and advances in the nature of loans, the total amount outstanding of loans classified as credit impaired ("Stage 3") is Rs. 9,393.85 lakhs in respect of 3,166 loans as at March 31, 2023, as disclosed in note 49 to the financial statements. In such instances, in our opinion, reasonable steps have been taken by the Company for recovery of the overdue amount of principal and interest.

(iii)(e) The company's principle business is to give loans and is a registered NBFC, accordingly, reporting under clause (iii)(e) is not applicable.

(iii)(f) The 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 companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and sub-section (1) of Section 186 of the Act in respect of the loans and investments made and guarantees and security provided by it. The provisions of sub-sections (2) to (11) of Section 186 are not applicable to the Company as it is a non-banking financial company registered with the RBI engaged in the business of giving loans.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few instances in case of provident fund. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(vii) (b) The following dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute:



Rs. In lakhs

Name of the statute	Nature of the dues	Amount (Rs)	Period to which the amount relates	Forum where the dispute is pending
Income-tax Act, 1961	Income-tax	6.74	AY 2006-07	Commissioner of Income-tax (Appeals)
Income-tax Act, 1961	Income-tax	33.68	AY 2018-19	Commissioner of Income-tax (Appeals)

(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 clause 3(viii) of the Order is not applicable to the Company.

(ix)(a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(ix)(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority

(ix)(c) Monies raised during the year by the Company by way of term loans has been applied for the purpose for which they were raised other than temporary deployment pending application of proceeds

(ix)(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

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

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

(x)(a) During the year, the Company made an initial public offer of equity shares to the public through an offer for sale by existing shareholders which has not resulted in cash inflows into the Company. Accordingly, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(x)(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi)(a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(xi)(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(xi)(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

S.R. Batliboi & Associates LLP ★ Chartered Accountants ★ Chennai

(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv)(a) The Company has an internal audit system commensurate with the size and nature of its business.

(xiv)(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi)(a) The Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934)

(xvi)(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(xvi)(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvi)(d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

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

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

(xix) On the basis of the financial ratios disclosed in note 50 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx)(a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 31.2 to the financial statements.



(xx)(b) All amounts that are unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 31.2 to the financial statements.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934
UDIN: 23210934BGYJLR8142
Place of Signature: Chennai
Date: May 9, 2022

S.R. Batliboi & Associates LLP ★ Chartered Accountants ★ Chennai

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF FIVE-STAR BUSINESS FINANCE LIMTED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to financial statements of Five-Star Business Finance Limited (the "Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control 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 ("ICAI"). 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with Reference to these Financial Statements

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



Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements 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 issued by the ICAI.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Bharath N S
Partner
Membership Number: 210934
UDIN: 23210934BGYJLR8142
Place of Signature: Chennai
Date: May 9, 2023

S.R. Batliboi & Associates LLP ★ Chartered Accountants ★ Chennai

Five-Star Business Finance Limited
Balance Sheet as at March 31, 2023
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Financial Assets			
Cash and cash equivalents	4	1,34,035.80	61,316.28
Bank balances other than cash and cash equivalents	5	24,050.41	26,677.50
Loans	6	6,82,219.59	5,10,241.07
Investments	7	14,461.42	24,818.38
Derivative financial instruments	14	346.09	-
Other financial assets	8	3,212.42	1,797.93
Total Financial Assets		**8,58,325.73**	**6,24,851.16**
Non Financial Assets			
Current tax asset (Net)	9	193.57	220.07
Deferred tax asset (Net)	33	5,332.60	4,666.74
Investment property	10	3.56	3.56
Property, plant and equipment	12	1,543.01	1,214.45
Right of use asset	37	2,846.18	1,978.10
Other intangible assets	13	97.71	88.74
Other non-financial assets	11	1,940.43	1,283.74
Total Non Financial Assets		**11,957.06**	**9,455.40**
Total Assets		**8,70,282.79**	**6,34,306.56**
LIABILTITES AND EQUITY			
Financial Liabilities			
Derivative financial instruments	14	-	138.92
Payables			
Trade payables	15		
Total outstanding dues of micro and small enterprises		-	
Total outstanding dues of creditors other than micro and small		2,009.01	1,300.31
Debt securities	16	52,483.00	1,00,853.38
Borrowings (Other than debt securities)	17	3,72,244.91	1,55,029.75
Other financial liabilities	18	6,070.01	4,046.83
Total Financial Liabilities		**4,32,806.93**	**2,61,369.19**
Non- Financial Liabilities			
Current tax liabilities (Net)	9A	539.85	-
Provisions	19	1,158.17	900.03
Other non-financial liabilities	20	1,824.37	1,002.24
Total Non- Financial Liabilities		**3,522.39**	**1,902.27**
Total Liabilities		**4,36,329.32**	**2,63,271.46**
Equity			
Equity share capital	21	2,913.66	2,913.43
Other equity	22	4,31,039.81	3,68,121.67
Total Equity		**4,33,953.47**	**3,71,035.10**
Total Liabilities and Equity		**8,70,282.79**	**6,34,306.56**

Significant accounting policies 2 and 3
The accompanying notes are integral part of the financial statements

As per our report of even date
for **S R Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration No: 101049W/ E300004

per **Bharath N S**
Membership No: 210934

Place : Chennai
Date : May 09, 2023

For and on behalf of the Board of Directors of
Five-Star Business Finance Limited
CIN: U65991TN1984PLC010844

D Lakshmipathy
Chairman and Managing Director
DIN: 01723269

R Anand
Independent Director
DIN: 00243485

G Srikanth
Chief Financial Officer

K Rangarajan
Chief Executive Officer

B Shalini
Company Secretary
ACS: A51334

Place : Chennai
Date : May 09, 2023

S.R. Batliboi & Associates LLP ★ Chartered Accountants ★ Chennai

Five-Star Business Finance Limited
Statement of Profit and Loss for the year ended March 31, 2023
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from operations			
Interest income	23	1,49,878.37	1,20,376.55
Fee income	24	1,375.89	2,939.60
Net gain on fair value changes	25	830.59	2,090.21
Total revenue from operations (I)		**1,52,084.85**	**1,25,406.36**
Other income (II)	26	807.90	210.56
Total Income (III) = (I)+ (II)		**1,52,892.75**	**1,25,616.92**
Expenses			
Finance costs	27	26,625.10	30,060.00
Impairment on financial instruments	28	2,014.70	4,551.81
Employee benefits expenses	29	34,642.66	23,611.52
Depreciation and amortization	30	1,731.24	1,224.47
Other expenses	31	7,405.56	5,748.21
Total Expenses (IV)		**72,419.26**	**65,196.01**
Profit before tax (V) = (III) - (IV)		**80,473.49**	**60,420.91**
Tax expense			
Current tax	32	20,715.40	15,959.12
Deferred tax (net)	32	(591.52)	(892.66)
Total tax expenses (VI)		**20,123.88**	**15,066.46**
Profit for the year (A) = (V) - (VI)		**60,349.61**	**45,354.45**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the Defined Benefit Plan	40	(144.06)	(171.63)
Income tax relating to items that will not be reclassified to profit or loss	32.1	36.26	43.20
Net other comprehensive income / (deficit) not to be reclassified subsequently to profit or loss		**(107.80)**	**(128.43)**
Items that will be reclassified subsequently to profit or loss			
Net movement on effective portion of cashflow hedge	47	(151.28)	(126.92)
Income tax relating to items that will be reclassified to profit or loss	32.1	38.07	31.94
Net other comprehensive income / (deficit) to be reclassified subsequently to profit or loss		**(113.21)**	**(94.98)**
Other comprehensive income / (deficit) for the year, net of income tax (B)		**(221.01)**	**(223.41)**
Total comprehensive income for the year (A) + (B)		**60,128.60**	**45,131.04**
Earnings per equity share (face value Re.1 each)			
Basic (in rupees)	38	20.71	16.09
Diluted (in rupees)		20.49	15.92
Significant accounting policies	2 and 3		

The accompanying notes are integral part of the financial statements

As per our report of even date
for **S R Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration No: 101049W/ E300004

per **Bharath N S**
Membership No: 210934

Place : Chennai
Date : May 09, 2023

For and on behalf of the Board of Directors of
Five-Star Business Finance Limited
CIN: U65991TN1984PLC010844

D Lakshmipathy
Chairman and Managing Director
DIN: 01723269

R Anand
Independent Director
DIN: 00243485

G Srikanth
Chief Financial Officer

K Rangarajan
Chief Executive Officer

B Shalini
Company Secretary
ACS: A51334

Place : Chennai
Date : May 09, 2023

S.R. Batliboi & Associates LLP ★ Chartered Accountants ★ Chennai

Five-Star Business Finance Limited
Statement of Cashflows for the year ended March 31, 2023
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cashflow from Operating Activities		
Profit Before Tax	80,473.49	60,420.91
Adjustments for:		
Interest income on loans	(1,46,303.00)	(1,17,673.21)
Interest income on deposit with banks/ others	(3,575.37)	(2,703.35)
Finance costs	26,625.10	30,060.00
Impairment on financial instruments	2,014.70	4,551.80
Depreciation and amortisation expense	1,731.24	1,224.47
Loss on sale/ retirement of property, plant and equipment (net)	2.83	1.32
Net gain on fair value changes on mutual fund investments	(830.59)	(2,090.21)
Gain recognised on derecognition of leases	(39.16)	(21.73)
Employee stock option expenses	2,764.19	3,544.18
Operating cash flow before working capital changes	**(37,136.57)**	**(22,685.82)**
Changes in working capital		
Adjustment for (increase)/ decrease in operating assets		
Loans	(1,77,196.71)	(77,227.15)
Other financial assets	(1,452.18)	(1,323.59)
Other non-financial assets	(656.69)	(830.97)
Adjustment for increase/ (decrease) in operating liabilities		
Trade payables	708.70	433.14
Provision	114.08	8.60
Other financial liabilities	1,150.45	1,845.86
Other non-financial liabilities	822.13	(818.05)
Net cash used in operations	**(2,13,646.79)**	**(1,00,597.98)**
Finance cost paid	(27,991.40)	(27,395.14)
Interest income received	1,49,506.49	1,15,660.55
Direct taxes paid (net)	(20,149.07)	(15,383.41)
Net cash used in operating activities (A)	**(1,12,280.77)**	**(27,715.98)**
Cashflow from investing activities		
Purchase of property plant and equipment	(1,213.40)	(862.85)
Proceeds from sale of property plant and equipment	1.78	0.90
(Purchase)/ redemption of mutual funds (net)	830.59	2,090.21
(Purchase)/ redemption of investments (net)	10,100.99	(24,818.38)
Interest income on deposit from banks/ others	3,314.01	2,155.27
Movement in bank balances other than cash & cash equivalents	3,144.40	(16,953.57)
Net cashflow from / (used in) investing activities (B)	**16,178.37**	**(38,388.42)**
Cashflow from financing activities		
Proceeds from issue of equity shares	0.23	348.94
Proceeds from securities premium (net off utilisation)	25.35	90,363.87
Share issue expenses	-	(170.10)
Proceeds from borrowings during the year	3,10,356.20	31,541.00
Repayment of borrowings during the year	(1,40,781.36)	(1,20,830.40)
Payment towards leases (excluding interest)	(778.50)	(550.92)
Net cashflow from financing activities (C)	**1,68,821.92**	**702.40**
Net increase / (decrease) in cash and cash equivalents [A + B + C]	72,719.52	(65,402.00)
Cash and cash equivalents at the beginning of the year	61,316.28	1,26,718.28
Cash and cash equivalents at the end of the year	**1,34,035.80**	**61,316.28**

S.R. Batliboi & Associates LLP ★ Chartered Accountants ★ Chennai

FIVE-STAR BUSINESS FINANCE LIMITED CHENNAI 600 010

Five-Star Business Finance Limited
Statement of Cashflows for the year ended March 31, 2023
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

Notes:

1. Components of Cash and Cash Equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Notes		
I Cash and cash equivalents		
Cash on hand	585.33	504.00
Balances with bank		
(i) In current accounts	13,875.11	4,741.93
(ii) In deposit accounts (original maturity less than 3 months)	1,19,575.36	56,070.35
	1,34,035.80	**61,316.28**

The accompanying notes are integral part of the financial statements

As per our report of even date
for **S R Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration No: 101049W/ E300004

per **Bharath N S**
Membership No: 210934

Place : Chennai
Date : May 09, 2023

For and on behalf of the Board of Directors of
Five-Star Business Finance Limited
CIN: U65991TN1984PLC010844

D Lakshmipathy
Chairman and Managing Director
DIN: 01723269

R Anand
Independent Director
DIN: 00243485

G Srikanth
Chief Financial Officer

K Rangarajan
Chief Executive Officer

B Shalini
Company Secretary
ACS: A51334

Place : Chennai
Date : May 09, 2023

Five-Star Business Finance Limited
Statement of Changes in Equity for the year ended March 31, 2023
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

A Equity Share Capital

Particulars	Number of Shares	For the year ended March 31, 2023	Number of Shares	For the year ended March 31, 2022
Opening balance of equity shares of INR 1 each	29,13,43,120	2,913.43	2,71,90,741	2,564.49
Changes in equity share capital during the year				
Additional shares pursuant to share split issued during the year	-	-	24,47,16,669	-
Add: Issue during the year				
1 Fresh issue of equity shares	-	-	1,77,17,710	177.18
2 Issue of equity shares under employee stock option	23,000	0.23	17,18,000	17.18
3 Calling up unpaid capital	-	-	-	154.58
Closing balance	**29,13,66,120**	**2,913.66**	**29,13,43,120**	**2,913.43**

B Other equity

Particulars	Reserves and Surplus						Total
	Statutory Reserve	Securities Premium	Share option Outstanding Account	General Reserve	Retained Earnings	Effective portion of Cashflow Hedges	
Balance as at April 01, 2021	18,041.71	1,39,234.46	1,795.27	719.60	69,461.69	-	2,29,252.73
Premium received on shares issue during the year	-	90,363.86	-	-	-	-	90,363.86
Profit for the year	-	-	-	-	45,354.45	-	45,354.45
Other comprehensive income/ (deficit) for the year	-	-	-	-	-	(94.98)	(94.98)
Transfer to statutory reserve	9,070.89	-	-	-	(9,070.89)	-	-
Remeasurement of defined benefit plan	-	-	-	-	(128.43)	-	(128.43)
Share based payment expense for the year	-	-	3,544.18	-	-	-	3,544.18
Share issue expenses	-	(170.10)	-	-	-	-	(170.10)
Transfer to securities premium on exercise of ESOP	-	1,933.65	(1,933.65)	-	-	-	-
Balance as at March 31, 2022	**27,112.60**	**2,31,361.87**	**3,405.80**	**719.60**	**1,05,616.78**	**(94.98)**	**3,68,121.67**
Balance as at April 01, 2022	27,112.60	2,31,361.87	3,405.80	719.60	1,05,616.78	(94.98)	3,68,121.67
Premium received on shares issue during the year	-	25.35	-	-	-	-	25.35
Profit for the year	-	-	-	-	60,349.61	-	60,349.61
Other comprehensive income/ (deficit) for the year	-	-	-	-	-	(113.21)	(113.21)
Transfer to statutory reserve	12,069.92	-	-	-	(12,069.92)	-	-
Remeasurement of defined benefit plan	-	-	-	-	(107.80)	-	(107.80)
Share based payment expense for the year	-	-	2,764.19	-	-	-	2,764.19
Transfer to securities premium on exercise of ESOP	-	49.59	(49.59)	-	-	-	-
Balance as at March 31, 2023	**39,182.52**	**2,31,436.81**	**6,120.40**	**719.60**	**1,53,788.67**	**(208.19)**	**4,31,039.81**

The accompanying notes are integral part of the financial statements

As per our report of even date
for S R Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/ E300004

per **Bharath N S**
Membership No: 210934

Place : Chennai
Date : May 09, 2023

For and on behalf of the Board of Directors of
Five-Star Business Finance Limited
CIN: U65991TN1984PLC010844

D Lakshmipathy
Chairman and Managing Director
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B Shalini
Company Secretary
ACS: A51334

Place : Chennai
Date : May 09, 2023

S.R. Batliboi & Associates LLP ★ Chennai ★ Chartered Accountants

1 Corporate Information

Five-Star Business Finance Limited ("the Company"), is a public limited company domiciled in India, and incorporated under the provisions of Companies Act 1956. The Company is a systemically important non-deposit taking Non-Banking Finance Company (NBFC). The Company has received the Certificate of Registration dated June 9, 2016 in lieu of Certificate of Registration dated December 3, 2002 from the Reserve Bank of India ("RBI") to carry on the business of Non Banking Financial Institution without accepting public deposits ("NBFC-ND"). The Company is primarily engaged in providing loans for business purposes, house renovation / extension purposes and other mortgage purposes.

2 Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') as amended from time to time and other relevant provisions of the Act. Any directions issued by the RBI or other regulators are implemented as and when they become applicable.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

These financial statements were authorised for issue by the Company's Board of Directors on May 09, 2023

Details of the Company's accounting policies are disclosed in note 3.

2.2 Presentation of financial statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions') and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 and RBI/2020-21/15 DOR (NBFC).CC.PD.No.116/22.10.106/2020-21 dated 24 July 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI.

The financial statements are presented in Indian Rupee (INR) which is also the functional currency of the Company. The financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value. The financial statements are prepared on a going concern basis, as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

The Balance Sheet, the Statement of Profit and Loss and Statement of Changes in Equity are presented in the format prescribed under Division III of Schedule III as amended from time to time, for Non Banking Financial Companies ('NBFC') that are required to comply with Ind AS. The statement of cash flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

The Company presents its balance sheet in order of liquidity. 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 separately.

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.

Derivative assets and liabilities with master netting arrangements (e.g. ISDAs) are only presented net when they satisfy the eligibility of netting for all of the above criteria and not just in the event of default.

2.3 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs (upto two decimals), unless otherwise indicated.

2.4 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Financial assets and liabilities	Fair value /Amortised cost, as applicable
Liabilities for equity-settled share-based payment arrangements	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

S.R. Batliboi & Associates LLP Chennai Chartered Accountants
FIVE-STAR BUSINESS FINANCE LIMITED CHENNAI 600 010

2.5 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

i) Business model assessment

Classification and measurement of financial assets depends on the results of business model and the solely payments of principal and interest ("SPPI") test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income (FVOCI) that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

ii) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

iii) Effective Interest Rate ("EIR") method

The Company's EIR methodology, as explained in Note 3.1(A), recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural 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 delayed interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to interest rates and other fee income/ expense that are integral parts of the instrument.

iv) Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

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

a) 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 expected credit loss ("LTECL") basis.
b) Development of ECL models, including the various formulae and the choice of inputs.
c) Determination of associations between macroeconomic scenarios and economic inputs, such as gross domestic products, lending interest rates and collateral values, and the effect on probability of default ("PD"), exposure at default ("EAD") and loss given default ("LGD").
d) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models.

S.R. Batliboi & Associates LLP ★ Chartered Accountants ★ Chennai

FIVE-STAR BUSINESS FINANCE LIMITED ★ CHENNAI 600 010

2.5 Use of estimates and judgements (Continued)

v) Provisions and other 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 the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the outflow is considered to be 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.

These estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

vi) Leases

The estimates and judgements related to leases include:

a) The determination of lease term for some lease contracts in which the Company is a lessee, including whether the Company is reasonably certain to exercise lessee options.

b) The determination of the incremental borrowing rate used to measure lease liabilities.

vii) Other assumptions and estimation uncertainties

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

i) Measurement of defined benefit obligations: key actuarial assumptions;
ii) Estimated useful life of property, plant and equipment and intangible assets;
iii) Recognition of deferred taxes.

3 Significant accounting policies

3.1 Revenue Recognition from contracts with customers

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at the fair value of the consideration received or receivable

A. Effective Interest Rate ('EIR') Method

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

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any 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 financial instrument.

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3.1 Revenue Recognition

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. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

The Company calculates interest income by applying EIR to the gross carrying amount of financial assets.

When a financial asset becomes credit impaired and is, therefore, regarded as 'stage 3', the Company continues to calculate interest income on the amortized cost of the financial asset.

B. Dividend income

Dividend income is recognised when the Company's right to receive the payment is established and it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

C. Other interest income

Other interest income is recognised on a time proportionate basis.

D. Fee income

Fees income such as legal inspection charges, cheque bounce charges are recognised on an accrual basis in accordance with term of contract with the customer. Cheque Bounce charges are recognised as income upon certainity of receipt

E. Net gain on fair value changes:

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis in profit or loss

E. Others

Delayed interest and other operating income are recognized as income upon certainty of receipt.
The Company recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established
All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realisation / collection.

3.2 Financial instrument - initial recognition

A. Date of recognition

Debt securities issued are initially recognised when they are originated. Loans are recognised when funds are transferred to the customers account. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

B. Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at fair value through profit and loss (FVTPL), transaction costs are added to, or subtracted from this amount.

C. 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 asset's contractual terms, measured at either:

i) Amortised cost
ii) FVOCI
iii) FVTPL

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3.3 Financial assets and liabilities

A. Financial assets

Business model assessment

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

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel.
b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
c) How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
d) The expected frequency, value and timing of sales are also important aspects of the Company's assessment.
The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

SPPI test

As a second step of its classification process, the Company assesses the contractual terms of financial assets to identify whether they meet SPPI test.

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

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than the minimum exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Accordingly, financial assets are measured as follows based on the existing business model:

i) 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. Bank balances, Loans, Trade receivables and other financial investments that meet the above conditions are measured at amortised cost.

Financial assets at fair value through Other Comprehensive Income (FVOCI)
Financial assets are measured at FVOCI when the instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset meets the SPPI test.

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

A financial asset which is not classified as measured at amortised cost/ FVOCI are measured at FVTPL.

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3.3 Financial assets and liabilities

B. Financial liabilities

i) Initial recognition and measurement

All financial liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liability, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method.

iii) Debt Securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the instrument.

The Company issues certain non-convertible debentures, the return of which is linked to performance of specified indices market indicators over the period of the debenture. Such debentures have a component of an embedded derivative which is fair valued at a reporting date. The resultant 'net unrealised loss or gain' on the fair valuation of these embedded derivatives is recognised in the statement of profit and loss. The debt component of such debentures is measured at amortised cost using yield to maturity basis.

iv) Embedded derivatives

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index or prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract. A derivative that is attached to a financial instrument, but is contractually transferable independently of that instrument, or has a different counterparty from that instrument, is not an embedded derivative, but a separate financial instrument

Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

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. Financial liabilities are never reclassified. The Company did not reclassify any of its significant financial assets or liabilities in the year ended March 31, 2023 and March 31, 2022.

3.5 Derecognition of financial assets and liabilities

A. Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes unless the new loan is deemed to be Purchased or originated credit impaired (POCI)

When assessing whether or not to derecognise a loan to a customer, amongst others, the Company considers the following factors:

- •Change in currency of the loan
- •Introduction of an equity feature
- •Change in counterparty
- •If the modification is such that the instrument would no longer meet the SPPI criterion.

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.





B. Derecognition of financial assets other than due to substantial modification

i) Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit and loss.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.
Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay.

ii) Financial Liability

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 is recognised in the statement of profit and loss.

3.6 Impairment of financial assets

A. Overview of ECL principles

In accordance with Ind AS 109, the Company uses ECL model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL). The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.When estimating LTECLs for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down.

Expected credit losses are measured through a loss allowance at an amount equal to:

i.) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

ii.) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

Both LTECLs and 12 months ECLs are calculated on collective basis.

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3.6 Impairment of financial assets

Based on the above, the Company catagorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1:
When loans are first recognised, the Company recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed and also includes facilities where the credit risk has been improved and the loan has been reclassified from stage 2 or stage 3.

Stage 2:
When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the life time ECL. Stage 2 loans also includes facilities where the credit risk has improved and the loan has been reclassified from stage 3.

Stage 3:
Loans considered credit impaired are the loans which are past due for more than 90 days. The Company records an allowance for life time ECL.
For financial assets for which the Company has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

B. Calculation of ECLs

The mechanics of ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD):
Probability of Default ("PD") is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

Exposure at Default (EAD):
Exposure at Default ("EAD") is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest , whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

Loss Given Default (LGD):
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 and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The Company has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted at an approximation to the EIR. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

The mechanics of the ECL method are summarised below:
Stage 1:
The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-months default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2:
When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.





Significant increase in credit risk

The Company monitors all financial assets that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the GroupCompany will measure the loss allowance based on lifetimeLTECLs rather than 12mECLs.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the GroupCompany's historical experience and expert credit assessment including forward looking information.

Stage 3:
For loans considered credit-impaired, the Company recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

Credit-impaired financial assets

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower;
- a breach of contract such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event—instead, the combined effect of several events may have caused financial assets to become credit-impaired. The GroupCompany assesses whether debt instruments that are financial assets measured at amortised cost are credit-impaired at each reporting date.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment. For financial assets where concessions are contemplated but not granted the asset is deemed credit impaired when there is observable evidence of credit-impairment including meeting the definition of default. The definition of default includes unlikeliness to pay indicators and a back- stop if amounts are overdue for 90 days or more.

Loan Commitments

When estimating LTECLs for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down, based on a probability-weighting of the four scenarios. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan.

C. Forward looking information

In its ECL models, the Company relies on a broad range of forward looking macro parameters and estimated the impact on the default at a given point of time.
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.

3.7 Write-offs

Financial assets are written off when there is a significant doubt on recoverability in the medium term. 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 the statement of profit and loss.

3.8 Determination of fair value

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

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 over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3;

Level 3 financial instruments –Those that include one or more unobservable input that is 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 categorisation (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 evaluates the levelling in the hierarchy 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.

3.9 Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company, at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognized in profit or loss.

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3.10 Investment Property

Investment property represents property held to earn rentals or for capital appreciation or both.

Depreciation on building classified as investment property has been provided on the straight-line method over a period of 60 years based on the Company's estimate of their useful lives taking into consideration technical factors, which is the same as the period prescribed in Sch II to the Companies Act 2013.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer applying valuation models.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

3.10.1 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written down value method, and is generally recognised in the statement of profit and loss.

The Company follows estimated useful lives which are given under Part C of the Schedule II of the Companies Act, 2013. The estimated useful lives of items of property, plant and equipment are as follows:

Asset category	Estimated Useful life
Vehicles	8 years
Furniture and fittings	10 years
Office equipment	5 years
Computers and accessories	3 years
Servers	6 years

Leasehold improvements are depreciated over the remaining period of lease or estimated useful life of the assets, whichever is lower. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

3.11 Intangible assets

i. Recognition and measurement

Intangible assets including those acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

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iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight line method, and is included in depreciation and amortisation in Statement of Profit and Loss.

Asset category	Estimated Useful life
Computer softwares	5 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

3.12 Impairment of non-financial assets

The Company determines periodically whether there is any indication of impairment of the carrying amount of its non-financial assets. The recoverable amount (higher of net selling price and value in use) is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. The recoverable amounts of such asset are estimated, if any indication exists and impairment loss is recognized wherever the carrying amount of the asset exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken in to account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses of continuing operations, are recognised in the statement of profit and loss.
For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

3.13 Employee benefits

i. Post-employment benefits

Defined contribution plan

The Company's contribution to provident fund is considered as defined contribution plan and is charged as an expense as they fall due based on the amount of contribution required to be made and when the services are rendered by the employees.

Defined benefit plans

Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'),if any. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss on the earlier of:
•The date of the plan amendment or curtailment, and
•The date that the Company recognises related restructuring costs
The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

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3.13 Employee benefits (Continued)

ii. Other long-term employee benefits

Compensated absences

The employees can carry forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

iii. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service. The cost of such compensated absences is accounted as under :
(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
(b) in case of non-accumulating compensated absences, when the absences occur.

iv. Stock based compensation

The grant date fair value of equity settled share based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

3.14 Provisions, contingent liabilities and contingent assets

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liability

A possible obligation that arises from past events and 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 or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for.

Contingent asset

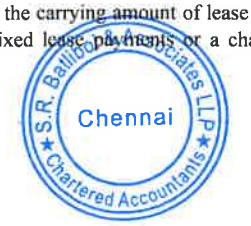
A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are neither recognised not disclosed in the financial statements.

3.15 Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:
- Leases of low value assets; and
- Leases with a duration of 12 months or less.

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term.The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.





3.15 Leases (Continued)

The Company recognises right-of-use assets at the commencement date of the lease (i.e.the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Company determines the lease term as the initial period agreed in the lease agreement , together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the initial period agreed in the lease agreement.

3.16 Taxes

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Indirect taxes

Goods and services tax /value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax/value added taxes paid, except:

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

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

3.17 Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of the asset. Other borrowings costs are recognized as an expense in the statement of profit and loss account on an accrual basis using the effective interest method.

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3.18 Cash and cash equivalents

Cash and cash equivalents comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.19 Earnings per share

The Company reports basic and diluted earnings per equity share in accordance with Ind AS 33, Earnings Per Share. Basic earnings per equity share is computed by dividing net profit / loss after tax attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year.
Diluted earnings per equity share is computed and disclosed by dividing the net profit/ loss after tax attributable to the equity share holders for the year after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value. Dilutive potential equity shares are determined independently for each period presented.
The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

3.20 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non–cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated. Cash flows in foreign currencies are accounted at the actual rates of exchange prevailing at the dates of the transactions.

3.21 Derivative financial instruments

A derivative is a financial instrument or other contract with all three of the following characteristics:
- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rat index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e., the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected t have a similar response to changes in market factors.
- It is settled at a future date

The Company enters into derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk. Derivatives held include foreign exchange forward contracts, interest rate swaps and cross currency interest rate swaps.

Derivatives are initially recognised at fair value on the date when a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in the statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship. The Company designates certain derivatives as hedges of highly probable forecast transactions (cash flow hedges). A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

3.21.1 Hedge accounting policy

The Company makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specific criteria. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the Company would assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.





3.21.2 Cash Flow Hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit and loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in Finance Cost in the statement of profit and loss. When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

The Company's hedging policy only allows for effective hedging relationships to be considered as hedges as per the relevant Ind-AS. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationships exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative and quantitative assessment of effectiveness is performed.

3.22 New and Amended Standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2022.
The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022, which are effective from April 01, 2022.
These amendments do not have a material effect on the Financial Statements of the Company

3.23 Standards issued but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective from 01 April 2023.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8
The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.
The amendments are effective for annual reporting periods beginning on or after 1 April 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.
The amendments are not expected to have a material impact on the Company's financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1
The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.
The amendments to Ind AS 1 are applicable for annual periods beginning on or after 1 April 2023. Consequential amendments have been made in Ind AS 107.
The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12
The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.
The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1 April 2023.
The Company is currently assessing the impact of the amendments





Particulars	As at March 31, 2023	As at March 31, 2022
4 Cash and cash equivalents		
Cash on hand	585.33	504.00
Balances with banks		
(i) In current accounts	13,875.11	4,741.93
(ii) In other deposit accounts (original maturity less than 3 months)	1,19,575.36	56,070.35
Total	**1,34,035.80**	**61,316.28**
Short -term deposits are made for varying period up to three months, depending on the immediate cash requirements of the company and earn interest at the respective short term deposit rate		
5 Bank Balances other than cash and cash equivalents		
Term deposit with bank	15,326.45	18,562.82
Term deposits :		
Held as credit enhancements for securitisation	8,273.96	7,287.10
Held as cash collateral against specific non-convertible debentures	450.00	825.00
In earmarked accounts		
(i) Unclaimed dividend	-	2.58
Total	**24,050.41**	**26,677.50**
Term deposits and other balances with banks earns interest at fixed rate based on the daily bank deposit rates		
6 Loans (At amortised cost)		
A Based on nature		
Term Loans		
Gross term loans	6,91,483.21	5,06,707.77
Inter Corporate Deposits*	1,842.24	13,821.88
Gross Loans	**6,93,325.45**	**5,20,529.65**
Less: Impairment Loss Allowance	11,105.86	10,288.58
Net Loans	**6,82,219.59**	**5,10,241.07**
B Based on security		
Secured by tangible assets	6,91,483.21	5,06,707.77
Unsecured	1,842.24	13,821.88
Gross loans	**6,93,325.45**	**5,20,529.65**
Less: Impairment loss allowance	11,105.86	10,288.58
Net loans	**6,82,219.59**	**5,10,241.07**
C Based on region		
Loans in India		
Public sector	-	-
Other than public sector	6,93,325.45	5,20,529.65
Less: Impairment loss allowance	11,105.86	10,288.58
Net Loans in India	**6,82,219.59**	**5,10,241.07**
Loans outside India	-	-
Less: Impairment loss allowance	-	-
Net Loans outside India	-	-
Net Loans	**6,82,219.59**	**5,10,241.07**

Secured exposures are secured by registered mortgage of immovable property

The Company has not granted any loans or advances to promoters, directors, KMPs and the other related parties (as defined under the Companies Act 2013).

*Inter Corporate Deposits as on March 31, 2023 include INR 265.37 lakhs as on March 31, 2023 (March 31, 2022 - INR NIL) provided as credit enhancement for securitisation transaction.

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6.1 Analysis of changes in the gross carrying amount and the corresponding Expected Credit Loss (ECL) Allowances:

6.1.1 Reconciliation of gross carrying amount is given below:

Gross Term Loan

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	**4,21,696.36**	**79,706.41**	**5,305.00**	**5,06,707.77**	**3,89,595.07**	**50,423.65**	**4,519.37**	**4,44,538.09**
Asset derecognised or repaid (Excluding write off)	(57,758.07)	(9,271.04)	(611.16)	(67,640.27)	(45,171.22)	(6,392.23)	(310.89)	(51,874.34)
Assets partially repaid	(51,654.28)	(8,412.71)	(583.77)	(60,650.76)	(39,313.75)	(6,812.79)	(197.33)	(46,323.87)
Roll forward to higher stages	(19,980.84)	(5,336.64)	-	(25,317.48)	(55,081.22)	(3,344.33)	-	(58,425.55)
Roll forward from lower stages	-	19,193.88	6,123.59	25,317.47	-	54,257.23	4,168.32	58,425.55
Roll back to higher stages	14,428.63	223.24	-	14,651.87	11,615.00	270.93	-	11,885.93
Roll back from lower stages	-	(14,241.55)	(410.31)	(14,651.86)	-	(11,530.02)	(355.91)	(11,885.93)
Amount written off	-	-	(1,199.22)	(1,199.22)	-	-	(2,926.39)	(2,926.39)
New Asset Originated/ Incremental Accretions	3,12,107.85	1,388.12	769.72	3,14,265.69	1,60,052.48	2,833.97	407.83	1,63,294.28
Gross carrying amount closing balance	**6,18,839.65**	**63,249.71**	**9,393.85**	**6,91,483.21**	**4,21,696.36**	**79,706.41**	**5,305.00**	**5,06,707.77**

Inter Corporate Deposits

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	**13,821.88**	-	-	**13,821.88**	-	-	-	-
Asset derecognised or repaid (Excluding write off)]	(14,377.15)	-	-	(14,377.15)	-	-	-	-
Assets partially repaid	-	-	-	-	-	-	-	-
Roll forward to higher stages	-	-	-	-	-	-	-	-
Roll forward from lower stages	-	-	-	-	-	-	-	-
Roll back to higher stages	-	-	-	-	-	-	-	-
Roll back from lower stages	-	-	-	-	-	-	-	-
Amount written off	-	-	-	-	-	-	-	-
New asset originated/ Incremental accretions	2,397.51	-	-	2,397.51	13,821.88	-	-	13,821.88
Gross carrying amount closing balance	**1,842.24**	-	-	**1,842.24**	**13,821.88**	-	-	**13,821.88**

6.1.2 Reconciliation of ECL balance is given below:

Gross Term Loan

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Impairment loss allowance opening balance	1,448.46	6,989.17	1,850.95	10,288.58	1,276.52	6,574.79	811.84	8,663.15
New asset originated/ Incremental accretions	1,247.88	608.25	3,804.34	5,660.47	889.24	5,201.58	3,095.99	9,186.81
Reversal/ Utilisation/ Write off	(665.79)	(3,163.36)	(1,021.10)	(4,850.25)	(717.30)	(4,787.20)	(2,056.88)	(7,561.38)
Impairment loss allowance closing balance	**2,030.55**	**4,434.06**	**4,634.19**	**11,098.80**	**1,448.46**	**6,989.17**	**1,850.95**	**10,288.58**

Inter Corporate Deposits

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Impairment loss allowance opening balance	-	-	-	-	-	-	-	-
New asset originated/ Incremental accretions	7.06	-	-	7.06	-	-	-	-
Reversal/ Utilisation	-	-	-	-	-	-	-	-
Amount written off	-	-	-	-	-	-	-	-
Impairment loss allowance closing balance	**7.06**	-	-	**7.06**	-	-	-	-

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Particulars	As at March 31, 2023	As at March 31, 2022
7 Investments		
Investments in Government Securities (at amortised cost)*		
Investments in Treasury Bills	-	7,423.24
Investments in Government of India Fixed Rate Bonds	7,329.64	7,528.39
Investments in Government of India Strips	7,131.78	9,866.75
Total	**14,461.42**	**24,818.38**
*Investments made in India		

7.1 Internal Rating Grade (Investments measured at amortised cost)

The table below shows the credit quality and the maximum exposure to credit risk based on the entity's internal credit rating system and year end stage classification

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Grade								
Low Risk	14,461.42	-	-	14,461.42	24,818.38	-	-	24,818.38
Medium Risk	-	-	-	-	-	-	-	-
High Risk	-	-	-	-	-	-	-	-
Total	**14,461.42**	-	-	**14,461.42**	**24,818.38**	-	-	**24,818.38**

7.2 Movement in Investments (Investments measured at amortised cost)

Particulars	As at March 31, 2023				As at March 31, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance	24,818.38	-	-	24,818.38	-	-	-	-
New assets purchased	-	-	-	-	28,350.46	-	-	28,350.46
Assets redeemed	(10,356.96)	-	-	(10,356.96)	(3,532.08)	-	-	(3,532.08)
Closing Balance	**14,461.42**	-	-	**14,461.42**	**24,818.38**	-	-	**24,818.38**

Particulars	As at March 31, 2023	As at March 31, 2022
8 Other financial assets		
Unsecured, considered good (At amortised cost)		
Security deposits	571.95	457.03
Other receivables*	2,640.47	1,340.90
Less: Impairment allowances	-	-
Total	**3,212.42**	**1,797.93**

*Other receivables as on March 31, 2023 include - INR NIL (March 31, 2022- INR 1,280.09 lakhs) incurred towards various expenses in connection with the initial public offer of equity shares of the Company and INR 1,976.79 lakhs as on March 31, 2023 (March 31, 2022- INR NIL) have been provided as credit enhancement for securitisation transaction.

9 Current tax asset (Net)		
Advance income tax paid net of provision for tax	193.57	220.07
Total	**193.57**	**220.07**
9A Current tax liability (Net)		
Provision for tax net of advance income tax paid	539.85	-
Total	**539.85**	-
10 Investment property		
Land		
Cost or deemed cost (Gross carrying amount)		
Balance at the beginning of the year	3.56	3.56
Acquisition	-	-
Transfer from property plant and equipment	-	-
Balance as at the end of the year	3.56	3.56
Accumulated depreciation		
Balance at the beginning of the year	-	-
Depreciation for the year	-	-
Balance as at the end of the year	-	-
Net carrying amount	**3.56**	**3.56**
Fair value	**7.24**	**7.24**

The Fair value of the investment property is based on the valuation by the registered valuer as per the Rule 2 of the Companies (Registered Valuer and Valuations Rules), 2017. There were no immovable property where the title deeds of the property are not held in the name of the Company.

Price per square feet is the signifiant unobservable input iused for the fair valuation of the immovable property. The fair value changes by INR 0.70 Lakhs as at March 31, 2023, at a sensitivity of 10% (March 31, 2022- INR 0.70 lakhs)

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Particulars	As at March 31, 2023	As at March 31, 2022
11 Other non financial assets		
Capital advances	542.83	98.18
Prepaid expenses	1,218.68	865.80
Balances with government authorities	178.92	319.76
Total	**1,940.43**	**1,283.74**

12 Property, plant and equipment

Particulars	Furniture and fittings	Computers and Accessories	Office Equipment	Vehicles	Leasehold Improvements	Total
Cost or deemed cost (gross carrying amount)						
As at March 31, 2021	729.00	952.53	317.49	39.26	405.00	**2,443.28**
Additions	187.12	494.55	156.39	-	9.45	847.51
Disposals	8.19	-	0.66	-	-	8.85
As at March 31, 2022	**907.93**	**1,447.08**	**473.22**	**39.26**	**414.45**	**3,281.94**
Additions	376.86	515.80	227.28	-	43.80	1,163.74
Disposals	22.72	0.93	0.63	0.21	-	24.49
As at March 31, 2023	**1,262.07**	**1,961.95**	**699.87**	**39.05**	**458.25**	**4,421.19**
Accumulated depreciation						
As at March 31, 2021	**319.76**	**739.96**	**185.99**	**30.37**	**321.60**	**1,597.68**
Depreciation for the year	122.95	236.16	75.78	2.47	39.07	476.43
Depreciation on disposals	5.77	0.34	0.51	-	-	6.62
As at March 31, 2022	**436.94**	**975.78**	**261.26**	**32.84**	**360.67**	**2,067.49**
Depreciation for the year	170.57	453.28	166.11	1.69	38.92	830.57
Depreciation on disposals	18.66	0.88	0.34	-	-	19.88
As at March 31, 2023	**588.85**	**1,428.18**	**427.03**	**34.53**	**399.59**	**2,878.18**
Carrying amount (net)						
As at March 31, 2022	**470.99**	**471.30**	**211.96**	**6.42**	**53.78**	**1,214.45**
As at March 31, 2023	**673.22**	**533.77**	**272.84**	**4.52**	**58.66**	**1,543.01**

13 Other Intangible Assets

Particulars	Software	Total
Cost or Deemed cost (gross carrying amount)		
As at March 31, 2021	405.98	**405.98**
Additions	15.35	**15.35**
Disposals	-	-
As at March 31, 2022	**421.33**	**421.33**
Additions	49.66	49.66
Disposals	-	-
As at March 31, 2023	**470.99**	**470.99**
Accumulated amortisation		
As at March 31, 2021	215.68	**215.68**
Amortisation for the year	116.91	116.91
Amortisation on disposals	-	-
As at March 31, 2022	**332.59**	**332.59**
Amortisation for the year	40.69	40.69
Amortisation on disposals	-	-
As at March 31, 2023	**373.28**	**373.28**
Carrying Amount (Net)		
As at March 31, 2022	**88.74**	**88.74**
As at March 31, 2023	**97.71**	**97.71**





14 Derivative financial instruments (FVTOCI)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Notional Amount	Fair Value of Assets	Notional Amount	Fair Value of Liabilities
Part I				
Other Derivative- Cross currency swap	7,591.00	346.09	7,591.00	138.92
Total	**7,591.00**	**346.09**	**7,591.00**	**138.92**
Part II				
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:				
Cashflow hedging- Cross currency swap	7,591.00	346.09	7,591.00	138.92
Total	**7,591.00**	**346.09**	**7,591.00**	**138.92**

The Notional amounts in the above table refers to the foreign currency borrowing on which the company has hedged the risk of foreign currency fluctuations.

The company has entered into a Derivative Financial Instrument, with a scheduled bank with Investment grade credit rating. Derivatives are fair valued using inputs that are directly or indirectly observable in market place.

The Asset Liability Management Committee and Business Resource Committee periodically monitors and reviews the risks involved.

Particulars	As at March 31, 2023	As at March 31, 2022
15 Payables		
15.1 Trade payables		
Total outstanding dues of micro and small enterprises	-	-
Total outstanding dues of creditors other than micro and small enterprises	2,009.01	1,300.31
Total	**2,009.01**	**1,300.31**
To related parties	-	-
Others	2,009.01	1,300.31
Total	**2,009.01**	**1,300.31**

15.2 Trade payables (Ageing Schedule)

The following schedules reflect the ageing of the trade payables with respect to the due date of payment

As at March 31, 2023

Particulars	Unbilled (Not Due)	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	1,566.37	442.64	-	-	-	2,009.01
(iii) Disputed Dues- MSME	-	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-	-
Total	**1,566.37**	**442.64**	-	-	-	**2,009.01**

As at March 31, 2022

Particulars	Unbilled (Not Due)	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	1,028.92	271.39	-	-	-	1,300.31
(iii) Disputed Dues- MSME	-	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-	-
Total	**1,028.92**	**271.39**	-	-	-	**1,300.31**

Based on the information received from the suppliers, the management has identified the enterprises which has provided services to the Company and which qualify under the definition of micro, medium and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"). Such determination and identification is for the purpose of presentation under this disclosure has been done on the basis of the information received and available with the Company, which has been solely relied upon by the auditors

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16 Debt securities (refer note 16.1)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured debentures		
Nil, (March 31, 2022 - 55) 12.50% redeemable, non-convertible debentures of INR 100 each	-	0.80
Nil, (March 31, 2022 - 250) 9.50% redeemable, non-convertible debentures of INR 10 lakh each	-	2,586.54
Nil, (March 31, 2022 - 2,000) 10.30% redeemable, non-convertible debentures of INR 10 lakh each	-	20,022.58
Nil, (March 31, 2022 - 2,000) redeemable, non-convertible debentures of INR 1 lakh each*	-	2,836.96
Nil, (March 31, 2022 - 1,250) 11.88% redeemable, non-convertible debentures of INR 10 lakh each	-	12,637.71
Nil, (March 31, 2022 - 750) redeemable, non-convertible debentures of INR 10 lakh each*	-	8,406.97
Nil, (March 31, 2022 - 500) redeemable, non-convertible debentures of INR 10 lakh each*	-	5,603.32
Nil, (March 31, 2022 - 2,500) redeemable, non-convertible debentures of INR 1 lakh each*	-	2,932.42
1,50,00,000, (March 31, 2022 - 1,50,00,000) 12.75% redeemable, non-convertible debentures of INR 7.5 each	1,125.39	1,500.52
500, (March 31, 2022 - 500) 11.00% redeemable, non-convertible debentures of INR 10 lakh each	5,105.48	5,105.48
150, (March 31, 2022 - 150) 11.00% redeemable, non-convertible debentures of INR 10 lakh each	1,531.64	1,531.64
500, (March 31, 2022 - 500) 11.00% redeemable, non-convertible debentures of INR 10 lakh each	5,105.48	5,105.48
1,500 (March 31, 2022 - 1,500) redeemable, non-convertible debentures of INR 10 lakh each*	18,084.83	16,591.39
150, (March 31, 2022- 150) 10.50% redeemable, non-convertible debentures of INR 10 lakh each	1,632.90	1,632.90
250, (March 31, 2022 - 250) 11.00% redeemable, non-convertible debentures of INR 10 lakh each	2,515.07	2,515.07
2,000, (March 31, 2022 - 2,000) redeemable, non-convertible debentures of INR 1 lakh each*	2,519.80	2,278.30
700, (March 31, 2022 - 700) 10.91% redeemable, non-convertible debentures of INR 10 lakh each	7,004.43	7,004.43
300,00,000 , (March 31, 2022 - 300,00,000) 11.40% redeemable, non-convertible debentures of INR 10 each	3,001.09	3,001.06
4,900, (March 31, 2022-Nil) 9.20% redeemable, non-convertible debentures of INR 1 lakh each	4,944.46	-
Total	**52,570.57**	**1,01,293.57**
Less: unamortised processing fees	(87.57)	(440.21)
Total	**52,483.00**	**1,00,853.36**
Debt securities in India	52,483.00	1,00,853.36
Debt securities outside India	-	-
Total	**52,483.00**	**1,00,853.36**

* Coupon rates are linked to performance of specified indices including market indicators over the period of the debentures.

Debt securities aggregating to INR 1,115.51 Lakhs (INR 1,484.18 Lakhs in March 31, 2022) has been guaranteed by promoter, Mr. D Lakshmipathy

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Particulars	Repayment Terms	Tenor	Earliest installment date	As at March 31, 2023	As at March 31, 2022
16.1 Details of terms of redemption/repayment and security provided in respect of debt securities					
Secured debentures					
Nil, (March 31, 2022 - 55) 12.50% redeemable, non-convertible debentures of INR 100 each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	36 Months	November 19, 2014	-	0.80
Nil, (March 31, 2022 - 250) 9.50% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Yearly	18 Months	May 19, 2022	-	2,586.54
Nil, (March 31, 2022 - 2,000) 10.30% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Repayable in 4 quarterly installments Coupon payment frequency: Quarterly	60 Months	June 28, 2022	-	20,022.58
Nil, (March 31, 2022 - 2,000) redeemable, non-convertible debentures of INR 1 lakh each*	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	38 Months	July 3, 2022	-	2,836.96
Nil, (March 31, 2022 - 1,250) 11.88% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Half Yearly	36 Months	August 28, 2022	-	12,637.71
Nil, (March 31, 2022 - 750) redeemable, non-convertible debentures of INR 10 lakh each*	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	24 Months	December 16, 2022	-	8,406.97
Nil, (March 31, 2022 - 500) redeemable, non-convertible debentures of INR 10 lakh each*	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	24 Months	December 17, 2022	-	5,603.32
Nil, (March 31, 2022 - 2,500) redeemable, non-convertible debentures of INR 1 lakh each*	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	30 Months	February 28, 2023	-	2,932.42
1,50,00,000, (March 31, 2022 - 1,50,00,000) 12.75% redeemable, non-convertible debentures of INR 7.5 each	Principal payment frequency: Repayable yearly in 4 installments Coupon payment frequency: Quarterly	72 Months	March 31, 2023	1,125.39	1,500.52
500, (March 31, 2022 - 500) 11.00% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Quarterly	33 Months	April 21, 2023	5,105.48	5,105.48
150, (March 31, 2022 - 150) 11.00% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Quarterly	33 Months	April 21, 2023	1,531.64	1,531.64

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Particulars	Repayment Terms	Tenor	Earliest installment date	As at March 31, 2023	As at March 31, 2022
500, (March 31, 2022 - 500) 11.00% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Quarterly	33 Months	April 21, 2023	5,105.48	5,105.48
1,500 (March 31, 2022 - 1,500) redeemable, non-convertible debentures of INR 10 lakh each*	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	27 Months	April 30, 2023	18,084.83	16,591.39
150, (March 31, 2022- 150) 10.50% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Yearly	36 Months	May 26, 2023	1,632.90	1,632.90
250, (March 31, 2022 - 250) 11.00% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Quarterly	36 Months	June 12, 2023	2,515.07	2,515.07
2,000, (March 31, 2022 - 2,000) redeemable, non-convertible debentures of INR 1 lakh each*	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Entire interest repayable at maturity	30 Months	June 15, 2023	2,519.80	2,278.30
700, (March 31, 2022 - 700) 10.91% redeemable, non-convertible debentures of INR 10 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Half Yearly	36 Months	September 30, 2023	7,004.43	7,004.43
300,00,000 , (March 31, 2022 - 300,00,000) 11.40% redeemable, non-convertible debentures of INR 10 each #	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Monthly	60 Months	April 11, 2024	3,001.09	3,001.06
4,900, (March 31, 2022-Nil) 9.20% redeemable, non-convertible debentures of INR 1 lakh each	Principal payment frequency: Entire principal repayable at maturity Coupon payment frequency: Yearly	38 Months	February 24, 2024	4,944.46	-
				52,570.57	**1,01,293.57**

All debentures are secured by an exclusive first charge on book debts with security cover ranging from 1 to 1.25 times of the outstanding amount at any point in time

Secured by pari passu charge on immovable property

* Coupon rates are linked to performance of specified indices including market indicators over the period of the debentures.

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Particulars	As at March 31, 2023	As at March 31, 2022
17 Borrowings (other than debt securities) (refer note 17.1)		
At amortised cost		
Term loans (secured)		
From banks	2,40,224.82	81,817.77
From other financial institutions	25,110.17	16,051.64
Borrowings under securitisation (secured)	1,00,169.18	49,716.69
Loans repayable on demand (secured)		
From banks	85.19	765.61
Term loans from other parties (unsecured)		
External commercial borrowings	8,217.00	7,584.45
Total	**3,73,806.36**	**1,55,936.16**
Less: Unamortised processing fees	(1,561.45)	(906.41)
Total	**3,72,244.91**	**1,55,029.75**
Borrowings in India	3,64,112.63	1,47,558.74
Borrowings outside India	8,132.28	7,471.01
Total	**3,72,244.91**	**1,55,029.75**

Loans repayable on demand includes the cash credit and working capital demand loans from banks which are secured by specific charge on the identified receivables. As at March 31, 2023, the rate of interest across the cash credit and the working capital demand loans were in the range of 8.75 % p.a. to 10.20 % p.a. (7.95% p.a. to 11.00% p.a. on March 31, 2022). The Company has not defaulted in the repayment of the borrowings (including debt securities) and was regular in the repayments during the year.

Borrowings other than debt security aggregating to INR 77,305.36 Lakhs (INR 75,744.19 Lakhs in March 31, 2022) has been guaranteed by promoter, Mr. D Lakshmipathy

The Company has used the borrowings from the bank and financial institution for the specified purpose as per the agreement with the lender.

The quarterly returns/statements of current assets filed by the Company with the banks or financial institutions in relation to the secured borrowings wherever applicable, are in agreement with the books of account.

S.R. Batliboi & Associates LLP ★ Chennai ★ Chartered Accountants

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Particulars	Repayment Terms	Tenor	Earliest installment date	As at March 31, 2023	As at March 31, 2022
17.1 Details of terms of redemption/repayment and security provided in respect of borrowings (other than debt securities)					
Term loans from banks					
Term Loan 1	Repayable in 60 Monthly installments	60 Months	December 5, 2018	134.12	335.29
Term Loan 2	Repayable in 60 Monthly installments	60 Months	March 3, 2019	701.94	1,466.12
Term Loan 3	Repayable in 20 quarterly installments	60 Months	June 30, 2019	994.58	1,994.91
Term Loan 4	Repayable in 36 Monthly installments	36 Months	June 30, 2019	-	166.67
Term Loan 5	Repayable in 48 Monthly installments	48 Months	July 29, 2019	93.75	468.75
Term Loan 6	Repayable in 36 Monthly installments	36 Months	September 25, 2019	-	277.78
Term Loan 7	Repayable in 57 Monthly installments	60 Months	September 30, 2019	244.98	455.44
Term Loan 8	Repayable in 33 Monthly installments	36 Months	December 30, 2019	-	378.89
Term Loan 9	Repayable in 60 Monthly installments	60 Months	January 30, 2020	1,049.96	1,649.96
Term Loan 10	Repayable in 60 Monthly installments	62 Months	January 30, 2020	7,118.76	11,188.27
Term Loan 11	Repayable in 36 Monthly installments	36 Months	February 5, 2020	-	833.54
Term Loan 12	Repayable in 36 Monthly installments	36 Months	March 5, 2020	-	646.84
Term Loan 13	Repayable in 60 Monthly installments	60 Months	April 30, 2020	1,481.31	2,215.60
Term Loan 14	Repayable in 36 Monthly installments	36 Months	May 1, 2020	-	1,456.22
Term Loan 15	Repayable in 12 quarterly installments	37 Months	May 26, 2020	-	633.41
Term Loan 16	Repayable in 57 Monthly installments	60 Months	June 25, 2020	1,762.43	2,718.22
Term Loan 17	Repayable in 34 Monthly installments	36 Months	August 16, 2020	205.93	1,441.54
Term Loan 18	Repayable in 34 Monthly installments	36 Months	September 30, 2020	353.04	1,765.15
Term Loan 19	Repayable in 46 Monthly installments	48 Months	November 25, 2020	923.91	1,576.09
Term Loan 20	Repayable in 36 Monthly installments	36 Months	November 30, 2020	-	1,319.80
Term Loan 21	Repayable in 36 Monthly installments	36 Months	December 10, 2020	555.56	1,318.49
Term Loan 22	Repayable in 34 Monthly installments	36 Months	December 31, 2020	336.72	2,333.32
Term Loan 23	Repayable in 36 Monthly installments	36 Months	January 31, 2021	250.00	583.33
Term Loan 24	Repayable in 48 Monthly installments	48 Months	February 5, 2021	1,060.17	1,639.89
Term Loan 25	Repayable in 18 quarterly installments	60 Months	February 28, 2021	1,995.00	2,883.00
Term Loan 26	Repayable in 60 Monthly installments	60 Months	March 3, 2021	1,177.79	1,578.85
Term Loan 27	Repayable in 34 Monthly installments	36 Months	March 23, 2021	661.94	1,544.50
Term Loan 28	Repayable in 36 Monthly installments	36 Months	April 30, 2021	166.67	333.33
Term Loan 29	Repayable in 36 Monthly installments	36 Months	April 30, 2021	2,492.31	5,001.19
Term Loan 30	Repayable in 48 Monthly installments	48 Months	May 1, 2021	3,150.21	4,662.32
Term Loan 31	Repayable in 33 Monthly installments	36 Months	May 31, 2021	746.06	1,655.15
Term Loan 32	Repayable in 32 Monthly installments	35 Months	July 31, 2021	926.36	1,858.79
Term Loan 33	Repayable in 36 Monthly installments	36 Months	January 31, 2022	2,915.00	4,583.00
Term Loan 34	Repayable in 48 Monthly installments	48 Months	March 15, 2022	1,458.33	1,958.33
Term Loan 35	Repayable in 34 Monthly installments	36 Months	March 30, 2022	1,235.58	1,941.63
Term Loan 36	Repayable in 60 Monthly installments	60 Months	April 30, 2022	6,001.44	7,501.80
Term Loan 37	Repayable in 48 Monthly installments	48 Months	May 4, 2022	2,312.50	-
Term Loan 38	Repayable in 72 Monthly installments	74 Months	May 31, 2022	12,708.33	2,501.27
Term Loan 39	Repayable in 57 Monthly installments	60 Months	July 31, 2022	4,169.45	4,951.08
Term Loan 40	Repayable in 34 Monthly installments	36 Months	September 21, 2022	3,177.21	-
Term Loan 41	Repayable in 48 Monthly installments	48 Months	October 15, 2022	4,375.00	-
Term Loan 42	Repayable in 48 Monthly installments	48 Months	October 29, 2022	8,752.04	-
Term Loan 43	Repayable in 10 quarterly installments	33 Months	December 30, 2022	1,600.00	-
Term Loan 44	Repayable in 46 Monthly installments	48 Months	December 31, 2022	6,844.00	-
Term Loan 45	Repayable in 60 Monthly installments	60 Months	December 31, 2022	19,146.85	-
Term Loan 46	Repayable in 57 Monthly installments	60 Months	January 3, 2023	4,736.90	-
Term Loan 47	Repayable in 48 Monthly installments	48 Months	January 6, 2023	4,688.48	-
Term Loan 48	Repayable in 48 Monthly installments	48 Months	January 26, 2023	14,062.50	-
Term Loan 49	Repayable in 81 Monthly installments	84 Months	January 28, 2023	4,815.94	-
Term Loan 50	Repayable in 60 Monthly installments	66 Months	March 26, 2023	9,833.00	-
Term Loan 51	Repayable in 16 quarterly installments	48 Months	March 28, 2023	9,375.00	-
Term Loan 52	Repayable in 12 quarterly installments	36 Months	March 31, 2023	6,418.30	-
Term Loan 53	Repayable in 60 Monthly installments	60 Months	April 30, 2023	20,005.40	-
Term Loan 54	Repayable in 20 quarterly installments	60 Months	June 30, 2023	10,002.47	-
Term Loan 55	Repayable in 16 quarterly installments	48 Months	June 30, 2023	10,000.00	-
Term Loan 56	Repayable in 54 Monthly installments	60 Months	July 28, 2023	7,500.00	-
Term Loan 57	Repayable in 10 quarterly installments	33 Months	July 29, 2023	3,000.00	-
Term Loan 58	Repayable in 19 quarterly installments	60 Months	September 30, 2023	7,507.60	-
Term Loan 59	Repayable in 78 Monthly installments	84 Months	September 30, 2023	25,000.00	-
				2,40,224.82	**81,817.77**

All the above loans are secured by an exclusive first charge on book debts with security cover ranging from 1.10 to 1.25 times of the outstanding amount at any point in time.

As at March 31, 2023, the rate of interest across term loans from banks was in the range of 8.25% p.a to 12.25% p.a (March 31, 2022- 7.95% p.a to 10.90% p.a)

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Particulars	Repayment Terms	Tenor	Earliest installment date	As at March 31, 2023	As at March 31, 2022
Term loans from others					
Term loans from others 1	Repayable in 48 Monthly installments	48 Months	February 11, 2018	-	520.96
Term loans from others 2	Repayable in 42 Monthly installments	48 Months	April 30, 2019	-	142.89
Term loans from others 3	Repayable in 60 Monthly installments	60 Months	May 1, 2019	244.48	487.85
Term loans from others 4	Repayable in 20 quarterly installments	63 Months	September 1, 2019	333.01	606.39
Term loans from others 5	Repayable in 36 Monthly installments	36 Months	January 22, 2020	-	281.27
Term loans from others 6	Repayable in 36 Monthly installments	36 Months	February 22, 2020	-	933.57
Term loans from others 7	Repayable in 48 Monthly installments	48 Months	March 5, 2020	180.06	376.29
Term loans from others 8	Repayable in 36 Monthly installments	36 Months	January 20, 2021	1,253.98	2,926.02
Term loans from others 9	Repayable in 36 Monthly installments	36 Months	January 31, 2021	750.20	1,750.41
Term loans from others 10	Repayable in 3 annual installments	36 Months	February 1, 2021	-	1,250.00
Term loans from others 11	Repayable in 30 Monthly installments	30 Months	February 3, 2021	597.38	2,125.56
Term loans from others 12	Repayable in 16 quarterly installments	48 Months	April 1, 2021	-	1,500.00
Term loans from others 13	Repayable in 36 Monthly installments	36 Months	April 30, 2021	662.98	1,260.76
Term loans from others 14	Repayable in 16 quarterly installments	48 Months	June 1, 2021	1,250.00	1,889.69
Term loans from others 15	Repayable in 48 Monthly installments	48 Months	December 5, 2022	7,835.76	-
Term loans from others 16	Repayable in 61 quarterly installments	61 Months	May 5, 2023	5,002.32	-
Term loans from others 17	Repayable in 11 quarterly installments	36 Months	July 1, 2023	7,000.00	-
				25,110.17	**16,051.65**

All the above loans are secured by an exclusive first charge on book debts with security cover ranging from 1.10 to 1.20 times of the outstanding amount at any point in time

As at March 31, 2023, the rate of interest across term loans from others was in the range of 9.15% p.a to 11.75% p.a (March 31, 2022- 9.50% p.a to 11.75% p.a)

Borrowings Under Securitization					
Borrowings Under Securitization 1	Repayable in 59 Monthly installments	59 Months	September 17, 2019	188.08	2,170.97
Borrowings Under Securitization 2	Repayable in 64 Monthly installments	65 Months	February 17, 2020	-	3,392.64
Borrowings Under Securitization 3	Repayable in 40 Monthly installments	40 Months	March 21, 2020	-	778.51
Borrowings Under Securitization 4	Repayable in 60 Monthly installments	60 Months	May 15, 2020	1,978.90	4,355.36
Borrowings Under Securitization 5	Repayable in 60 Monthly installments	60 Months	July 15, 2020	2,036.66	4,375.66
Borrowings Under Securitization 6	Repayable in 65 Monthly installments	65 Months	August 14, 2020	1,479.10	3,831.51
Borrowings Under Securitization 7	Repayable in 55 Monthly installments	55 Months	November 20, 2020	2,286.82	4,654.53
Borrowings Under Securitization 8	Repayable in 48 Monthly installments	48 Months	January 15, 2021	402.74	1,303.06
Borrowings Under Securitization 9	Repayable in 59 Monthly installments	60 Months	January 16, 2021	803.14	2,321.17
Borrowings Under Securitization 10	Repayable in 61 Monthly installments	61 Months	February 18, 2021	875.52	2,027.59
Borrowings Under Securitization 11	Repayable in 60 Monthly installments	61 Months	February 21, 2021	5,983.01	9,966.88
Borrowings Under Securitization 12	Repayable in 53 Monthly installments	53 Months	April 16, 2021	2,756.65	5,572.66
Borrowings Under Securitization 13	Repayable in 57 Monthly installments	57 Months	April 21, 2021	3,121.59	4,966.12
Borrowings Under Securitization 14	Repayable in 64 Monthly installments	64 Months	January 17, 2023	6,984.80	-
Borrowings Under Securitization 15	Repayable in 58 Monthly installments	58 Months	January 17, 2023	6,590.32	-
Borrowings Under Securitization 16	Repayable in 60 Monthly installments	60 Months	January 18, 2023	16,291.95	-
Borrowings Under Securitization 17	Repayable in 64 Monthly installments	64 Months	January 20, 2023	4,615.03	-
Borrowings Under Securitization 18	Repayable in 60 Monthly installments	60 Months	April 22, 2023	34,400.01	-
Borrowings Under Securitization 19	Repayable in 60 Monthly installments	64 Months	April 22, 2023	9,374.86	-
				1,00,169.18	**49,716.69**

*Refer Note No 48-AH for security and credit enhancement details pertaining to borrowings from securitisation arrangements.

As at March 31, 2023, the rate of interest across loans from Securitisation was in the range of 8.50% p.a to 11.00% p.a (March 31, 2022- 8.55% p.a to 11.00% p.a)

Term loans from others parties (unsecured) - (External Commercial Borrowing)					
External Commercial Borrowing-1	Repayable in 5 Half yearly installments	60 months	March 31, 2025	8,217.00	7,584.45
				8,217.00	**7,584.45**

As at March 31, 2023, the rate of interest on External Commercial Borrowing was 4.20% p.a (March 31, 2022- 4.20% p.a)

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Particulars	As at March 31, 2023	As at March 31, 2022
18 Other financial liabilities		
Unpaid dividends	-	2.58
Lease liability	2,986.05	2,113.32
Employee related payables	2,975.86	1,895.32
Others	108.10	35.61
Total	**6,070.01**	**4,046.83**
19 Provisions		
Provision for employee benefits		
Provision for gratuity (Refer note 40)	384.33	339.64
Provision for compensated absences	773.84	560.39
Total	**1,158.17**	**900.03**
20 Other non-financial liabilities		
Statutory dues payable	1,342.88	902.23
Others*	481.49	100.01
Total	**1,824.37**	**1,002.24**

*Includes unspent corporate social responsibility fund amounting to INR 481.49 lakhs (March 31, 2022 :INR 100.00 lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
21 Equity share capital		
Authorised		
55,00,00,000 shares (March 31, 2022 - 55,00,00,000) of INR 1 each	5,500.00	5,500.00
Issued, subscribed and fully paid up		
29,13,66,120 shares (March 31, 2022 -29,13,43,120) of INR 1 each	2,913.66	2,913.43
Total	**2,913.66**	**2,913.43**

Note: During the year ended March 31, 2022, the Board of Directors of the Company in its meeting held on September 08, 2021 and shareholders in the Extraordinary General Meeting held on October 08, 2021 approved the sub-division of shares from INR 10 per share to INR 1 per share.

The Company completed an Initial Public Offer ("IPO") of 3,35,12,901 equity shares of face value of INR 1 each at an issue price of INR 474 per equity share aggregating INR 1,58,851.15 lakhs, through an offer for sale by selling shareholders. The equity shares of the Company were listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on November 21, 2022. The funds raised from the IPO were remitted to the Selling Shareholders (net of offer expenses borne by the Selling Shareholders) as the IPO was entirely an offer for sale by the Selling Shareholders.

Reconciliation of equity shares outstanding at the beginning and at the end of reporting year

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount of Shares in INR Lakhs	Number of shares	Amount of Shares in INR Lakhs
As at the beginning of the year	29,13,43,120	2,913.43	2,71,90,741	2,564.49
Additional shares pursuant to share split issued during the year (Refer note-38)	-	-	24,47,16,669	-
Equity Shares issued in exercise of employee stock options	23,000	0.23	17,18,000	17.18
Preferential issue of equity shares	-	-	1,77,17,710	177.18
Receipt of pending call money on partly paid up equity shares	-	-	-	154.58
As at the end of the year	**29,13,66,120**	**2,913.66**	**29,13,43,120**	**2,913.43**

Terms/ rights attached to the equity shares

The Company has a single class of equity shares. Accordingly all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. Dividends are paid in Indian Rupees. Dividend proposed by the board of directors, if any, is subject to the approval of the shareholders at the General Meeting, except in the case of interim dividend.

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 preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Equity shares reserved for issue under options

Information relating to Employee Stock Option Schemes including the details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 41.

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Promoter Holdings

Particulars	As at March 31, 2023					
	Number of Shares at the beginning of the year	Additional shares pursuant to share split issued during the year	Movement during the year	Number of Shares at the end of the year	% of Total Shares	% of Change during the year
Fully paid up shares						
(i) D. Lakshmipathy	3,60,37,450	-	(53,46,772)	3,06,90,678	10.53%	-14.84%
(ii) L.Hema	2,08,90,600	-	-	2,08,90,600	7.17%	0.00%
(iii) L.Shritha	2,00,000	-	-	2,00,000	0.07%	0.00%
(iv) Matrix Partners India Investment Holding II LLC	4,10,09,990	-	(1,68,63,327)	2,41,46,663	8.29%	-41.12%
(v) SCI Investments V	2,56,96,500	-	(28,51,013)	2,28,45,487	7.84%	-11.09%
Sub-Total	**12,38,34,540**	**-**	**(2,50,61,112)**	**9,87,73,428**	**33.90%**	**-20.24%**
Grand Total	**12,38,34,540**	**-**	**-2,50,61,112**	**9,87,73,428**	**33.90%**	**-20.24%**

Particulars	As at March 31, 2022					
	Number of Shares at the beginning of the year	Additional shares pursuant to share split issued during the year	Movement during the year	Number of Shares at the end of the year	% of Total Shares	% of Change during the year
Fully paid up shares						
(i) D. Lakshmipathy	21,85,771	1,96,71,939	1,41,79,740	3,60,37,450	12.37%	648.73%
(ii) L.Hema	20,89,060	1,88,01,540	-	2,08,90,600	7.17%	-
(iii) L.Shritha	20,000	1,80,000	-	2,00,000	0.07%	-
(iv) Matrix Partners India Investment Holding II LLC	41,00,999	3,69,08,991	-	4,10,09,990	14.08%	-
(v) SCI Investments V	25,69,650	2,31,26,850	-	2,56,96,500	8.82%	-
Sub-Total	**1,09,65,480**	**9,86,89,320**	**1,41,79,740**	**12,38,34,540**	**42.50%**	**129.31%**
Partly paid up shares						
(i) D. Lakshmipathy	1,52,50,000	-	(1,52,50,000)	-	-	-100.00%
Sub-Total	**1,52,50,000**	**-**	**(1,52,50,000)**	**-**	**-**	**-100.00%**
Grand Total	**2,62,15,480**	**9,86,89,320**	**(10,70,260)**	**12,38,34,540**	**42.50%**	**-4.08%**

The determination /identification of promoters for the purpose of presentation under this disclosure has been done on the basis of information available with the company which has been solely relied upon by the auditors.

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

Name of shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of shares	% of total shares in class	Number of shares	% of total shares in class
TPG Asia VII SF Pte. Ltd.	5,07,52,693	17.42%	6,11,06,730	20.97%
Matrix Partners India Investment Holdings II, LLC	2,41,46,663	8.29%	4,10,09,990	14.08%
D. Lakshmipathy	3,06,90,678	10.53%	3,60,37,450	12.37%
Norwest Venture Partners X - Mauritius	2,35,67,912	8.09%	2,97,48,060	10.21%
SCI Investments V	2,28,45,487	7.84%	2,56,96,500	8.82%
L. Hema	2,08,90,600	7.17%	2,08,90,600	7.17%
Sirius II Pte Ltd	1,75,93,990	6.04%	1,75,93,990	6.04%

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Particulars	As at March 31, 2023	As at March 31, 2022
22 Other Equity		
Statutory reserve	39,182.52	27,112.60
Share options outstanding account	6,120.40	3,405.80
Securities premium	2,31,436.81	2,31,361.87
General reserve	719.60	719.60
Retained earnings	1,53,788.67	1,05,616.78
Cash flow hedge reserve	(208.19)	(94.98)
Total	**4,31,039.81**	**3,68,121.67**
i **Statutory reserve**		
Opening balance	27,112.60	18,041.71
Amount transferred from surplus in the statement of profit and loss	12,069.92	9,070.89
Closing balance	**39,182.52**	**27,112.60**

As per Section 45-IC of the Reserve Bank of India Act, 1934, the Company is required to create a reserve fund at the rate of 20% of the net profit after tax of the Company every year. Accordingly, the Company has transferred an amount of INR 12,069.92 lakhs (March 31, 2022: INR 9,070.89 lakhs), out of the profit after tax for the year ended March 31, 2022 to Statutory Reserve.

Five-Star Housing Finance Private Limited, the wholly owned subsidiary amalgamated with the Company with appointed date under the aforesaid Scheme as April 1, 2019. The erstwhile wholly owned subsidiary has surrendered its Certificate of Registration to carry on the business of housing finance institution to National Housing Bank (NHB) on June 5, 2020. The statutory reserve maintained by the wholly owned subsidiary under section 29C of the National Housing Bank Act, 1987 was subsumed in the statutory reserve maintained by the Company.

No appropriation of any sum from this reserve fund shall be made by the non-banking financial company except for the purpose as may be specified by RBI.

ii **Share options outstanding account**		
Opening balance	3,405.80	1,795.27
Share based payment expenses	2,764.19	3,544.18
Less: Transfer to Securities premium	(49.59)	(1,933.65)
Closing balance	**6,120.40**	**3,405.80**

The amount represents reserve created to the extent of granted options based on the Employees Stock Option Schemes. Under Ind AS 102, fair value of the options granted is to be expensed out over the life of the vesting period as employee compensation costs reflecting period of receipt of service. Also refer note 42.

iii **Securities premium**		
Opening balance	2,31,361.87	1,39,234.46
Premium received on shares issue during the year	25.35	90,363.86
Transfer to securities premium on exercise of ESOP	49.59	1,933.65
Less: Utilised during the year for the share issue expenses	-	(170.10)
Closing balance	**2,31,436.81**	**2,31,361.87**

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013. During the year ended March 31, 2023, Securities premium was utilised to the extent of INR NIL lakhs (March 31, 2022- INR 170.10 lakhs) towards share issue expenses, in line with Section 52 of the Companies Act 2013.

iv **General reserve**		
Opening balance	719.60	719.60
Amount transferred from Profit and Loss	-	-
Closing balance	**719.60**	**719.60**

General reserve is a free reserves which can be utilised for any purpose as may be required.

v **Retained earnings**		
Opening balance	1,05,616.78	69,461.69
Profit for the year	60,349.61	45,354.45
Less: Transfer to Statutory Reserve	(12,069.92)	(9,070.89)
Less: Remeasurement of defined benefit plan	(107.80)	(128.43)
Closing balance	**1,53,788.67**	**1,05,616.78**

Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings is a free reserve available to the Company and eligible for distribution to shareholders, in case where it is having positive balance representing net earnings till date. The amount that can be distributed by the Company as dividends to its Equity Shareholders is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013 and the Regulations of Reserve Bank of India.

vi **Cash Flow Hedges Reserve**		
Opening balance	(94.98)	-
Additions	(113.21)	(94.98)
Closing balance	**(208.19)**	**(94.98)**

Cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which shall be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item, consistent with the Company accounting policies.

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Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
23 Interest income		
On financial assets measured at amortised cost		
Interest on loans	1,46,303.00	1,17,051.64
Interest on deposit with banks	2,763.19	2,703.35
Interest on investment in Government securities	812.18	621.56
Total	**1,49,878.37**	**1,20,376.55**
24 Fee income		
Legal and inspection fees	658.93	2,562.31
Other charges	716.96	377.29
Total	**1,375.89**	**2,939.60**

Other Charges comprises of charges collected from the customers in the nature of document storage charges, cheque dishonour charges and other charges as applicable.

All services that generate revenue from contract with customer are rendered at a point in time and are rendered in India.

25 Net gain on fair value changes		
Net gain on financial instrument at fair value through profit or loss (FVTPL)		
On trading portfolio		
-Mutual fund investments at FVTPL	830.59	2,090.21
Total	**830.59**	**2,090.21**
Fair value changes		
Realised	830.59	2,090.21
Unrealised	-	-
Total	**830.59**	**2,090.21**
26 Other income		
Recovery of assets written off	735.11	185.84
Other non-operating income	72.79	24.72
Total	**807.90**	**210.56**
27 Finance cost		
(On financial liabilities measured at amortised cost)		
Interest on borrowings		
- term loans from banks	11,365.54	7,807.55
- cash credits and overdraft	13.92	16.04
- securitisation	4,059.20	6,361.38
- term loans from others	2,429.94	2,819.46
Interest on debt securities	8,436.45	12,735.93
Other borrowing cost	47.46	99.65
Interest on lease liability	272.59	219.97
Total	**26,625.10**	**30,060.00**
28 Impairment on financial instruments		
On financial assets measured at amortised cost		
Impairment loss allowance on loans*	2,014.70	4,551.81
Total	**2,014.70**	**4,551.81**

*Includes write-off of INR 1,199.22 lakhs for the year ended March 31, 2023 (March 31, 2022 - INR 2,926.39 lakhs).

29 Employee benefits expenses		
Salaries, wages and bonus	28,345.84	17,854.07
Contribution to Provident and Other funds	2,104.88	1,396.01
Employee stock option expenses (Refer note 41)	2,764.19	3,544.18
Staff welfare expenses	1,427.75	817.26
Total	**34,642.66**	**23,611.52**

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Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
30 Depreciation and amortization		
Depreciation on property, plant and equipment (Refer note 12)	830.56	476.43
Amortisation of intangible assets (Refer note 13)	40.69	116.91
Depreciation on right of use asset (Refer note 37)	859.99	631.13
Total	**1,731.24**	**1,224.47**
31 Other expenses		
Rent expense	49.97	52.86
Rates and taxes	108.02	42.30
Electricity expenses	155.84	97.33
Repairs and maintenance	498.25	348.28
Communication costs	711.44	620.96
Printing and stationery	565.30	294.16
Advertisement and publicity	32.82	7.47
Directors fees, allowances and expenses	87.96	77.50
Auditor's fees and expenses (refer note 31.1)	137.04	136.77
Legal and professional charges	1,128.61	1,535.25
Insurance	9.13	16.96
Corporate social responsibility expenses (refer note 31.2)	961.27	699.70
Travel expenses	555.15	226.01
Information technology expenses	2,154.64	1,100.94
Loss on sale of property, plant and equipment	2.83	1.32
Bank charges	185.66	181.27
Collection/Recovery costs	3.13	279.18
Miscellaneous expenses	58.50	29.95
Total	**7,405.56**	**5,748.21**
31.1 Payment to auditors (excluding taxes)		
Statutory audit including limited reviews and certificates	132.36	130.40
Tax audit	2.06	2.00
Reimbursement of expenses	2.62	4.37
Total	**137.04**	**136.77**

Note:

Excludes remuneration amounting to INR 274.53 Lakhs paid to the auditors during FY 2022-23 for services in connection with initial public offer of equity shares of the Company. Subsequently the same has been reimbursed from the selling shareholders.

Payment to auditors towards statutory auditors including limited reviews and certificates above includes INR NIL lakhs (March 31, 2022- INR 32.40 lakhs) paid to predecessor auditor.

31.2 Details of expenditure on corporate social responsibility ("CSR")

(a) Amount required to be spent by the Company during the year	961.20	699.43
(b) Amount of expenditure incurred during the period		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	529.77	699.70
(c) Shortfall at the end of the year**	431.43	-
(d) Total of previous shortfall***	50.00	100.00
(e) Reason for shortfall	*	Not Applicable
(f) Nature of CSR Activities	Contribution towards projects in the domain of education and healthcare	Contribution towards projects in the domain of education and healthcare
(g) Details of Related Party Transactions	NIL	NIL

*The amount categorised as shortfall for the year ended March 31, 2023 aggregating to INR 431.43 Lakhs, is towards the ongoing projects under the activities mentioned in Schedule VII of the Companies Act, 2013 and the same was approved by the CSR Committee at its meeting held on December 23, 2022 and March 18, 2023.

**The Company has incurred an amount of INR 0.07 Lakhs in excess of the CSR liability as per Section 135 of the Companies Act, 2013 for the year ended March 31, 2023.

***The amount categorised as shortfall amounting to INR 50.00 Lakhs for the year ended March 31, 2021, is towards the ongoing projects under the activities mentioned in Schedule VII of the Companies Act, 2013 and the same was approved by the CSR Committee at its meeting held on March 22, 2021.





Details of ongoing projects

In case of S. 135(6) (Ongoing Project)							
Year	Opening Balance		Amount required to be spent during the year	Amount spent during the year from		Closing Balance	
	With Company	In Separate CSR Unspent A/c		Company's bank A/c	Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
2021-22	-	100.00	-	-	50.00	-	50.00
2022-23	-	-	480.84	49.35	-	-	431.49

	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
31.3	**(a) Expenditure in Foreign Currency**		
	Information technology Expenses	364.07	282.15
	Processing fee on borrowings	-	71.90
	(b) Remittances in Foreign Currency		
	Information technology Expenses	364.07	282.15
	Processing fee on borrowings	-	71.90
	Offer expenses in connection with the Initial Public Offer	257.77	188.43
	(c) There are no dividend paid in foreign currency		

31.4 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

32 Income tax

i. Current tax		
In respect of current year	20,715.40	15,959.12
Total	**20,715.40**	**15,959.12**
ii. Deferred tax		
Attributable to–		
Origination and reversal of temporary differences	(591.52)	(892.66)
Total	**(591.52)**	**(892.66)**
Tax expense (i)+(ii)	**20,123.88**	**15,066.47**

32.1 Deferred tax related to the items recognised in other comprehensive income during the year

Tax impact on:		
Re-measurements of the defined benefit plan	36.26	43.20
Net movement on effective portion of cashflow hedge	38.07	31.94
Deferred tax charged to Other Comprehensive Income	**74.33**	**75.14**

32.2 Reconciliation of total tax expense

Profit before tax	80,473.49	60,420.91
Applicable tax rate	25.17%	25.17%
Computed tax expense	20,253.57	15,206.73
Tax effect of-		
Permanent Differences		
Deduction under Section 80JJAA of the Income Tax Act, 1961	(397.26)	(288.67)
Disallowance related to CSR Expenditure	241.93	176.10
Others	25.64	(27.71)
Income tax expenses recognised in the statement of profit and loss	20,123.88	15,066.46
Effective tax rate	**25.01%**	**24.94%**

33 Reconciliation of deferred tax assets / (liability):

In relation to:		
Difference between written down value of fixed assets as per books of accounts and income tax	227.26	197.28
Employee Benefits	847.17	640.62
Cash flow hedge reserve	70.01	31.94
Impairment allowance	1,783.84	2,277.89
Impact of Effective interest rate adjustment on Financial Assets	2,628.96	1,829.81
Impact of Effective interest rate adjustment on Financial liabilities	(265.97)	(338.92)
Recognition of lease liability and right to use asset	41.33	28.12
Total	**5,332.60**	**4,666.74**

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33.1 Reconciliation of deferred tax assets / (liability):

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense

Particulars	Opening Balance	Recognised in profit of loss	Recognised in other comprehensive income	Closing Balance
For the year ended March 31, 2023				
Difference between written down value of fixed assets as per books of accounts and income tax	197.28	29.98	-	227.26
Employee benefits	640.62	170.29	36.26	847.17
Cash flow hedge reserve	31.94	-	38.07	70.01
Impairment allowance (including Write-Off)	2,277.89	(494.05)	-	1,783.84
Unamortised processing fee income	1,829.81	799.15	-	2,628.96
Unamortised processing fee expenses	(338.92)	72.95	-	(265.97)
Recognition of lease liability and right to use asset	28.12	13.21	-	41.33
Total	**4,666.74**	**591.54**	**74.33**	**5,332.60**

Particulars	Opening Balance	Recognised in profit of loss	Recognised in other comprehensive income	Closing Balance
For the year ended March 31, 2022				
Difference between written down value of fixed assets as per books of accounts and income tax	134.10	63.18	-	197.28
Employee benefits	448.51	148.91	43.20	640.62
Cash flow hedge reserve	-	-	31.94	31.94
Impairment allowance (including Write-Off)	1,987.18	290.71	-	2,277.89
Unamortised processing fee income	1,679.02	150.79	-	1,829.81
Unamortised processing fee expenses	(573.29)	234.37	-	(338.92)
Recognition of lease liability and right to use asset	23.42	4.70	-	28.12
Total	**3,698.94**	**892.66**	**75.14**	**4,666.74**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
34 Commitments		
Estimated amount of contracts remaining to be executed on capital account (net off capital advances) and not provided for	16.87	162.53
35 Contingent Liabilities		
Claims against the company not acknowledged as debt		
- Income tax related matters (excluding penalties and interest)	6.74	6.74
Bank Guarantee to National Stock Exchange in connection with the IPO	1,660.10	-

36 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Under Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with management and confirmation sought from suppliers on registration with specified authority under MSMED, principal amount, interest accrued and remaining unpaid and interest paid during the year to such enterprise is Nil.

The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period		
Principal	-	-
Interest	-	-
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

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Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022

37 Leases

The Company has taken office premises on lease for its operations. The Company's obligations under its leases are secured by the lessor's title to the leased assets. The Company also has certain leases with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

Set out below are the carrying amounts of lease liabilities included under financial liabilities and the movements during the year:

i) Movement in carrying value of right of use assets

Opening balance	1,978.10	1,452.63
Additions during the year	1,897.77	1,263.90
Depreciation	(859.99)	(631.13)
Derecognition on termination of leases	(169.70)	(107.30)
Closing balance	**2,846.18**	**1,978.10**

ii) Movement in lease liabilities

Opening balance	2,113.32	1,529.36
Additions during the year	1,860.08	1,272.73
Interest on lease liabilities	272.59	219.97
Rent payments	(1,051.08)	(779.72)
Derecognition on termination of leases	(208.86)	(129.02)
Closing balance	**2,986.05**	**2,113.32**

iii) Amounts recognised in statement of profit and loss

Rent expense on short term leases (Refer note 31)	49.97	52.86
Interest on lease liabilities	272.59	219.97
Depreciation on Right of use asset	859.99	631.13
Gain recognised on derecognition of leases	(39.16)	(21.73)

iv) Future lease commitments

Future undiscounted lease payments to which leases is not yet commenced	12.60	41.14

v) Cash flows

Total cash outflow for leases	1,101.05	832.58

vi) Maturity analysis of undiscounted lease liabilities

Not later than one year	1,153.06	805.60
Later than one year and not later than five years	2,106.91	1,554.89
Later than five years	317.27	191.88

Lease liabilities are recognised at weighted average incremental borrowing rate ranging from 8.29% to 9.27%

38 Earnings per share

Profit after tax	**60,349.61**	**45,354.45**
Weighted Average Number of Equity Shares in calculation of basic earnings per share	29,13,61,835	28,18,98,756
Dilution on account of ESOP and partly-paid up shares	31,23,179	30,29,537
Weighted Average Number of Equity Shares in calculation of diluted earnings per share	29,44,85,014	28,49,28,293
Basic earnings per share	20.71	16.09
Diluted earnings per share	20.49	15.92

The Board of Directors of the Company in its meeting held on September 8, 2021 and shareholders in the Extraordinary General Meeting held on October 8, 2021 approved the sub-division of shares from ₹ 10 per share to ₹ 1 per share.

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Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022

39 Segment Information

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chairman and Managing Director ('MD') to make decisions about resources to be allocated to the segments and assess their performance. The MD is considered to be the Chief Operating Decision Maker ('CODM') within the purview of Ind AS 108 Operating Segments.

The CODM considers the entire business of the Company on a holistic basis to make operating decisions and thus there are no segregated operating segments. The Company is primarily engaged in providing loans for business purposes, house renovation / extension purposes and other mortgage purposes. The CODM of the Company reviews the operating results of the Company as a whole and therefore not more than one reportable segment is required to be disclosed by the Company as envisaged by Ind AS 108 Operating Segments. Accordingly, amounts appearing in these financial statements relates to small business loans and loans for house renovations / extensions etc.

The Company does not have any separate geographic segment other than India. As such there are no separate reportable segments as per Ind AS 108 Operating Segments.

40 Employee benefits - post employment benefit plans

A Defined contribution plans

The Company makes provident fund and employee state insurance scheme contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised INR 1,371.90 lakhs (year ended March 31, 2022 - INR 889.79 lakhs) for provident fund contributions, and INR 356.67 lakhs (year ended March 31, 2022 - INR 245.20 lakhs) for employee state insurance scheme contributions in the statement of profit and loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

B Defined benefit plans

Gratuity

The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age/ resignation date.

The defined benefit plans expose the Company to risks such as Actuarial risk, Investment risk, Liquidity risk, Market risk, Legislative risk. These are discussed as follows:

Actuarial risk:

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse salary growth experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption then the gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption then the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

Investment risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Liquidity risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cash flows.

Market risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in defined benefit obligation of the plan benefits and vice versa. This assumption depends on the yields on the government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Legislative risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act, 1972, thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the defined benefit obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

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Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Funding		
The Company has funded their gratuity liability with Life Insurance Corporation. Gratuity provision has been made based on the actuarial valuation.		
Reconciliation of net defined benefit (asset) liability		
The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit asset (liability) and its components.		
Present value of obligations	1,793.23	1,246.93
Fair value of plan assets	(1,408.90)	(907.29)
(Asset) / Liability recognised in the balance sheet	**384.33**	**339.64**
Reconciliation of present value of defined benefit obligation		
Balance at the beginning of the year	1,246.93	811.61
Benefits paid	(59.67)	(39.47)
Current service cost	390.71	253.35
Interest cost	71.20	43.24
Actuarial (gain)/loss recognized in other comprehensive income		
changes in demographic assumptions	-	-
changes in financial assumptions	(112.79)	(24.43)
experience adjustments	256.85	202.63
Balance at the end of the year	**1,793.23**	**1,246.93**
Expense recognized in profit or loss		
Current service cost	390.71	253.35
Net Interest cost	6.58	4.50
Total	**397.29**	**257.85**
Remeasurements recognized in other comprehensive income		
Actuarial (gain) loss on defined benefit obligation	144.06	178.21
Return on plan assets excluding interest income	-	(6.58)
Total	**144.06**	**171.63**
Changes in the fair value of plan assets		
Fair value of plan assets as at the beginning of the year	907.29	556.83
Expected return on plan assets	64.62	38.73
Contributions	496.66	344.62
Direct contributions towards direct benefit payments	-	-
Benefits paid and charges deducted from the fund	(59.67)	(39.47)
Direct benefit payments	-	-
Actuarial gain/(loss) on plan assets	-	6.58
Fair value of plan assets as at the end of the year	**1,408.90**	**907.29**
Net defined benefit (asset) liability	**384.33**	**339.63**
Actuarial assumptions		
Discount rate	7.13%	5.85%
Future salary growth	15.00%	15.00%
Attrition rate	25.00%	25.00%
Sensitivity Analysis		
Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:		
Discount rate		
-1% increase	(79.48)	(58.71)
-1% decrease	86.97	64.51
Attrition rate		
-1% increase	(37.25)	(32.52)
-1% decrease	40.00	30.14
Future salary growth		
-1% increase	82.96	56.64
-1% decrease	(78.27)	(60.29)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown

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Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Additional Disclosures required under Ind AS 19		
Average Duration of Defined Benefit Obligations (in Years)	5.5	5.70
Projected undiscounted expected benefit outgo (mid year cash flows)		
Year 1	251.83	149.42
Year 2	305.60	182.02
Year 3	259.28	198.28
Year 4	240.16	172.51
Year 5	245.63	156.24
Next 5 Years	777.46	507.39
Expected benefit payments for the next annual reporting year	251.83	149.42

41 Share Based Payments

A Description of schemes

The decision to introduce Five-Star Associate Stock Option Scheme, 2015 (hereinafter called "FIVE-STAR ASOP, 2015") was taken by the Board of Directors at the meeting held on September 18, 2015 and was approved by the shareholders of the Company at the Extra Ordinary General Meeting held on April 12, 2016. The total options issuable under the plan are upto 5,63,000 options.

Later, the Board of Directors issued another scheme, named Five-Star Associate Stock Option Scheme, 2018 (hereinafter called "FIVE-STAR ASOP, 2018") at their meeting held on February 28, 2018 and was approved by the shareholders of the Company at the Extra Ordinary General Meeting held on March 26, 2018. The total options issuable under the plan are upto 5,00,000 options.
Nomination and Remuneration Committee constituted by the Board of Directors of the Company administers the plans. Under these plans, the participants are granted options which vest as per the schedule provided in the Grant Letter given to each of the participants. The time period for exercise of these options is defined in the Scheme document.

B Reconciliation of outstanding share options

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Weighted average exercise price per option	Number of options	Weighted average exercise price per option	Number of options
Outstanding at beginning of year	65.01	39,08,000	56.99	4,69,300
Addition in number of options on account of share split*	-	-	-	42,23,700
Forfeited during the year	8.39	61,700	114.96	2,04,000
Exercised during the year	111.36	23,000	44.53	17,18,000
Granted during the year	86.53	2,81,830	76.12	11,37,000
Outstanding as at end of year	66.91	41,05,130	65.01	39,08,000
Exercisable Options	**61.91**	**12,83,660**	**67.44**	**2,000**

*During the year ended March 31, 2022, the Board of Directors of the Company in its meeting held on September 08, 2021 and shareholders in the Extraordinary General Meeting held on October 08, 2021 approved the sub-division of shares from INR 10 per share to INR 1 per share.

The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2023 is INR 399.86 per share (March 31, 2022 : INR 375.49 per share)

Particulars	As at March 31, 2023	As at March 31, 2022
For the options outstanding at the end of the year:		
Weighted average remaining contractual life (in years)	5.71	6.63
Range of exercise prices (INR)	1-236.44	1-236.44

C Expense recognised in the statement of profit and loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Total expense	2,764.19	3,544.18

D Measurement of fair values

The fair value of options have been estimated on the dates of each grant using the Black Scholes model. The various inputs considered in the pricing model for the stock options granted by the Company during the year are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Share price on Grant date (INR)	399.86 - 411.96	351.80-385.49
Weighted average share price (INR)	399.86 - 411.96	351.80-385.49
Exercise price (INR)	67.44 - 236.44	1-236.44
Fair value of options at grant date (INR)	234.32 - 349.16	212.56-384.82
Expected volatility	39.75%-48.43%	37.67%-47.78%
Option term	3.54-7.54 years	3.54-7.54 years
Expected dividends	Nil	Nil
Risk free interest rate	5.45-5.65%	5.30%-5.40%

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42 Related party disclosures

a Name of the related parties and nature of relationship:

Key Management Personnel :
D. Lakshmipathy, Chairman and Managing Director
K.Rangarajan, Chief Executive Officer
G. Srikanth, Chief Financial Officer upto May 31, 2021; Chief - Strategy and Finance from June 1, 2021 to March 19, 2022 and Chief Financial Officer from March 20, 2022
Roopa Sampath Kumar, Chief Financial Officer (from June 1, 2021 to March 19, 2022)
B. Shalini, Company Secretary

Director and relative of Key Management Personnel / Director
Hema Lakshmipathy, wife of Lakshmipathy Deenadayalan
Shritha Lakshmipathy, Daughter of Lakshmipathy Deenadayalan
Bhama Krishnamurthy, Independent Director
B. Haribabu, Independent Director (upto October 20, 2021)
A. Ramanathan, Independent Director (upto May 25, 2022)
L.R. Ravi Prasad, Non-executive Director (upto October 20, 2021)
T.T. Srinivasaraghavan, Independent Director (from August 25, 2021)
V. Thirulokchand, Non-executive Director
R Anand, Independent Director
Vikram Vaidyanathan, Non-Executive Director
G V Ravishankar, Non-Executive Director
Ramkumar Ramamoorthy, Independent Director (from June 08, 2022)

Entities with Significant Influence over the Company
TPG Asia VII SF Pte. Ltd. (upto November 17, 2022)
Matrix Partners India Investment Holding II LLC
SCI Investments V

Post Employment Benefit Funds
Five-Star Business Finance Limited Employees Gratuity Fund

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
b Key management personnel (KMP) compensation		
Short-term employee benefits		
D. Lakshmipathy	831.48	631.66
K.Rangarajan	293.48	235.60
G.Srikanth	170.00	135.08
Roopa Sampath Kumar	-	96.10
B.Shalini	21.91	11.32
Post employment benefits		
D. Lakshmipathy	0.22	0.22
K.Rangarajan	0.22	0.22
G.Srikanth	0.22	0.22
Roopa Sampath Kumar	-	0.20
B.Shalini	0.22	0.22
Share based payments		
K.Rangarajan	1,270.91	2,332.49
G.Srikanth	577.56	624.12
B.Shalini	12.09	14.72
c Details of related party transactions		
Reimbursement of Expenses (from)		
TPG Asia VII SF Pte. Ltd.	1,184.82	-
Matrix Partners India Investment Holding II LLC	1,217.13	-
SCI Investments V	282.10	-
Issue of shares		
D. Lakshmipathy	-	30.00
K.Rangarajan	-	12.51
G.Srikanth	-	6.53
B.Shalini	0.03	-
Receipt of pending call money on partly paid up shares		
D. Lakshmipathy	-	137.25
K.Rangarajan	-	5.76
G.Srikanth	-	4.03
Securities Premium		
D. Lakshmipathy	-	35,681.78
K.Rangarajan	-	126.66
G.Srikanth	-	72.19
B.Shalini	3.93	-

*excludes transfer from Share Based payment reserve to securities Premium on exercise of employee stock options

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Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Directors sitting fees		
R Anand	12.70	9.80
Bhama Krishnamurthy	13.10	9.40
B. Haribabu	-	4.60
A. Ramanathan	1.80	9.40
L.R Ravi Prasad	-	4.60
V. Thirulokchand	7.50	5.00
T.T. Srinivasaraghavan	8.70	4.30
Ramkumar Ramamoorthy	6.90	-
Commission to Directors		
R Anand	6.00	4.00
Bhama Krishnamurthy	6.00	4.00
B. Haribabu	-	2.00
A. Ramanathan	1.00	4.00
L.R Ravi Prasad	-	2.00
V. Thirulokchand	6.00	4.00
T.T. Srinivasaraghavan	6.00	4.00
Ramkumar Ramamoorthy	5.00	-
Personal Guarantee received for Borrowings		
D. Lakshmipathy	41,500.00	9,217.18

Managerial remuneration above does not include gratuity and compensated absences, since the same are provided on actuarial basis for the company as a whole and the amount attributable to the key managerial personnel cannot be ascertained separately.
Compensation to independent and non-executive directors represent commission and sitting fees paid.

Particulars	As at March 31, 2023	As at March 31, 2022
d Balance with Related Parties		
Employee Benefits Payable		
D. Lakshmipathy	156.16	125.96
K.Rangarajan	39.20	40.92
G.Srikanth	17.00	12.86
B.Shalini	-	-
Director Commission Payable		
R Anand	5.40	3.60
Bhama Krishnamurthy	5.40	3.60
B. Haribabu	-	1.80
A. Ramanathan	0.90	3.60
L.R Ravi Prasad	-	1.80
V. Thirulokchand	5.40	3.60
T.T. Srinivasaraghavan	5.40	3.60
Ramkumar Ramamoorthy	4.50	-

In addition to the above note, the Debt securities and borrowings other than debt securities aggregating to INR 78,420.87 lakhs (INR 77,228.40 as at March 31, 2022) has been guaranteed by the promoter, Mr. D Lakshmipathy.

43 Capital

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the regulator, Reserve Bank of India (RBI). The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

The Company has complied in full with all its externally imposed capital requirements over the reporting period.

Capital management

The primary capital management objective is to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years with regard to capital management. However, they are under constant review by the Board.

i Net Debt to Equity Ratio

Consistent with the others in industry, the company monitors the capital on the basis of gearing ratio (Net Debt divided by Equity). Under the terms of the major borrowing facilities, the company is required to maintain the gearing ratio in line with the RBI guidelines or in a slightly more conservative manner. The actual gearing stipulated differs between the various lending agreements. The company has complied with this covenant through out the year.

Particulars	As at March 31, 2023	As at March 31, 2022
Total Equity (A)	4,33,953.47	3,71,035.10
Debt Securities (B)	52,483.00	1,00,853.38
Borrowings other than Debt Securities (C)	3,72,244.91	1,55,029.75
Cash and Cash equivalents (D)	1,34,035.80	61,316.28
Net Debt (E = B+ C - D)	**2,90,692.11**	**1,94,566.85**
Net Debt to Equity Ratio (F = E / A)	**0.67**	**0.52**

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ii Regulatory capital

The Company has to mandatorily comply with the capital adequacy requirements stipulated by Reserve Bank of India from time to time. Capital adequacy ratio or capital-to-risk weighted assets ratio (CRAR) is computed by dividing company's Tier I and Tier II capital by risk weighted assets.

Particulars	As at March 31, 2023	As at March 31, 2022
Tier I Capital	3,90,860.96	3,35,814.66
Tier II Capital	-	-
Total Capital	**3,90,860.96**	**3,35,814.66**
Total Risk Weighted Assets	5,81,897.51	4,46,586.18
Capital Ratios		
CRAR - Tier I Capital%	67.17	75.20
CRAR - Tier II Capital%	-	-
CRAR%	67.17	75.20
Amount of subordinated debt raised as Tier-II capital	-	-
Amount raised by issue of perpetual debt instruments	-	-

Tier I capital comprises of shareholders' equity and retained earnings. Tier II Capital comprises of general provision and loss reserves (12 month expected credit losses). Credit enhancement relating to securitisation transactions have been reduced from Tier 1 and Tier II capital in accordance with RBI circular DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020. Tier I and Tier II Capital have been reported based on Financial Statements of the Company and as prescribed by RBI guidelines. Risk weighted assets represents the weighted sum of company's credit exposures based on their risk as prescribed by RBI guidelines.

44 Fair Value Measurement

Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair value disclosures are provided in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standards.

The Following methodologies and assumptions were used to estimate the fair values of the financial assets or liabilities

i) The fair value of loans have estimated by discounting expected future cash flows using discount rate equal to the rate near to the reporting date of the comparable product

ii) The fair value of debt securities, borrowings other than debt securities and subordinated liabilities have estimated by discounting expected future cash flows discounting rates.

iii) The fair values of Debt Securities and Borrowings other than Debt securities are estimated by discounted cash flow models that incorporate interest cost estimates considering all significant characteristics of the borrowing. They are classified as Level 3 fair values in the fair value hierarchy due to the use of unobservable inputs

iv) The fair value of investment in Government securities are derived from rate equal to the rate near to the reporting date of the comparable product.

v) The fair value of Derivatives are determined using inputs that are directly or indirectly observable in market place.

Fair Value of financial instruments recognised and measured at fair value

Particulars	Level 1	Level 2	Level 3	Total
As at March 31, 2023				
Financial Assets:				
Derivative Financial Instruments	-	346.09	-	346.09
As at March 31, 2022				
Financial liabilities:				
Derivative Financial Instruments	-	138.92	-	138.92

For all the Company's assets and liabilities which are not carried at fair value, disclosure of fair value is not required as the carrying amounts approximates the fair value, except as stated below. Such estimation is determined based on inputs where one or more unobservable input is significant to the measurement of the instrument as a whole (level 3), except for cash and cash equivalents and bank balances other than cash and cash equivalents where such estimation is determined based on unadjusted quoted prices from active markets for identical assets (level 1). The fair value of investment, Loans, debt securities and borrowings other than debt securities as at March 31, 2023 amounted to INR 14,371.06 lakhs, INR 6,89,959.66 lakhs, INR 56,681.44 lakhs and INR 3,72,219.22 lakhs respectively.(As at March 31, 2022 amounted to INR 24,546.47 lakhs, INR 5,31,361.21 lakhs, INR 1,06,291.77 lakhs and INR 1,55,656.75 lakhs respectively). There is no transfers between different levels during the year.

45 Financial instruments by category

The carrying value of financial instruments by categories as of March 31, 2023 were as follows:

Particulars	Carrying amount			
	Amortised cost	Fair value through profit or loss	Other Comprehensive Income	Total carrying value
Financial assets:				
Cash and cash equivalents	1,34,035.80	-	-	1,34,035.80
Bank balances other than cash and cash equivalents	24,050.41	-	-	24,050.41
Loans	6,82,219.59	-	-	6,82,219.59
Investments	14,461.42	-	-	14,461.42
Derivative financial instruments	-	-	346.09	346.09
Other financial assets	3,212.42	-	-	3,212.42
Total	**8,57,979.64**	-	**346.09**	**8,58,325.73**
Financial liabilities:				
Trade payables	2,009.01	-	-	2,009.01
Debt securities	52,483.00	-	-	52,483.00
Borrowings (Other than debt securities)	3,72,244.91	-	-	3,72,244.91
Other financial liabilities	6,070.01	-	-	6,070.01
Total	**4,32,806.93**	-	-	**4,32,806.93**

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The carrying value of financial instruments by categories as of March 31, 2022 were as follows:

Particulars	Carrying amount			
	Amortised cost	Fair value through profit or loss	Other Comprehensive Income	Total carrying value
Financial assets:				
Cash and cash equivalents	61,316.28	-	-	61,316.28
Bank balances other than cash and cash equivalents	26,677.50	-	-	26,677.50
Loans	5,10,241.07	-	-	5,10,241.07
Investments	24,818.38	-	-	24,818.38
Other financial assets	1,797.93	-	-	1,797.93
Total	**6,24,851.16**	-	-	**6,24,851.16**
Financial liabilities:				
Derivative financial liability	-	-	138.92	138.92
Trade payables	1,300.31	-	-	1,300.31
Debt securities	1,00,853.38	-	-	1,00,853.38
Borrowings (Other than debt securities)	1,55,029.75	-	-	1,55,029.75
Other financial liabilities	4,046.84	-	-	4,046.84
Total	**2,61,230.28**	-	138.92	**2,61,369.20**

45.1 Transfer of Financial Assets

The following table provides the summary of financial assets that have been transferred in such a way that the part or all of the transferred financial assets does not qualify for derecognition, together with the associated liabilities.

The Company has securitised certain loans, however the Company has not transferred substantially the risks and rewards, hence these assets have not been derecognised in its entirety.

Particulars	As at March 31, 2023	As at March 31, 2022
Carrying amount of assets measured at amortised cost	1,22,971.60	72,161.46
Carrying amount of associated liabilities	99,687.92	49,414.82
Fair value of assets	1,23,505.28	72,994.89
Fair value of associated liabilities	1,00,152.99	49,879.65

46 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.

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	1,34,035.80	-	1,34,035.80	61,316.28	-	61,316.28
Bank balances other than cash and cash equivalents	13,960.84	10,089.57	24,050.41	18,173.58	8,503.92	26,677.50
Loans	1,07,451.46	5,74,768.13	6,82,219.59	88,263.49	4,21,977.58	5,10,241.07
Investments	4,049.75	10,411.67	14,461.42	10,798.06	14,020.32	24,818.38
Derivative financial instruments	-	346.09	346.09	-	-	-
Other financial assets	757.21	2,455.21	3,212.42	1,525.95	271.98	1,797.93
	2,60,255.06	**5,98,070.67**	**8,58,325.73**	**1,80,077.36**	**4,44,773.80**	**6,24,851.16**
Non Financial Assets						
Current tax asset (Net)	-	193.57	193.57	-	220.07	220.07
Deferred tax asset (Net)	-	5,332.60	5,332.60	-	4,666.74	4,666.74
Investment property	-	3.56	3.56	-	3.56	3.56
Property, plant and equipment	-	1,543.01	1,543.01	-	1,214.45	1,214.45
Right of use asset	-	2,846.18	2,846.18	-	1,978.10	1,978.10
Other intangible assets	-	97.71	97.71	-	88.74	88.74
Other non financial assets	1,218.68	721.75	1,940.43	847.93	435.81	1,283.74
	1,218.68	**10,738.38**	**11,957.06**	**847.93**	**8,607.47**	**9,455.40**
Total Assets	**2,61,473.74**	**6,08,809.05**	**8,70,282.79**	**1,80,925.29**	**4,53,381.27**	**6,34,306.56**
LIABILTITES AND EQUITY						
Financial Liabilities						
Derivative financial instruments	-	-	-	-	138.92	138.92
Payables						
Trade payables						
Total outstanding dues of micro and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	2,009.01	-	2,009.01	1,300.31	-	1,300.31
Debt securities	43,862.59	8,620.41	52,483.00	55,798.91	45,054.47	1,00,853.38
Borrowings (Other than debt securities)	1,00,817.89	2,71,427.02	3,72,244.91	65,013.93	90,015.82	1,55,029.75
Other financial liabilities	4,006.79	2,063.22	6,070.01	2,700.78	1,446.06	4,146.84
	1,50,696.28	**2,82,110.65**	**4,32,806.93**	**1,24,813.93**	**1,36,655.27**	**2,61,469.20**
Non- Financial Liabilities						
Current tax liabilities (Net)	539.85	-	539.85	-	-	-
Provisions	186.73	971.44	1,158.17	364.81	535.22	900.03
Other non financial liabilities	1,824.37	-	1,824.37	902.23	-	902.23
	2,550.95	**971.44**	**3,522.39**	**1,267.04**	**535.22**	**1,802.26**
Total Liabilities	**1,53,247.23**	**2,83,082.09**	**4,36,329.32**	**1,26,080.97**	**1,37,190.48**	**2,63,271.46**
Net Assets/ (Liabilities)			**4,33,953.47**			**3,71,035.10**

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47 Financial risk management objectives and policies

The Company's principal financial liabilities primarily comprise of borrowings from banks, debentures and trade payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include loans, cash and cash equivalents that relate directly to its operations.

These activities exposes the Company to a variety of financial risks, as listed below apart from various operating and business risks, and the note below also explains how the Company manages such risks.

i) Market risk;
ii) Credit risk;
iii) Liquidity risk; and
iv) Foreign Currency Risk

This note explains the sources of risks arising from financial instruments which the entity is exposed to and how the Company manages the risk.

Risk management framework

The Company's board of directors and risk management committee has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors and risk management committee along with the top management are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's risk management committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry or geographical location.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

i) Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices which will affect the Companies income or the value of holdings of financial instruments. The company does not have exposure to currency risk and security price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

Interest rate risk

Interest rate risk primarily arises from borrowings with variable rates. The company's borrowings are carried at amortised cost. The borrowings with fixed rates are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The interest rate profile of the Company's interest bearing financial instruments is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed rate instruments		
Financial assets	8,40,306.78	6,17,804.72
Financial liabilities	1,47,200.59	1,67,758.55
	9,87,507.37	**7,85,563.28**
Variable rate instruments		
Financial assets	-	-
Financial liabilities	2,77,527.32	88,124.58
	2,77,527.32	**88,124.58**

Cash flow sensitivity analysis for variable-rate instruments:

Particulars	Profit / loss		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
March 31, 2023				
Variable-rate instruments				
Cash flow sensitivity (net)	(1,245.05)	1,245.05	(931.67)	931.67
	(1,245.05)	**1,245.05**	**(931.67)**	**931.67**
March 31, 2022				
Variable-rate instruments				
Cash flow sensitivity (net)	(1,104.79)	1,104.79	(826.74)	826.74
	(1,104.79)	**1,104.79**	**(826.74)**	**826.74**

The sensitivity analysis above has been determined for borrowings where interest rates are variable. A 100 basis points increase or decrease in interest rates is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

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47 Financial risk management objectives and policies

ii) Credit risk

Loans and advances

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 advances and other financial assets. The carrying amount of financial assets represents the maximum credit exposure. The company has Credit policy approved by the Board of Directors, which is subject to annual review. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical concentrations, and by monitoring exposures in relation to such limits.

The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including periodical collateral revisions, as defined in the Credit policy. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

The disclosure of maximum exposure to credit risk without taking into account any collateral held or other credit enhancements has not been provided for financial assets, as their carrying amount best represent the maximum exposure to credit risk. All the loans provided are secured against mortgage of land and/or building. The fair value of the collateral is determined on the guidelines prescribed in the collateral management policy as approved by the Board of Directors.

Impairment assessment - Expected credit loss ("ECL")

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the loan receivables are categorised into groups based on days past due. Each group is then assessed for impairment using the Expected Credit Loss (ECL) model as per the provisions of Ind AS 109 - financial instruments. The Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies.

ECL on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probability is low. ECL is calculated based on the following components:

a Probability of default ("PD")
b Loss given default ("LGD")
c Exposure at default ("EAD")
d Discount factor ("D")

a Probability of default:

PD is defined as the probability of whether borrowers will default on their obligations in the future. Historical PD is derived from the internal data which is calibrated with forward looking macroeconomic factors.

For computation of probability of default ("PD"), Vasicek Model was used to forecast the PD term structure over lifetime of loans. As per given long term PD and current macroeconomic conditions, conditional PD corresponding to current macroeconomic condition is estimated. The Company has worked out on PD based on the last six years historical data.

The PDs derived from the model, are the cumulative PDs, stating that the borrower can default in any of the given years, however to compute the loss for any given year, these cumulative PDs have to be converted to marginal PDs. Marginal PDs is probability that the obligor will default in a given year, conditional on it having survived till the end of the previous year.

As per Ind AS 109, expected loss has to be calculated as an unbiased and probability-weighted amount for multiple scenarios.

The probability of default was calculated for 3 scenarios: best , worst and base. This weightage has been decided on best practices and expert judgement. Marginal conditional probability was calculated for all 3 possible scenarios and one conditional PD was arrived as conditional weighted probability.

Staging of loans:

Definition of default and cure

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the loan has remained overdue for a period greater than 90 days.

It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when the loan becomes less than or equal to 90 days past due on its contractual obligations. Such cured loans are classified as Stage 1 or 2 depending upon the days past due after such cure has taken place.

As per Ind AS 109, Company assesses whether there is a significant increase in credit risk at the reporting date from the initial recognition. The Company considers the credit risk to be directly proportional to the delinquency status i.e. days past due of the loan under consideration. No further adjustments are made in the PD.

Days past dues status	Stage	Provisions
Current	Stage 1	12 Months ECL
1-30 Days	Stage 1	12 Months ECL
31-90 Days	Stage 2	Lifetime ECL
90+ Days	Stage 3	Lifetime ECL

b Loss given default

The credit risk assessment is based on a standardised loss given default (LGD) assessment framework that results in a certain LGD rate. These LGD rates take into account the expected EAD in comparison to the amount expected to be recovered or realised from any collateral held.

The Company segments its retail lending products into smaller homogeneous portfolios, based on key characteristics that are relevant to the estimation of future cash flows.

Further recent data and forward-looking economic scenarios are used in order to determine the LGD rate for each of the homogeneous portfolios. When assessing forward-looking information, the expectation is based on multiple scenarios.

Under Ind AS 109, LGD rates are estimated for each of the homogeneous portfolios. The inputs for these LGD rates are estimated and, where possible, calibrated through back testing against recent recoveries. These are repeated for each economic scenario as appropriate.

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c Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 months ECL. However, if a Stage 1 loan that is expected to default in the 12 months from the balance sheet date and is also expected to cure and subsequently default again, then all linked default events are taken into account.

The Company determines EADs by modelling the range of possible exposure outcomes at various points in time, corresponding the multiple scenarios. The Ind AS 109 PDs are then assigned to each economic scenario based on the outcome of models.

d Discounting:

As per Ind AS 109, ECL is computed by estimating the timing of the expected credit shortfalls associated with the defaults and discounting them using effective interest rate.

Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12 months ECL or Life-time ECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The Company considers the credit risk to be directly proportional to the delinquency status i.e. days past due of the loan under consideration. No further adjustments are made in the PD.

When estimating ECLs on a collective basis for a group of similar assets the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition. (Refer Note- 6.1 for analysis of changes in the gross carrying amount and the corresponding ECL allowances)

Grouping financial assets measured on a collective basis

The Company calculates ECL on a collective basis for all asset classes.

The Company combines these exposure into smaller homogeneous portfolios, based on the characteristics of the loans, as described below:

a) Geographic location
b) Ticket size

ECL computation:

Conditional ECL at DPD pool level was computed with the following method:

Conditional ECL for year (yt) = EAD (yt) * conditional PD (yt) * LGD (yt) * discount factor (yt)

The Company measures ECL as the product of PD , LGD and EAD estimates for its Ind AS 109 specified financial assets.

The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Proportion of expected credit loss provided for across the stage is summarised below:

Particulars	Provisions	As at March 31, 2023	As at March 31, 2022
Stage 1	12 month provision	0.33%	0.34%
Stage 2	Life time provision	7.01%	8.77%
Stage 3	Life time provision	49.33%	34.89%

The loss rates are based on actual credit loss experience over past years. These loss rates are then adjusted appropriately to reflect differences between current and historical economic conditions and the Company's view of economic conditions over the expected lives of the loan receivables.

Analysis of inputs to the ECL model under multiple economic scenarios

An overview of the approach to estimating ECLs is set out in Note 3.5 Summary of significant accounting policies. ECL on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probability is low. ECL is calculated based on the following components

The following tables outline the impact of multiple scenarios on the allowance based on macro-economic factors considered:

ECL Scenario	As at March 31, 2023	As at March 31, 2022
Best case	10,642.19	10,092.28
Base case	11,042.09	10,267.84
Worst case	11,510.70	10,453.73

Analysis of credit concentration risks

The Company's concentrations of risk are managed by counterparty and geography. The maximum credit exposure to any individual client or counterparty as of March 31, 2023 was INR 71.01 Lakhs (March 31, 2022: INR 79.78 Lakhs).

The following table shows the risk concentration of loan portfolio by geography.

Geography	As at March 31, 2023	As at March 31, 2022
Tamil Nadu	2,44,781.19	1,93,981.67
Karnataka	45,368.90	36,807.78
Andhra Pradesh	2,24,992.53	1,48,432.90
Telangana	1,36,095.46	97,344.41
Others	40,245.13	30,141.01
Total	**6,91,483.21**	**5,06,707.77**

Note: The above risk concentration of loan portfolio excludes Inter-Corporate Deposits amounting to INR 1,842.24 lakhs as at March 31, 2023 (March 31, 2022- INR 13,821.88).

Cash and bank balances

The Company held cash and cash equivalents with credit worthy banks and financial institutions as at the reporting dates which has been measured on the 12-month expected loss basis. The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good with low credit risk.

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47 Financial risk management objectives and policies

Investments

Investments comprises of mutual funds and government securities in accordance with the investment policy. Government securities have sovereign rating and mutual fund investments are made with counterparties with low credit risk. The credit worthiness is of these counterparties are evaluated on an ongoing basis.

Other Financial Assets

Other financial assets is primarily constituted by security deposits and other receivables. The Company does not expect any losses from non-performance by these counter-parties.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company is bound to comply with the Asset Liability Management guidelines issued by Reserve Bank of India. The company has Asset Liability Management policy approved by the board and has constituted Asset Liability Committee to oversee the liquidity risk management function of the company. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's principal sources of liquidity are borrowings, cash and cash equivalents and the cash flow that is generated from operations.

The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

Exposure to liquidity risk

The table below provides details regarding the undiscounted contractual maturities of financial liabilities and assets including interest as at March 31, 2023

Particulars	Carrying amount	Less than 1 year	1-2 years	2-5 years	More than 5 years
Financial Liabilities					
Derivative Financial Instruments	-				
Trade Payable	2,009.01	2,009.01	-	-	-
Debt Securities	52,483.00	45,516.58	3,930.77	5,852.11	-
Borrowings (Other than Debt Securities)	3,72,244.91	1,30,840.29	1,09,638.82	1,97,225.87	10,053.69
Other financial liabilities	6,070.01	4,237.02	998.63	1,108.28	317.27
Total (A)	**4,32,806.93**	**1,82,602.90**	**1,14,568.22**	**2,04,186.26**	**10,370.96**
Financial Assets					
Cash and cash equivalents	1,34,035.80	1,34,035.80	-	-	-
Bank Balances other than cash and cash equivalents	24,050.41	14,055.65	2,814.50	8,374.84	-
Loans	6,82,219.59	2,66,984.98	2,48,366.01	5,64,397.83	1,30,230.83
Investments	14,461.42	4,344.75	10,938.88	-	-
Derivative Financial Instruments	346.09	-	-	346.09	-
Other Financial assets	3,212.42	759.19	180.28	2,428.02	89.82
Total (B)	**8,58,325.73**	**4,20,180.37**	**2,62,299.67**	**5,75,546.78**	**1,30,320.65**

The table below provides details regarding the undiscounted contractual maturities of financial liabilities and assets including interest as at March 31, 2022

Particulars	Carrying amount	Less than 1 year	1-2 years	2-5 years	More than 5 years
Financial Liabilities					
Derivative Financial Instruments	138.92	-	-	138.92	-
Trade Payable	1,300.31	1,300.31	-	-	-
Debt Securities	1,00,853.38	61,573.88	45,065.78	3,908.41	-
Borrowings (Other than Debt Securities)	1,55,029.75	76,292.31	54,564.04	46,375.35	-
Other financial liabilities	4,046.84	2,739.11	695.67	859.14	191.01
Total (A)	**2,61,369.20**	**1,41,905.61**	**1,00,325.49**	**51,281.82**	**191.01**
Financial Assets					
Cash and cash equivalents	61,316.28	61,316.28	-	-	-
Bank Balances other than cash and cash equivalents	26,677.50	18,434.26	1,168.81	8,417.12	-
Loans	5,10,241.07	2,03,659.57	1,79,905.76	4,09,452.74	77,544.53
Investments	24,818.38	11,169.15	4,344.75	10,938.88	-
Other Financial assets	1,797.93	1,525.95	52.01	188.12	31.85
Total (B)	**6,24,851.16**	**2,96,105.21**	**1,85,471.33**	**4,28,996.86**	**77,576.38**

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47 (iv) Foreign Currency Risk

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

The Company holds a derivative financial instrument of Cross currency swap to mitigate risk of changes in exchange rate in foreign currency

The Counterparty for the contract is a bank. Derivatives are fair valued using inputs that are directly or indirectly observable in market place.

Disclosure of Effects of Hedge Accounting

Cash Flow Hedge

Impact of hedging instrument on balance sheet is, as follows:

As at March 31, 2023

Foreign Exchange Risk on Cash Flow Hedge	No of Contracts	Nominal Value of Hedging Instrument	Carrying Value of Hedging Instrument	Maturity Date	Changes in Fair Value of Hedging Instrument	Changes in Value of Hedged Item used as a Basis for recognising hedge effectiveness	Line Item in Balance Sheet
		Liability	Asset				
Cross Currency Interest Rate Swap	1	7,591.00	346.09	March 30, 2022 to December 27, 2026	485.01	636.18	Hedged Item- Borrowings Hedging Instrument- Derivative Financial Instrument (Asset)

Cash Flow Hedge	Change in the Value of hedging Instrument recognized in Other Comprehensive Income	Ineffectiveness recognised in Profit and Loss (in lakhs)	Amount reclassified from Cash Flow hedge reserve to Profit or Loss	Line item affected in statement of Profit and Loss because of the reclassification
Foreign Exchange risk and exchange rate risk	(151.28)	-	-	NA

As at March 31, 2022

Foreign Exchange Risk on Cash Flow Hedge	No of Contracts	Nominal Value of Hedging Instrument	Carrying Value of Hedging Instrument	Maturity Date	Changes in Fair Value of Hedging Instrument	Changes in Value of Hedged Item used as a Basis for recognising hedge effectiveness	Line Item in Balance Sheet
		Liability	Liability				
Cross Currency Interest Rate Swap	1	7,591.00	138.92	March 30, 2022 to December 27, 2026	138.92	12.00	Hedged Item- Borrowings Hedging Instrument- Derivative Financial Instrument (Liability)

Cash Flow Hedge	Change in the Value of hedging Instrument recognized in Other Comprehensive Income	Ineffectiveness recognised in Profit and Loss	Amount reclassified from Cash Flow hedge reserve to Profit or Loss	Line item affected in statement of Profit and Loss because of the reclassification
Foreign Exchange risk and exchange rate risk	(126.92)	-	-	NA

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48 Disclosures required as per RBI Circulars/Directives

A Schedule to the Balance Sheet of a Non-Banking Financial Company as required under Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
Liabilities side				
1 Loans and Advances availed by the non-banking financial company, inclusive of interest accrued thereon but not paid ^				
a. Debentures				
i. Secured	52,570.57	-	1,01,293.57	-
ii. Unsecured	-	-	-	-
b. Deferred credits	-	-	-	-
c. Term loans*	3,65,504.17	-	1,47,586.09	-
d. Inter-corporate loans and borrowings	-	-	-	-
e. Commercial paper	-	-	-	-
f. Public deposits	-	-	-	-
g. Other loans				
i. Loans repayable on demand (secured) - From Banks	85.19	-	765.61	-
ii. Loans from related parties (unsecured)	-	-	-	-
iii. Term loans from others parties (unsecured)	8,217.00	-	7,584.45	-
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 party secured debentures i.e debentures where there is a shortfall in the value of security	-	-	-	-
c Other public deposits	-	-	-	-

* includes borrowings under securitisation
^ The balances considered are without effective interest rate adjustments.

Particulars	Amount Outstanding as on March 31, 2023	Amount Outstanding as on March 31, 2022
Assets side		
3 Break-up of Loans and Advances, including Bills Receivables		
a. Secured (net of impairment loss allowance)	6,80,384.41	4,96,419.19
b. Unsecured	1,835.18	13,821.88
4 Break up of Leased Assets and Stock on Hire and Other Assets counting towards AFC activities		
(i) Leased assets including lease rentals under Receivables		
a. Financial lease	-	-
b. Operating lease	-	-
(ii) Stock on hire including hire charges under Receivables		
a. Assets on hire	-	-
b. Repossessed assets	-	-
(iii) Other loans counting towards AFC activities		
a. Loans where assets have been repossessed (net)	-	-
b. Loans other than (i) above	-	-
5 Break-up of Investments		
a Current Investments		
1 Quoted		
i. Shares	-	-
a. Equity	-	-
b. Preference	-	-
ii. Debentures and Bonds	-	-
iii. Units of Mutual Funds	-	-
iv. Government Securities*	4,049.75	10,798.06
v. Others	-	-

* Includes investments in Treasury Bills, Government of India Strips and Government of India Fixed Rate Bonds.

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48 Disclosures required as per RBI Circulars/Directives

Particulars	Amount Outstanding as on March 31, 2023	Amount Outstanding as on March 31, 2022
2 Unquoted		
i. Shares		
a. Equity	-	-
b. Preference	-	-
ii. Debentures and Bonds	-	-
iii. Units of Mutual Funds	-	-
iv. Government Securities	-	-
v. Others	-	-
b. Long-term Investments		
1 Quoted		
i. Shares	-	-
a. Equity	-	-
b. Preference	-	-
ii. Debentures and Bonds	-	-
iii. Units of Mutual Funds	-	-
iv. Government Securities*	10,411.67	14,020.32
v. Others	-	-
	-	-
2 Unquoted		
i. Shares		
a. Equity	-	-
b. Preference	-	-
ii. Debentures and Bonds	-	-
iii. Units of Mutual Funds	-	-
iv. Government Securities	-	-
v. Others	-	-

* Includes investments in Treasury Bills, Government of India Strips and Government of India Fixed Rate Bonds.

6 Borrower group-wise classification of assets financed in 3 and 4 above

Particulars	Amount [Net of Provisions]			
	As at March 31, 2023		As at March 31, 2022	
	Total	Secured	Total	Secured
a. Related Parties	-	-	-	-
i. Subsidiaries	-	-	-	-
ii. Companies in the same group	-	-	-	-
iii. Other Related Parties	-	-	-	-
b. Other than Related Parties	6,82,219.59	6,80,377.35	5,10,241.07	4,96,419.19
Total	**6,82,219.59**	**6,80,377.35**	**5,10,241.07**	**4,96,419.19**

7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

Category	As at March 31, 2023		As at March 31, 2022	
	Market value / breakup or Fair value or NAV	Book Value (Net of Provisions)	Market value / breakup or Fair value or	Book Value (Net of Provisions)
a. Related Parties				
i. Subsidiaries	-	-	-	-
ii. Companies in the same group	-	-	-	-
iii. Other related parties	-	-	-	-
b. Other than Related Parties	14,371.06	14,461.42	24,546.47	24,818.38
Total	**14,371.06**	**14,461.42**	**24,546.47**	**24,818.38**

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48 Disclosures required as per RBI Circulars/Directives

8 Other Information

Particulars	As at March 31, 2023	As at March 31, 2022
a. Gross Non-Performing Assets (stage 3 assets)		
i. Related Parties	-	-
ii. Other than Related Parties	9,393.85	5,304.99
b. Net Non-Performing Assets (stage 3 assets)		
i. Related Parties	-	-
ii. Other than Related Parties	4,759.66	3,454.04
c. Assets acquired in satisfaction of debt	-	-

Disclosure pursuant to Reserve Bank of India Master Direction DNBR.PD.008/03.10.119/2016-17 dated September 01, 2016

B Derivatives (Forward rate agreement / interest rate swap)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Notional Principal of Swap Accounts	7,591.00	7,591.00
(ii) Losses which would be incurred of counter parties failed to fulfill their obligations under the agreement	-	-
(iii) Collateral required by the applicable NBFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from Swaps	-	-
(v) The fair value of the swap Book	346.09	(138.92)

The Company has hedged its foreign currency borrowings through cross currency swaps. For Accounting Policy & Risk Management Policy. (Refer note no. 3.21 and 47(iv))

Exchange traded interest rate derivatives

The Company has not traded in exchange traded interest rate derivative during the current and previous year.

Disclosures on risk exposure in derivatives

Qualitative Disclosure

Details for qualitative disclosure are part of accounting policy as per financial statements. (refer note no. 3.22)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Derivatives (notional principal amount) for hedging	7,591.00	7,591.00
(ii) Marked to market positions		
(a) Asset	346.09	-
(b) Liability	-	138.92
(iii) Credit Exposure	-	-
(iv) Unhedged Exposures	-	-

C Investments

Particulars	As at March 31, 2023	As at March 31, 2022
1 Value of Investments		
i Gross value of investments		
a In India	14,461.42	24,818.38
b Outside India	-	-
ii Provision for depreciation		
a In India	-	-
b Outside India	-	-
iii Net value of investments		
a In India	14,461.42	24,818.38
b Outside India	-	-
2 Movement of provisions held towards depreciation on investments		
i Opening balance	-	-
ii Add : Provisions made during the year	-	-
iii Less : Write-off / write-back of excess provisions during the year	-	-
iv Closing balance	-	-

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48 Disclosures required as per RBI Circulars/Directives

D Exposure to Real Estate Sector

Particulars	As at March 31, 2023	As at March 31, 2022
1 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	6,86,901.26	5,06,598.53
ii. Commercial Real Estate		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.).	4,581.95	109.24
iii. Investments in Mortgage Backed Securities (MBS) and other securitised exposures		
a. Residential	-	-
b. Commercial Real Estate	-	-
2 Indirect Exposure	-	-
Total exposure to Real Estate sector (gross)	**6,91,483.21**	**5,06,707.77**

* Represents gross carrying amount as at the reporting date which are secured by underlying mortgaged properties.

Note: The above exposure excludes Inter-Corporate Deposits amounting to INR. 1,842.24 lakhs as at March 31, 2023 (INR. 13,821.88 lakhs as at March 31, 2022).

E Customer Complaints

Particulars	As at March 31, 2023	As at March 31, 2022
No. of complaints pending at the beginning of the year	1	-
No. of complaints received during the year	90	99
No. of complaints redressed during the year	91	98
No. of complaints pending at the end of the year	-	1

F Exposure to Capital Market

The Company does not have any exposure to capital market and hence this disclosure is not applicable.

G Concentration of Advances

Particulars	As at March 31, 2023	As at March 31, 2022
Total Advances to twenty largest borrowers	758.55	707.15
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	0.11%	0.14%

Note: The above concentration of advances excludes Inter-Corporate Deposits amounting to INR 1,842.24 lakhs as at March 31, 2023 (INR 13,821.88 lakhs as at March 31, 2022).

H Concentration of exposures

Particulars	As at March 31, 2023	As at March 31, 2022
Total exposure to twenty largest borrowers	758.55	707.15
Percentage of exposures to twenty largest borrowers to Total exposure of the NBFC	0.11%	0.14%

The above exposure denotes gross carrying amount

Note: The above concentration of exposure excludes Inter-Corporate Deposits amounting to INR 1,842.24 lakhs as at March 31, 2023 (INR 13,821.88 lakhs as at March 31, 2022).

I Concentration of NPAs (Stage 3 assets)

Particulars	As at March 31, 2023	As at March 31, 2022
Total exposure to top four NPA accounts (Stage 3 assets)	89.24	84.72

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48 Disclosures required as per RBI Circulars/Directives

J Ratings assigned by Credit Rating Agencies

The Credit Analysis & Research Limited (CARE), CRISIL Limited (CRISIL) and ICRA Limited (ICRA) have assigned ratings for the various facilities availed by the Company, details of which are given below:

Particulars	As at March 31, 2023	As at March 31, 2022
Commercial Paper		
- CARE	A1+	A1+
Long term Bank Facilities		
- CARE	A+	A+
- ICRA	AA-	A+
- India Rating	AA-	
Short term bank facilities		
- CARE	A+	A1+
Non Convertible Debentures		
- CARE	-*	A+
- ICRA	AA-	A+

*All facilites rated by CARE have matured as on March 31, 2023

K Sector-wise Gross NPAs (Stage 3 assets)

Particulars	Percentage of NPAs to total advances in that sector	
	As at March 31, 2023	As at March 31, 2022
Agriculture & allied activities	-	-
MSME*	0.00%	0.00%
Corporate borrowers	-	-
Services*	1.43%	1.18%
Unsecured personal loans	-	-
Auto loans (commercial vehicles)	-	-
Other personal loans	1.21%	0.82%

* Represents small business loans given to borrowers involved in manufacturing/service sectors.
The above sector-wise NPA and advances is based on the data available with the company.

L Movement of NPAs (Stage 3 assets)

Particulars	As at March 31, 2023	As at March 31, 2022
Gross NPAs to Net Advances (%)	1.36%	1.05%
Net NPAs to Net Advances (%)	0.69%	0.68%
Movement of NPAs (Gross)		
(a) Opening balance	5,304.99	4,519.37
(b) Additions during the year	6,893.32	4,576.15
(c) Reductions during the year	(1,605.24)	(864.14)
(d) Write off	(1,199.22)	(2,926.39)
(e) Closing balance	**9,393.85**	**5,304.99**
Movement of Net NPAs		
(a) Opening balance	3,454.04	3,707.53
(b) Additions during the year	3,088.98	1,480.15
(c) Reductions during the year	(1,783.36)	(1,733.64)
(e) Closing balance	**4,759.66**	**3,454.04**
Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	1,850.95	811.84
(b) Provisions made during the year	3,804.34	3,095.99
(c) Write-off / write-back of excess provisions	(1,021.10)	(2,056.88)
(d) Closing balance	**4,634.19**	**1,850.95**

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48 Disclosures required as per RBI Circulars/Directives

M Other Regulator - Registration details

	Regulator	Registration No.
i	Ministry of Corporate Affairs	U65991TN1984PLC010844
ii	Reserve Bank of India	B-07.00286
iii.	National Housing Bank (NHB)*	05.0134.16

* Certificate of Registration has been surrendered to NHB on June 5, 2020

N Disclosure of penalties imposed by RBI and other regulators

The Company has paid a fine of Rs. 1,15,640 imposed by BSE for delay in considering & reporting of Financial results by fourteen days for the period ended September 2022 to the stock exchange, under Regulations 50(1), 52, 54(2) of SEBI LODR, 2015.

O Details of Single Borrower Limit (SGL)/ Group Borrower Limit (GBL)

The Company has not exceeded the Single Borrower Limit (SGL)/ Group Borrower Limit (GBL) during the year ended March 31, 2023 and March 31, 2022.

P Overseas assets (for those with joint ventures and subsidiaries abroad)

The Company does not have any joint ventures and subsidiaries abroad during the year ended March 31, 2023 and March 31, 2022 and hence this disclosure is not applicable.

Q Details of financing of parent company products

The Company does not have a parent company and hence this disclosure is not applicable.

R Details of non-performing financial assets purchased/ sold

The Company has not purchased any non-performing assets during the financial year ended March 31, 2023 and March 31, 2022.

S Details of unsecured advances

The Company has unsecured Intercorporate deposits amounting to INR 1,842.24 lakhs as at March 31, 2023 (March 31, 2022 - INR 13,281.88 lakhs).

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

T Off-Balance Sheet SPVs sponsored

The Company does not have Off-Balance Sheet SPVs sponsored, which are required to be consolidated as per the accounting norms, during the financial year ended March 31, 2023 and March 31, 2022.

U Remuneration to non-executive directors

The Company has incurred commission of INR 30.00 Lakhs and sitting fee of INR 50.70 lakhs during the year ended March 31, 2023 (March 31, 2022: Commission - INR 24.00 lakhs, sitting fee - INR 47.10 lakhs)

V Draw down from reserves

The Company has not made any draw down from reserves during the year ended March 31, 2023.

The Company has not made any draw down from reserves during the year ended March 31, 2022 except for utilisation of securities premium towards share issue expenses in accordance with Section 52 of Companies Act 2013 (refer note 22 (iii)).

W Provisions and Contingencies

Category-wise Break up of 'Provisions and Contingencies'shown in the Statement of Profit and Loss (including Other Comprehensive Income)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Provisions for depreciation on investment	-	-
Provision towards non-performing assets*	3,982.46	3,965.50
Provision made towards income tax	20,715.40	15,959.12
Provision for compensated absences	830.81	512.07
Provision for gratuity	541.35	429.48
Provision for standard assets #	(1,967.76)	586.31

* Represents impairment loss allowance on stage 3 assets - Includes write-off of INR 1,199.22 lakhs (March 31, 2022 - INR 2,926.39 lakhs)

Represents impairment loss allowance on stage 1 and stage 2 assets.

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48 Disclosures required as per RBI Circulars/Directives

X Gold Loan Portfolio

The Company has not provided loan against gold during the year ended March 31, 2023 and March 31, 2022.

Y Related Party Transaction

Details of all material transactions with related parties are disclosed in Note 42

Z 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.

AA Revenue Recognition

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

AB Ind As 110 – Consolidated Financial Statements (CFS)

The Company does not have any Subsidiary, Associate or Joint venture and hence is not required to prepare Consolidated financial statement.

AC Public disclosure on Liquidity Risk

(i) Funding Concentration based on significant counterparty (borrowings)

S. No.	No. of Significant Counterparties	Amount (In lakhs)	% of Total Liabilities
1	32	3,88,969.43	89.15%

(ii) Top 20 large deposits (amount in Rs. and % of total deposits)

Not Applicable

(iii) Top 10 borrowings (amount in Rs. and % of total borrowings)

S. No.	Name of the Facility	Amount (In lakhs)	% of Total Borrowings
1	Total of top 10 borrowings	1,789.80	0.42%

(iv) Funding Concentration based on significant instrument/product

S. No.	Name of the Instrument/Product	Amount (In lakhs.)	% of Total Liabilities
1	Non-Convertible Debentures	52,483.00	12.03%
2	Term Loan	2,64,339.51	60.58%
3	Securitisation	99,687.92	22.85%
4	External commercial borrowings	8,132.28	1.86%

(v) Stock Ratios

S. No.	Name of the Instrument/Product	Percentage
1	Commercial papers as a % of total public funds, total liabilities and total assets	NIL
2	Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets	NIL
3	Other short-term liabilities, if any as a % of total public funds	35.97%
4	Other short-term liabilities, if any as a % of total liabilities	35.01%
5	Other short-term liabilities, if any as a % of total assets	17.69%

Definitions:

"Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the total liabilities.

"Significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the total liabilities.

Public funds includes funds raised either directly or indirectly through public deposits, inter-corporate deposits, bank finance and all funds received from outside sources such as funds raised by issue of Commercial Papers, debentures etc. but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding 5 years from the date of issue.

Total assets represents total assets as per the Balance Sheet netted off by intangible assets.





48 Disclosures required as per RBI Circulars/Directives

Disclosure pursuant to Reserve Bank of India Master Direction DNBR.PD.008/03.10.119/2016-17 dated September 01, 2016

AD Asset Liability Management - Maturity pattern of certain items of assets and liabilities

As at March 31, 2023

Particulars	1-7 Days	8-14 Days	15-31 Days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5	Total
Advances*	11.46	0.49	5,599.17	7,944.90	8,056.38	26,245.96	57,992.38	2,47,909.30	2,30,838.60	1,10,168.20	6,94,766.84
Investments	-	-	-	16.95	69.16	103.75	3,859.89	10,411.67	-	-	14,461.42
Borrowings	999.83	477.64	36,033.64	9,146.08	15,019.75	32,633.18	51,095.18	1,63,823.82	99,737.00	9,193.81	4,18,159.93
Foreign Currency Liabilities	-	-	-	-	-	-	-	3,286.80	4,930.20	-	8,217.00

*The above advances excludes Inter-Corporate Deposits amounting to INR 1,842.24 lakhs as at March 31, 2023

As at March 31, 2022

Particulars	1-7 Days	8-14 Days	15-31 Days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5	Total
Advances*	6,642.26	2,106.79	3,667.47	5,860.48	5,954.30	19,702.43	44,329.75	1,80,577.27	1,77,341.70	65,944.76	5,12,127.23
Investments	-	-	16.41	16.41	6,083.33	2,573.92	2,107.99	14,020.33	-	-	24,818.38
Borrowings	1,373.05	527.25	4,100.33	7,925.19	10,573.91	36,651.99	59,655.67	1,18,866.94	9,970.96	-	2,49,645.29
Foreign Currency Liabilities	-	-	-	-	-	5.45	-	1,515.80	6,063.20	-	7,584.45

*The above advances excludes Inter-Corporate Deposits amounting to INR 13,821.88 lakhs as at March 31, 2022

Notes

- The balances considered are without netting of impairment loss allowance (for stage 1 and stage 2 assets) and effective interest rate adjustments
- The classification of various components of assets and liabilities into different time buckets disclosed in the "Asset Liability Management - Maturity pattern of certain items of assets and liabilities" table above is based on RBI Directions.

AE Disclosures in respect of fraud as per the Master Directions DNBS. PPD.01/66.15.001/2016-17, dated September 29, 2016

Particulars	Less than INR 1 Lakh		More than INR 1 Lakh less than INR 25 Lakh		Above INR 25 Lakh		Total	
	Number of Instances	INR in lakhs	Number of Instances	INR in lakhs	Number of Instances	INR in lakhs	Number of Instances	INR in lakhs
Staff	2	1.14	1	1.37	1	31.10	4	33.61
Outsiders	1	0.92	1	7.32	-	-	2	8.24
Total	**3**	**2.06**	**2**	**8.69**	**1**	**31.10**	**6**	**41.85**
Type of fraud:								
Cash Mishandling	2	1.14	1	1.37	1	31.10	4	33.61
Theft/ Burglary	1	0.92	1	7.32	-	-	2	8.24
Others	-	-	-	-	-	-	-	-
Total	**3**	**2.06**	**2**	**8.69**	**1**	**31.10**	**6**	**41.85**

The Company has recovered an amount of INR 8.01 lakhs (March 31, 2022 - INR 11.33 lakhs). The un-recovered amounts are either pending settlement with the insurance companies or have been fully provided / written off.

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48 Disclosures required as per RBI Circulars/Directives

AF Disclosures Pursuant to Reserve Bank of India Guidelines on Liquidity Risk Management RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03/.10.001/2019-20 dated November 4, 2019

As per the Guidelines on Liquidity Risk Management Framework for NBFCs issued by RBI vide notification no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20, all non-deposit taking NBFCs with asset size more than INR 5000 crores are required to maintain Liquidity Coverage Ratio (LCR) from December 1, 2022, with the minimum LCR to be 60%, progressively increasing, till it reaches the required level of 100%, by December 1, 2024.

Particulars	Quarter ended 30 June 2022		Quarter ended 30 September 2022		Quarter ended 31 December 2022		Quarter ended 31 March 2023	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets								
1 Total High Quality Liquid Assets (comprise of cash on hand and demand deposits with Scheduled Commercial Banks and Unencumbered Government Securities)	29,355.74	29,355.74	22,772.07	22,772.07	22,919.35	22,919.35	21,829.49	21,829.49
Cash outflows								
2 Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3 Unsecured wholesale funding	-	-	-	-	-	-	-	-
4 Secured wholesale funding	13,288.24	15,281.48	16,611.36	19,103.07	15,592.62	17,931.51	19,145.19	22,016.97
5 Additional requirements, of which	-	-	-	-	-	-	-	-
(i) Outflows related to derivative exposures an other collateral requirements	-	-	-	-	-	-	-	-
(ii) Outflows related to loss on funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6 Other contractual funding obligations	-	-	-	-	-	-	-	-
7 Other contingent funding obligations	19,859.16	22,838.03	13,013.70	14,965.75	8,043.48	9,250.00	3,055.56	3,513.89
8 Total cash outflows	**33,147.40**	**38,119.51**	**29,625.06**	**34,068.82**	**23,636.10**	**27,181.51**	**22,200.75**	**25,530.86**
Cash Inflows								
9 Secured Lending	16,064.17	12,048.13	16,934.71	12,701.03	18,372.20	13,779.14	20,466.34	15,349.75
10 Inflows from fully performing exposures	-	-	-	-	-	-	-	-
11 Other cash inflows	46,501.20	34,875.90	31,364.72	23,523.54	29,332.55	21,999.42	57,678.73	43,259.05
12 Total cash inflows	**62,565.38**	**46,924.03**	**48,299.43**	**36,224.57**	**47,704.75**	**35,778.56**	**78,145.07**	**58,608.80**
		Total Adjusted Value		**Total Adjusted Value**		**Total Adjusted Value**		**Total Adjusted Value**
13 **Total HQLA**		29,355.74		22,772.07		22,919.35		21,829.49
14 **Total Net cash outflows**		9,529.88		8,517.21		6,795.38		6,382.72
15 **Liquidity Coverage Ratio (%)**		308%		267%		337%		342%

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Five-Star Business Finance Limited

Notes forming part of the Financial Statements for the year ended March 31, 2023

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

	Particulars	Quarter ended 30 June 2021		Quarter ended 30 September 2021		Quarter ended 31 December 2021		Quarter ended 31 March 2022	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
	High Quality Liquid Assets								
1	Total High Quality Liquid Assets (comprise of cash on hand and demand deposits with Scheduled Commercial Banks and Unencumbered Government securities)	7,877.00	7,876.71	15,816.00	15,816.46	33,179.16	33,179.16	30,764.11	30,764.11
	Cash outflows								
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	-	-	-	-	-	-	-	-
4	Secured wholesale funding	13,839.99	15,915.99	9,440.00	10,856.08	13,533.46	15,563.48	13,603.97	15,644.57
5	Additional requirements, of which	-	-	-	-	-	-	-	-
	(i) Outflows related to derivative exposures an other collateral requirements	-	-	-	-	-	-	-	-
	(ii) Outflows related to loss on funding on debt products	-	-	-	-	-	-	-	-
	(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	-	-	-	-	-	-	1,870.23	2,150.77
7	Other contingent funding obligations	20,000.00	23,000.00	20,000.00	23,000.00	20,000.00	23,000.00	20,000.00	23,000.00
8	**Total cash outflows**	**33,839.99**	**38,915.99**	**29,440.00**	**33,856.08**	**33,533.46**	**38,563.48**	**35,474.22**	**40,795.34**
	Cash Inflows								
9	Secured Lending	13,880.63	10,410.55	13,975.00	10,481.33	14,637.62	10,978.22	13,009.18	11,312.33
10	Inflows from fully performing exposures	-	-		-	-	-	-	-
11	Other cash inflows	1,13,159.27	84,868.78	1,10,154.00	82,614.85	84,366.46	63,274.85	36,537.01	31,771.31
12	**Total cash inflows**	**1,27,039.90**	**95,279.33**	**1,24,129.00**	**93,096.17**	**99,004.08**	**74,253.07**	**49,546.20**	**43,083.64**
			Total Adjusted Value		**Total Adjusted Value**		**Total Adjusted Value**		**Total Adjusted Value**
13	**Total HQLA**		7,876.71		15,816.46		33,179.16		30,764.11
14	**Total Net cash outflows**		9,729.00		8,464.02		9,640.87		10,198.83
15	**Liquidity Coverage Ratio (%)**		81%		187%		344%		302%

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Notes:

1 The average weighted and unweighted amounts are calculated based on simple average of monthly observations for the quarters ended June 30, 2022, September 30, 2022 and December 31, 2022 and based on simple average of daily observations for the quarter ended March 31, 2023. The weightage factor applied to compute weighted average value is constant for all the quarters.

2 Prior to introduction of LCR framework, the company used to maintain a substantial share of its liquidity in form of fixed deposits with banks and investment in mutual funds. Post the introduction of LCR framework, the Company has consciously worked towards increasing its investment in High Quality Liquid Assets (HQLA) as per the RBI guidelines.

3 Weighted values have been calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.

4 The disclosures above are based on the information and records maintained and compiled by the management and have been relied upon by the auditors.

5 RBI has mandated minimum liquidity coverage ratio (LCR) of 60% to be maintained by December 2022, which is to be gradually increased to 100% by December 2024. The Company has LCR of 342% as of March 31, 2023 as against the LCR of 60% mandated by RBI.

Qualitative information:

1 The Company has implemented the guidelines on Liquidity Risk Management Framework prescribed by the Reserve Bank of India requiring maintenance of Liquidity Coverage Ratio (LCR), which aim to ensure that an NBFC maintains an adequate level of unencumbered HQLAs that can be converted into cash to meet its liquidity needs for a 30 calendar day time horizon under a significantly severe liquidity stress scenario.

2 LCR = Stock of High-Quality Liquid Assets (HQLAs)/Total Net Cash Outflows over the next 30 calendar days

3 HQLAs comprise of cash on hand, demand deposits with Scheduled Commercial Banks and Unencumbered government securities.

4 Total net cash outflows are arrived after taking into consideration total expected cash outflows minus total expected cash inflows for the subsequent 30 calendar days. As prescribed by RBI, total net cash outflows over the next 30 days = Stressed Outflows - [Min (stressed inflows; 75% of stressed outflows)]. Total expected cash outflows (stressed outflows) are calculated by multiplying the outstanding balances of various categories or types of liabilities and off-balance sheet commitments by 115% (15% being the rate at which they are expected to run off further or be drawn down). Total expected cash inflows (stressed inflows) are calculated by multiplying the outstanding balances of various categories of contractual receivables by 75% (25% being the rate at which they are expected to under-flow).

5 "Other cash inflows" include mutual funds and callable fixed deposits maturing within 30 days.

6 The Liquidity Risk Management framework of the Company is governed by its Liquidity Risk Management Policy and Procedures approved by the Board. The Asset Liability Management Committee (ALCO) oversees the implementation of liquidity risk management strategy of the Company and ensure adherence to the risk tolerance/limits set by the Board.

7 The Company maintains a funding profile with no undue concentration of funding sources. In order to ensure a diversified borrowing mix, concentration of borrowing through various sources is monitored. Further, the Company has prudential limits on investments in different instruments. There is no currency mismatch in the LCR. The above is periodically monitored by ALCO.





48 Disclosures required as per RBI Circulars/Directives

AG Disclosure as per format prescribed under notification RBI/2020-21/16 DOR No BP BC/3/21.04 048/2020-21 dated August 06, 2020 for the year ended March 31, 2023 (borrowers who has been provided restructuring under RBI Resolution Framework – 2.0):

Type of borrower**	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous year (A)	Of (A), aggregate debt that slipped into NPA during the year	Of (A) amount written off during the year	Of (A) amount paid by the borrowers during the year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the year
Personal Loans	2,561.30	298.49	44.67	447.35	1,770.79
Corporate persons*	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	4,800.62	578.60	178.35	717.44	3,326.23
Total	**7,361.92**	**877.09**	**223.02**	**1,164.79**	**5,097.02**

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016.

** Classification of borrowers is based on the data available with the Company and has been relied upon by the auditors. Above loans are secured wholly by mortgage of property.

AH Disclosure pertaining to RBI Master Direction - RBI/DOR/2021-22/85 DOR.STR.REC.53/21.04.177/2021-22 Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 dated September 24, 2021

Details of securitisation during the year Securitisation of Assets:

S.No	Particulars	As at March 31, 2023	As at March 31, 2022
1	No of Special Purpose Vehicle's (SPV's) sponsored by the NBFC for securitisation transactions (Nos.)	15.00	11.00
2	Total amount of securitised assets as per books of the SPVs sponsored by the NBFC	96,153.62	40,985.67
3	Total amount of exposures retained by the NBFC to comply with Minimum Retention Ratio (MRR) as on the date of balance sheet		
	a) Off-balance sheet exposures		
	- First loss	-	-
	- Others	-	-
	b) On-balance sheet exposures		-
	- First loss	32,350.19	25,426.26
	- Others	-	-
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	- First loss	-	-
	- Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	- First loss	-	-
	- Others (Receivables from SPVs for assets de-recognised)	-	-
	ii) Exposure to third party securitisations		
	- First loss	-	-
	- Others	-	-
5	Sale consideration received for securitised assets and gain or loss on account of sale of Securitisation during the year	80,956.24	-
6	Performance of facility provided (Credit Enhancement)		
	(a) Amount Paid	-	-
	(b) Repayment received	-	-
	(c) Outstanding Amount	32,350.19	25,426.26
7	Average default rate of portfolio*		
	(a) Loan agaisnt property	0.03%- 0.80%	0.03%- 0.42%
8	Additional/top up loan given on the same underlying asset.		
	-Amount (lakhs)	3,595.26	3,189.86
	-Number	2,217.00	2,057.00
9	Investor Complaints		
	(a) Received	-	-
	(b) Outstanding	-	-

The Company had additionally consummated 2 transactions during the financial year ended March 31, 2021 under the partial credit guarantee scheme of the Government of India. The above disclosure does not include the details pertaining to these transactions. The amount payable towards such transactions as at March 2023 aggregates to INR 4,015.56 lakhs. (As at March 31, 2022 - INR 8,731.02 lakhs) and first loss credit enhancement towards such transactions as at March 31, 2022 is INR 6,119.65 lakhs (As at March 31, 2022 - INR 5,621.28 lakhs)

*The period considered is from the date of initiation of the securitisation transactions till the period then ended .

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AI Disclosure pertaining to RBI Master Direction - RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated September 24, 2021

Details of Assignments during the year

a) The Company has not transferred any loans during year ended March 31, 2023.
b) The Company has not acquired any loans (not in default) through assignment during the financial year ended March 31, 2023.
c) The Company has neither acquired nor transferred any stressed loans during the year ended March 31, 2023.

The securitised loans disclosed in the above notes (i.e 48-AH) do not qualify for de-recognition under Ind-AS. Nevertheless, the information in the notes is presented to ensure compliance with the RBI disclosure requirements.

The Company has neither entered into any assignment transaction nor sold financial assets to Securitisation / Reconstruction Company for Asset Reconstruction. Hence the related disclosures are not applicable.

AJ Disclosure pursuant to Reserve Bank of India Master Direction DNBR.PD.008/03.10.119/2016-17 dated September 01, 2016

Comparison between Ind AS 109 provisions and IRACP norms
As at March 31, 2023

Asset classification as per RBI norms	Asset Classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provision required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
Standard assets	Stage 1	6,18,839.49	2,030.55	6,16,808.94	2,665.36	(634.81)
	Stage 2	63,249.87	4,434.05	58,815.82	575.77	3,858.28
Subtotal		**6,82,089.36**	**6,464.60**	**6,75,624.76**	**3,241.13**	**3,223.47**
Non -Performing assets						
Substandard	Stage 3	5,541.72	1,403.23	4,138.50	501.65	901.58
		5,541.72	**1,403.23**	**4,138.50**	**501.65**	**901.58**
Doubtful						
Upto 1 year	Stage 3	3,734.14	3,130.45	603.70	599.60	2,530.85
1 to 3 years	Stage 3	117.98	100.52	17.46	28.80	71.72
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		**3,852.12**	**3,230.97**	**621.16**	**628.40**	**2,602.57**
Loss assets	Stage 3	-	-	-	-	-
Subtotal for NPA		**9,393.85**	**4,634.20**	**4,759.66**	**1,130.05**	**3,504.15**
Total		**6,91,483.21**	**11,098.80**	**6,80,384.42**	**4,371.18**	**6,727.62**

As at March 31, 2022

Asset classification as per RBI norms	Asset Classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provision required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
Standard assets	Stage 1	4,21,696.37	1,448.46	4,20,247.91	2,003.46	(554.99)
	Stage 2	79,706.41	6,989.17	72,717.24	745.23	6,243.94
Subtotal		**5,01,402.78**	**8,437.63**	**4,92,965.15**	**2,748.68**	**5,688.95**
Non -Performing assets						
Substandard	Stage 3	4,253.95	794.88	3,459.07	373.52	421.36
Doubtful						
Upto 1 year	Stage 3	1,051.05	1,056.07	(5.02)	171.28	884.79
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		**1,051.05**	**1,056.07**	**(5.02)**	**171.28**	**884.79**
Loss assets	Stage 3	-	-	-	-	-
Subtotal for NPA		**5,305.00**	**1,850.95**	**3,454.04**	**544.80**	**1,306.15**
Total		**5,06,707.77**	**10,288.58**	**4,96,419.19**	**3,293.48**	**6,995.10**

Note:Provision required as per IRACP norms includes provision calculated on Securitised portfolio

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

On November 12, 2021, the Reserve Bank of India (RBI) had issued circular no. RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22, requiring changes to and clarifying certain aspects of Income Recognition, Asset Classification and Provisioning norms (IRACP norms) pertaining to Advances.

Effective October 1, 2022, the Company implemented the requirements on upgradation of accounts classified as NPA as clarified in RBI Circular on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications dated November 12, 2021 and February 15, 2022, on upgradation of accounts classified as NPA.

AL **Disclosures as per RBI/2022-23/26 DOR.ACC.REC.No/21.04.018/2022-23 dated April 19, 2022**

i) Sector wise exposures *

S.No	Sectors	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1	Agriculture and Allied Activities	-	-	0.00%	-	-	-
2	Industry	-	-	0.00%	-	-	0.00%
3	Services	-	-	0.00%	-	-	0.00%
	Others	4,61,713.93	6,617.95	1.43%	3,16,345.00	3,748.74	1.19%
	Total of Services	4,61,713.93	6,617.95	1.43%	3,16,345.00	3,748.74	1.19%
4	Personal Loans						
	i. Housing Loans	400.13	11.34	2.83%	524.13	10.66	2.03%
	Others						
	Total of Personal Loans	400.13	11.34	2.83%	524.13	10.66	2.03%
5	Others (Specify)	2,29,369.15	2,764.56	1.21%	1,89,838.64	1,545.58	0.81%
	Total	**6,91,483.21**	**9,393.85**	**1.36%**	**5,06,707.77**	**5,304.99**	**1.05%**

*The amounts disclosed above excludes Inter-Corporate Deposits amounting to INR 1,842.24 lakhs as at March 31, 2023. (March 31, 2022 - INR 13,821.88 lakhs)

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ii) Disclosure of complaints

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

Sl. No	Particulars	Current Year	Previous Year
	Complaints received by the NBFC from its customers		
1	Number of complaints pending at beginning of the year	1	-
2	Number of complaints received during the year	13	69
3	Number of complaints disposed during the year	14	68
#	Of which, number of complaints rejected by the NBFC	-	-
4	Number of complaints pending at the end of the year	-	1
	Maintainable complaints received by the NBFC from Office of Ombudsman		
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	78	30
#	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	78	30
#	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-
#	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Top five grounds of complaints received by the NBFCs from customers
For the year ended 31 March 2023

S.No	Grounds of complaints,	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)
1	Foreclosure related	-	8	100%	-	-
2	Staff Interaction / Collection related	-	33	57%	-	-
3	Loans and Advances- Dues and Charges	-	8	-65%	-	-
4	Closure & NOC related	-	10	-55%	-	-
5	Moratorium related	-	14	133%	-	-
6	Others	1	17	-37%	-	-
	Total	**1**	**90**	**-9%**	-	-

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S.No	Grounds of complaints,	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)
				Previous year		
1	Foreclosure related	-	-	0%	-	-
2	Staff Interaction / Collection related	-	21	2000%	-	-
3	Loans and Advances- Dues and Charges	-	23	475%	-	-
4	Closure & NOC related	-	22	47%	-	-
5	Moratorium related	-	6	-33%	-	-
6	Others	-	27	238%	1	1
	Total	-	**99**	**168%**	1	**1**

iii) Related Party Disclosures

S.No	Related Parties/ Items	Directors		Key Management Personnel		Others*		Total	
		Current Year	Previous year	Current Year	Previous year	Current Year	Previous year	Current Year	Previous year
1	Short-term employee benefits	-	-	1,316.88	1,109.75	-	-	1,316.88	1,109.75
2	Post employment benefits	-	-	0.88	1.06	-	-	0.88	1.06
3	Share based payments	-	-	1,860.56	2,971.33	-	-	1,860.56	2,971.33
4	Reimbursement of Expenses (from)	-	-	-	-	2,684.05	-	2,684.05	-
5	Issue of shares	-	-	0.03	49.04	-	-	0.03	49.04
6	Receipt of pending call money on partly paid up shares	-	-	-	147.04	-	-	-	147.04
7	Securities Premium	-	-	3.93	35,880.63	-	-	3.93	35,880 63
8	Directors sitting fees	50.70	47.10	-	-	-	-	50.70	47.10
9	Commission to Directors	30.00	24.00	-	-	-	-	30.00	24.00
10	Personal Guarantee received for Borrowings	-	-	41,500.00	9,217.18	-	-	41,500.00	9,217.18

* Comprises of transactions with entities with significant influence over the Company.

iv) Breach in Debt Covenants

There are no instances during the year ended March 31, 2023 and March 31, 2022 ,where the Company has breached the covenants on debt securities and on borrowings other than debtsecurities.

v) Divergence in Asset Classification and Provisioning

There has been no divergence in Gross NPAs as assessed by the Reserve Bank of India during the year ended March 31, 2023 and March 31, 2022.

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49 Other statutory information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Company does not have transactions with companies struck off under Section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company borrows funds from various Banks and financial institutions for the purpose of onward lending to end customers as per the terms of such borrowings. These transactions are part of the Company's normal lending activities, which is conducted after exercising proper due diligence including adherence to the terms of credit policies and other relevant guidelines.

Other than the nature of transactions described above.

(i) No funds have been advanced or loans or invested by the Company to or in any other person(s) or entity(ies) ("intermediaries") with the understanding that the Intermediary shall lend or invest in party identified by or on behalf of the Company ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vi) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

(vii) The Company is not declared as wilful defaulter by any bank or financial institution or any other lender.

(viii) The Company is maintaining its book of account in electronic mode and these books of account are accessible at all times and the back-up of books of account has been kept in servers physically located in India on a daily basis from the applicability date of the Accounts Rules, i.e. August 5, 2022 onwards.

(ix) Stage wise Overdue (DPD) based Loan disclosure

Particulars	As at March 31, 2023					As at March 31, 2022				
	Count	Stage 1	Stage 2	Stage 3	Total	Count	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount										
Accounts with No Overdues	2,44,331	5,81,224.19	665.11	26.00	5,81,915.30	1,60,842	3,80,550.82	749.48	9.38	3,81,309.68
Accounts with Overdues	49,703	39,457.70	62,584.60	9,367.85	1,11,410.15	56,911	54,967.42	78,956.93	5,295.62	1,39,219.97
Total	**2,94,034**	**6,20,681.89**	**63,249.71**	**9,393.85**	**6,93,325.45**	**2,17,753**	**4,35,518.24**	**79,706.41**	**5,305.00**	**5,20,529.65**

*3166 loan accounts in Stage 3 as on March 31, 2023 (March 31, 2022 - 1621 loan accounts)

The above table includes Inter-Corporate Deposits amounting to INR 1,842.24 lakhs as at March 31, 2023 (INR 13,821.88 lakhs as at March 31, 2022)

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50 Analytical ratios

a) Liquidity Coverage Ratio (LCR)

As per the Guidelines on Liquidity Risk Management Framework for NBFCs issued by RBI vide notification no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20, all non-deposit taking NBFCs with asset size more than INR 5,000 crores are required to maintain Liquidity Coverage Ratio (LCR) from December 1, 2022, with the minimum LCR to be 60%, progressively increasing, till it reaches the required level of 100%, by December 1, 2024.

Particulars	High Quality Liquid Assets ("HQLA")	Net cash outflows	Current period	Previous reporting period	Variance	Reasons for variance (if above 25%)
Quarter ended March 31, 2023	21,829.49	6,382.72	342%	302%	13%	-
Quarter ended March 31, 2022	30,764.11	10,198.83	302%	162%	86%	Increase on account of equity infusion during the year and deployment in HQLA assets

b) Capital adequacy ratios

Particulars	Tier I Capital/ Tier II Capital/ Total Capital	Risk-weighted assets	Current period	Previous reporting period	Variance	Reasons for variance (if above 25%)
As at March 31, 2023						
CRAR	3,90,860.96	5,81,897.51	67.17%	75.20%	-11%	
CRAR - Tier I Capital	3,90,860.96	5,81,897.51	67.17%	75.20%		NA
CRAR - Tier II Capital	-	-	-	-		
As at March 31, 2022						
CRAR	33,581.47	44,658.62	75.20%	58.86%	28%	
CRAR - Tier I Capital	33,581.47	44,658.62	75.20%	58.86%		Increase on account of equity infusion during the intervening period
CRAR - Tier II Capital	-	-	-	-		

51 Change in liabilities arising from financing activities

Particulars	Debt securities	Borrowings (other than debt securities)
As at March 31, 2021	**1,30,378.55**	**2,12,141.12**
Cash flows (net)	(31,097.32)	(58,192.09)
Others*	1,572.14	1,080.72
As at March 31, 2022	**1,00,853.38**	**1,55,029.75**
Cash flows (net)	(47,474.95)	2,17,049.79
Others*	(895.43)	165.37
As at March 31, 2023	**52,483.00**	**3,72,244.91**

* Includes the effect of interest accrued but not due, amortization of processing fees etc.

As per our report of even date
for **S R Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration No: 101049W/ E300004

per **Bharath N S**
Membership No: 210934

Date : May 09, 2023

For and on behalf of the Board of Directors of
Five-Star Business Finance Limited
CIN: U65991TN1984PLC010844

D Lakshmipathy
Chairman and Managing Director
DIN: 01723269

R Anand
Independent Director
DIN: 00243485

G Srikanth
Chief Financial Officer

K Rangarajan
Chief Executive Officer

B Shalini
Company Secretary
ACS: A51334

Place : Chennai
Date : May 09, 2023

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

6th Floor - "A" Block
Tidel Park, No. 4
Rajiv Gandhi Salai
Taramani, Chennai - 600 113, India
Tel : +91 44 6117 9000

Independent Auditor's Review Report on the Quarterly and Half Yearly Unaudited Financial Results of the Five-Star Business Finance Limited (the "Company") Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
Five-Star Business Finance Limited

1. We have reviewed the accompanying statement of unaudited financial results of Five-Star Business Finance Limited (the "Company") for the quarter and half year ended September 30, 2023 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

2. The Company's management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Bharath N S
Partner
Membership No.: 210934
UDIN: 23210934BGYJOL9713
Place: Chennai
Date: October 31, 2023

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

Five-Star Business Finance Limited
Regd Office : New No. 27, Old No.4,Taylors Road, Kilpauk, Chennai - 600 010
CIN: L65991TN1984PLC010844

Statement of Unaudited financial results for the quarter and half year ended 30 September 2023
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

Particulars	Quarter ended 30 September 2023 Unaudited	Quarter ended 30 June 2023 Unaudited	Quarter ended 30 September 2022 Unaudited	Half Year ended 30 September 2023 Unaudited	Half Year ended 30 September 2022 Unaudited	Year ended 31 March 2023 Audited
Revenue from operations						
Interest income	50,409.39	46,373 49	35,731 61	96,782 88	69,253.57	1,49,878 37
Fee income	414.93	540.47	180.97	955.40	304 27	1,375.89
Net gain on fair value changes	1,057 35	1,123 09	142 40	2,180.44	294 18	830.59
Total revenue from operations	51.881.67	48,037.05	36.054.98	99,918.72	69,852.02	1.52.084.85
Other income	354 83	320.14	131.18	674.97	239.97	807.90
Total Income	52,236.50	48,357.19	36,186.16	1.00,593.69	70,091.99	1,52,892.75
Expenses						
Finance costs	10,588.78	9,617.01	6,090.90	20,205.79	12,570.72	26,625.10
Impairment on financial instruments	1,056.80	1,519.69	850 58	2,576 49	809.49	2,014 70
Employee benefits expenses	10,579.14	9,870.47	8,144 25	20,449 61	15,333 23	34,642.66
Depreciation and amortisation expense	568.87	484.96	402.34	1,053.83	764.21	1,731.24
Other expenses	2,745.46	2,278.12	1,416 56	5,023.58	2,716 69	7,405.56
Total Expenses	25.539.05	23,770.25	16,904.63	49,309.30	32,194.34	72.419.26
Profit before tax	26,697.45	24,586.94	19,281.53	51,284.39	37,897.65	80,473.49
Tax expense						
Current tax	7,070.73	6,940 27	4,932.53	14,011 00	9,626.69	20,715.40
Deferred tax (net)	(312.21)	(724.21)	(68.73)	(1,036.42)	(90 08)	(591 52)
Total Tax expenses	6,758.52	6,216.06	4,863.80	12,974.58	9,536.61	20,123.88
Profit for the period / year	19,938.93	18,370.88	14,417.73	38,309.81	28,361.04	60,349.61
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Re-measurements of the defined benefit plan	39 31	(1 78)	(110 23)	37 53	(153 14)	(144.06)
Income tax relating to items that will not be reclassified to profit or loss	(9 90)	0 45	27.74	(9 45)	38.54	36.26
Net other comprehensive income / (deficit) not to be reclassified subsequently to profit or loss	29.41	(1.33)	(82.49)	28.08	(114.60)	(107.80)
Items that will be reclassified subsequently to profit or loss						
Net movement on effective portion of cash flow hedge	62.87	(242 27)	(147.72)	(179.40)	(203.53)	(151.28)
Income tax relating to items that will be reclassified to profit or loss	(15.82)	60.97	37.17	45.15	51.22	38.07
Net other comprehensive income / (deficit) to be reclassified subsequently to profit or loss	47.05	(181.30)	(110.55)	(134.25)	(152.31)	(113.21)
Other comprehensive income / (deficit) for the period / year, net of income tax	76.46	(182.63)	(193.04)	(106.17)	(266.91)	(221.01)
Total comprehensive income	20,015.39	18,188.25	14,224.69	38,203.64	28,094.13	60,128.60
Earnings per equity share						
a. Basic (in rupees)	6 85	6.30	4.94	13.15	9.73	20.71
b. Diluted (in rupees)	6.77	6 24	4 87	13.01	9 61	20.49
	Not annualised	Not annualised	Not annualised	Not annualised	Not annualised	Annualised
Face value per share	1.00	1.00	1.00	1.00	1.00	1.00

See accompanying notes to the unaudited financial results

FOR IDENTIFICATION PURPOSES ONLY
S.R. BATLIBOI & ASSOCIATES LLP
CHENNAI
CHARTERED ACCOUNTANTS

Five-Star Business Finance Limited
Regd Office : New No. 27, Old No.4,Taylors Road, Kilpauk, Chennai - 600 010
CIN: L65991TN1984PLC010844

Statement of Unaudited assets and liabilities as at 30 September 2023
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

Particulars	As at September 30, 2023 Unaudited	As at March 31, 2023 Audited
ASSETS		
Financial assets		
Cash and cash equivalents	1,01,542.53	1,34,035.80
Bank balances other than cash and cash equivalents	13,406.23	24,050.41
Loans	8,13,226.30	6,82,219.59
Investments	22,163.55	14,461.42
Derivative Financial Instruments	368.60	346.09
Other financial assets	3,354.14	3,212.42
Total Financial Assets	**9,54,061.35**	**8,58,325.73**
Non - financial assets		
Current tax assets (net)	120.34	193.57
Deferred tax assets (net)	6,404.72	5,332.60
Investment property	3.56	3.56
Property, plant and equipment	1,891.22	1,543.01
Right of use asset	3,255.09	2,846.18
Other intangible assets	1,077.87	97.71
Other non-financial assets	1,156.93	1,940.43
Total Non- Financial Assets	**13,909.73**	**11,957.06**
Total assets	**9,67,971.08**	**8,70,282.79**
LIABILITIES AND EQUITY		
Financial liabilities		
Derivative Financial Instruments	57.60	-
Trade payables		
total outstanding dues of micro and small enterprises	-	-
total outstanding dues of creditors other than micro and small enterprises	2,495.50	2,009.01
Debt securities	19,363.58	52,483.00
Borrowings (Other than debt securities)	4,62,562.63	3,72,244.91
Other financial liabilities	6,223.31	6,070.01
Total Financial liabilities	**4,90,702.62**	**4,32,806.93**
Non-financial liabilities		
Current tax liabilities (net)	553.35	539.85
Provisions	1,727.28	1,158.17
Other non-financial liabilities	1,360.03	1,824.37
Total Non-financial liabilities	**3,640.66**	**3,522.39**
Equity		
Equity share capital	2,917.18	2,913.66
Other equity	4,70,710.62	4,31,039.81
Total Equity	**4,73,627.80**	**4,33,953.47**
Total liabilities and equity	**9,67,971.08**	**8,70,282.79**
See accompanying notes to the unaudited financial results		

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Five-Star Business Finance Limited
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Statement of cashflows for the half year ended September 30, 2023
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

Particulars	For the half year ended September 30, 2023	For the half year ended September 30, 2022
Cashflow from Operating Activities		
Profit Before Tax	51,284.39	37,897.65
Adjustments for:		
Interest income on loans	(95,144.38)	(67,576.34)
Interest income on deposit with banks/ others	(1,638.50)	(1,677.23)
Finance costs	20,205.79	12,570.72
Impairment on financial instruments	2,576.49	809.49
Depreciation and amortisation expense	1,053.83	764.21
Loss on sale/ retirement of property, plant and equipment (net)	1.09	0.66
Net gain on fair value changes on mutual fund investments	(2,180.44)	(294.18)
Gain recognised on derecognition of leases	(6.77)	(24.18)
Employee stock option expenses	922.67	1,605.16
Operating cash flow before working capital changes	**(22,925.83)**	**(15,924.04)**
Changes in working capital		
Adjustment for (increase)/ decrease in operating assets		
Loans	(1,30,398.54)	(75,920.23)
Other financial assets	(159.45)	(284.86)
Other non-financial assets	783.50	142.27
Adjustment for increase/ (decrease) in operating liabilities		
Trade payables	486.49	38.07
Provision	606.64	108.77
Other financial liabilities	(270.94)	1,592.25
Other non-financial liabilities	(464.34)	(259.35)
Net cash (used in) operations	**(1,52,342.48)**	**(90,507.12)**
Finance cost paid	(24,086.17)	(11,853.30)
Interest income received	91,959.72	76,582.01
Direct taxes paid (net)	(13,924.27)	(9,404.74)
Net cash from / (used in) operating activities (A)	**(98,393.20)**	**(35,183.15)**
Cashflow from investing activities		
Purchase of property plant and equipment	(1,859.06)	(614.17)
Proceeds from sale of property plant and equipment	2.85	0.50
(Purchase)/ redemption of mutual funds (net)	(5,337.15)	294.18
(Purchase)/ redemption of investments (net)	-	8,378.89
Interest income on deposit from banks/ others	1,866.50	1,677.23
Movement in bank balances other than cash & cash equivalents	10,231.64	3,689.93
Net cashflow from investing activities (B)	**4,904.78**	**13,426.56**
Cashflow from financing activities		
Proceeds from issue of equity shares	3.52	0.23
Proceeds from securities premium (net off utilisation)	544.52	25.36
Share issue expenses	-	-
Proceeds from borrowings during the year	1,62,228.01	64,000.00
Repayment of borrowings during the year	(1,01,293.66)	(68,845.78)
Payment towards leases (excluding interest)	(487.24)	(360.30)
Net cashflow from / (used in) financing activities (C)	**60,995.15**	**(5,180.49)**
Net increase / (decrease) in cash and cash equivalents [A + B + C]	(32,493.27)	(26,937.08)
Cash and cash equivalents at the beginning of the year	1,34,035.80	61,316.28
Cash and cash equivalents at the end of the year	**1,01,542.53**	**34,379.20**

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CHENNAI
CHARTERED ACCOUNTANTS

Five-Star Business Finance Limited
Regd Office : New No. 27, Old No.4,Taylors Road, Kilpauk, Chennai - 600 010
CIN: L65991TN1984PLC010844

Statement of cashflows for the half year ended September 30, 2023
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)
Notes:

1. Components of Cash and Cash Equivalents

Particulars	As at 30 September 2023	As at 30 September 2022
Notes		
I Cash and cash equivalents		
Cash on hand	920.91	1,070.20
Balances with bank		
(i) In current accounts	39,486.03	4,295.18
(ii) In deposit accounts (original maturity less than 3 months)	61,135.59	29,013.82
	1,01,542.53	**34,379.20**



Five-Star Business Finance Limited
Regd Office : New No. 27, Old No.4,Taylors Road, Kilpauk, Chennai - 600 010
CIN: L65991TN1984PLC010844
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

Notes:

1 Five-Star Business Finance Limited (the "Company") is a Systemically Important Non-Deposit taking Non-Banking Finance Company (NBFC-ND-SI) registered with the Reserve Bank of India (the "RBI") These unaudited financial results have been prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India and in terms of Regulation 33 and 52 of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended). Any application guidance / clarification / directions issued by the Reserve Bank of India are implemented as and when they are issued / become applicable. This statement of unaudited financial results for the quarter and half year ended September 30, 2023 ("Unaudited Financial Results") have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their meetings held on October 30, 2023 and October 31, 2023 respectively.

2 During the half year ended September 30, 2023, the company has introduced a new employee stock option scheme in the name of Five-Star Associate Stock Option Scheme, 2023 with quantum of 30,00,000 lakh equity shares. The exercise price per option shall be latest available closing price on recognized stock exchange having the higher trading volume on the date immediately prior to the date of Grant and included in the grant letter.
In the existing scheme (i e Five-Star Associate Stock Option Scheme, 2015 and Five-Star Associate Stock Option Scheme, 2018), 3,51,420 options of Face Value of INR 1 (23,000 for the half year ended September 30, 2022) were exercised by the employees and allotted and 4,93,890 options of Face Value of INR 1 were exercised by the employees and pending allotment as on September 30,2023. The total outstanding employee stock options as on September 30, 2023 is 37,44,260 (41,05,130 as at March 31, 2023).

3 All debentures are secured by an exclusive first charge on book debts and certain debentures by pari passu charge on immovable property with security cover ranging from 1.00 to 1 25 times of outstanding amount at any point in time. The security cover over listed non-convertible debentures as on September 30, 2023 is 1.12 times.

4 Disclosures in compliance with Regulation 52(4) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the half year ended September 30, 2023 is attached as Annexure-I.

5 The Company is primarily in the business of financing and accordingly there are no separate reportable segments in accordance with Ind AS 108 on "Operating Segments" in respect of the Company. The Company operates in a single geographical segment i.e India.

6 Disclosure as per format prescribed under 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 5, 2021 for the half year ended September 30, 2023 (borrowers who has been provided restructuring under RBI Resolution Framework – 2.0):

Type of borrower**	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans	1,770 79	74.11	2 44	113.26	1,580 98
Corporate persons*	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	3,326.23	22800	6.41	323.18	2,768.64
Total	5,097.02	302.11	8 85	436 44	4,349 62

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016.

** Classification of borrowers is based on the data available with the Company. Above loans are secured wholly by mortgage of property

7 The unaudited financial results are also available on the stock exchange websites www.bseindia.com and www nseindia.com and on our website https://fivestargroup.in/.

For and on behalf of the Board of Directors

Place: Chennai
Date: October 31, 2023

Lakshmipathy Deenadayalan
Chairman and Managing Director
DIN: 01723269

FOR IDENTIFICATION PURPOSES ONLY
S.R. BATLIBOI & ASSOCIATES LLP
CHENNAI
CHARTERED ACCOUNTANTS

Five-Star Business Finance Limited
Regd Office : New No. 27, Old No.4,Taylors Road, Kilpauk, Chennai - 600 010
CIN: L65991TN1984PLC010844

Annexure-I

Disclosures in compliance with Regulation 52(4) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the half year ended September 30, 2023

Particulars	As at September 30, 2023	As at March 31, 2023
1. Debt-equity ratio (Debt Securities+Borrowings (Other than debt securities)) / net worth i.e. (Equity share capital + Other equity)	1.02	0.98
2. Total debts to total assets (Debt Securities and Borrowings (other than debt securities) / Total Assets)	0.50	0.49
3. Net worth (Equity share capital + Other equity)	4,73,627.80	4,33,953.47
4. Gross Stage 3 Assets Ratio (Gross Stage 3 term loans / Gross term loans. Gross Stage 3 term loans are loans that are credit impaired as per Ind-AS-109)	1.35%	1.36%
5. Net Stage 3 Assets Ratio (Gross Stage 3 term loans - Impairment Loss allowance for Stage 3 term loans) /(Gross term loans- Impairment allowance for Stage 3 term loans)	0.68%	0.69%
6. Liquidity coverage ratio (LCR)-(High-Quality Liquid Assets (HQLAs)/Total Net Cash Outflows over the next 30 calendar days)	383%	342%
7. Capital to risk weighted assets ratio	59.40%	67.17%
8. Outstanding Redeemable Preference shares	Nil	Nil
9. Security cover over listed non-convertible debentures (Security cover over listed non-convertible debentures represents the number of times the listed non-convertible debentures is covered through the term loans provided as security.)	1.12	1.19
Particulars	**Half Year ended 30 September 2023**	**Half Year ended 30 September 2022**
10. Net profit margin (%) (Profit after tax for the period / Total Income)	38.08%	40.46%
11. Net profit after tax	38,309.81	28,361.04
12. Earnings per equity share		
a. Basic (in rupees)	13.15	9.73
b. Diluted (in rupees)	13.01	9.61

Note : Other ratios / disclosures such as debt service coverage ratio, interest service coverage ratio, outstanding redeemable preference shares (quantity and value), current ratio,capital redemption reserve, debenture redemption reserve, long term debt to working capital, bad debts to account receivable ratio, current liability ratio, debtors turnover, inventory turnover and operating margin (%) are not applicable / relevant to the Company and hence not disclosed.





ANNEXURE B- SHAREHOLDING PATTERN OF THE COMPANY AS ON SEPTEMBER 30, 2023

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FIVE STAR
Business Finance Limited

Shareholding Pattern as on September 30, 2023

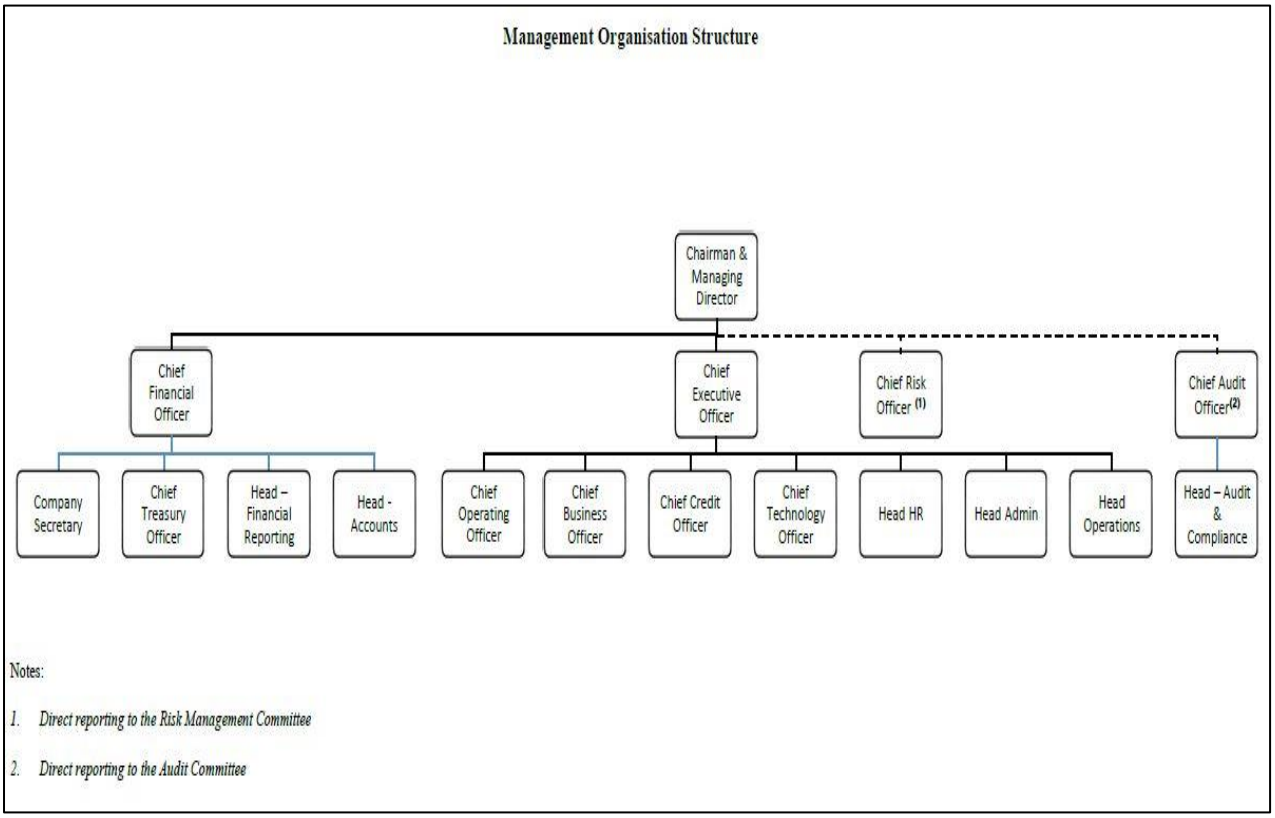
Sno	Category	No. of shares	%
1	Promoter Individuals	5,17,81,278	17.75
2	Promoter Group	28,26,750	0.97
3	Foreign Promoter Bodies Corporates	3,67,06,817	12.58
4	Mutual Funds	1,14,33,479	3.92
5	Alternative Investment Fund	83,16,968	2.85
6	Qualified Institutional Buyer	21,94,814	0.75
7	Indian Financial Institutions	30	0.00
8	Foreign Corporate Bodies	10,24,84,230	35.13
9	Foreign Portfolio - Corp	4,34,03,071	14.88
10	Foreign Portfolio - Corp	6,14,778	0.21
11	Key Management Personnel	29,35,867	1.01
12	IEPF	5,94,800	0.20
13	Resident Individuals	1,73,90,406	5.96
14	Employees	9,35,696	0.32
15	Non-resident Indian Non Repatriable	9,88,230	0.34
16	NRI	4,64,777	0.16
17	Resident Individuals	226	0.00
18	Bodies Corporates	81,24,826	2.79
19	Resident Individuals	237	0.00
20	Clearing Members	2,589	0.00
21	HUF	5,15,333	0.18
22	Trusts	2,338	0.00
	Total:	**29,17,17,540**	**100.00**

For Five-Star Business Finance Limited

B. Shalini

Shalini Baskaran
Company Secretary & Compliance Officer

ANNEXURE C- STRUCTURE OF THE GROUP



ANNEXURE D- RESOLUTION OF THE BOARD

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FIVE STAR
Business Finance Limited

EXTRACT OF THE SPECIAL RESOLUTION PASSED AT THE 39TH ANNUAL GENERAL MEETING OF THE COMPANY HELD ON SATURDAY, SEPTEMBER 16, 2023, AT 11:00 AM THROUGH VIDEO CONFERENCE OTHER AUDIO-VISUAL MEANS

Offer / invitation to subscribe to non-convertible debentures (NCDS) on private placement basis

RESOLVED THAT pursuant to the provisions of sections 42, 71 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the provisions of the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (as amended from time to time), the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2021 (as amended from time to time), and in accordance with the Memorandum of Association and Articles of Association of the Company, and listing agreements to be entered into with BSE Limited and / or National Stock Exchange of India Limited ("Stock Exchanges"), where the non-convertible debentures of the Company are proposed to be listed, and subject to approvals, consents, sanctions, permissions as may be necessary from the Securities and Exchange Board of India (SEBI), Stock Exchanges, all other appropriate statutory and regulatory authorities, approval of the members be and is hereby accorded to authorize the Board of Directors of the Company (which term shall be deemed to include the Business & Resource Committee and any such Committee which the Board may constitute/authorize for this purpose) to issue, offer or invite subscriptions for all kinds and types of Non-Convertible Debentures (NCDs), in one or more series / tranches, aggregating up to INR 5,000 Crores (Indian Rupees Five Thousand Crores only), on private placement basis, on such terms and conditions as the Board of Directors of the Company may, from time to time, determine and consider proper and most beneficial to the Company including as to when the said NCDs are to be issued, the consideration for the issue, utilization of the issue proceeds and all matters connected therewith or incidental thereto.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer or allotment of NCDs, the Board (which term shall be deemed to include the Business & Resource Committee and any such Committee which the Board may constitute/authorize for this purpose) be and is hereby authorized on behalf of the Company to take all such actions and do all such deeds, matters, and things as it may, in its absolute discretion, deem necessary, desirable or expedient and to settle any question, difficulties or doubts that may arise in this regard including but not limited to the offering and allotment of NCDs as it may in its absolute discretion deem fit and proper.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to the Business & Resource Committee or any Committee of Directors or any Director or Directors or to any officer or officers of the Company to give effect to this resolution.

RESOLVED FURTHER THAT any of the Directors and/or the Company Secretary of the Company are authorised to certify the true copy of the aforesaid resolutions and the same may be forwarded to any concerned authorities for necessary action.

//Certified True Copy//

Shalini Baskaran
Company Secretary
Membership No: A51334

FIVE STAR
Business Finance Limited

Statement pursuant to section 102(1) of The Companies Act, 2013 ("the Act") setting out all material facts relating to the special business to be transacted at the AGM is detailed hereunder:

Item No 6: Offer / invitation to subscribe to Non-Convertible Debentures (NCDs) on private placement basis:

As part of its fundraising plans, the Company proposes to issue NCDs aggregating upto INR 5,000 crores, on private placement basis as per the recommendation of the Board of Directors at their meeting held on February 25, 2023, to persons including but not limited to individuals, institutions, and bodies corporate, both domestic and non-domestic as may be identified by the Board of Directors or any Committee of the Board authorised in this behalf from time to time. The Company may offer or invite subscription for all kinds and types of NCDs including secured redeemable NCDs, in one or more series / tranches on private placement basis on such terms & conditions as may be decided by the Board or any Committee of the Board authorised in this behalf from time to time, subject to provisions of and including SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015, applicable circulars and notifications as may be issued by SEBI, Stock Exchanges in this regard.

Pursuant to Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, in case of an offer or invitation to subscribe for Non – Convertible Debentures ("NCDs") on private placement basis, the Company has an option to obtain omnibus approval from its shareholders by means of a special resolution once in a year for all the offers or invitations for such debentures during the year.

This resolution enables the Board of Directors (which term shall be deemed to include the Business & Resource Committee and any such Committee which the Board may constitute/authorize for this purpose) of the Company to offer or invite subscription for NCDs, as may be required by the Company, from time to time for one year from the conclusion of this General Meeting.

None of the Directors, Key Managerial Persons of the Company and their relatives are concerned or interested financially or otherwise in the above resolution.

Accordingly, Omnibus approval of the members is sought for passing a **Special Resolution** as set out at item no. 6 of the Notice.

//Certified True Copy//

B. Shalini

Shalini Baskaran
Company Secretary
Membership No: A51334

FIVE STAR
Business Finance Limited

EXTRACT OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF FIVE-STAR BUSINESS FINANCE LIMITED HELD ON SATURDAY, FEBRUARY 25, 2023, AT THE REGISTERED OFFICE - NEW NO.27, OLD NO.4, TAYLOR'S ROAD, KILPAUK, CHENNAI 600010

Approval of limits for availing loans, credit, and financing facilities

RESOLVED THAT pursuant to the provisions of Sections 179, 180(1)(c) and other applicable provisions if any, of the Companies Act, 2013 and the rules made thereunder, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or any other law for the time being in force (including any statutory modification or amendment(s) thereto or re-enactment(s) thereof for the time being in force) and in terms of Articles of Association of the Company, and subject to the approval of the shareholders in a general meeting, consent of the Board be and is hereby accorded to borrow such sum or sums of moneys and for availing all kinds and types of loans, advances and credit facilities including all kinds of debentures / bonds and other debt instruments, from time to time, upto a sum of INR 8000 Crores (Rupees Eight Thousand Crores) outstanding at any point of time on account of principal, for and on behalf of the Company, from its bankers, other banks, Non-Banking Financial Companies (NBFCs), financial institutions, companies, firms, bodies corporate, Cooperative Banks, investment institutions and their subsidiaries, mutual funds, trusts, or from any other person as may be permitted under applicable laws, whether unsecured or secured.

RESOLVED FURTHER THAT pursuant to the provisions of section 180(1)(a) of the Companies Act, 2013, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and all other applicable provisions if any, or any other law for the time being in force (including any statutory modification or amendment(s) thereto or reenactment (s) thereof or the time being in force) and in terms of Articles of Association of the Company, and subject to the approval of the shareholders in a general meeting, consent be and is hereby accorded for mortgaging/ charging / hypothecating all or any of the properties and assets of the Company both present and future and the whole or substantially the whole of the undertaking or the undertakings of the Company on such terms and conditions, as may be agreed to between the Board and Lender(s), Debenture holders and providers of credit and debt facilities to secure the loans /borrowings / credit / debt facilities obtained or as may be obtained, or Debentures/Bonds and other debt instruments issued or to be issued by the Company to or in favour of the financial institutions, NBFCs, Co-operative Banks, investment institutions and their subsidiaries, its bankers and other banks, mutual funds, trusts and other bodies corporate or trustees for the holders of debentures/bonds and/or other instruments, or any other person, which may exceed the paid-up capital and free reserves provided that the total amount of monies borrowed/ credit facilities / monies raised by issuance of debentures / bonds / instruments and through all of the aforesaid means shall not at any time exceed a sum of INR 8000 Crores (Rupees Eight Thousand Crores) outstanding at any point of time on account of principal.

RESOLVED FURTHER THAT the Company may issue from time to time, all kinds of Debenture/Bonds and other debt instruments, upto INR 5000 Crores.

RESOLVED FURTHER THAT the aforesaid powers may be exercised by the Board of Directors of the Company (which term shall be deemed to include the Business & Resource Committee and any such committee which the Board may constitute / authorize for this purpose).

FIVE STAR
Business Finance Limited

RESOLVED FURTHER THAT Mr Lakshmipathy Deenadayalan, Chairman and Managing Director (DIN: 01723269), Mr Rangarajan Krishnan, Chief Executive Officer, Mr Srikanth Gopalakrishnan, Chief Financial officer be and are hereby severally authorised to do and perform all such acts, deeds and things as may be necessary, desirable or expedient to give effect to this resolution.

//Certified True Copy//

Shalini Baskaran
Company Secretary
Membership No. A51334

FIVE STAR
Business Finance Limited

EXTRACT OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF FIVE-STAR BUSINESS FINANCE LIMITED HELD ON SATURDAY, FEBRUARY 25, 2023, AT THE REGISTERED OFFICE - NEW NO.27, OLD NO.4, TAYLOR'S ROAD, KILPAUK, CHENNAI 600010

Approval of limits for Issuance of Non-Convertible Debentures (NCDs) on private placement basis

RESOLVED THAT pursuant to sections 42, 71, 179 and all other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the provisions of the Issuance of Non-Convertible Debentures (Reserve Bank) Directions, 2010 (as amended from time to time) issued by the Reserve Bank of India (NCD Directions), the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (as amended from time to time) (Debt Listing Regulations), and other applicable provisions of the Companies Act, 2013, and in accordance with the Memorandum of Association and Articles of Association of the Company, and listing agreements to be entered into with BSE Limited and/ or NSE (Stock Exchange) where the non-convertible debentures of the Company are proposed to be listed, and subject to approvals, consents, sanctions, permissions as may be necessary from the Securities and Exchange Board of India(SEBI), the Stock Exchange, all other appropriate statutory and regulatory authorities, and subject to such conditions and modifications as may be prescribed by the respective statutory and/or regulatory authorities while granting such approvals, consents, sanctions, permissions and subject to such conditions or modifications which may be agreed to by the Board, and subject to the approval of the shareholders of the Company, the approval of the Board be and is hereby accorded for issue, offer and allotment of all kinds and types of non-convertible debentures aggregating upto INR 5000 Crores, on private placement basis.

RESOLVED FURTHER THAT the Business & Resource Committee be and is hereby authorized to do all such necessary acts and things as may be required to offer and allot the aforesaid debentures including the following:

a. Identifying the potential subscribers / offerees for the debentures;
b. Administer the entire debenture offer and allotment process;
c. Determining the number of Debentures to be offered to the Offeree;
d. To finalise and approve private placement offer letter in Form PAS4;
e. To finalise and approve record of private placement offers in Form PAS 5;
f. Determining the consideration for the offer;
g. To open/designate a separate bank account;
h. To approve circulation of offer letter (PAS 4) to the offeree and to determine offer period;
i. To do all acts, deeds and things to give effect to and complete the Debentures offer and allotment process;
j. Finalizing the terms and conditions of the offer for private placements, and the letter of Offer to be sent to the subscriber, consideration / acceptance of the offers received from the subscriber;
k. The allotment of the debentures in dematerialized form;
l. Entering into necessary arrangements/agreements with Registrar & Share transfer agent and the depositories, namely, NSDL and/ or CDSL;
m. Taking necessary steps for listing of the NCDs with stock exchanges;
n. Finalizing and executing the transaction documents on behalf of the company including the debenture trust deed, trustee appointment letter, deed of hypothecation, information memorandum, any other document relating to the NCDs, etc.;

FIVE STAR
Business Finance Limited

o. Filing of necessary applications, forms, returns, documents with the Registrar of Companies, Registrar and Transfer Agent, Depositories, etc.;
p. Affixing of the Common Seal of the Company to the stamped engrossment(s) of the Documents/Agreements and such other instruments for the aforesaid Transaction as may be finalized by the Company in the presence of any one Director of the Company, CFO or CEO or Company Secretary who shall sign the same in token thereof;
q. To delegate one or more of the powers vested in the Committee by the Board vide this resolution to any member of the Committee and to do all acts, deeds and things to give effect to and complete the debenture offer and allotment process.

RESOLVED FURTHER THAT each member of the Business & Resource Committee, Mr Rangarajan Krishnan, Chief Executive Officer and Mr Srikanth Gopalakrishnan, Chief Financial officer, be and is hereby severally authorized to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or desirable with regard to the offer and allotment of the above debentures and to finalise and execute all such deeds and documents as may be necessary or expedient including (i) signing the letter of offer /allotment, approving the allotment, and (ii) filing the return of allotment and other necessary forms with the Registrar of Companies, Registrar and Transfer Agent, Depositories, etc.

//Certified True Copy//

B. Shalini

Shalini Baskaran
Company Secretary
Membership No. A51334

ANNEXURE E – DETAILS OF THE BRANCHES OF THE COMPANY

S. No	State	Name of the Branch	Branch Address
1	Andhra Pradesh	Addanki	1st Floor, D.No.30-175-2, Bungala Road, Upstairs Muthoot Finance, Addanki, Andhra Pradesh - 523 201.
2	Andhra Pradesh	Adoni	1st floor, D.No.19-394, Opposite Bheemas Hotel, Fareed Saheb Mohalla, Adoni, Kurnool District, Andhra Pradesh - 518 301.
3	Andhra Pradesh	Allagadda	1st floor, D.No.7-8-154, T.B.Road, Allagadda, Nandyal District, Andhra Pradesh - 518 543.
4	Andhra Pradesh	Amalapuram	2nd floor, D.No.5-3-84, Opposite Naga Surya Hospital, College Road, Amalapuram, East Godavari District, Andhra Pradesh - 533 201.
5	Tamil Nadu	Ambasamudram	8A, Nettapuli, North Street, Agasthiyarkovil Opposite, Ambasamudram, Ambasamudram Taluk, Tirunelveli Dist- 627 401
6	Tamil Nadu	Aminjikarai	1st Floor, No.91, P.H. Road, Above City Union Bank, Nerkundram, Chennai - 600 107.
7	Andhra Pradesh	Anakapalle	1st Floor, D.No.9-20-1/16, C/O Canara Bank, Opposite NTR Market Yard, Anakapalle, Vishakapatnam District - 531 001.
8	Andhra Pradesh	Anantapur	H.No.13-3-425, 13-3-426, 2nd Floor, Khaja Nagar, APSRTC Bus Stand Road, Anantapur, Andhra Pradesh - 515 001.
9	Tamil Nadu	Annur	1st Floor, No:3/161-B, Karuna Theatre Complex, Coimbatore Main Road, Annur, Tamil Nadu - 641 653.
10	Tamil Nadu	Arani	2nd floor, No.1889/3A, Sri Renugambal Durairaj Complex, Arani to Arcot Road, Sevoor, Arani Taluk, Thiruvannamalai District, Tamil Nadu - 632 316.
11	Tamil Nadu	Aranthangi	1st Floor, No.79/2, Gangadarapuram, Pattukkottai Road, Near IDBI Bank, Aranthangi, Pudukottai District, Tamil Nadu - 614 616.
12	Tamil Nadu	Ariyalur	2nd floor, 16 E, Ponnusamy Aranmanai Street, Ariyalur, Tamil Nadu - 621 704.
13	Telangana	Armoor	1st floor, D.No.1-25/3/10, Near Vijetha Apartment, Localty Perkit, Armoor, Nizamabad District, Telangana - 503 224.
14	Tamil Nadu	Aruppukottai	2nd Floor, No:105, Main Bazaar, Thangamayil Jewelery Upstairs, Agamudaiyar Uravin Murai Complex, Aruppukottai-626 101.
15	Madhya Pradesh	Ashta	1st floor, H.No.519, Front of Vinayak Netralay Hospital, Kannod Road, Ashta, Madhya Pradesh - 466 116.
16	Karnataka	Athani	2nd Floor, CTS No.4360/A/2/27, Shanthi Nagar, Athani, Belagavi District, Karnataka - 591 304.
17	Tamil Nadu	Athur	No.464/6B, Second Floor, Nehru Nagar, North Udayarpalayam, Near Royal Enfield Showroom, Attur Taluk, Salem Dist - 636 102
18	Andhra Pradesh	Atmakur	1st floor, 1-94-2-3, K.G. Road, Atmakur, Kurnool District, Andhra Pradesh - 518 422.
19	Andhra Pradesh	Atmakur Nellore	1st Floor, Former Society Bank Road, Near Bus Stand, Atmakur, SPSR Nellore, Andhra Pradesh - 524 322.
20	Madhya Pradesh	Badnawar	1st floor, H.No.135, Choudhary Building, Above Bikaner Sweets Shop, Bheru Ukhaliya Choraha, Petlawad Road, Badnawar, District Dhar, Madya Pradesh - 454 660.

S. No	State	Name of the Branch	Branch Address
21	Andhra Pradesh	Badvel	1st floor, D.No.8-3-85, Mydukuru, Main Road Revenue, Badvel, Kadapa District, Andhra Pradesh - 516 227.
22	Karnataka	Bagalkot	2nd Floor, BB Tower Building, Sector No.5, Near Kalidasa Circle, Government Hospital Road, Navanagar, Bagalkot, Karnataka - 587 103.
23	Madhya Pradesh	Balaghat	2nd Floor, Prakash Rao Complex, Ward No.27, Gondia Road, Near New Ram Mandir, Balaghat, Madhya Pradesh - 481 001.
24	Karnataka	Ballari	Ward No.10, CTS Ward No.9, Block No.3, TS No.540 & 540 A, Door No.123(1), 123(2), 123(3), Car Street, Near Kanekal Bus Stand, Bellary, Karnataka - 583 101
25	Andhra Pradesh	Banaganapalle	1st floor, D.No. 8-289-21, Opposite KDCC Bank, Officers Colony, Near RTC Bus Stand, Banaganapalle, Kurnool District, Andhra Padesh - 518 124.
26	Karnataka	Bangalore	2nd Floor, No.712, Dr.Modi Hospital Road, Mahalakshmipuram, Bangalore, Karnataka - 560 079.
27	Tamil Nadu	Batlagundu	Srinivas Tower, D No.14.13.1/6, Melamandai Street, Landmark M V Lodge Street, Batlangundu 624 202.
28	Karnataka	Belgaum	No:2, CTS No:4833/11A/1, 2nd Floor, Ayodhy Nagar, Dr.Ambedkar Road, Civil Hospital Road, Belgaum, Karnataka - 590 019.
29	Madhya Pradesh	Betul	1st floor, Above Union Bank, Abkari Road, Near Jain Mandir, Betul Ganj, Betul, Madhya Pradesh - 460 001.
30	Karnataka	Bhadravati	1st Floor Ward No.6, Hanumanthappa Colony, Shankar Mutta Circle, Bhadravathi - 577 301.
31	Andhra Pradesh	Bhimavaram	2nd floor, D.No.3-6-3, Town Railway Station Road, Bhimavaram, West Godavari District, Andhra Pradesh - 534 202.
32	Madhya Pradesh	Bhopal	Madhu Chambers, 2nd Floor, F 1 Block, 62, Zone, II M P Nagar, Bhopal, Madhya Pradesh - 462 011.
33	Telangana	Bhuvanagiri	1st floor, H.No.1-8-283 /288, Opposite Bhuvanagiri District Court, Main Road, Bhuvanagiri, Yadadri Bhuvanagiri District, Telangana - 508116.
34	Madhya Pradesh	Biaora	Ground floor, Vishnu Dangi, A.B.Road, Near Akhand Param Dham Ashram, Infront Equitas Bank, Biaora, Rajgarh District, Madhya Pradesh - 465 674.
35	Karnataka	Bidar	2nd floor, Padma Complex, Basweshwar Circle, Bidar, Karnataka - 585 401.
36	Karnataka	Bijapur	2nd Floor, Vaibhav Complex, Opposite Ameer Theatre, Vijayapur - 586 101.
37	Chhattisgarh	Bilaspur	2nd Floor, Shop No.2, Gaurav Tower, Vyapar Vihar, Near ICAI Building, Bilaspur, Chhattisgarh - 495 001.
38	Madhya Pradesh	Bina	Plot No.A-346, M-347, Door No.02, 2nd Floor, Bina Station Raod, Bina, Sagar District, Madhya Pradesh - 470 113.
39	Andhra Pradesh	Bobbili	H.No.250-1, Antyakula Veedhi, Near Sai Ganapathi Theater, Balijipeta Road, Bobbili, Andhra Pradesh - 535 558.
40	Tamil Nadu	Bodinayakanur	No.24/25, 1st Floor, Arun Akash Complex, AXIS Bank Upstairs, Thevaram Main Road , Bodinayakanur, Theni District, Tamil Nadu - 625 513.

S. No	State	Name of the Branch	Branch Address
41	Karnataka	Chamarajanagara	Ground Floor, No.1006/970C, Double Road, Bramarambha Extension, Near Bramarambha Theatre, Chamarajanagara, Karnataka - 571 313.
42	Karnataka	Channagiri	1st Floor, H.No.129/18, Banjara Heritage Building, Near Samajakalyana Office, Madakari Nayakara Beedi, Channagiri Town, Davanagere District, Karnataka - 577 213.
43	Tamil Nadu	Chengam	1st Floor, No.19/3G, Guna Complex, Banglore Main Road, Thukkapettai, Chengam, Tamil Nadu - 606 709.
44	Tamil Nadu	Cheyyar	1st Floor, No.4/6C1, New Kanchipuram Road, Near State Bank of India, Cheyyar Taluk, Thiruvannamalai District, Tamil Nadu - 604 407.
45	Madhya Pradesh	Chhatarpur	Khasra No.562/2, Rakwa No.0.015, Gram Bagota, Chhatarpur, Madhya Pradesh - 471 001.
46	Madhya Pradesh	Chhindwara	Parasia Road, Above Taj Kirana, Near LIC Office, Chindwara, Madhya Pradesh 480 001.
47	Tamil Nadu	Chidambaram	1st floor, No.3, SP Koil Street, Chidambaram, Cuddalore District, Tamil Nadu - 608 001.
48	Karnataka	Chikodi	KEB office, Nippani Chikkodi Main Road, Kavatagimath Nagar (North), Chikkodi - 591 201.
49	Andhra Pradesh	Chirala	1st floor, 12-4-58,59, Muthyalapeta, Perala, Chirala, Prakasam District, Andhra Pradesh - 523 155.
50	Karnataka	Chitradurga	1st Floor, Sri Amurtheshwara Plaza #13, Above Indian Bank, Behind BSNL & Head Post Office Road, Chitradurga - 577 501.
51	Andhra Pradesh	Chittoor	1st Floor No:10-199, TMR Tower, 1st Floor, Gandhi Road, Chittoor-517 001
52	Tamil Nadu	Coimbatore	2nd floor, No.1023, RG Chambers, Avanashi Road, Coimbatore, Tamil Nadu - 641 018.
53	Tamil Nadu	Coimbatore-Ii	1st floor, No:7/1B, Sree Balaji Complex, MTP Road, NSN Palayam, Coimbatore – 641 031.
54	Tamil Nadu	Cuddalore	No.165, Nethaji Road, Manjakuppam, Cuddalore - 607 001
55	Tamil Nadu	Cumbum	W-1, New W-7, Yadhavar Street, Uthamapuram Village, Cumbum 625516
56	Madhya Pradesh	Damoh	1st floor, H.No.1467, Killai Road, Ciwil Ward No.5, Damoh, Madya Pradesh - 470 661.
57	Andhra Pradesh	Darsi	D.No.4-550/8, 2nd floor, Besides LIC Office, Podili Road, Darsi, A.P - 523 247
58	Karnataka	Davanagere	1st floor, Old No.432/2, New No.1013/2, 3rd Cross, K B Extension, Lawyer Road, Davanagere. Karnataka - 577 002.
59	Tamil Nadu	Devakottai	No.494/300A1, Thirupathur Road, Devakottai - 630 302
60	Telangana	Devarkonda	1st floor, H.No.19-202, Survey No.673, Block No.19, Devarkonda, Nalgonda District, Telangana - 508 248.
61	Madhya Pradesh	Dewas	No.10, 2nd Floor, Ram Nagar Colony, Beside Allahabad Bank, A B Road, Dewas - 455 001.
62	Tamil Nadu	Dharapuram	2nd floor, No.1/28, KSP complex, Bypass Road, Near Arthi Restaurant, Opposite New Bus Stand, Dharapuram, Tamil Nadu - 638 656.

S. No	State	Name of the Branch	Branch Address
63	Tamil Nadu	Dharmapuri	2nd Floor, 91/1, 4 Road, Salem Main Road, Opposite Adhiyamaan Palace, Dharmapuri, Tamil Nadu - 636 701.
64	Andhra Pradesh	Dharmavaram	1st floor, VJP Complex, 16-333, Market Street, Dharmavaram, Andhra Pradesh - 515 671.
65	Karnataka	Dharwad	Harsha Hubli Toll Naka, P B Road, Dharwad Vidyagiri, Dharwad- 580 004
66	Andhra Pradesh	Dhone	1st Floor, D.No. 9-44, Near Axis Bank, KVS Colony, Ward No.9, Dhone, Kurnool District, Andhra Pradesh - 518 222.
67	Tamil Nadu	Dindigul	No.95C, 1st Floor, Thiruvalluvar salai, Nearby Rajarajeshwari hospital, Opp to Raj Scans, Dindigul - 624003.
68	Chhattisgarh	Bhilai	1st floor, Shop No.216, Khichariya Complex, 2/2 Nehru Parisar (West), Nehru Nagar, Bhilai, Chhattisgarh - 490 020.
69	Tamil Nadu	Edappadi	No.1c/1c, Vellandivalasu New Street II, Chinnamanali, Edappadi, Salem-637 105
70	Andhra Pradesh	Eluru	No.23-B-5-11/1, Venkataraopeta School Road, R R Peta, Eluru, West Godavari 534 001
71	Tamil Nadu	Erode	No:5, Palaniappa Street, Second Floor, Opp:KMCH Surampatti, Erode - 638 009.
72	Telangana	Gadwal	No:7-10-14, Lingambagh Colony, 1st floor, Gadwal-509 125.
73	Karnataka	Gangavati	No.3-2-186/A1, 3-2-128 and 3-2-186/7A, Ward No.13, Near IDFC Bank and Opposite to Mallikarjuna Multi Specialty Hospital, Kampli Rice Mill, Badavane Gundamma Camp, Kampli Road, Gangavathi - 583 227.
74	Tamil Nadu	Gobichettipalayam	1st floor, 42A, Mill Road, Gobichettiypalayam, Erode District, Tamil Nadu - 638 452.
75	Karnataka	Gokak	2nd floor, Sushil Complex No.4555/A, Guruwar Peth, Gokak Taluk, Gokak District, Belgaum District, karnataka - 591 307.
76	Andhra Pradesh	Gooty	1st floor, No.8/864, In-front of KPS Theatre, Revenue Ward No.8, Gooty, Andhra Pradesh - 515 401.
77	Andhra Pradesh	Gudiwada	D.No:15/232, 1st Floor, Opposite NTR Indoor Stadium, Near Indian Bank, Satyanarayanapuram, Gudiwada, Krishna District, Andhra Pradesh - 521 301.
78	Tamil Nadu	Gudiyatham	1st Floor, A.B. Complex, No.9, Police Line Street, Thazhaiyatham, Gudiyatham - 632 602.
79	Andhra Pradesh	Gudur	1st floor, D.No.26, Konetimitta, East Gudur, Gudur, Tirupati District, Andhra Pradesh - 524 101.
80	Karnataka	Gulbarga	2nd Floor, CTS No.3441/2, Corporation No.3-295/SF4 to 3-295/7, Situated at Gazipur, Chakkarkatta Road, Gulbarga, Karnataka - 585 101.
81	Madhya Pradesh	Guna	2nd Floor, Plot No.11, Royal Heights Building, Above Bandhan Bank, Guna, Madhya Pradesh - 473 001.
82	Andhra Pradesh	Guntakkal	1st floor, D.No.8/37, Guntha Bavi Street, Revenue Ward No.3, Guntakal, Anantapur District, Andhra Pradesh - 515 801.
83	Andhra Pradesh	Guntur	1st floor, D.No.5/1, Arundelpeta, B.R.K.Complex, Guntur, Andhra Pradesh - 522 002.

S. No	State	Name of the Branch	Branch Address
84	Madhya Pradesh	Gwalior	1st Floor, Siddhi Vinayak Tower, Patel Nagar Main Road, City Centre, Gwalior, Madhya Pradesh 474 011
85	Telangana	Hanamkonda	No:2-4-161, Shiram Reddy Hospital, Near Lifeline Hospital, Old Bus Depot Road, Hanamkonda - 506 001
86	Madhya Pradesh	Harda	2nd floor, Plot No. C-36/2, Maharana Pratap Word No.19, New Sabji Mandi, Above Bank Of Baroda, Infront of HDB Finance, Harda, Madya Pradesh - 461 331.
87	Karnataka	Haveri	1st floor, Hangal Road, Opposite Fire Extension, Haveri, Karnataka - 581 110.
88	Andhra Pradesh	Hindupuram	2nd floor, 18-1-143, M.F.Road, Hindupur, Anantapur District, Andhra Pradesh - 515 201.
89	Madhya Pradesh	Hoshangabad	2nd Floor, Near Sai Darshan Shopping Mall, Sadar Bazar, Ward No.07, Hoshangabad, Madhya Pradesh 461 001.
90	Karnataka	Hospet	H.No.305, 1st floor, 3rd Ward, Indira Nagar, Hospet - 583 201.
91	Tamil Nadu	Hosur	D.No.11/6C, Second Cross, Kamaraj Colony, Hosur, Krishnagiri District, Tamil Nadu - 635 109
92	Karnataka	Hubli	CTS No:610-B, Plot No:31 Ward No:35, ZEEKAY Complex, Neharu Nagar, Gokul Road, Hubli-580 030.
93	Telangana	Hyderabad	D No:11-5-154, Bhavani Nagar, 2nd floor, Moosapet Cross Road, Hyderabad-500018
94	Telangana	Hyderabad - Ii	1st floor, D.No.9-61/A, Bouppal Municipality, Medchal, Malkajgiri District, Telangana - 500 092.
95	Tamil Nadu	Illuppur	2nd floor, 23/3, KR Complex, Above Sri Sastha Bharat Gas Agencies, Chinnakadaiveethi, Illuppur, Tamilnadu - 622 102.
96	Madhya Pradesh	Indore	1st Floor, 65/4, Infront of Axis Bank, Sanvid Nagar, Kandiya Road, Indore, Madya Pradesh - 452 018.
97	Madhya Pradesh	Jabalpur	2nd floor, 210/1, Rameshwaran Colony Main MR-4, Vijayanagar, Jabalpur - Madya Pradesh - 482 002.
98	Andhra Pradesh	Jaggampeta	1st Floor, D.No.6-76-A, Devi Center, Jaggampeta, East Godavari District, Andhra Pradesh - 533 435.
99	Telangana	Jagtial	2nd Floor, D.No.1-2-201/A/2, Opposite to Jagitial Bus Depot, Karimnagar Road, Telangana - 505 327
100	Telangana	Jammikunta	2nd floor, H.No.2-2-58/12/9, Near Sriram Hospital, Main Road, Jammikunda, Karim Nagar District, Telangana - 505 122.
101	Telangana	Janagam	2nd Floor, S No.340, Hyderabad Road, Jangam 506 167.
102	Andhra Pradesh	Jangareddygudem	No:18/110, Kontham Complex, Aswaraopet Road, Near Canara Bank, Jangareddygudem - 534 447
103	Uttar Pradesh	Jhansi	2nd Floor, Old No.234, New No.810, Infront of Allahabad Bank, Nandanpura, Shivpuri Road, Jhansi, Uttarpradesh - 284 003.
104	Andhra Pradesh	Kadapa	Old No: 7/108, New No.42/108, Second Floor, SVR complex, RTC Bus Stand Road, NGO Colony, Kadapa – 516 002.
105	Andhra Pradesh	Kadiri	1st Floor, D.No.657/2, Opposite Girls High School, Bypass Road, Kadiri, Andhra pradesh - 515 591

S. No	State	Name of the Branch	Branch Address
106	Andhra Pradesh	Kakinada	D.No:13-1-62, GSPR Towers, Main Road, Kakinada-533 002.
107	Tamil Nadu	Kallakurichi	No :21, 1st floor, Gandhi Road, First Floor, Kallakurichi, Villupuram dist – 606 202
108	Andhra Pradesh	Kalluru	3rd floor, D.No.50/760-A-126-A-1, Krishna Complex, Gayatri Estate, Ward No.50, Vishwa Bharathi Hospital line, Kurnool, Andhra Pradesh - 518 002.
109	Telangana	Kalwakurthy	1st Floor, H.No.6-27, Gandhinagar, Kalwakurthy, Nagarkurnool District, Telangana - 509 324.
110	Telangana	Kamma Reddy	1st floor, H.No.5-2-188, NH 7 Road, Kamareddy Town, Kamareddy District, Telangana - 503 111.
111	Tamil Nadu	Kanchipuram	Old No:29, New No:92, Second Floor, Kamarajar Salai, Near NAC Jewellery, Kanchipuram - 631 501
112	Andhra Pradesh	Kandukur	Satya Sai Complex, 2nd Floor, Opp.Ramalayam, Pamuru Road, Kandukur, Prakasam Dist - 523105.
113	Tamil Nadu	Kangeyum	2nd floor, 158, Chennimalai Road, Kangeyam, Tamil Nadu - 638 701.
114	Puducherry	Karaikal	1st floor, 246, Bharathiyar Road, Gowri Studio, Karaikkal, Puducherry - 609 602.
115	Tamil Nadu	Karaikudi	1st floor, No.358/15, Matha Towers, Near Periyar Statue, Karaikudi - 630 001.
116	Tamil Nadu	Karambakudi	1st floor, Sri Renga Complex, Pudukottai Main Road, Karambakudi, Pudukottai District, Tamil Nadu - 622 302.
117	Telangana	Karim Nagar	No.8-6-13, Kothirampoor, Opp Muthoot Finance, KarimNagar 505 001
118	Madhya Pradesh	Karond	1st floor, H.No.5, Krishak Nagar, Karond, Bhopal, Madhya Pradesh - 462 038.
119	Tamil Nadu	Karur	1st floor, No.997, Jawahar Bazzar, Kovai Road, Karur, Tamil Nadu - 639 002.
120	Madhya Pradesh	Katni	H.No.216, Near Reliance Petrol Pump,Madhavnagar Gate, Jabalpur Road,Katni 483 501.
121	Andhra Pradesh	Kavali	2nd floor, D.No.7-1-3A/3B, Janda Chettu Center, GNT Road, Revenue Ward No.6, Kavali, SPSR Nellore District, Andhra Pradesh - 524 201.
122	Telangana	Khammam	3rd Floor, Road No.11, Kaviraj Nagar, Khammam - 507 002.
123	Madhya Pradesh	Khandwa	No.131, Bapu Sadan, Anand Nagar Main Road, Khandwa, Madhya Pradesh 450 001
124	Madhya Pradesh	Khargone	Above Raymond Showroom, 1st floor, C-Block, Radha Vallabh Market, Khargone, Madhya Pradesh - 451 001.
125	Telangana	Kodada	H-No.1-26/8, 1st Floor, Suryapet Road, Opp Bank of Baroda, Kodada - 508 206
126	Maharashtra	Kolhapur	3rd Floor, Shiya Road, Jagadmb Complex, Near Shri Ram Society Petrol Pump, Kasaba Bawda, Kolhapur, Maharashtra 416 006
127	Karnataka	Koppal	1st floor, No.11, Hudco Colony, Hospet Road, Koppal, Karnataka - 583 231.

S. No	State	Name of the Branch	Branch Address
128	Tamil Nadu	Kovilpatti	2nd floor, No.16L, Baba Complex, Kadalayur Main Road, Kovilpatti, Tamil Nadu - 628 501.
129	Tamil Nadu	Krishnagiri	No:13V Colony East Link Road, Bkbm Complex, K-Theater Opposite, Sri Venkateswara Jewellery Up-Stairs, Krishnagiri-635001
130	Tamil Nadu	Kumbakonam	No :45, First Floor, Nageshwaran Kovil Sannathi Street, Near, Syndicate Bank, Kumbakonam - 612 001
131	Andhra Pradesh	Kuppam	1st floor, D.No.14-196, Palace Road, Kuppam, Chittoor District, Andhra Pradesh - 517 425.
132	Andhra Pradesh	Kurnool	D.No.40/581-A, S.V.Complex, 2nd floor, R.S.Road, Kurnool - 518 004.
133	Andhra Pradesh	Machillipatnam	No:7/29, 2nd Floor, Godugupetta, Machillipatnam Mandal, Krishna-521 001.
134	Andhra Pradesh	Madanapalli	2nd Floor, D.No.15-6-1, CTM Road, Madanapalle, Andhra Pradesh -517 325.
135	Tamil Nadu	Madurai	24A, 2nd floor, Pechi amman Padidurai Road, Simmakkal, Madurai - 625 001
136	Telangana	Mahaboob Nagar	3rd floor, H.No.1-4-92, Opposite TRS Party Office, New Town, Rajendra Nagar, Mahaboob Nagar, Telangana - 509 001.
137	Telangana	Mahabubabad	1st floor, H.No.6-3-35, Ayyappa Towers, Near MRO Office, Mahabubabad, Telangana - 506 101.
138	Tamil Nadu	Manapparai	2nd floor, Balaji Thanga Maligai, Mandikadai Line, Opposite Church Complex, Manapparai Taluk, Trichy District, Tamil Nadu - 621 306.
139	Telangana	Mancherial	2nd Floor, D.No. 5-188/1, Near City Union Bank, Iqbal Ahmed Nagar, Market Road, Mancherial, Telangana - 504 208.
140	Andhra Pradesh	Mandapeta	No.31-9-7, Yeditha Road, Above HDFC Bank, Opposite E-Seva, Mandapeta, East Godavari Dist - 533 308, AP
141	Madhya Pradesh	Mandla	2nd floor, Plot No.10/8, Street No.17, Mandla Nazul, Main Road, Rani Awanti Bai Ward, Nehru Smarak, Mandla, Madhya Pradesh - 481 661.
142	Madhya Pradesh	Mandsaur	2nd Floor, Ashirwad Plaza, Near Digambar Jain School, Ramtekri Choraha, Mandsaur, Madhya Pradesh - 458 001.
143	Tamil Nadu	Mannargudi	1st floor, 7, Kelavedam, Bokki Street, Taluk Office Road, Mannargudi, Thiruvarur District, Tamil Nadu - 614 001.
144	Andhra Pradesh	Markapur	2nd floor, D.No.1/203-A-1-D6, Tarlupadu Road, Revenue Ward No.1, Opposite EB Office, Markapur, Prakasam District, Andhra Pradesh - 523 316.
145	Tamil Nadu	Marthandam	1st floor, D.No.1-66/1G, Pammam, Kulasekharam Road, Marthandam, Marthandam P.O., Kanyakumari District, Tamil Nadu - 629 165.
146	Tamil Nadu	Mayiladuthurai	2nd Floor, No.35, Periyakannara Street, Near Municipal Court, Tharangambadi Main Road, Mayiladuthurai, Tamil Nadu - 609 001.
147	Telangana	Medchal	H.NO.13-120/2, Vill & Mandal,Medchal - Malkajiggri, Medchal District, Telangana 501 401
148	Tamil Nadu	Melur	2nd floor, No.1498, Sivagangai Road, Melur, Madurai District, Tamil Nadu - 625 106.

S. No	State	Name of the Branch	Branch Address
149	Telangana	Metpally	2nd floor, H.No.1-23/A/1, Venkatraopet, Metpally, Opposite Keerthi Function Hall, Nizamabad Road, Jagtial District, Telangana - 505 325.
150	Tamil Nadu	Mettur	1st Floor, ESR Complex, No-24/14, Square Market, Mettur Dam, Salem District, Tamil Nadu - 636 401.
151	Telangana	Miryalaguda	1st Floor, Beside Shriram City Union Finance 2nd Branch, Sagar Road, Hanumanpet, Miryalguda - 508 207.
152	Karnataka	Mudhol	1st floor CTS No:225/B, Near Dasanoor Motors, Devpooje Complex, Opp Jamakhandi, Mudhol - 587 313.
153	Tamil Nadu	Musiri	No.22/5, Vijay Complex, Second Floor, Bye Pass Road, Near ICICI Bank, Musiri, Tiruchirappalli, Tamil Nadu - 621 211.
154	Karnataka	Mysore	1st Floor, No.474K - 7/1B, Chamaraja Double Road, K R Mohalla, Mysore, Karnataka - 570 010.
155	Telangana	Nagarkurnool	2nd floor, No.13-89/A, Opposite Police Station, Nagarkurnool, Telangana - 509 209.
156	Tamil Nadu	Nagercoil	First Floor, Sivakami Jayakrishna Complex, No:251, M.S.Road, Krishnancoil, Near By William Hospital, Nagercoil - 629 001.
157	Andhra Pradesh	Naidupet	3-2-15, Bazar Street, Opposite Municipal Office, Above SBI, Naidupet, Andhra Pradesh - 524 126
158	Telangana	Nalgonda	First Floor, No:6-2-9 & 11, B.D.R Complex, Beside ICICI Bank , Hyderbad Road, Nalgonda - 508 001
159	Tamil Nadu	Namakkal	1st floor, 47/21, S P Pudur, Karuppanan Street, Namakkal, Tamil Nadu - 637 001.
160	Andhra Pradesh	Nandyal	D:\DATA\Desktop\RBI Working files\2212 Dec 22\2212 DNBS 1 - Revised
161	Andhra Pradesh	Narasaraopet	2nd floor, D.No.9-7-42, Opposite IDBI Bank, Arundelpet, Narasaraopet Post, Guntur District, Andhra Pradesh - 522 601
162	Telangana	Narayanpet	1st floor, 1-6-63/1/D, Hyderabad Road, Narayanpet, Telangana - 509 210.
163	Andhra Pradesh	Narsapur	1st floor, 3-49/1/A, Near Old Petrol Bunk, Narsapur Mandal, Narsapur, Medak District, Telangana - 502 313.
164	Madhya Pradesh	Narsinghpur	2nd floor, Near Petrol Pump, Kathal Building, Subhash Parak Chouraha, Kandeli, Narsinghpur, Madya Pradesh - 487 001.
165	Andhra Pradesh	Narsipatnam	2nd floor, H.No.117, Saradanagar, Opposite Head Post Office, Narsipatnam, Visakhapatnam District, Andhra Pradesh - 531 116.
166	Andhra Pradesh	Nellore	No.16-3-245 2nd Floor, Trendset Towers, Ramalingapuram, Nellore, Andhra Pradesh - 524 002
167	Andhra Pradesh	Nidadavole	1st floor, D.No.3-1-35, Near Ganapathi Center, Nidadavolu, West Godavari District, Andhra Pradesh - 534 301
168	Telangana	Nirmal	1st floor, 8-1-81/86/A, 8-1-81/6/B, Shanti Nagar, Nirmal, Telangana - 504 106.
169	Telangana	Nizamabad	2nd floor, S.V.Constructions, H.No.1-1-221/6a, Hyderabad Road, Vinayak Nagar, Nizamabad, Telangana - 503 003.
170	Andhra Pradesh	Nuzvid	2nd floor, No.19-193, 19th Block, Dwaka Center, Opposite SBI Bank, Hanuman Junction Road, Nuzvid, Andhra Pradesh - 521 201.

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171	Tamil Nadu	Omalur	2nd floor, No.9/4, Upstairs Canara Bank, Mettur Main Road, Omalur, Salem District, Tamil Nadu - 636 455.
172	Andhra Pradesh	Ongole	3rd Floor, A Block, Shop No.1, Gupthas Enclave, Near Satyam Theatre, 60 Feet Road, Ongole, Andhra Pradesh - 523 001.
173	Andhra Pradesh	Palamaneru	1st Floor, Madanapalli Road, Opp Gundu Bhavi, Upstairs of Rajesh Multispeciality Hospital, Beside ICICI Bank, Palamaner, 517 408
174	Andhra Pradesh	Palasa	1st floor, Opposite Maruthi Car Showroom, K.T.Road, Purushottapuram, Palasa, Andhra Pradesh - 532 221.
175	Maharashtra	Pandharpur	1st Floor, S.No.4196/1, Bhosale chowk, Yuvraj Complex, Pandharpur, Solapur District, Maharashtra - 413 304.
176	Tamil Nadu	Panruti	2nd floor, No.65, Link Road, Panruti, Cuddalore District, Tamil Nadu - 607 106.
177	Tamil Nadu	Pattukkottai	2nd floor, No - 80, Above City Union Bank, Thalayari Street, Pattukottai, Tanjavur District, Tamil Nadu - 614 601.
178	Telangana	Peddapalli	2nd floor, H.No.4-3-208/C/1, Bhoom Nagar, Peddapalli, Telangana - 505 172.
179	Tamil Nadu	Perambalur	2nd floor, 56/C2, Venkatasapuram, Perambalur, Tamil Nadu - 621 212.
180	Tamil Nadu	Perundurai	2nd floor, D.No.395, P K Mahendaran Complex, Perundurai, Erode District, Tamil Nadu - 638 052.
181	Andhra Pradesh	Piler	D.No.2-1859/2, First Floor, Kadapa Road, Beside JNN Hosital, Piler - 517 214
182	Madhya Pradesh	Pipariya	1st floor, Shop No.59, Bhagat Singh Ward, Pachmmdi Road, Ward No.1, Pipariya, Hoshangabad, Madya Pradesh - 461 775.
183	Tamil Nadu	Pollachi	2nd floor, D.No.36/2, K.A.Complex, New Scheme Road, Pollachi, Tamil Nadu - 642 001.
184	Tamil Nadu	Polur	1st floor, R.K.Subramaniyan Gounder Complex, C.C. Road, Opposite Fire Station, Polur, Tiruvannamalai District, Tamil Nadu - 606 803.
185	Tamil Nadu	Poonamallee	No: 40, Trunk Road, Poonamallee, Chennai-600 056.
186	Andhra Pradesh	Prodduttur	No: 7/300, Second Floor, Prabhakar Reddy Complex, Shivalayam Street, Prodduttur, Kadapa – 516 360.
187	Puducherry	Puducherry	No.1, Eillaipillaichavady Main Road, 2nd floor, Upstairs to Vijaya Bank (Opposite to Rajiv Gandhi Square), Puducherry - 605 013.
188	Tamil Nadu	Pudukottai	No:9954, Second Floor, MSKM Towers, Alangudi Road, Pudukottai – 622 001
189	Karnataka	Raichur	H.No.12/11/107/21, AP Complex, Gowshala Road, Behind Honda Showroom, Raichur - 584 101
190	Chhattisgarh	Raipur	1st Floor, Door No. 39/9.10, Shesh Bada Tatya Para, Kankali Talab Road, Beside Andhra Bank, Raipur, Chhattisgarh - 492 001.
191	Andhra Pradesh	Rajahmundry	1st Floor, D.No. 86-26-13/1, Above SBI Bank, Tilak Road, V.L.Puram, Rajahmundry, East Godavari District, Andhra Pradesh - 533 103.
192	Andhra Pradesh	Rajam	1st floor, Ward.No.4-20, S.No.109, Part Telaga Veedhi, Main Road, Rajam, Srikakulam District, Andhra Pradesh - 532 127.

S. No	State	Name of the Branch	Branch Address
193	Andhra Pradesh	Rajampet	1st Floor, D.No. 6/1015, RS Road, Opposite Axis Bank, Behind Dhanlakshmi Bank, Rajampet, Andhra Pradesh - 516 115.
194	Tamil Nadu	Rajapalayam	2nd Floor, No.402B/1449, Tenkasi Road, Rajapalayam, Virudhunagar District, Tamil Nadu - 626 117.
195	Karnataka	Ranebennur	1st Floor, Umashankar Nagar, 1st Cross Near I B, Opposite Axis Bank, P B Road, Ranebennur - 581 115.
196	Tamil Nadu	Ranipet	1st floor, No.136, Mahaveer Plaza, MBT Road, Ranipet, Tamil Nadu - 632 402.
197	Tamil Nadu	Rasipuram	2nd floor, D.No.37/1, Kavarai Theradi Street, Old Bus Stand, Rasipuram, Tamil Nadu - 637 408.
198	Madhya Pradesh	Ratlam	1st Floor, House No.54, Near Clubfox, Infront of Hotel Shivang Palace, Station Road, Ratlam, Madhya Pradesh - 457 001.
199	Andhra Pradesh	Ravulapalem	1st floor, Dwaraka Complex, Opposite Bus Stand Road, besides Victory Garden Restaurant, Ravulapalem(V)(M), East Godaveri District, Andhra Pradesh - 533 235.
200	Andhra Pradesh	Rayachoti	1st floor, D.No.33/63A, Sanjeev Nagar Colony, Rayachoti, Andhra Pradesh - 516 269.
201	Andhra Pradesh	Rayadurgam	D/No: 15-1-1/1-3, Ground floor, Dasappa Road, Revenue Ward No. 15, Rayadurgam, Ananthapur, Andhra Pradesh - 515 865
202	Andhra Pradesh	Repalle	1st Floor, D.No.10-14-123, Municipal Office Road, 11th Ward, Repalle Mandal, Guntur District, Andhra Pradesh - 522 265.
203	Madhya Pradesh	Rewa	2nd Floor, Nehru Nagar Main Road, Near New Bus Stand, Opposite Mishra Petrol Pump, Rewa, Madhya Pradesh - 486 001.
204	Madhya Pradesh	Sagar	H.No.48, 2nd Floor, Yadav Comlpax, Near VC Building, Civil Line, Sagar, Madhya Pradesh - 470 002.
205	Tamil Nadu	Salem	No:318/2, Block 2,(Amara Complex), Second Floor, Meyanur Main Road, Salem -636 004.
206	Andhra Pradesh	Samalkota	1st floor, D.No.17-4-18, Matam Center, Near Vigneswara Theatre, Peddapuram Road, Samalkota, East Godavari District, Andhra Pradesh - 533 440.
207	Telangana	Sanga Reddy	H.No.5-1-106/2/1, Sanjeevanagar, Sanga Reddy, Sanga Reddy (Dist) Telangana 502 001
208	Maharashtra	Sangli	1st Floor, S.No.35A/A1/1A BF 5 & 6, Plot No.3 & 23, Swadeshi Heights, Sangli Miraj Main Road, Near District Court, Vijaynagar, Sangli, Maharashtra - 416 416.
209	Tamil Nadu	Sankarankovil	1st floor, 38/4, North Car Street, Sankarankovil, Tirunelveli District, Tamil Nadu - 627 756.
210	Telangana	Sathupally	4-18/3, Beside Balaji Theatre, Sathupally, Telangana - 507 303
211	Madhya Pradesh	Satna	3rd floor, Ekta Tower, Opposite CMA School, Rewa Road, Satna, Madya Pradesh - 485 001.
212	Madhya Pradesh	Sehore	2nd floor, Samrat Complex, Shop No.2, Opposite Bus Stand, Sehore, Madhya Pradesh - 466 001.
213	Madhya Pradesh	Seoni	1st floor, In-front of LIC Office, Jabalpur Road, Akta Colony, Akbar Ward, Seoni, Madya Pradesh - 480 999.

S. No	State	Name of the Branch	Branch Address
214	Telangana	Shad Nagar	2nd floor, H.No.7-1-Su003, Suleman Colony, Beside Post Office, Shadnagar, Telangana - 509 216.
215	Karnataka	Shahapur	1st floor, 35-4-184, B B Road, Shahapur, Yadgiri District, Karnataka - 585 223.
216	Karnataka	Shimoga	1st floor, D.No.10 & 11, Neha Nihal Arcade, Near Isiri Hotel, Savarline Road, Shimoga, Karnataka - 577 204.
217	Madhya Pradesh	Shivpuri	2nd floor, New Ward No.01, Old Ward No.13, Village Shivpuri Tukda No.01, Bypass Chouraha AB Road, Shivpuri Madhya Pradesh - 473 551.
218	Tamil Nadu	Sholinghur	2nd Floor, No.82, Subba Rao Street, Sholinghur Town, Sholinghur Taluk, Ranipettai District, Tamil Nadu - 631 102.
219	Madhya Pradesh	Shujalpur	1st Floor, Brij Nagar Chourah, M G Road, Shujalpur Mandi, Shajapur District, Madhya Pradesh - 465 333
220	Telangana	Siddipet	1st floor, D.No.18-19-28/3/A, Mahashakthi Nagar, Siddipet, Telangana - 502 103.
221	Karnataka	Sindagi	1st floor, Hugar Complex, Near Vivekanand Circal, Golageri Road, Sindagi, Karnataka - 586 128.
222	Karnataka	Sindhanur	1st Floor, Ward No.8, G.Venkat Rao Colony, Behind KSRTC Bus Stand, Sindhanur, Karnataka - 584 128.
223	Karnataka	Sira	2nd floor, Balaji Nagara Main Road, Opposite Shankar Hospital, Above Hutsun Dairy, Sira Town, Tumkur District, Karnataka - 572 137.
224	Telangana	Sircilla	1st Floor, D.No.8-4-123, 124, 125, Gopal Nagar, Sircilla, Karim Nagar, Andhra Pradesh - 505 301.
225	Tamil Nadu	Sivagangai	2nd Floor T.S.44, Block 6, Badhrinath Towers, Sathiyamoorthy Street, Sivagangai, Tamil Nadu - 630 561.
226	Tamil Nadu	Sivakasi	1st floor, No.310, Chairman P.K.S.A Arumugam Road, Sivakasi, Tamil Nadu - 626 189.
227	Maharashtra	Solapur	2nd Floor, Haripriya Offices, H No.267/45, East Side, Raviwar Peth, Solapur, Maharashtra - 413 005
228	Andhra Pradesh	Srikakulam	2nd floor, 2-2-80/2, Illisipuram Junction, Srikakulam, Andhra Pradesh - 532 001.
229	Andhra Pradesh	Srikalahasti	1st floor, D.No.1-2107/3, Jaya Ram Rao Street, V.M.C. Circle, Near RTC Bus-Stand, Srikalahasti, Andhra Pradesh - 517 644.
230	Tamil Nadu	Sulur	No: 44, Second Floor, Thangam Complex, Sulur – 641 402
231	Telangana	Suryapet	H.No:1-2-270/44/4, Beside ICICI Bank, Opposite Hotel Brundhavan, M.G. Road, Suryapet - 508 213.
232	Andhra Pradesh	Tadepalligudem	No:1-47-9, First Floor, Opp:RTC Complex, IN Gate Road, West Godavari , Tadepalligudem - 534 101.
233	Andhra Pradesh	Tadiptri	No.15-1836 C.B.Road, Tadipatri Po, Anantapuram-515 411.
234	Tamil Nadu	Tambaram	No: 76 , First Floor Velachery Main Road, Mahalakshmi Nagar , Selaiyur, Chennai- 600 073
235	Telangana	Tandur	2nd Floor, D.No.1-8-7/1, Gareeb Nagar, Shivaji Chowk, Tandur, Telangana - 501 141.

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236	Tamil Nadu	Tanjore	No:1658, First Floor, (Above City Union Bank), South Main Street, Tanjore – 613 001
237	Andhra Pradesh	Tanuku	D.No:20-10-16/4, Rashtrapathi Road (North), Achantavari Street, Revenue Ward No:11, Upstairs of Andhra Bank, Tanuku - 534 211.
238	Andhra Pradesh	Tenali	1st floor, No.21-1-52, Jandhyala Vari Street, Ramalingeswara Peta, Tenali, Guntur District, Andhra Pradesh - 522 201.
239	Tamil Nadu	Tenkasi	1st floor, 139/1, South Masi Street, Tenkasi, Tirunelveli District, Tamil Nadu - 627 811.
240	Tamil Nadu	Theni	2nd floor, 22, Forest By-pass Road, Ward 32, Theni, Tamil Nadu - 625 531.
241	Tamil Nadu	Thirukoilure	1st floor, No.27G, Rameez Complex, Sevalai Road, Tirukovilur, Kallakurichi District, Tamil Nadu - 605 757
242	Tamil Nadu	Thuckalay	No.14/29, First Floor, Sreedharam, Near Bus Stand, Thuckalay - 629 175.
243	Tamil Nadu	Thuraiyur	1st floor, No.57A/3, Sri Balaji Complex, Trichy Road, Thuraiyur, Trichy District, Tamil Nadu - 621 010.
244	Tamil Nadu	Tindivanam	G.6, Ground floor, Shree Towers, No.6/6A, Perumal Koil Street, Tindivanam, Tamil Nadu - 604 001.
245	Karnataka	Tiptur	2nd Floor, Linganna Complex, Above Ujjivan Small Bank, B.H.Road, Tiptur, Tumkur District, Karnataka - 572 201.
246	Tamil Nadu	Tiruchendur	1st floor, 235 C, North Car Street, Tiruchendur, Tuticorin District, Tamil Nadu - 628 215.
247	Tamil Nadu	Tirunelveli	No: 142/8, Second Floor, Sri Balaji Arcot Complex, Trivandrum Road, First part, Palayamkottai, Tirunelveli- 627 002
248	Andhra Pradesh	Tirupathi	D.No: 20-1-91/J, Tirumala Byepass Road, Tirupati - 517 501.
249	Tamil Nadu	Tirupattur	2nd floor, 101, Chairman Duraisamiyar Street, Krishnagiri Main Road, Tirupattur, Tamil Nadu - 635 601.
250	Tamil Nadu	Tiruppur	1st Floor, No.52, P.N.Road, Nesavalar Colony, Tirupur, Tamil Nadu - 641 602.
251	Tamil Nadu	Tiruvallur	2nd Floor, No.155/7, J N Road, Thiruvallur - 602 001
252	Tamil Nadu	Tiruvannamalai	2nd floor, SS.F.No.179/201-A, Kanji Road, Vengikkal, Tiruvannamalai, Tamil Nadu - 606 604.
253	Tamil Nadu	Tiruvarur	2nd floor, 41/1, South Street, Lakshmi Heights, Tiruvarur, Tamil Nadu - 610 001.
254	Tamil Nadu	Tiruvottiyur	1st Floor, Door No.879, Thiruvottiyur High Road, Near Theradi Bus Stop, Thiruvottiyur, Chennai - 600 019
255	Andhra Pradesh	Tiruvuru	1st Floor, D.No.2-1A, Factory Center, Tiruvuru Mandalam, Nadimi Tiruvuru, Krishna District, Andhra Pradesh - 521 235.
256	Tamil Nadu	Trichy	No.2, Second Floor, Bharathidasan Salai, Cantonment, Trichy -620001
257	Karnataka	Tumkur	Shree Siddalingeshwara Swamy Aracade, 1st Floor, Above Karur Vysya Bank Ltd, Vivekananda Road, Tumkur, Karnataka - 572 101

S. No	State	Name of the Branch	Branch Address
258	Andhra Pradesh	Tuni	C/o Sri Rama Trade Center, D.No. 4-13-3, 2nd floor, Girls High School Junction, Main Road, Opp Balaji Lodge, Tuni , E.G.District, Andhra Pradesh - 533 401.
259	Karnataka	Turuvekere	2nd floor, Vijayalakshmi Tiles Depo Building, Opposite Sathya Ganapathi Pendal, Tiptur Road, Turuvekere, Karnataka - 572 227.
260	Tamil Nadu	Tuticorin	1st floor, 52B, East Car Street, Tuticorin, Tamil Nadu - 628 002.
261	Tamil Nadu	Udumalpet	2nd floor, No.10-F, Namadhu Plaza, North Tank Street, Dhali Road, Udumalpet, Tiruppur District, Tamil Nadu - 642 126.
262	Madhya Pradesh	Ujjain	1st Floor, 65, Amar Singh Road, Freeganj, Ujjain, Madhya Pradesh - 456 010.
263	Tamil Nadu	Ulundurpet	2nd floor, R.Ambigapathi Complex, Salem Main Road, Ulundurpet, Villupuram District, Tamil Nadu - 606 107.
264	Tamil Nadu	Vallioor	1st Floor, No.308, Vadakku Valliyur, Tirunelveli District, Tamil Nadu - 627 117.
265	Tamil Nadu	Vandavasi	1st floor, No.21 A, Gandhi Road, Vandavasi, Tiruvannamalai District, Tamil Nadu - 604 408.
266	Tamil Nadu	Vaniyambadi	1st floor, 119, By-Pass Road, New Town, Vaniyambadi, Vellore District, Tamil Nadu - 635 751.
267	Tamil Nadu	Vellore	No:293/8A, Second Floor, Chittoor, Katpadi main Road, Near Silk Mill Bus Stop, katpadi, Vellore - 632 006.
268	Andhra Pradesh	Venkatagiri	1st floor, Tribhuvani Heights, Railway Station Road, Venkatagiri, Nellore District,Andhra Pradesh - 524 132.
269	Madhya Pradesh	Vidisha	H No.52, Sanchi Bhopal Road, Near Indian Overseas Bank, Vidisha, Madhya Pradesh 464 001
270	Andhra Pradesh	Vijayawada	D NO:40-27-41, Opp.Alankar Bakery & Sweets, Vijayawada, Krishna - 520008.
271	Telangana	Vikarabad	1st Floor, Singarapu Ramachandraiah Complex, H.No.4-6-89 to 4-6-102, 4-6-104 & 4-6-105, Old Gunj, Above Laxmi Vilas Bank, Railway Station Road, Vikarabad Mandal, Vikarabad District, Telangana - 501 101
272	Tamil Nadu	Villupuram	2nd floor, 43-B, Hospital Road, Villupuram, Tamil Nadu - 605 602.
273	Tamil Nadu	Virudhachalam	1st Floor, D.No.86/B, Poovaragavan Nagar, Uluthurpettai Road, Virudhachalam Taluk, Virudhachalam Tamil Nadu - 606001.
274	Tamil Nadu	Virudhunagar	2nd floor, No.102/15G, Pullalakottai Road, Virudhunagar, Tamil Nadu - 626 001.
275	Andhra Pradesh	Vishakapatnam	1st Floor, D.No.17-90/8, Pendurthi Main Road, Pendurthi Mandal, Visakhapatnam, Andhra Pradesh - 531 173.
276	Andhra Pradesh	Vizianagaram	1st floor, D.No.22-1-23, Ambatisatram, Poolbagh Road, Ward-22, Vizianagaram, Andhra Pradesh - 535 002.
277	Telangana	Wanaparthy	3rd Floor, J B Complex, Old H.No.16-81, Opposite Old Bus Stand Road, Wanaparthy, Telangana - 509 103.
278	Telangana	Warangal	1st floor, Shop.No.S-28 to S-34, Nirmala Mall, JPN Road, Warangal, Telangana - 506 002.

S. No	State	Name of the Branch	Branch Address
279	Andhra Pradesh	Yemmiganur	1st floor, No.1/3453, SMT Colony, Yemmiganur, Kurnool District, Andhra Pradesh - 518 360.
280	Telangana	Zaheerabad	Ground floor, H.No.2-1-1/1, Life Style Complex, Subash Gunj, Near HDFC Bank, Opposite Rajsh Petrol Pump, Main Road, Zaheerabad, Sanga Reddy District, Telangana - 502 220.
281	Andhra Pradesh	Kathipudi	2nd Floor, D.No.12-13, Kathipudi Plaza, Kathipudi, Sankhavaram Mandal, East Godavari District, Andhra Pradesh - 533 444.
282	Andhra Pradesh	Puttur	1st floor, D.No.8-193/1, Tirupathi Road, Revenue Ward No.8, Opposite Railway Station, Puttur, Chittoor District, Andhra Pradesh - 517 583.
283	Tamil Nadu	Palani	1st floor, Dr.Thirumalai Plaza, No.82, New Dharapuram Road, Palani, Dindigul District, Tamil Nadu - 624 601.
284	Telangana	Banswada	1st floor, H.No.1-1-83, Girmaiah Complex, Bichukunda Road, Banswada, Nizamabad District, Telangana - 503 187.
285	Tamil Nadu	Palladam	1st floor, No.164-7/10, Trichy Road, Palladam, Tiruppur District, Tamil Nadu - 641 664.
286	Tamil Nadu	Paramathi Velur	2nd floor, No.183, Chakkara Tower, Old Bye-pass Road, Paramathi-Velur Post & Taluk, Namakkal District, Tamil Nadu - 638 182.
287	Telangana	Bhainsa	1st floor, H.No.4-3-3/118, Vinayak Nagar, Bhainsa, Nirmal District, Telangana - 504103.
288	Telangana	Shanti Nagar	1st floor, H.No.9-30/6 & 9-30/7, Chakali Ilamma Statue Building, Shanti Nagar, Telangana - 509 126.
289	Tamil Nadu	Harur	1st floor, No.6/369-13, Melbatchapet, Harur, Dharmapuri District, Tamil Nadu - 636 903.
290	Telangana	Khanapur	1st floor, No.13-170/10, Court Building, Vidyanagar, Khanapur, Nirmal District, Telangana - 504 203.
291	Tamil Nadu	Kinathukadavu	1st floor, No.2/296, Gandhi Nagar, Kinathukadavu, Coimbatore District, Tamil Nadu - 641 032.
292	Andhra Pradesh	Ramachandrapuram	2nd floor, D.No.19-1-42, Above SBI LIFE Insurance, Sahithi Complex, Main Road, Ramachandrapuram, East Godaveri District, Andhra Pradesh - 533 255.
293	Andhra Pradesh	Inkollu	1st floor, D.No.1-146/2, KVS Plaza, Purchur Road, Inkollu, Prakasam District, Andhra Pradesh - 523 167.
294	Andhra Pradesh	Sullurpet	1st floor, 5-196/1, Gandla Street, Near Panduranga Temple, Sullurupeta, Nellore District, Andhra Pradesh - 524 121.
295	Telangana	Shamshabad	1st floor, H.No.20-170/1/2, R.B. Nagar, Rallaguda Road, Shamshabad, Ranga Reddy District, Telangana - 501 218.
296	Telangana	Choutuppal	1st floor, H.No.5-391, Choutuppal Municipality & Mandal, Choutuppal, Yadadri, Bhuvanagiri District, Telangana - 508 252.
297	Madhya Pradesh	Ashok Nagar	1st floor, Saluja Tower, Near Old Bus Stand, Ashok Nagar, Madya Pradesh - 473 331.
298	Madhya Pradesh	Neemuch	1st floor, Ward No.23, Building No.101, Pheerozshaw Road, Bhagwati Plaza, Neemuch, Madya Pradesh - 458 441.
299	Andhra Pradesh	Chodavaram	2nd floor, RR Square, Near Vijayalaxmi Hospital, Gandhi Gramam, Chodavaram, Visakhapatnam District, Andhra Pradesh - 531 036.

S. No	State	Name of the Branch	Branch Address
300	Telangana	Kollapur	1st floor, H.No.1-7-21, Waridyala Street, Kollapur, Mahabub Nagar District, Telangana - 509 102.
301	Tamil Nadu	Sankarapuram	1st floor, 167/A, Kallai Main Road, Sankarapuram, Kallakurichi District, Tamil Nadu - 606 401.
302	Telangana	Medak	1st floor, 1-9-31/1/C, M.G.Road, Near Old Bus Stop, Medak, Telangana - 502 110.
303	Andhra Pradesh	Narasannapeta	2nd floor, Main Road, Narasannapeta, Srikakulam District, Andhra Pradesh - 532 421.
304	Andhra Pradesh	Parvathipuram	1st floor, Bypass Colony, Revenue Ward No.3, Parvathipuram, Vizianagaram District, Andhra Pradesh - 535 501.
305	Telangana	Gajwel	1st floor, H.No.10-3/C, Main Road, Lakshmi Prasanna Colony, Gajwel, Siddipet District, Telangana - 502 278.
306	Andhra Pradesh	Piduguralla	2nd floor, D.No.1-16/2, Near Kamakadurga Temple, Bus Stand Road, Piduguralla, Guntur District, Andhra Pradesh - 522 413.
307	Andhra Pradesh	Chimakurthi	1st floor, 7-420/00, Main Road, Revenue Ward No.7, Chimakurthi, Prakasam District, Andhra Pradesh - 523 226.
308	Tamil Nadu	Sirkali	1st floor, 79A, North Car Street, Sirkali, Mayiladudurai District, Tamil Nadu - 609 110.
309	Andhra Pradesh	Nandigrama	1st floor, Golden Plaza, 3-160, B1 Block, Rythupeta, Nandigama, NTR Krishna District, Andhra Pradesh - 521 185.
310	Telangana	Ibrahim Patnam	Ground floor, H.No.5-37/2/E (Old), H.No.1-7-Ma0022 (New), Khalsa Ibrahim Patnam Village, Ibrahim Patnam, Rangareddy District, Telangana - 501 506.
311	Maharashtra	Barshi	1st floor, Shivaji Akhada, Near Post Office, Barshi, Solapur District, Maharashtra - 413 401.
312	Tamil Nadu	Gingee	1st floor, Opposite Sozhan Arunai Valen Complex, Tindivanam Road, Gingee, Villupuram District, Tamil Nadu - 604 202.
313	Andhra Pradesh	Kalikiri	1st floor, D.No.7-24, Cross Road, Kalikiri, Chittoor District, Andhra Pradesh - 517 234.
314	Andhra Pradesh	Singarayakonda	1st floor, Shirdi Sai Baba Complex, 3/94, Trunk Road, Near Kandukur Road, Singarayakonda, Prakasam District, Andhra Pradesh - 523 101.
315	Andhra Pradesh	Vinukonda	2nd floor, Lakshmi Plaza, Layers street, Kothapeta, Vinukonda Post office & Mandal, Palnadu District, Andhra Pradesh - 522 647.
316	Andhra Pradesh	Kanigiri	1st floor, D.No.9-403, Garlapeta Bus Stand Center, Near Girls High School, Kanigiri, Prakasam District, Andhra Pradesh - 523 230.
317	Andhra Pradesh	Noonepalli	1st floor, 28/920-A10, 28/920-A11, 28/920-A12, 28/920-A13, PAV Sri Vasavi Complex, Opposite Government Hospital, Noonepalli, Nandyal District, Andhra Pradesh - 518 501.
318	Andhra Pradesh	Kodumur	1st floor, 1-2/H/1, Near Tulja Bhavani Temple, Kurnool Road, Kodumur, Kurnool District, Andhra Pradesh - 518 464.
319	Andhra Pradesh	Vempalli	1st floor, 13-338-2, Pulivendula Road, Vempalle, Kadapa District, Andhra Pradesh - 516 329.
320	Maharashtra	Ichalakarangi	1st floor, 22/1616/1, Hotel Rajdoot, Station Road, Ichalakarangi, Maharashtra - 416 115.

S. No	State	Name of the Branch	Branch Address
321	Andhra Pradesh	Amaravathi	2nd floor, 8-67, Main Road, Modduru Down, Amaravathi, Palnadu District, Andhra Pradesh - 522 020.
322	Telangana	Ramayampet	1st floor, H.No.15-1/1 to 15-1/6, Siddipet Road, Ramayampet Village & Mandal, Medak District, Telangana - 502 101.
323	Andhra Pradesh	Kalyandurgam	1st floor, 9D-10-1, Revenue Colony, Revenue Ward No.9, Kalyanadurgam, Anantapur District, Andhra Pradesh - 515 761.
324	Andhra Pradesh	Razole	1st floor, 4 Shows Cini Complex Road, Razole, East Godavari District, Andhra Pradesh - 533 242.
325	Andhra Pradesh	Pithapuram	2nd floor, D.No.4-2-141, State Bank Road, Pithapuram Municipality, Kakinada District, Andhra Pradesh - 533 450.
326	Andhra Pradesh	Biccavolu	1st floor, D.No.16-159, G.Mamidada Road, Biccavolu, East Godavari District, Andhra Pradesh - 533 343.
327	Telangana	Vemulawada	1st floor, 2nd Bypass Road, Vemulawada, Rajanna Sircilla District, Telangana - 505 302.
328	Andhra Pradesh	Devarapalli	1st floor, 3-113, 3rd Ward, Meraka Street, Devarapalli Mandal, Devarapalli, West Godavari District, Andhra Pradesh - 534 313.
329	Andhra Pradesh	Srungavarapukota	1st floor, D.No.2-118, Near Gayatri Temple, Visakhapatnam Road, Srungavarapukota, Vizianagaram District, Andhra Pradesh - 535 145.
330	Andhra Pradesh	Uravakonda	Ground floor, Plot No.31&32, Indira Nagar Road, Opposite RTC Bus Stand Uravakonda, Anantapur District, Andhra Pradesh - 515 812.
331	Telangana	Narsapur-Ts	1st floor, 3-49/1/A, Near Old Petrol Bunk, Narsapur Mandal, Narsapur, Medak District, Telangana - 502 313.
332	Andhra Pradesh	Muthukuru	2nd floor, Sivalayam Street, Muthukuru, Nellore District, Andhra Pradesh - 524 344.
333	Andhra Pradesh	Kaikaluru	2nd floor, 10/130/1, Opposite TTD Kalyana Mandapam, Railway Station Road, Kaikaluru, Eluru District, Andhra Pradesh - 521 333.
334	Andhra Pradesh	Vidya Nagar	1st floor, 4-26, Opposite Balabarathi School, Chendodu, Vidya Nagar, Nellore District, Andhra Pradesh - 524 413.
335	Andhra Pradesh	Ranastalam	1st floor, D.No.3-11, Girikipalam, Jagannadhapuram, Ranastalam, Srikakulam District, Andhra Pradesh - 532 407.
336	Andhra Pradesh	Allur	2nd floor, Near Old Bus Stand, Main Road, Allur, Andhra Pradesh - 524 315.
337	Andhra Pradesh	Chintalapudi	1st floor, 16-265, Koppulavariveedhi, PVR Complex, Old Bus Stand Counter, Chintalapudi, West Godavari District, Andhra Pradesh - 534 460.
338	Andhra Pradesh	Ichapuram	1st floor, 3-4-71/1, V K Peta, Ichapuram, Srikakulam District, Andhra Pradesh - 532 312.
339	Telangana	Yellareddypet	Ground floor, 2nd By-Pass Road, Near New Bus Stand, Yellareddypet Village & Mandal, Yellareddypet, Rajanna Siricilla District, Telangana - 505 301.
340	Andhra Pradesh	Yelamanchili	1st floor, D.No.HV23+ J7Q, Janaseva Eye Hospital, Near Railway Station, Yelamanchili, Visakhapatnam District, Andhra Pradesh - 531 055.
341	Telangana	Narayanakhed	1st floor, 2-3-146, Near Shetkar Petrol Pump, Main Road, Mangalpet, Narayankhed, Sangareddy District, Telangana - 502 286.

S. No	State	Name of the Branch	Branch Address
342	Telangana	Bodhan	1st floor, H.No.1-4-875, Ghoshala Road, Near Railway Gate, Bodhan, Nizamabad District, Telangana - 503 180.
343	Madhya Pradesh	Multai	1st floor, Betul Road, Ambedkar Ward, Multai, Betul District, Madhya Pradesh - 460 661.
344	Telangana	Husnabad	1st floor, H.No.11-56/1/4, Mallikarjuna Plaza, Near Ambedkar Statue, Akkannapet Road, Husnabad, Telangana - 505 467.
345	Madhya Pradesh	Sanawad	Ground floor, 146, Ward No.2, Near Gurudwara, Sanawad, West Nimar, Madhya Pradesh - 451 111.
346	Andhra Pradesh	B.Kothakota	1st floor, 9-974, Baba Takies, Revenue Ward No.1, B.Kothakota, Annamayya District, Andhra Pradesh - 517 370.
347	Tamil Nadu	Aundipatti	2nd floor, No.1097/73. PRP complex, Opposite Old Fire Service, Madurai to Theni Main Road, Aundipatti, Theni District, Tamil Nadu - 625 512.
348	Tamil Nadu	Gantharvakkottai	Ground floor, No.15/168, Shanthinilayam, Tanjore Main Road, Gandarvakottai, Pudukkottai Dostrict, Tamil Nadu - 613 301.
349	Tamil Nadu	Vadalur	1st floor, 9/1, Azhvaar Nagar, Parvathipuram, Vadalur (P), Kurinjipadi Taluk, Cuddalore District, Tamil Nadu - 607 303.
350	Andhra Pradesh	Gajapathinagaram	2nd floor, New Puritipent Colony, Gajapathinagaram Main Road, Gajapathinagaram Mandalam, Vizianagaram District, Andhra Pradesh - 535 270.
351	Tamil Nadu	Tiruvayaru	1st floor, No.211, South Street, Tiruvayaru, Tanjore District, Tamil Nadu - 613 204.
352	Andhra Pradesh	Sarpavaram	2nd floor, 3-18, Benda Complex, Sarpavaram Junction, Kakinada, Andhra Pradesh - 533 005.
353	Andhra Pradesh	Bhimadole	1st floor, D.No.1-111, Srihari Nagar, Bhimadole Village & Mandal, Bhimadole, Eluru District, Andhra Pradesh - 534425.
354	Andhra Pradesh	Bantumilli	1st floor, SBI Complex, Opposite Pedana Road, Bantumilli, Krishna District, Andhra Pradesh - 521 324.
355	Andhra Pradesh	Penugonda	2nd floor, D.No.1-81, Gandhi Bommala Center, Opposite Main Road, Penugonda, West Godavari District, Andhra Pradesh - 534 320.
356	Andhra Pradesh	Ganapavaram	1st floor, H.No.3-382, Bhuavanapalli, Ganapavaram, West Godavari District, Andhra Pradesh - 534 198.
357	Andhra Pradesh	Yanam	1st floor, D.No.3-32, Vishnu Alayam Veedhi, Yanam, East Godavari District, Andhra Pradesh - 533 464.
358	Telangana	Ieeja	1st floor, 4-123/10, New Bus Stand, Opposite LIC Office, Ieeja Mandal, Ieeja, Gadwal District, Telangana - 509 127.
359	Andhra Pradesh	Shankar Nagar	1st floor, D.No.17/133, Alur Road, Opposite Main Current Office, Near Thimmareddy Bus-stand, Adoni, Kurnool District, Andhra Pradesh - 518 301.
360	Telangana	Nakrekal	2nd floor, H.No.6-120/4, Main Road, Nakrekal Mandal, Nakrekal, Nalgaoda District, Telangana - 508 211.
361	Andhra Pradesh	Palakonda	1st floor, Seethampeta Road, Yalam Junction, Palakonda, Srikakulam District, Andhra Pradesh - 532 440.
362	Telangana	Kosigi	1st floor, H.No.1-46-4-A-1, Opposite Honda Showroom, Mahabub Nagar, Kosigi, Narayanpet District, Telangana - 509 339.

S. No	State	Name of the Branch	Branch Address
363	Andhra Pradesh	Tekkali	1st floor, D.No.1-177/A, Near Ravindra Barathi School, Main Road, Tekkali, Srikakulam District, Andhra Pradesh - 532 201.
364	Andhra Pradesh	Rajanagaram	1st floor, D.No.3-8/10A, Near Sub Registrar office, Rajanagaram, Korukonda Road, East Godavari District, Andhra Pradesh - 533 294.
365	Madhya Pradesh	Shajapur	2nd floor, 423/1, Near MPEB, Berchha Road, Shajapur, Madya Pradesh - 465 001.
366	Madhya Pradesh	Pachore	1st floor, H.No.04, A B Road, Bhojpuriya, In Front of Railway Station, Pachore, Rajgarh District, Madya Pradesh - 465 683.
367	Madhya Pradesh	Nasarullaganj	1st floor, Durga Mandir Chouraha, In Front Of Rathore Laj Dudi Complex, Nasarullaganj, Sehore District, Madya Pradesh - 466 331.
368	Andhra Pradesh	Bethamcherla	1st floor, 4-193, Gayatri Estate, Revenue Ward, Opposite Seshareddy High School, Bethamcherla, Kurnool District, Andhra Pradesh - 518 599.
369	Telangana	Haliya	1st floor, H.No.4-450/6, Sagar Road, Haliya, Nalgonda District, Telangana - 508 377.
370	Madhya Pradesh	Tikamgarh	1st floor, R1/46, State Bank Naveen Shakha, Jatara Road, New Bus Stand, Tikamgarh, Madhya Pradesh - 472 001.
371	Andhra Pradesh	Korukonda	2nd floor, D.No.1-226/1, Main Road, Korukonda, East Godavari District, Andhra Pradesh - 533 289.
372	Tamil Nadu	Ponnamaravathi	1st floor, D.No.158/A35, Sri Shanmuga Complex, Indhira Nagar Road, Ponnamaravathi, Pudukkottai District, Tamil Nadu - 622 407.
373	Madhya Pradesh	Sitamau	1st floor, Daseda Complex, Suwasara Road, Sitamau, Mandsaur District, Madhya Pradesh - 458 990.
374	Tamil Nadu	Thittakudi	2nd floor, Ramalingam Complex, Main Road, Vasittapuram, Thittagudi, Cuddalore District, Tamil Nadu - 606 106.
375	Madhya Pradesh	Khilchipur	Ground floor, Ward No.10, Door No.01, Main Road, Gayatri Colony, Khilchipur, Rajgarh District Madhya Pradesh - 465679.
376	Maharashtra	Nanded	1st floor, H.No.3-3-805, Bhagat Singh Road, Bafana Sindhi Colony, Nanded, Maharashtra - 431 601.
377	Madhya Pradesh	Sironj	1st floor, Ward No.01, Galla Mandi, Bypass Road, Sironj, Vidisha District, Madhya Pradesh - 464 228.
378	Rajasthan	Ajmer	2nd floor, Sobhagyam Tower, AMC#427/11, Behind Kshetrapal Eye Hospital, Brahmpuri, Kutchery Road, Ajmer, Rajasthan - 305 001.
379	Madhya Pradesh	Hatpipliya	1st floor, Charan Tiles and Tap, Nevri Bagli Marg, Main Road, Hatpipliya, Dewas District, Madhya Pradesh - 455 223.
380	Madhya Pradesh	Gadarwara	2nd floor, Rani Laxmi Bai Ward, Railway Station Road, Gadarwara, Narsinghpur District, Madhya Pradesh - 487 551.
381	Andhra Pradesh	Bapatla	2nd floor, Door No.06-06-09, Near Old Bus Stand, Bapatla, Bapatla District, Andhra Pradesh - 522 101.
382	Madhya Pradesh	Pandhurna	Ground floor, ND Complex, Plot No.237, Nagpur Road, Rani Durgawati Ward, Pandhurna, Chhindwara District, Madhya Pradesh - 480 334.
383	Tamil Nadu	Natham	1st floor, 173/17, Anna Nagar, Velampatti Village, Near Lakshmana Theatre, Natham, Dindigul District, Tamil Nadu - 624 401.

S. No	State	Name of the Branch	Branch Address
384	Tamil Nadu	Uthangarai	1st floor, D.No.5/4, Near Ganesa Theatre, Kamarajar Nagar East, Salem Main Road, Uthangarai, Krishnagiri District, Tamil Nadu - 635 207.
385	Tamil Nadu	Oddanchatram	1st floor, 396A, 397 L8, 397 L9, Dharapuram Road, R.C. Building, Oddanchatram, Dindigul District, Tamil Nadu - 624 619.
386	Andhra Pradesh	Chilakaluripet	1st floor, D.No.16-307/1, Kalamandir Center, Pedanandipadu Road, Chilakaluripeta, Palnadu Distict, Andhra Pradesh - 522 616.
387	Andhra Pradesh	Podalakur	1 st floor Main Road, Near Jamun Theatre, Podalakur, SPSR Nellore District, Andhra Pradesh 524 345
388	Tamil Nadu	Chetpet	1st floor, Kadai Street, Pazhampettai, Chetpet, Tiruvannamalai District, Tamil Nadu - 606 801.
389	Andhra Pradesh	Udayagiri	1st floor, D No.19-48, Annapurna Complex, Old Bustand,, Udayagiri, SPSR Nellore District, Andhra Pradesh - 524 226.
390	Tamil Nadu	Ambur	1st floor, D.No.10/1, Chennai Bangalore Highways, Sanakuppam, Ambur, Tirupattur District, Tamil Nadu - 635 802.
391	Andhra Pradesh	Kaligiri	1st floor, D.No.5/20, Main Road, Kaligiri Trunk Road, Kaligiri, SPSR Nellore District, Andhra Pradesh - 524 224.
392	Tamil Nadu	Nemili	1st floor, 10, Panapakkam Road, Nemili, Ranipet District, Tamil Nadu - 635 852.
393	Andhra Pradesh	Venkatagiri Kota	1st floor, Survey Number.193/5A/1, 1st Ward, Long Bazar, Kuppam Palamaner Main Road, Venkatagiri kota, Chittoor District, Andhra Pradesh - 517 424.
394	Andhra Pradesh	Giddalur	1st floor, 6-14-113/1a, Railway Station Road, 6 Ward, Giddalur, Prakasam District, Andhra Pradesh - 523 357.
395	Andhra Pradesh	Podili	1st floor, 5/27, Chinna Bustand Center, Ongole Road, Podili, Prakasam District, Andhra Pradesh - 523 240.
396	Tamil Nadu	Vilathikulam	1st floor, 2/143/1J, NKS Rajalakshmi Towers, Madurai Road, K.Sundrasapuram, Vilathikulam, Thoothukudi district, Tamil Nadu - 628 907.
397	Tamil Nadu	Thirumangalam	1st floor, 335 A, Mayon Nagar, Madurai Road, Thirumangalam, Madurai District, Tamil Nadu - 625 706.
398	Maharashtra	Latur	3rd floor, Shrinivas Tower, Nike Chowk, Ring Road, Latur, Maharashtra - 413 512.
399	Andhra Pradesh	Sompeta	2nd floor, Chandana Buildings, D.No.15-78, Church Street, Sompeta, Srikakulam District, Andhra Pradesh - 532 284.
400	Andhra Pradesh	Punganuru	1st floor, Opposite M M Petrol Bunk, M B T Road, Punganur, Chittoor District, Andhra Pradesh - 517 247.
401	Andhra Pradesh	Chipurupalli	1st floor, 15-152, Main Road, Anjaneyapuram, Chipurupalli, Vizianagaram District, Andhra Pradesh - 535 128.
402	Andhra Pradesh	Tagarapulvalsa	D.No.8-57-3/5, Gollaveedhi, Ward No.11, Block.57, Bheemili Road, Tagarapuvalasa, Visakhapatnam Distict, Andhra Pradesh - 531 163.
403	Madhya Pradesh	Silwani	Ground Floor, C/o, Rajeev Jain, Noorpura Road, Old Bus Stand, Silwani District, Raisen, Madhya Pradesh - 464886
404	Andhra Pradesh	Nandikotkur	2nd floor, D.No.4-34, K.G.Road, Nandikotkur, Nandyal District, Andhra Pradesh - 518 401.

S. No	State	Name of the Branch	Branch Address
405	Uttar Pradesh	Lallithpur	2nd floor, Pariwar Elite, Chorala, Lalithpur, Uttar Pradesh - 284 403.
406	Andhra Pradesh	Koyyalagudem	1st floor, 7-94/3, Near Saibaba Temple, Jangareddygudem Road, Koyyalagudem, West Godaveri District, Andhra Pradesh - 534 312.
407	Rajasthan	Chittogarh	1st floor, Plot No. 127, Kailash Nagar, Chamtikheda Road, Chittorgarh, Rajasthan - 312001.
408	Rajasthan	Kota	2nd floor, 621, Mukesh Plaza, Dadabari, Main Road, Kota, Rajasthan -324 009
409	Madhya Pradesh	Khategaon	1st floor, H.No.266, Ward No.05, Kannod Road, Khategaon, Dewas District, Madhya Pradesh - 455 336.
410	Tamil Nadu	Thanipadi	Ground floor, No.799, Manickka Nayakkar Street, Thanipadi, Thiruvannamalai District, Tamil Nadu - 606 708.
411	Andhra Pradesh	Salur	1st floor, Ward No.15, Jaipur Road, Opposite Philadelphia Hospital, Salur Village & Mandal, Salur, Parvathipuram Manyam District, Andhra Pradesh - 535 591.
412	Andhra Pradesh	Vuyyuru	1st floor, 1-354, Vetanary Hospital Road, Vuyyuru, Krishna District, Andhra Pradesh - 521 165.
413	Andhra Pradesh	Mylavaram	1st floor, 166/1, Near Bharat Gas Company, By Pass Road, Mylavaram, Krishna District, Andhra Pradesh - 521 230.
414	Telangana	Nelakondapalli	1st floor, N.Vishnumurthy Complex, Main Circle, Khammam Road, Nelakondapalli Khammam District, Telangana - 507 160.
415	Telangana	Mall	1st floor, H.No.12-101/102, Venkateshwara Nagar, Mall, Godokondla Village, Chinthapally Mandal, Nalgonda District, Telangana - 508 245.
416	Telangana	Narsampet	1st floor, 18-255/A-2, Dwarakapet Road, Narsampet, Warangal District, Telangana - 506 132.
417	Andhra Pradesh	Gannavaram	D.NO.G149,3RD Floor , SBI Buildings, Vidya Nagaram, Ganavaram, Krishan District, AP 521101
418	Rajasthan	Bilwara	1st floor, 161, S.K. Arcade, Near UIT, Behind Mansapuram Balaji, Subhash Nagar, Bhilwara, Rajasthan - 311 001.
419	Andhra Pradesh	Ponnuru	1st floor, D.No.15-10 -79, Opposite Eagal Restaurant, GBC Road, Ponnur, Guntur District, Andhra Pradesh - 522 124.
420	Tamil Nadu	Thiruppanandal	1st floor, No.43B/9, Habib Complex, Theradi Main Road, Thiruppanandal, Thiruvidaimaruthur Taluk, Thanjavur District, Tamil Nadu - 612 504.
421	Telangana	Achampet	1st floor, Plot No.40, Block No.03, Near Bus Stop, Achampet, Nagarkurnool District, Telangana - 509 375.
422	Andhra Pradesh	Peddapuram	1st floor, D.No.19-1-57, Opposite RTC Complex, Peddapuram, East Godavari District, Andhra Pradesh - 533 437.
423	Madhya Pradesh	Obedullaganj	1st floor, G.M. Complex, Ward No.05, Hoshangabad Road, Obedullaganj, Raisen District, Madhya Pradesh - 464 993.
424	Madhya Pradesh	Ganjbasoda	1st floor, Navkar Complex, Subhash Chowk, Near Railway Station, Main Road, Ganj Basoda, Vidisha District, Madhya Pradesh - 464 221.
425	Andhra Pradesh	Pedana	1st floor, 14/1-1-14, Gaduru Road, Pedana, Krishna District, Andhra Pradesh - 521 366.

S. No	State	Name of the Branch	Branch Address
426	Karnataka	Chikkaballapur	2nd floor, D.No.398/362/A-20-2-2-156, B.B. Road, Kowsar Nagar, Near Government Junior College, Chikkaballapur District, Karnataka - 562 101.
427	Telangana	Atmakur	Ground floor, H.No.21-1, 21-2, 21-3, Amarachintha Road, Krishna Nagar, Atmakur, Mahabubnagar District, Telangana - 509 131.
428	Telangana	Makthal	1st floor, H.No.5-218/3, Bhavani Complex, Hyderabad Road, Makthal, Mahabubnagar District, Telangana - 509 208.
429	Karnataka	Hagaribommanahalli	1st floor, Seyon Complex, Near Muncipality, Ramanagara, Hagaribommanahalli, Bellary District, Karnataka - 583 212.
430	Karnataka	Muddebihal	1st floor, Oswal Complex, Alamati Road, Muddebihal, Bijapur District, Karnataka - 586 212.
431	Andhra Pradesh	Nallajarla	1st floor, D No.2-64, Main Road, Near Bus-Stand, Nallajarla, West Godaveri District, Andhra Pradesh - 534 112.
432	Tamil Nadu	Nagapattinam	Ground floor, Dhaarani Arcade, No.2, Sankaran Vinayagar Kovil Street, Velippalayam, Nagapattinam, Tamil Nadu - 611 001.
433	Andhra Pradesh	Anaparthi	1st floor, 1-145, Gandhi Statue Street, Anaparthi, East Godavari District, Andhra Pradesh - 533 342.
434	Andhra Pradesh	Kadiyam	Ground floor, D.No.5-12, Near Sub-Register Office, Panchayati Street, Kadiyam, Rajamahendravaram City, East Godavari District, Andhra Pradesh - 533 126.
435	Andhra Pradesh	Hanuman Junction	2nd floor, D.No.10-139, Shop.No.212, Ganapathi Complex, Beside Petrol Bunk, Appanaveed, Pedapadu Mandalam, Hanuman Junction, West Godavari District, Andhra Pradesh - 521 105.
436	Andhra Pradesh	Pamarru	Ground floor, D.No.31-110, Sivalayam Street, Gattar Center, Pamarru, Krishna District, Andhra Pradesh - 521 157
437	Andhra Pradesh	Jammalamadugu	1st floor, D.No.21/1300, Tadipatri Road, Jammalamadugu, Kadapa District, Andhra Pradesh - 516 434
438	Tamil Nadu	Chinnamanur	2nd floor, Ward No.24, D.No.175K/2, Main Road, Chinnamanur, Theni District, Tamil Nadu - 625 515.
439	Uttar Pradesh	Fatehpur	3rd Floor House No.05 Krishna Bihari Nagar, Govind Tower, Fatehpur, Uttar Pradesh 212 601
440	Andhra Pradesh	Tallapudi	1st floor, D.No.3-51, Main Road, Tallapudi, West Godavari District, Andhra Pradesh - 534 341.
441	Andhra Pradesh	Pathapatinam	2nd floor, Ambica Plaza, Opposite RTC Complex, Sai Nagar, Parlakhimundi Road, Pathapatnam, Srikakulam District, Andhra Pradesh - 532 213.
442	Andhra Pradesh	Cumbum Ap	1st floor, H.No-7-92A-12, Y.Junction, Main Road, Cumbum, Prakasam District, Andhra Pradesh - 523 333.
443	Andhra Pradesh	Timmapuram	1st floor, D.No.3-676, Thimmapuram Village, S.rayavaram Mandal, Anakapalle, Visakhapatnam District, Andhra Pradesh - 531 083.
444	Andhra Pradesh	Settanapalli	1st floor. D.No.9-5-14/A1, Kattamurivari Street, Garlapadu Auto-stand Road, Sattenapalli PO & MD, Palanadu District, Andhra Pradesh - 522 403.
445	Telangana	Thorrur	1st floor, H.No.16-47/2A, Near Teachers Colony, Near Old Bus-Depot, Thorrur, Mahabubabad District, Telangana - 506 163.

S. No	State	Name of the Branch	Branch Address
446	Andhra Pradesh	Pakala	1st floor, D.No.5-994, Murali Krishna Priya Complex, Opposite R.T.C. Bus Stand, Pakala, Chittoor District, Andhra Pradesh - 517 112.
447	Andhra Pradesh	Pusapatirega	1st floor, D.No.4-109, Raja Street, Pusapatirega, Vizianagaram District, Andhra Pradesh - 535 204.
448	Andhra Pradesh	Mummidivaram	2nd floor, D.No.8-116, Main Road, Opposite Lakshmi Ganapathi Temple, Mummidivaram, Konaseema District, Andhra Pradesh - 533 216.
449	Telangana	Jadcherla	2nd floor, D.No.11-1-891/A/1, Opposite Indra Nagar Colony, Main Road, Jadcherla, Mahaboobnagar District, Telangana - 509 301.
450	Tamil Nadu	Thiruthuraipoondi	2nd floor, D.No.241/20, Deepam Senthil Complex, Near New Bus Stand, TVR Road, Thiruthuraipoondi, Thiruvarur District, Tamil Nadu - 614 713.
451	Tamil Nadu	Periyakulam	1st floor, D.No.1/1, Varathappar Street, Vadakarai, Periyakulam, Theni District, Tamil Nadu - 625 601.
452	Telangana	Sadasivapet	1st floor, No.503/A4, Sadasivpet Village & Mandal, Sangareddy District, Telangana - 502 291.
453	Telangana	Bhupalpalli	1st floor, H.No.6-115/2, Beside SBI Bank Main Road, Bhupalpalli, Warangal District, Telangana - 506 169.
454	Tamil Nadu	Rayakotai	1st floor, D.No.2/784, Hosur Main Road, Tomato Market X-Road, Rayakottai PO, Denkanikottai Taluk, Krishnagiri District, Tamil Nadu - 635 116.
455	Uttar Pradesh	Kanpur	H. No. 03 Plot No. 3&4 Anna Chauraha Sanigawan Road Kanpur Uttar Pradesh 208021
456	Andhra Pradesh	Gorantla	1st floor, 3-698-5, DHS Complex, Near Market Yard, Hindupuram Road, Gorantla, Anantapur District, Andhra Pradesh - 515 231

ANNEXURE F - CONSENT LETTER FROM THE TRUSTEE

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CATALYST
Believe in yourself... Trust us!

CL/DEB/23-24/1354 **Date : 29-Nov-2023**

To,
Prashanth S,
Five-Star Business Finance Limited,
New No. 27, Old No. 4,
Taylors Road, Kilpauk,
Chennai,
Tamil Nadu,
India 600010.

Dear Sir/ Madam,

Re: Consent to act as a Debenture Trustee for Private Placement of Fully Paid, Rated, Listed, Redeemable, Transferable, Secured, Non-Convertible Debentures of ₹ 75.00 Crores with green shoe option of 75.00 Crores Crores aggregating to 150.00 Crores.

We refer to your letter dated 29.11.2023 , requesting us to convey our consent to act as the Debenture Trustee for captioned issue of Debentures.

We hereby convey our acceptance to act as Debenture Trustees for the said issue Debentures, subject to execution of Debenture Trustee Agreement as per Regulation 13 of SEBI (Debenture Trustee) Regulations, 1993, thereby agreeing to execute Debenture Trust Deed and to create the security if applicable within the timeline as per relevant Laws / Regulations and in the Offer Document / Information Memorandum / Disclosure Document / Placement Memorandum and company agreeing / undertaking to comply with the provisions of SEBI (Debenture Trustee) Regulations, 1993, SEBI (Issue and Listing o f Non-Convertible Securities) Regulations 2021, SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, Companies Act, 2013 and Rules thereunder and other applicable laws as amended from time to time.

Fee Structure for the proposed transaction will be as per annexure A.

Assuring you of the best professional services.
Thanking you.

Yours faithfully,

Catalyst Trusteeship Limited

Name : Soham Vaidya

Designation : Assistant Manager

Annexure A

Fee Structure for transaction CL/DEB/23-24/1354

PARTICULARS	AMOUNT / PERCENTAGE
Acceptance fees (one-time, non-refundable, payable on our appointment)	₹ 75000.00000
Annual Trusteeship Fees(Amount/Percentage)	₹ 75000.00000

Annual Trusteeship Fees are payable in advance each year from date of execution till termination of the transaction. Pro-rata charges would apply for the first year till FY end, as applicable.

The taxes on above fee structure are payable at applicable rates from time to time.

All out of pocket expenses incurred towards legal fees, travelling, inspection charges, etc shall be levied and re-imbursed on actual basis.

Please return the second copy this letter duly signed by Authorized Officer from your company.

Yours Faithfully,

For Catalyst Trusteeship Limited

Name : Soham Vaidya

Designation : Assistant Manager

We accept the above terms.

For Five-Star Business Finance Limited

STAR BUSINESS FINANCE LTD. CHENNAI 600 010

Name : PRASHANTH.S

Designation : CHIEF TREASURY OFFICER

ANNEXURE G- CONSENT LETTER FROM THE REGISTRAR AND TRANSFER AGENT

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NSDL Database Management Limited

November 29, 2023

Ms. Shalini
M/S Five-Star Business Finance Ltd
New No. 27, Old No. 4, Taylor's Road,
Kilpauk,
Chennai- 600010

Dear Sir,

This has reference to you email dated November 29, 2023, we are happy to act as Registrar & Transfer Agents for Issue of 15000, Rated, Listed, Senior, Secured, Redeemable, Taxable, Transferable non-convertible debentures of Rs 10,00,00/- aggregating up to INR 150 Crores.

We hereby give our consent to include our name in the Disclosure Document for the Issue of 15000, Rated, Listed, Senior, Secured, Redeemable, Taxable, Transferable non-convertible debentures of Rs 10,00,00/- aggregating up to INR 150 Crores.

Our SEBI registration is INR000004181.

Yours faithfully

For NSDL Database Management Ltd.

Maksood Khan
Sr. Manager

ANNEXURE H- CONSENT LETTER FROM THE LEGAL COUNSEL

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cyril amarchand mangaldas
ahead of the curve

Ref Number: BLR/1979

November 30, 2023

To,

Five-Star Business Finance Limited
New No. 27, Old No. 4, Taylor's Road, Kilpauk,
Chennai, Tamil Nadu- 600010

Dear Sir/ Madam,

Subject: Consent to act as legal counsel for the proposed privately placed issue of 15,000 (fifteen thousand) Rated, Listed, Senior, Secured, Redeemable, Taxable, Transferable Non-Convertible Debentures ("Debentures") of a face value of INR 1,00,000/- (Indian Rupees One Lakh only) each, aggregating upto INR 1,50,00,00,000 /- (Indian Rupees One Hundred and Fifty Crores only) by Five-Star Business Finance Limited ("Issuer").

We, Cyril Amarchand Mangaldas, hereby give our consent to act as the legal counsel for the abovementioned issue of Debentures having a tenure of more than one year and are agreeable to the inclusion of our name as legal counsel in the General Information Document and Key Information Document and/or application to be made to the Stock Exchange for the listing of the said Debentures in accordance with the terms and conditions agreed in our mandate letter.

Yours truly,

For and on behalf of Cyril Amarchand Mangaldas



Lakshmi Prakash

Partner

ANNEXURE I – DISCLOSURES ON ASSET LIABILITY MANAGEMENT

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DISCLOSURES ON ASSET LIABILITY MANAGEMENT (ALM)

1.a Lending Policy:

A. Origination, underwriting, sanction and disbursement process

Five-Star follows a 3-tier approach to Credit review, appraisal & underwriting:

Level 1 – Branch

- Initial screening of any prospective customer is done by the Branch Manager who collects information on income, property, loan requirement, purpose etc. and ensures if these fall within the Loan Policy guidelines of the company. Rejections at this stage could be for a variety of reasons like political affiliation, negative sectors / occupation, unsuitable property etc.
- Once screened and found "proper" the potential customer needs to deposit the initial processing fee along with basic KYC documents and application form.
- Branch Manager and Sales / Relationship Officer (RO) visits the customer location to verify property to be mortgaged, assess living standards, nature and place of business, understand market potential etc., basis which inspection report and valuation reports are prepared based on their assessment of the market rates in the vicinity.
- The Branch Manager/Officer undertakes an evaluation of the customer's income through formal and observatory means relying on various surrogates (for example, the education level of the borrowers' children and investment therein by the borrower, the way the collateral property is maintained, lifestyle of the prospective borrower etc.) in order to ascertain the repayment capacity of the borrower.
- As a part of credit assessment:
  - The income of the borrower is independently verified through formal and observatory means.
  - Multiple photographs of the property including the approach road from the branch to the property, the surrounding area, the exterior and interior of the property, one photograph with applicant and BM is taken (these photographs are uploaded on the ERP and can also be used by the Credit team to arrive at a credit decision).
  - Neighborhood checks on the borrowers' background and credit history (existing loans) are done.
  - Interactions with customers and suppliers to the borrowers' business are arranged to validate estimates reg. the business.
- The property visiting officer captures the photographs of original property documents to evidence the availability of original documents
- Branch Manager prepares the inspection report which contains recommended loan amount, tenor and rate of interest, assessment of collateral (property) value, assessment of borrowers' income with the customer inputs on loan amount & tenor requested and property value. (The Branch has no powers to sanction, and its report is purely recommendatory in nature.)
- Branch inspection and valuation reports are uploaded on the ERP system and can be accessed by File Credit for further evaluation at the appropriate time.

Level 2 – Field Credit

- Second visit, this time by a Field Credit Officer, to the prospective borrower and property and a separate independent evaluation is prepared by the Field Credit Officer.
- The Field Credit Officer follows a process similar to the branch and evaluates the Income, property etc. and sends a report to the File Credit with similar parameters as the Branch inspection report. The Field Credit report is also accompanied by a set of about 20 or so photographs of the entire process and uploaded on the ERP system.

Level 3 – Loan Sanction

- File Credit Officer evaluates the 2 reports received separately and independently from the Branch & Field Credit Officer as well as the customer declared information in the application form.
- Basis this and verification of information through tele calling with all the co-applicants, the Loan Amount, Tenor, Interest Rate and EMI recommendations are decided and sent for approval.
- At this stage, file credit also receives the legal verification reports of property documents and completes the Credit Bureau check (Highmark/CIBIL).
- Post this, the file is reviewed by a credit approver and sanctioned basis an approval matrix which has limits on various parameters like loan ticket, LTV, FOIR etc.
- Encumbrance check is conducted pre and post sanctioning the case.
- Post approval sanction letter is issued to customer, and he/she is informed of the terms of sanction.

- Documentation is prepared as per sanction terms by team at HO and documents are sent to the branch for completion of documentation.
- Registration of the property is completed.
- Post obtaining all necessary loan documentation and after verification of Five-Star name appearing in the Encumbrance Certificate (EC), the loan is disbursed.

B. Collections & post disbursal monitoring process

The branch staff are responsible for both origination and collections on the loans advanced.

Reminders are sent to the borrowers a few days before the due date. The Field Officer reaches out to the borrower once the loan turns delinquent. There is an escalation matrix once a loan slips beyond 30 days, with the Branch Manager, Area Manager and Regional Managers getting involved at successive levels with appropriate support from the Legal team and Head Office.

Further, the incentive structure of the branch staff is a mix of both the new business performance as well as collections performance. To be eligible for any incentive, every field officer has to meet atleast a minimum collection target. This ensures that adequate diligence is undertaken by the branch staff while sourcing files itself.

To add further focus to collections, the company has added Collections Officers to branches in the last ~12 months. These Collections Officers will handle collections on all accounts in the branch with a vintage of more than 2 years. Thus, while ensuring responsibility remains with the Field Officer for the first 24 months of the loan, this would free the bandwidth of the Field Officers which would help maintain good productivity metrics over the long term from an incremental business perspective while also ensuring focus on collections through a dedicated resource post the 24 month vintage. This effort will continue in the near future also with Collections Officers being recruited at branches where loans of vintage 2 years+ are present.The company also has a centralized Legal team to support branches if loans slip into deeper buckets.

C. **Regulatory Compliance**

KYC documents of all customers are received and verified from original prior to the disbursement of the loan, in compliance with the RBI guidelines. The Issuer ensures compliance with any other regulations/directions as may be notified by the RBI and other statutory authorities.

D. **Risk Management**

The Issuer places significant emphasis on the adequacy of management of risk and has put in place a risk management policy in a manner that the risks that the Issuer faces are identified and dealt / controlled in a manner that the Issuer can continue its operations in a profitable and sustainable manner.

E. **Collateral Management**

Collateral is the asset or rights provided to the Issuer by the borrower to secure the credit facility. The Issuer ensures that the underlying documentation for the collateral provides the Issuer appropriate rights over the collateral including the right to liquidate retain or take legal possession of it in a timely manner in the event of default by the borrower. The mortgage over the collateral is also registered with the Sub-registrar office and it is ensured that the Issuer's name reflects as the beneficial owner of the collateral.

1.b Classification of Loans given to associate or entities related to Board, Senior management, promoters, etc

Nil

1.c Classification of loans into several maturity profile denomination

Classification as at March 31, 2023 is as below:

A. Classification of loans/ advances given according to:

S.No.	Type of loans	Rs Crore
1	Secured	6,914.83
2	Unsecured	-

	Total assets under management (AUM)*^	**6,914.83**

B. Denomination of loans outstanding by loan-to-value:

S.No.	LTV (at the time of origination)	Percentage of AUM
1	Upto 20%	6.18%
2	>20-30%	18.55%
3	>30-40%	30.35%
4	>40-50%	41.93%
5	>50%	3.00%
Total		**100.00%**

C. Sectoral exposure:

S.No.	Segment-wise break-up of AUM	Percentage of AUM
1.	**Retail**	
A	Mortgages (home loans and loans against property)	
B	Gold loans	
C	Vehicle finance	
D	MFI	
E	MSME	
F	Capital market funding (loans against shares, margin funding)	
G	Others (Small Business Loans)	100%
2	**Wholesale**	
A	Infrastructure	
B	Real estate (including builder loans)	
C	Promoter funding	
D	Any other sector (as applicable)	
E	Others	
	Total	**100%**

D. Denomination of loans outstanding by ticket size*:

S.No.	Ticket size (at the time of origination)	Percentage of AUM
1	Up to 3L	44.05%
2	Between 3L and 5L	44.42%
3	Between 5L and 10L	10.18%
4	Between 10L and 15L	0.83%
5	Greater than 15L	0.51%
Total		**100.00%**

**Information required at the borrower level (and not by loan account as a customer may have multiple loan accounts);*

E. Geographical classification of borrowers:

Top 5 states borrower wise

S.No.	Top 5 states	Percentage of AUM
1	Tamil Nadu	35.40%
2	Andhra Pradesh	32.54%
3	Telangana	19.68%
4	Karnataka	6.56%
5	Madhya Pradesh	5.04%
Total		**99.22%**

1.d Aggregated exposure to top 20 borrowers

Rs. 7.58 Crores constituting 0.10% of AUM as of March 31, 2023.

1.e Details of loans, overdue and classified as Non-performing assets (NPA)

Classification	As on March 31, 2023 (In Crores)
Standard	6,820.89
NPA	93.94
Total	**6,914.83**

Movement of gross NPA:

Movement of gross NPA*	Rs. Crore
Opening gross NPA	53.05
- Additions during the year	68.93
- Reductions during the year	28.04
Closing balance of gross NPA	93.94

*Please indicate the gross NPA recognition policy (Day's Past Due)

Segment-wise gross NPA:

S.No.	Segment-wise gross NPA	Gross NPA (%)
1	**Retail**	
A	Mortgages (home loans and loans against property)	
B	Gold loans	
C	Vehicle finance	
D	MFI	
E	MSME	
F	Capital market funding (loans against shares, margin funding)	
G	Others (Small Business Loans)	1.36%
2	**Wholesale**	
A	Infrastructure	
B	Real estate (including builder loans)	
C	Promoter funding	
D	Any other sector (as applicable)	
E	Others	
	Total	**1.36%**

2.a - Portfolio Summary of borrowings made by NBFC

Secured Borrowings

Details of the following liabilities of the issuer, as at the end of the last quarter, i.e March 31, 2023

Bank/ Institutional Borrowings – Secured/Unsecured	Rs. Crore
Term Loans Bank	2,399.94
Term Loans NBFC	250.54
ICD	0
Cash Credit / WCDL/	0.85
Total Bank Borrowings (A)	2,651.34
Other Borrowings – Securitisation	999.45
Secured long term NCDs	485.25
Unsecured long term NCDs	0
Total Other Borrowings (B)	1,484.70
Total Secured Borrowings (A)+(B)	4,136.04

Unsecured Borrowings

The Company has availed unsecured loan as on the latest quarter end on **March 31, 2023**:

Institution	Category	Availed Rs. Crores	Principal O/s 31.03.2023 Rs. Crores
Swedfund International AB	ECB	75.91	82.17

2.b - Quantum and percentage of Secured vs. Unsecured borrowings

	O/s as at 31.03.2023 Rs. Crores	% of Total Borrowings
Secured Borrowings	4,136.04	98.05%
Unsecured Borrowings	82.17	1.95%
Total	**4,218.21**	**100.00%**

4. Disclosure of Assets under management

Total Assets Under Management as at 31.03.2023 was Rs.6,914.83 Crores.

5. Details of borrowers

The company's borrowers are small business entrepreneurs and self employed individuals residing primarily in Tier 3 to Tier 6 cities and towns.

S.No.	Segment-wise break-up of AUM	Percentage of AUM
1.	**Retail**	
A	Mortgages (home loans and loans against property)	
B	Gold loans	
C	Vehicle finance	
D	MFI	
E	MSME	
F	Capital market funding (loans against shares, margin funding)	
G	Others (Small Business Loans)	100%
2	**Wholesale**	
A	Infrastructure	
B	Real estate (including builder loans)	
C	Promoter funding	
D	Any other sector (as applicable)	
E	Others	
	Total	**100%**

6. Details of Gross NPA

Gross NPA as at 31.03.2023 stood at Rs.93.94 Crores, constituting 1.36% of Assets Under Management (AUM).

Classification	As on March 31, 2023 (In Crores)
Standard	6,820.89
NPA	93.94
Off Book	Nil
Total	6,914.83

Movement of gross NPA: (31.03.2023)

Movement of gross NPA*	Rs. Crore
Opening gross NPA	53.05
- Additions during the year	68.93
- Reductions during the year	28.04
Closing balance of gross NPA	93.94

*Please indicate the gross NPA recognition policy (Day's Past Due)

Segment-wise gross NPA: as at 31, March 2023

S.No.	Segment-wise gross NPA	Gross NPA (%)
1	**Retail**	
A	Mortgages (home loans and loans against property)	
B	Gold loans	
C	Vehicle finance	
D	MFI	
E	MSME	
F	Capital market funding (loans against shares, margin funding)	
G	Others (Small Business Loans)	1.36%
2	**Wholesale**	
A	Infrastructure	
B	Real estate (including builder loans)	
C	Promoter funding	
D	Any other sector (as applicable)	
E	Others	
	Total	**1.36%**

7. Details of Assets and Liabilities

Particulars	As at March 31, 2023
Financial Assets	8,583.26
Non-financial Assets	119.57
TOTAL ASSETS	**8,702.83**
Financial Liabilities	4,328.07
Non-financial Liabilities	35.22
Equity	4,339.53
TOTAL LIABILITIES	**8,702.83**

9. Disclosure of latest ALM statements to stock exchange

Residual maturity profile of assets and liabilities: (as at March 31,2023) (INR In Crores)

Particulars	One Month	>1 to <2 M	>2 to <3M	>3 to <6 M	>6 to <1 Y	>1 to <3 Y	>3 to <5Y	>5 Y	Total
Liabilities									
Equity, Reserves and Surplus	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4310.40	**4310.40**
Borrowings from banks	45.47	47.93	70.86	169.02	341.19	1056.62	581.94	86.91	**2399.94**
Borrowings from other parties	64.64	28.53	34.34	87.31	166.01	580.74	411.15	5.86	**1378.58**
Market borrowings	265.00	15.00	45.00	70.00	3.75	33.75	52.75	0.00	**485.25**
Others	60.83	2.46	1.91	9.61	9.97	26.94	20.09	187.62	**319.43**
Total	**435.94**	**93.92**	**152.11**	**335.94**	**520.93**	**1698.05**	**1065.93**	**4590.79**	**8893.60**
Assets									
Advances	84.48	79.45	80.57	260.81	579.15	2479.12	2308.79	1109.14	6981.52
Cash & cash Equivalents, Incld Liquid Investments	1195.41	260.38	0.65	32.68	38.54	168.41	28.46	0.04	1724.57
Other Assets	11.64	13.86	1.11	7.74	23.05	11.44	3.24	115.43	187.52
Total	1291.52	353.70	82.33	301.23	640.75	2658.98	2340.49	1224.61	8893.60
Mismatch	855.58	259.78	-69.78	-34.72	119.82	960.93	1274.56	-3366.17	0.00
Cumulative Mismatch	855.58	1115.36	1045.58	1010.86	1130.68	2091.61	3366.17	0.00	0.00

Key Information Document

Date: December 07, 2023

Private & Confidential - For Private Circulation only

(This Key Information Document is neither a prospectus nor a statement in lieu of prospectus)

FIVE-STAR BUSINESS FINANCE LIMITED

(Incorporated as a public limited company under the Companies Act, 1956, as amended from time to time)

Date and Place of Incorporation: May 07, 1984 and Chennai; **Corporate Identification Number**: L65991TN1984PLC010844*;*

Legal Entity Identifier 335800SDB5FANSP25Z85; **Permanent Account Number**: AAACF0419M; **RBI Registration Number**: B-07.00286

Tel No: 044-4610 6200; **Email ID:** cs@fivestargroup.in;

Registered Office: New No. 27, Old No. 4, Taylor's Road, Kilpauk, Chennai, Tamil Nadu- 600010*;*

Corporate Office: New No. 27, Old No. 4, Taylor's Road, Kilpauk, Chennai, Tamil Nadu- 600010**, Website**: www.fivestargroup.in

THIS KEY INFORMATION DOCUMENT IS IN RELATION TO ISSUE OF 15,000 (FIFTEEN THOUSAND) RATED, LISTED, SENIOR, SECURED, REDEEMABLE, TAXABLE, TRANSFERABLE NON-CONVERTIBLE DEBENTURES ("**DEBENTURES**") OF A FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH AGGREGATING UPTO INR 1,50,00,00,000 /- (INDIAN RUPEES ONE HUNDRED AND FIFTY CRORES ONLY) ("**ISSUE SIZE**") BY FIVE-STAR BUSINESS FINANCE LIMITED ("**ISSUER**" OR "**COMPANY**") ON A PRIVATE PLACEMENT BASIS ("**ISSUE**") AND SHALL BE READ WITH THE GENERAL INFORMATION DOCUMENT DATED DECEMBER 04, 2023 ISSUED BY THE ISSUER ("**GENERAL INFORMATION DOCUMENT**").

THIS ISSUANCE WOULD BE UNDER THE ELECTRONIC BOOK MECHANISM FOR ISSUANCE OF DEBT SECURITIES ON A PRIVATE PLACEMENT BASIS IN TERMS OF CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ("**SEBI**") MASTER CIRCULAR DATED AUGUST 10, 2021 BEARING REFERENCE SEBI/HO/DDHS/PoD1/P/CIR/2023/119 ("**SEBI MASTER CIRCULAR**") READ WITH "OPERATING GUIDELINES FOR BSE ELECTRONIC BIDDING PLATFORM" ISSUED BY BOMBAY STOCK EXCHANGE OF INDIA LIMITED ("**BSE**") VIDE THEIR CIRCULAR BEARING NO 20230417-35 DATED APRIL 17, 2023 AND ANY AMENDMENTS ("**BSE EBP GUIDELINES**") (THE SEBI MASTER CIRCULAR AND THE BSE EBP GUIDELINES ARE HEREINAFTER COLLECTIVELY REFERRED TO AS THE "**OPERATIONAL GUIDELINES**"). THE ISSUER INTENDS TO USE THE BSE - EBP PLATFORM. THIS KEY INFORMATION DOCUMENT IS BEING UPLOADED ON THE BSE-EBP PLATFORM TO COMPLY WITH THE OPERATIONAL GUIDELINES AND AN OFFER WILL BE MADE BY ISSUE OF THE KEY INFORMATION DOCUMENT ALONG WITH THE GENERAL INFORMATION DOCUMENT AND SIGNED PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER AFTER COMPLETION OF THE BIDDING PROCESS ON ISSUE/BID CLOSING DATE, TO SUCCESFUL BIDDER IN ACCORDANCE WITH THE PROVISIONS OF THE COMPANIES ACT, 2013 AND RELATED RULES. THE ISSUER CONFIRMS THAT THERE IS NO GREEN SHOE OPTION FOR THE PRESENT ISSUE.

THE ISSUE IS MADE TO ALL INVESTORS ELIGIBLE TO BID / INVEST / APPLY FOR THIS ISSUE UNDER THE SEBI NCS REGULATIONS READ WITH SEBI MASTER CIRCULAR. FOR DETAILS, PLEASE REFER SECTION 14 TITLED "ISSUE DETAILS" OF THIS KEY INFORMATION DOCUMENT. THE CURRENT ISSUE IS NOT BEING UNDERWRITTEN.

PROMOTER(s)

Name: Lakshmipathy Deenadayalan **Telephone:** 044-4610 6200 **Email id**: pathy@fivestargroup.in	**Name**: Hema Lakshmipathy **Telephone**: 044-4610 6200 **Email id**: pathy@fivestargroup.in	**Name:** Shritha Lakshmipathy **Telephone**: 044-4610 6200 **Email id**: : pathy@fivestargroup.in
Name: Matrix Partners India Investments Holdings II LLC **Telephone**: (230) 203 1100 **Email id**: matrix@rogerscapital.mu	**Name**: Peak XV Partners Investments V **Telephone**: (230) 467 3000 **Email id**: sequoia@sannegroup.com	

PRIVATE & CONFIDENTIAL

THIS KEY INFORMATION DOCUMENT DATED DECEMBER 07, 2023, IS PREPARED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021 ISSUED VIDE NOTIFICATION No. SEBI/LAD-NRO/GN/2021/39 DATED AUGUST 09, 2021 AND SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, EACH AS AMENDED FROM TIME TO TIME.

GENERAL RISK

INVESTMENT IN NON-CONVERTIBLE SECURITIES IS RISKY, AND ELIGIBLE INVESTORS SHOULD NOT INVEST ANY FUNDS IN SUCH SECURITIES UNLESS THEY CAN AFFORD TO TAKE THE RISK ATTACHED TO SUCH INVESTMENTS.ELIGIBLE INVESTORS ARE ADVISED TO TAKE AN INFORMED DECISION AND TO READ THE RISK FACTORS CAREFULLY BEFORE INVESTING IN THIS OFFERING. FOR TAKING AN INVESTMENT DECISION, ELIGIBLE INVESTORS MUST RELY ON THEIR EXAMINATION OF THE ISSUE INCLUDING THE RISKS INVOLVED IN IT. SPECIFIC ATTENTION OF ELIGIBLE INVESTORS IS INVITED TO STATEMENT OF RISK FACTORS CONTAINED UNDER SECTION 4 OF THE GENERAL INFORMATION DOCUMENT AND SECTION 7 OF THE KEY INFORMATION DOCUMENT. THESE RISKS ARE NOT, AND ARE NOT INTENDED TO BE, A COMPLETE LIST OF ALL RISKS AND CONSIDERATIONS RELEVANT TO THE NON-CONVERTIBLE SECURITIES OR ELIGIBLE INVESTOR'S DECISION TO PURCHASE SUCH SECURITIES

CREDIT RATING

THE DEBENTURES HAVE BEEN RATED AA-/STABLE BY INDIA RATINGS AND RESEARCH PRIVATE LIMITED FOR AN AMOUNT UP TO INR 3,01,00,00,000/- (INDIAN RUPEES THREE HUNDRED AND ONE CRORES ONLY) VIDE ITS LETTER DATED NOVEMBER 09, 2023, REVALIDATED ON NOVEMBER 30, 2023. THE ABOVE RATING IS NOT A RECOMMENDATION TO BUY, SELL OR HOLD SECURITIES AND ELIGIBLE INVESTORS SHOULD TAKE THEIR OWN DECISIONS. THE RATING MAY BE SUBJECT TO REVISION OR WITHDRAWAL AT ANY TIME BY THE ASSIGNING RATING AGENCY AND THE RATING SHOULD BE EVALUATED INDEPENDENTLY OF ANY OTHER RATING. THE RATING AGENCY HAS THE RIGHT TO SUSPEND, WITHDRAW THE RATING AT ANY TIME ON THE

BASIS OF NEW INFORMATION ETC. THE RATING PROVIDED BY INDIAN RATINGS AND RESEARCH RIVATE LIMITED SHALL BE VALID AS ON THE DATE OF ISSUANCE AND LISTING OF THE DEBENTURES. PLEASE REFER TO **ANNEXURE D** OF THIS KEY INFORMATION DOCUMENT FOR THE RATING LETTER ALONG WITH RATIONALE FOR THE ABOVE RATING.

LISTING

THE DEBENTURES ARE PROPOSED TO BE LISTED ON THE WHOLESALE DEBT MARKET ("**WDM**") SEGMENT OF THE **BSE** ("**DESIGNATED STOCK EXCHANGE**"). THE ISSUER SHALL COMPLY WITH THE REQUIREMENTS OF THE SEBI LODR REGULATIONS (AS DEFINED HEREINAFTER) TO THE EXTENT APPLICABLE TO IT ON A CONTINUOUS BASIS. PLEASE REFER TO **ANNEXURE I** TO THIS KEY INFORMATION DOCUMENT FOR THE 'IN-PRINCIPLE' LISTING APPROVAL FROM THE STOCK EXCHANGE.

DETAILS OF KEY MANAGERIAL PERSONNEL

CHAIRMAN AND MANAGING DIRECTOR	CHIEF FINANCIAL OFFICER	COMPANY SECRETARY AND COMPLIANCE OFFICER
Name: Lakshmipathy Deenadayalan **Email id:** pathy@fivestargroup.in **Telephone:** 044-46106200	**Name:** Srikanth Gopalakrishnan **Email id:** srikanth@fivestargroup.in **Telephone:** 044-46106200	**Name:** Shalini Baskaran **Email Id:** shalini@fivestargroup.in **Telephone:** 044-46106200

DEBENTURE TRUSTEE	STATUTORY AUDITOR	CREDIT RATING AGENCY	REGISTRAR TO THE ISSUE
Name: Catalyst Trusteeship Limited **Address:** 901, 9th Floor, Tower – B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400013 **Telephone:** +91-22-49220503 **Fax**: +91-22-49220505 **Email:** umesh.salvi@ctltrustee.com **Website:** http://www.catalysttrustee.com/ **Contact Person:** Umesh Salvi	**Name:** S.R. Batliboi & Associates, LLP, Chartered Accountants **Address**: 6th Floor – "A" Block Tidel Park No. 4, Rajiv Gandhi Salai Taramani, Chennai, Tamil Nadu-600113, India **Telephone:** 044-61179000 **Fax:** N.A. **Email id**: srba@srb.in **Website**: N.A. **Contact Person**: Bharath N S	**Name:** India Ratings and Research Private Limited **Address:** Wockhardt Tower, Level 4, West Wing Bandra Kurla Complex, Bandra East, Mumbai - 400051 **Telephone**: 91-22-40001700 **Email**: jinay.gala@indiaratings.co.in **Website**: www.indiaratings.co.in **Contact Person:** Mr. Jinay Gala	**Name**: NSDL Database Management Limited **Address:** Trade World, A – Wing 4th and 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai-4000013 **Telephone:** 91-22-24994200 **Fax:** 022 49142503 **Email:** info_ndml@nsdl.co.in **Website:** www.ndml-nsdl.co.in **Contact Person:** Sachin Shinde

ISSUE SCHEDULE

ISSUE / BID OPENING DATE	ISSUE / BID CLOSING DATE	PAY-IN DATE	DEEMED DATE OF ALLOTMENT
December 11, 2023	December 11, 2023	December 12, 2023	December 12, 2023

The Issuer reserves the right to change the Issue schedule including the Deemed Date of Allotment at its sole discretion in accordance with the timelines specified in the Operational Guidelines, without giving any reasons or prior notice. The Issue will be opened for bidding as per bidding window that would be communicated through BSE-EBP Platform.

COUPON AND COUPON TYPE	COUPON PAYMENT FREQUENCY	REDEMPTION DATE	REDEMPTION AMOUNT (INR)
Coupon: 9.5 % (nine point five percent) p.a. Coupon Type: Fixed	Annual	December 12, 2026	INR 1,00,000 (Indian Rupees One Lakh only) per Debenture

The Issue of Debentures shall be subject to the provisions of the Companies Act, 2013, as amended (**the** "**Companies Act**"), the rules notified thereunder, the Memorandum and Articles of Association of the Issuer, SEBI NCS Regulations, SEBI LODR Regulations, the terms and conditions of this Key Information Document along with the General Information Document filed with the Designated Stock Exchange, the PPOAL, the Application Form, the Debenture Trust Deed and other documents in relation to such Issue.

It is hereby clarified that Section 26 of the Companies Act is not applicable to the Issue, and therefore no additional disclosures have been made in relation to Section 26 of the Companies Act under this Key Information Document and accordingly, a copy of this Key Information Document has not been filed with the Registrar of Companies.

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1 DEFINITIONS AND ABBREVIATIONS

In this Key Information Document, unless the context otherwise requires, the terms defined, and abbreviations expanded below, have the same meaning as stated in this section. Terms not defined herein shall have the meanings ascribed to them under the General Information Document. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

1.1 Issuer Related Terms

Term	Description
Accounting Standards	means Ind AS or such other accounting principles that are required to be followed by a company incorporated in India under the Applicable Laws.
Additional Coupon	means if upon occurrence of an Event of Default (other than Event of Default in relation to payment) the Company does not make the accelerated redemption, the Company shall pay to the Debenture Holders on the outstanding Debenture Obligations, default interest at the rate of 2% (two percent) per annum, payable monthly, over and above the applicable Coupon Rate, for the period starting from the date of occurrence of such Event of Default till the period such default has been cured to the satisfaction of the Debenture Trustee (acting on the instructions of the Debenture Holders). Any additional coupon accruing shall be immediately due and payable monthly. The additional coupon is a genuine pre-estimate of the loss likely to be suffered by the Debenture Holders on account of any Event of Default (other than Event of Default in relation to payment) by the Company. Further, the right to levy the additional coupon is notwithstanding the rights of the Debenture Holders prescribed under the 'Events of Default' of the "*Issue Details*" section of this Key Information Document.
Affiliates	means: (a) in case of any person (other than a natural person) mean any person which, directly or indirectly, Controls a party or is Controlled by the said party or is under common Control with the said party; or (b) in case of any person which is a natural person, mean the relative of such natural person.
Allot/ Allotment/ Allotted	means the allotment of the Debentures pursuant to this Issue.
Applicable Law	means any statute, law, regulation, ordinance, rule, judgment, order, decree, bye- law or approval, order or judgment of any authority, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing by, any Governmental Authority having jurisdiction over the matter in question, whether in effect as of the date of this Key Information Document or at any time thereafter.
Authorisation	means (a) any authorisation, clearance, consent, ruling, permit, approval, resolution, grant, concession, licence, waiver, exemption, no-objection certificate, filing, certification, notarisation, lodgement or registration, issued by any Governmental Authority or any third party, and (b) in relation to anything which is or would be fully or partly prohibited or restricted by Applicable Laws if a Governmental Authority intervenes or acts in any way within a specified period after lodgement, filing,

Term	Description
	registration or notification, the expiry of that period without intervention or action.
Application Form	means the application form forming part of the PPOAL to be issued by the Issuer, after completion of the bidding process.
Articles / Articles of Association	means articles of association of the Issuer, as amended from time to time.
Assets	means, for any date of determination, the assets of the Company on such date as the same would be determined in accordance with IND-AS at such date.
Auditors	means S.R. Batliboi & Associates, LLP, Chartered Accountants.
Beneficial Owner(s)	means holder(s) of the Debentures in dematerialized form as defined under section 2 of the Depositories Act, 1996
Board of Directors / Board	means the board of directors of the Company for the time being and from time to time.
BSE	means Bombay Stock Exchange of India Limited
BSE-EBP Platform	means the Electronic Book Provider Platform of BSE for issuance of debt securities on private placement basis.
Business Day	Business Day shall mean a day (other than a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881) or a Sunday) on which banks are normally open for business and the money market is functioning in Mumbai. Whenever any Record Date falls on a day other than a Business Day, the Record Date shall be moved to the immediately following Business Day. If the date of redemption of the Debentures falls on a day other than a Business Day, the payments due shall be made on the previous Business Day.
Calendar Day	shall mean each day shown on the calendar beginning at 12:00 midnight, including Saturdays, Sundays and holidays.
CDSL	Central Depository Services (India) Limited.
Control	shall include the right to appoint majority of the Directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, whether by virtue of their shareholding right, management rights, shareholders agreements, voting agreements, or in any other manner.
Coupon Rate/ Coupon	shall have the meaning as set forth in "*Issue Details*" section of this Key Information Document.
Coupon Payment Date	means December 12, 2024, December 12, 2025, and December 12, 2026.
Credit Rating Agency/ Rating Agency	means Indian Ratings and Research Private Limited.
Date of Subscription	means the date of realisation of proceeds of subscription money in the bank account of ICCL.

Term	Description
Debenture Document(s)	mean each of the following: (a) the Debenture Trust Deed; (b) the Debenture Trustee Agreement; and (c) Deed of Hypothecation (d) any other documents/agreement/deed/undertaking in connection with the Issue that may be designated as a Debenture
Debenture Holder(s)	means (a) prior to a Deemed Date of Allotment, each Subscriber, and (b) on and after a Deemed Date of Allotment, each Person who is, from time to time, the holder of a Debenture and whose name appears in the Register of Beneficial Owners and includes registered transferees of the Debentures from time to time with the Issuer and the Depository/ies.
Debenture Obligations	means all present and future obligations and liabilities (whether financial or otherwise and whether actual or contingent, whether owed jointly or severally and whether as principal, guarantor or surety or in any other capacity whatsoever) of the Company under or in connection with any Transaction Documents to the Debenture Holders and the Debenture Trustee, and all amounts relating to the Debentures, including but not limited to: (a) the redemption amount (including an early redemption amount); (b) any costs, charges, expenses, fee and amounts incurred under or in connection with the Transaction Documents by the Debenture Holders or the Debenture Trustee; (c) any and all present and future monies, debts and liabilities due, owing or incurred from time to time by the Company to the Debenture Trustee or the Debenture Holders under or in connection with the Transaction Documents; and (d) any amounts payable pursuant to indemnity obligations of the Company under any of the Transaction Documents.
Debenture Trust Deed	means the debenture trust deed to be entered into, *inter alia,* between the Issuer and the Debenture Trustee, as amended from time to time.
Debenture Trustee / Trustee	means trustee registered under the Debenture Trustee Regulations and acting for and on behalf of and for the benefit of the Debenture Holders, in this case being Catalyst Trusteeship Limited.
Debenture Trustee Agreement	means the debenture trustee agreement dated on or about the date of this Key Information Document entered into between the Issuer and the Debenture Trustee for the appointment of the Debenture Trustee.
Debenture Trustee Regulations	means the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993, as amended from time to time
Deed of Hypothecation	means the unattested hypothecation agreement, dated on or about the Deemed Date of Allotment, to be executed and delivered by the Company in a form acceptable to the Debenture Trustee securing the due repayment of the payment obligations.

Term	Description
Deemed Date of Allotment	means December 12, 2023.
Depository	means the depository with whom the Company has made arrangements for dematerializing the Debentures, namely, NSDL and / or CDSL.
Designated Stock Exchange/ Stock Exchange	means Bombay Stock Exchange of India Limited.
Directors	means the directors constituting the Board of the Issuer.
Due Date	means any date on which the Debenture Holders/Debenture Trustee are entitled to receive any payment under this Key Information Document and any other Transaction Documents, including upon acceleration pursuant to early redemption event or occurrence of any Event of Default under any Transaction Document.
Eligible Investors	shall have meaning as set forth in the "*Issue Details*" section of this Key Information Document.
Event of Default	means events of default as set out in the "*Issue Details"* section of this Key Information Document read with events of default to be set out in the Debenture Trust Deed.
Final Redemption Date /Redemption Date	means December 12, 2026.
Final Settlement Date	means the day on which all the Debenture Obligations shall have been paid in full to the satisfaction of the Debenture Trustee and the Debenture Trustee confirms, in writing, of the same.
Financial Indebtedness	means in relation to any person any indebtedness (whether actual or contingent) of such person, whether present or future, for or in respect of: (a) moneys borrowed, whether present or future, actual or contingent; (b) any amount raised by acceptance under any acceptance credit, bill acceptance or bill endorsement facility or its dematerialized equivalent; (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instruments; (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with Ind AS, be treated as a finance or capital lease; (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis and meet any requirements for derecognition under the Accounting Standards); (f) any amount raised under any other transaction (including any forward sale or purchase agreement, sale and lease back and sale and buy back agreement) having the commercial effect of a borrowing or is otherwise classified as borrowing under the Accounting Standards; (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price

Term	Description
	(and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account); (h) any amount of any liability under an advance or deferred purchase agreement if one of the primary reasons behind the entry into that agreement is to raise finance; (i) the amount of any liability under any contractual obligation which has become due and payable; (j) any put option, guarantees, keep fit letter(s) etc. by whatever name called including letter of comfort, which give or may give rise to any financial obligation(s); (k) any amount in relation to the shares which are expressed to be redeemable or any shares or instruments convertible from shares or other securities which are otherwise the subject of a put option or any form of guarantee; or (l) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (k) above.
General Information Document / GID	means the general information document dated December 04, 2023.
Governmental Authority	means any (a) government (central, federal, state or otherwise) or sovereign state, (b) any governmental agency, semi-governmental or judicial or quasi-judicial or administrative entity, department or authority, or any political subdivision thereof, or (c) international organization, agency or authority, including, without limitation, any stock exchange or any self-regulatory organization, established under any Applicable Laws.
Holiday Convention	means if the date of payment of any interest in respect of the Debentures falls on a day that is not a Business Day, such payment of interest shall be made on the next occurring Business Day. If the Final Redemption Date or the early Redemption Date (the date on which the Debentures are redeemed prior to the Final Redemption Date in terms of the Transaction Documents), as the case may be, falls on a day that is not a Business Day, such payment of Interest and Redemption Amount shall be made on the immediately preceding Business Day. If a leap year (i.e. February 29) falls during the tenor of a security, then the number of days shall be reckoned as 366 days (actual/ actual day count convention) for the entire year, irrespective of whether the interest/ dividend is payable annually, half yearly, quarterly or monthly.
Hypothecated Assets	shall have the meaning given to it in the Deed of Hypothecation.
Key Information Document	means this key information document dated December 07, 2023.
Listing Agreement	means the listing agreement entered into between the Company and the Stock Exchange, including any amendments thereto.
Majority Debenture Holders	means: (a) prior to the Deemed Date of Allotment, Subscribers who are to subscribe for more than 50% (fifty percent) of the Principal

Term	Description
	Amount of the Debentures; and (b) on and from the Deemed Date of Allotment, the Debenture Holders holding more than 50% (fifty percent) of the outstanding Principal Amount of the Debentures.
Management Control	shall mean (i) the right to appoint or remove the majority of Directors on the Board of Directors of the Company or such other person who may be charged with or entitled to exercise central management and control of the Company or (ii) the power directly or indirectly to otherwise direct or cause the direction of the management and policies of the Company, whether through ownership of shares or by agreement or otherwise.
Material Adverse Change	means change in the business, operations, property, Assets, liabilities, condition (financial or otherwise) or prospects of the Company since the date hereof that has resulted in a Material Adverse Effect and such Material Adverse Effect has not been remedied or rectified for a period of 15 (fifteen) Calendar Days.
Material Adverse Effect	means any event or circumstance, occurrence or condition which, as of any date of such determination in the sole opinion of the Debenture Holders, has caused or is likely to cause a material and adverse effect in respect of one or more of the following: (a) The ability of the Issuer to perform their obligations under the Debenture Documents; or (b) The validity or enforceability of, or the effectiveness of any Debenture Documentation; or (c) 3. Businesses, operations or financial condition, properties, assets or prospects of the Issuer.
Memorandum or Memorandum of Association	means the memorandum of association of the Issuer, as amended from time to time.
NBFC Master Directions	means the master directions issued by the RBI on Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 or Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 as may be applicable for the Company (as amended or modified or restated from time to time.
ICCL	means the Indian Clearing Corporation Limited.
Principal Amount	means the aggregate face value of the issued and outstanding Debentures.
Private Placement Offer cum application Letter/ PPOAL/Offer Letter	means the private placement offer cum application letter prepared and circulated by the Issuer to such Eligible Investors who are successful bidders, in compliance with Section 42 of the Companies Act read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014.
Promoters	means Individual Promoters consisting of Lakshmipathy Deenadayalan, Hema Lakshmipathy and Shritha Lakshmipathy, and Corporate Promoters consisting of Matrix Partners India Investments Holdings II LLC, and Peak XV Partners Investments V, together referred to as the Promoters of the Company.

Term	Description
Purpose	shall have the meaning as set forth in "*Issue Details*" section of this Key Information Document.
Receivables	shall have the meaning ascribed to it in the Deed of Hypothecation.
Record Date	shall have the meaning as set forth in "*Issue Details*" section of this Key Information Document.
Register of Debenture Holders	means the register maintained by the Issuer at its Registered Office as per Section 88 of the Companies Act, 2013 showing: (a) the name and address and the occupation, if any, of each Debenture Holder(s); (b) the amount of the Debentures held by each Debenture Holder distinguishing each Debentures by its number and the amount paid or agreed to be considered as paid on those Debentures; (c) the date on which name of each Person was entered in the register as a Debenture Holder; (d) the date on which any person ceased / ceases to be a Debenture Holder; and (e)the subsequent transfers and changes of ownership thereof.
Registered Office	means New No. 27, Old No. 4, Taylor's Road, Kilpauk, Chennai, Tamil Nadu- 600010.
Registrar and Transfer Agent /Registrar to the Issue	means the registrar to this Issue, in this case being NSDL Database Management Limited.
Related Party Transaction	means a transaction involving transfer of resources, services or obligations between: (i) the Issuer or any of its subsidiaries on one hand and a related party of the Issuer or any of its subsidiaries on the other hand; or (ii) the Issuer or any of its subsidiaries on one hand and any other person or entity, on the other hand, the purpose and effect of which is to benefit a related party of the Issuer or any of its subsidiaries with effect from April 1, 2023; regardless of whether a price is charged and a "transaction" with a related party shall be construed to include a single transaction or a group of transactions in a contract.
RTA Master Circular	means Master Circular for Registrars to an Issue and Share Transfer Agents dated May 17, 2023.
SEBI Act	means the Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI NCS Regulations	means SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 issued by SEBI, as amended from time to time read with the SEBI Master Circular.
SEBI Debenture Trustee Master Circular or SEBI DT Master Circular	means SEBI circular with reference number SEBI/HO/DDHS-PoD1/P/CIR/2023/109 dated March 31, 2023, as amended from time to time.
SEBI LODR Regulations	means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by SEBI, as amended from time to time.
SEBI Regulations	means collectively, SEBI Act, SEBI NCS Regulations, SEBI LODR Regulations and Debenture Trustee Regulations.
Security Cover Ratio	means the minimum permissible ratio of Receivables comprising the Hypothecated Assets (excluding any portfolio at risk) to the outstanding principal amounts to be maintained in accordance with the provisions of

Term	Description
	the Deed of Hypothecation.
Special Majority Debenture Holders	means such number of Debenture Holders holding at least 75% (seventy five percent) of the outstanding Principal Amount of the Debentures in aggregate.
Subscriber	means the initial subscribers to the Debentures
Trigger Event	means the event in which the credit rating of the Debentures is downgraded by 4 notches or more from the present rating i.e. AA-/Stable.
Tax	means any present or future tax, levy, duty, charge, fees, deductions, withholdings, turnover tax, transaction tax, stamp tax or other charge of a similar nature (including any penalty or interest payable on account of any failure to pay or delay in paying the same), now or hereafter imposed by law or by any Governmental Authority and as may be applicable in relation to the payment obligations of the Company under this Key Information Document and shall include any Indirect Tax**.**
Transaction Documents	shall have the meaning as set forth in "*Issue Details*" section of this Key Information Document.

1.2 Conventional General Terms and Abbreviations

Abbreviation	Full form
Cr	Crore
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository Participant/ DP	A depository participant as defined under the Depositories Act
DP ID	Depository Participant Identification Number
EBP	Electronic Book Provider
Financial Year/Fiscal Year/ FY	The accounting period commencing from 1 April of the previous year till 31 March of the year under reference.
GIR	General Index Register Number
INR/ "₹"	Indian Rupees
ISIN	International Securities Identification Number
NSDL	National Securities Depository Limited
KYC	Know Your Customer
QIB	Qualified Institutional Buyer.
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time.
N.A.	Not Applicable
NEFT	National Electronic Fund Transfer
NCLT	National Company Law Tribunal / National Company Law Appellate Tribunal
ICCL	Indian Clearing Corporation Limited
p.a.	Per annum
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
PAN	Permanent Account Number
ROC	Registrar of Companies
RTGS	Real Time Gross Settlement

2 PARTICULARS OF THE OFFER

S. No.	Term	Description
i.	Details of the offer of non-convertible securities in respect of which the key information document is being issued.	15,000 (fifteen thousand) senior, secured, rated, listed, transferable, taxable, redeemable, non-convertible debentures of a face value of INR 1,00,000/- (Indian Rupees One Lakh only) each aggregating up to INR 1,50,00,00,000 /- (Indian Rupees One Hundred and Fifty Crores only).
ii.	Financial information, if such information provided in the General Information Document is more than six months old	Nil
iii.	Material changes, if any, in the information provided in the General Information Document;	Nil
iv.	Any material developments not disclosed in the General Information Document, since the issue of the General Information Document relevant to the offer of non- convertible securities in respect of which the key information document is being issued	Nil

3 DISCLOSURES AS PER FORM PAS-4 UNDER THE COMPANIES ACT 2013

Sr. No.	Disclosure Requirements	Reference
i.	Name, address, website and other contact details of the company indicating both registered office and corporate office.	Please refer to the front page of this Key Information Document.
ii.	Date of incorporation of the company	May 07, 1984
iii.	Business carried on by the company and its subsidiaries with the details of branches or units, if any	Please refer to sections 5.2 and 5.4 of the General Information Document.
iv.	Brief particulars of the management of the company	Please refer to section 13.1 of the General Information Document.
v.	Names, addresses, DIN and occupations of the Directors	Please refer to section 13.1 of the General Information Document.
vi.	Management's perception of risk factors	Please refer to section 4 of the General Information Document.
vii.	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of –	Please refer to section 13.13 of the General Information Document.

Sr. No.	Disclosure Requirements	Reference
	(a) statutory dues; (b) debentures and interest thereon; (c) deposits and interest thereon; (d) loan from any bank or financial institution and interest thereon.	
viii.	Names, designation, address and phone number, email ID of the nodal/ compliance officer of the company, if any, for the private placement offer process;	Name: Shalini B Designation: Company Secretary and Compliance Officer Address: New No. 27, Old No. 4, Taylor's Road, Kilpauk, Chennai TN 600010 Email Id: secretary@fivestargroup.in Telephone: 044-46106200
ix.	Any Default in Annual filing of the Company under the Companies Act, 2013, or the rules made thereunder.	Nil
x.	Financial position of the Company for the last 3 (three) financial years;	Please refer to section 11 and Annexure A of the General Information Document.
xi.	Date of passing of board resolution;	Board resolution dated February 25, 2023 (Certified true copy of the Board resolution has been annexed in **Annexure E**)
xii.	Date of passing of resolution in the general meeting, authorizing the offer of securities;	September 16, 2023
xiii.	Kinds of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued;	15,000 (fifteen thousand) senior, secured, rated, listed, transferable, taxable, redeemable, non-convertible debentures of a face value of INR 1,00,000/- (Indian Rupees One Lakh only) each aggregating up to INR 1,50,00,00,000 /- (Indian Rupees One Hundred and Fifty Crores only).
xiv.	Price at which the security is being offered including the premium, if any, along with justification of the price;	Non-Convertible Debentures **Face Value**: INR.1,00,000 (Indian Rupees One Lakh only) per Debenture **Issue Price**: INR.1,00,000 (Indian Rupees One Lakh only) per Debenture **Justification**: At par

Sr. No.	Disclosure Requirements	Reference
xv.	Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer, if applicable;	N.A.
xvi.	Relevant Date with reference to which the price has been arrived at;	N.A.
xvii.	The class or classes of persons to whom the allotment is proposed to be made;	The following categories of investors, when specifically approached, are eligible to apply for this private placement of Debentures: (a) Resident individuals, (b) Hindu undivided family, (c) Trust, (d) Limited liability partnerships, partnership firm(s), (e) Portfolio managers and foreign institutional investors ("**FII"**) registered with SEBI, (f) Association of persons, (g) Companies and body corporates including public sector undertakings. (h) Commercial banks, regional rural banks, financial institutions, (i) Insurance companies, (j) Mutual funds/ alternative investment fund ("**AIF"**), and any other investor eligible to invest in these Debentures.
xviii.	Intention of Promoters, Directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer);	Nil
xix.	The change in control, if any, in the Company that would occur consequent to the private placement;	Nil
xx.	The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer;	Nil
xxi.	The proposed time within which	On the Deemed Date of Allotment

Sr. No.	Disclosure Requirements	Reference	
	the allotment shall be completed;		
xxii.	The number of persons to whom allotment on preferential basis / private placement / rights issue has already been made during the year, in terms of number of securities as well as price;	N.A.	
xxiii.	Amount which the company intends to raise by way of the securities;	15,000 (fifteen thousand) senior, secured, rated, listed, transferable, taxable, redeemable, non-convertible debentures of a face value of INR 1,00,000/- (Indian Rupees One Lakh only) each aggregating up to INR 1,50,00,00,000 /- (Indian Rupees One Hundred and Fifty Crores only).	
xxiv.	Terms of raising of securities: duration, if applicable, rate of dividend or rate of interest, mode of payment and repayment;	**Non-Convertible Debentures**	
		Duration, if applicable (Tenor)	36 (thirty six) months
		Deemed Date of Allotment	December 12, 2023
		Final Redemption Date	December 12, 2026
		Coupon Rate	9.50% (nine point five zero percent) per annum
		Coupon Payment Date(s)	December 12, 2024 December 12, 2025 December 12, 2026
		Redemption Premium	Nil
		Default Interest	In case of failure by the Company to make any payments (on any Due Date), the Company shall be liable to pay default interest which shall be calculated at the rate of 2% (two percent) per annum over and above the Coupon Rate on the defaulted amounts for the duration of the default.
			The Company confirms that in case of delay in listing of Debentures beyond the listing timelines, the Company will pay penal interest, of 1% (one percent) per annum over and above the Coupon Rate for the period of delay to the Eligible Investor (i.e. from the Deemed Date of Allotment to the date of listing).

Sr. No.	Disclosure Requirements	Reference	
			In case the Company fails to execute the Debenture Trust Deed to the satisfaction of the Debenture Trustee, prior to the filing of listing application with the Designated Stock Exchange, then the Company shall be liable to pay to the Debenture Holders additional interest of 2% (two percent) over and above the applicable Coupon Rate for the period from the Pay-In Date till the execution of the Debenture Trust Deed to the satisfaction of the Debenture Trustee.
		Mode of Payment	NEFT / RTGS / any other electronic mode / any other permissible mode
		Mode of Repayment	NEFT / RTGS / any other electronic mode / any other permissible mode
		Rating of Debentures	IND AA- (STABLE) from India Ratings and Research Private Limited annexed as **Annexure D**.
		Redemption Price	INR 1,00,000/- (Indian Rupees One Lakhs only) per Debenture plus Coupon, redemption premium, Default Interest and all other amounts payable under the Debentures
		Day Count Basis	Actual / Actual
xxv.	Proposed time schedule for which the Key Information Document is valid;	Issue / Bid Open Date: December 11, 2023 Issue / Bid Closing Date: December 11, 2023 Pay-In Date: December 12, 2023 Deemed Date of Allotment: December 12, 2023	
xxvi.	Purposes and objects of the offer;	Has the meaning set forth in "*Issue Details*" section of this Key Information Document.	
xxvii.	Contribution being made by the Promoters or Directors either as part of the offer or separately in furtherance of such objects;	Nil	
xviii.	Principle terms of assets charged as security, if applicable;	The issue amounts outstanding under the Debentures together with coupon, default interest, remuneration of the Trustee, charges, fees, expenses and all other monies due from the Company shall be secured on a first ranking exclusive and continuing charge basis by way of	

Sr. No.	Disclosure Requirements	Reference
		hypothecation up to the Security Cover Ratio in favour of the Debenture Trustee over identified loan Receivables that meet the eligibility criteria as set out below with the prescribed Security Cover Ratio on or prior to the Deemed Date of Allotment. Issuer to provide a list of specific loan Receivables / identified book debt to the Debenture Trustee over which charge is created and subsisting by way of hypothecation in favour of the Trustee (for the benefit of the Debenture Holders) and sufficient to maintain the Security Cover Ratio on monthly basis within the 15th day of every month. The Issuer shall not create any charge, lien or other encumbrance upon or over the Hypothecated Assets or any part thereof except in favour of the Debenture Trustee nor will it do or allow anything that may prejudice the security created for the issuance of Debentures. **Security Cover Ratio:-** 1.10 X (One point One Zero times) The Security Cover Ratio shall be confirmed by the Issuer on a monthly basis on each monthly Security Cover Ratio determination date commencing from Deemed Date of Allotment.
xxix.	The details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of the Company and its future operations;	Nil
xxx.	The pre-issue and post-issue shareholding pattern of the Issuer;	Please refer to **Annexure G**
xxxi.	Details of default in annual filing of the Company, if any, under the Companies Act, 2013 and the rules made thereunder;	Nil
xxxii.	Any financial or other material interest of the Directors, Promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons;	Nil
xxiii.	Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree Company during the last three years immediately	Please refer to section 13.12 of the General Information Document.

Sr. No.	Disclosure Requirements	Reference
	preceding the year of the issue of the Key Information Document and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed;	
xxiv.	Remuneration of Directors (during the current year and last three financial years);	Please refer to section 13.3 of the General Information Document.
xxxv.	Related party transactions entered during the last three financial years immediately preceding the year of issue of the Key Information Document including with regard to loans made or, guarantees given or securities provided;	Please refer to section 13.17 of the General Information Document.
xxvi.	Summary of reservations or qualifications or adverse remarks of Auditors in the last 3(three) financial years immediately preceding the year of issue of this Key Information Document and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark;	Please refer to section 13.26(o) of the General Information Document.
xxvii.	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous Company law in the last three years immediately preceding the year of issue of the Key Information Document in the case of Company and all of its subsidiaries, and if there were any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of the Key Information Document and if so, section-wise details thereof for the Company and all of its subsidiaries;	Please refer to section 13.26(p) of the General Information Document.
xviii.	Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the	Please refer to section 13.15 of the General Information Document.

<table>
<tr><th>Sr. No.</th><th>Disclosure Requirements</th><th>Reference</th></tr>
<tr><td></td><td>company;</td><td></td></tr>
<tr><td>xxix.</td><td>The capital structure of the Company in the following manner in a tabular form:

1. The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value)</td><td>
<table>
<tr><th>Authorised Share Capital</th><th>Amount in INR in Cr</th></tr>
<tr><td>55,00,00,000 fully paid equity shares of INR 1each</td><td>55.00</td></tr>
<tr><th>Issued, Subscribed and Paid Share Capital</th><th>Amount in INR in Cr</th></tr>
<tr><td>fully paid equity shares of INR 1 each</td><td>29.17</td></tr>
<tr><th>Securities Premium Account</th><th>Amount in INR in Cr</th></tr>
<tr><td></td><td>2323.53</td></tr>
</table>
</td></tr>
<tr><td></td><td>2. Size of the present offer</td><td>15,000 (fifteen thousand) senior, secured, rated, listed, transferable, taxable, redeemable, non-convertible debentures of a face value of INR 1,00,000/- (Indian Rupees One Lakh only) each aggregating up to INR 1,50,00,00,000 /- (Indian Rupees One Hundred and Fifty Crores only).</td></tr>
<tr><td></td><td>3. Paid up equity capital.

(a) After the offer;

(b) after conversion of convertible instruments (if applicable)</td><td>INR 29.17 Cr

INR 29.17 Cr

N.A.</td></tr>
<tr><td></td><td>4. Securities premium account

(a) (before the offer)

(b) (after the offer)</td><td>INR 2323.53 Cr

INR 2323.53 Cr</td></tr>
<tr><td>xl.</td><td>Profits of the company on a standalone basis, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of the issue of the Key Information Document;</td><td>FY 20-21 – Profit before tax: INR 476.44 Cr

Profit after tax: INR 358.99 Cr

FY 21-22 – Profit before tax: INR 604.21 Cr

Profit after tax: INR 453.54 Cr

FY 22-23 – Profit before tax: INR 804.73 Cr

Profit after tax: INR 603.50 Cr</td></tr>
<tr><td>xli.</td><td>Dividends declared by the Company in respect of the said 3 (three) financial years; interest coverage ratio for last 3 (three) years (Earnings before interest,</td><td>
<table>
<tr><th>Particulars</th><th>31 March 2023</th><th>31 March 2022</th><th>31 March 2021</th></tr>
<tr><td>Dividend amounts</td><td>-</td><td>-</td><td>-</td></tr>
</table>
</td></tr>
</table>

Sr. No.	Disclosure Requirements	Reference			
	depreciation and tax / interest expense);	paid (INR in Cr)			
		Interest Coverage Ratio (Earnings before interest, depreciation and tax / interest expense) (INR in Cr)	N.A.	N.A.	N.A.
xlii.	A summary of the financial position of the company as in the three audited financial statements immediately preceding the date of issue of the Key Information Document;	Please refer to **Annexure A** of the General Information Document.			
xliii.	Audited cash flow statement for the three years immediately preceding the date of issue of the Key Information Document;	Please refer to **Annexure A** of the General Information Document.			
xliv.	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company;	N.A.			
xlv.	A declaration by the Directors.	Please refer to the Section titled 'Declaration'			

3.1 Rating letter not older than 1 (one) month and press release not older than 1 (one) year from the date of opening of the Issue

The Debentures have been rated IND AA- (STABLE) for an amount up to INR 3,01,00,00,000 (Indian Rupees Three Hundred and One Crores only) vide its letter dated November 09, 2023 revalidated on November 30, 2023. The Issuer declares that the ratings provided by India Ratings and Research Private Limited will be valid as on the date of issuance and listing of the Debentures.

Please refer to **Annexure D** to this Key Information Document for the detailed press release along with credit rating rationale adopted by the Credit Rating Agencies.

3.2 Stock Exchange

The Debentures are proposed to be listed on the debt segment of the BSE. The Stock Exchange has given its in- principle listing approval for the Debentures proposed to be offered through this Key Information Document along with the General Information Document vide their letter dated December 04, 2023. Please refer to **Annexure I** to this Key Information Document for the 'in-principle' listing approval from the Stock Exchange.

The Debentures shall be listed on the BSE within 3 (three) days from the bidding date.

The Company confirms that in case of delay in listing of Debentures beyond the listing timelines, the Company will pay penal interest, of 1% (one percent) p.a. over and above the Coupon Rate for the period of delay to the Eligible Investor (i.e. from the Deemed Date of Allotment to the date of listing).

The Issuer has created Recovery Expense Fund as specified by SEBI with BSE.

3.3 Issue Schedule:

ISSUE SCHEDULE	
Issue Opening Date	December 11, 2023
Issue Closing Date	December 11, 2023
Pay In Date	December 12, 2023
Deemed Date of Allotment	December 12, 2023

3.4 Key intermediaries in relation to the Issue

Legal Counsel to the Issuer	Name: Cyril Amarchand Mangaldas advocates and solicitors Address: 3rd floor, Prestige Falcon Towers, 19, Brunton Road, Off M.G. Road, Bengaluru-560025, India. Phone: +91 80 679 22000 Fax: +91 80 255 84266 Website: www.cyrilshroff.com Email: lakshmi.prakash@cyrilshroff.com Contact Person: Lakshmi Prakash
Debenture Trustee	Name: Catalyst Trusteeship Limited Address: 901, 9th Floor, Tower – B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400013 Telephone: +91-22-49220503 Fax: +91-22-49220505 Email: umesh.salvi@ctltrustee.com Website: http://www.catalysttrustee.com Contact Person: Umesh Salvi
Registrar and Transfer Agent	Name: NSDL Database Management Limited Address: Trade World, A – Wing 4th and 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai- 4000013 Telephone: 91-22-24994200 Fax: 022 49142503 Email: info_ndml@nsdl.co.in Website: www.ndml-nsdl.co.in Contact Person: Sachin Shinde
Rating Agency	Name: India Ratings and Research Private Limited Address: Wockhardt Tower, Level 4, West Wing Bandra Kurla Complex, Bandra East, Mumbai - 400051 Telephone: 91-22-40001700 Email: jinay.gala@indiaratings.co.in Website: www.indiaratings.co.in Contact Person: Mr. Jinay Gala

4 DISCLAIMERS

4.1 Disclaimer in respect of the Designated Stock Exchange

As required under the SEBI Regulations, a copy of this Key Information Document along with the General Information Document has been filed with the Designated Stock Exchange. It is to be distinctly understood that submission of this Key Information Document along with the General Information Document to the Designated Stock Exchange should not in any way be deemed or construed to mean that this Key Information Document along with the General Information Document has been reviewed, cleared or approved by the Designated Stock Exchange nor does the Designated Stock Exchange in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Key Information Document or General Information Document, nor does the Designated Stock Exchange warrant that the Issuer's Debentures will be listed or will continue to be listed on the Designated Stock

Exchange nor does the Designated Stock Exchange take any responsibility for the soundness of the financial and other conditions of the Issuer, its promoters, its management or any scheme or project of the Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Designated Stock Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

4.2 Disclaimer in respect of the Credit Rating Agency

The ratings issued by India Ratings and Research Private Limited are opinions on the likelihood of timely payment of the obligations under the rated Issue and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. These ratings do not convey suitability or price for the Eligible Investor. The agency does not constitute an audit on the rated entity. India Ratings and Research Private Limited has based its ratings/outlooks based on information obtained from reliable and credible sources. India Ratings and Research Private Limited does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by India Ratings and Research Private Limited have paid a credit rating fee, based on the amount and type of bank facilities/instruments. India Ratings and Research Private Limited or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by India Ratings and Research Private Limited is, inter-alia, based on the capital deployed by the partners/proprietor and the current financial strength of the firm. The rating/outlook may undergo a change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. India Ratings and Research Private Limited is not responsible for any errors and states that it has no financial liability whatsoever to the users of India Ratings and Research Private Limited's rating.

Our ratings factor in rating related trigger clauses as per the terms of the facility/instrument, may involve acceleration of payments in case of rating downgrades.

Please refer to **Annexure D** of this Key Information Document for the credit rating rationale and further details.

5 ISSUE OF DEBENTURES IN DEMATERIALISED FORM

The Debentures will be issued only in de-materialised form. The Issuer has made arrangements with the Depositories for the issue of the Debentures in de-materialised form. Eligible Investors will have to hold the Debentures in de-materialised form as per the provisions of Depositories Act. The DP's name, DP ID and beneficiary account number must be mentioned at the appropriate place in the Application Form. The Issuer shall on or before 'T+1' day ensure receipt of the ISIN from the Depository, where 'T' is the date of bidding. The Issuer shall take necessary steps to credit the Debentures allotted to the depository account of the Eligible Investor. The Issuer shall ensure the Debentures are credited to the de-mat accounts of the Debenture Holders within T+1.

6 CONSENTS

6.1 Catalyst Trusteeship Limited has given its written consent for its appointment (annexed hereto as **Annexure A**) as Debenture Trustee to the Issue and inclusion of its name in the form and context in which it appears in this Key Information Document.

6.2 NSDL Database Management Limited has given its written consent for its appointment (annexed hereto as **Annexure B**) as the Registrar to the Issue and inclusion of its name in the form and context in which it appears in this Key Information Document.

6.3 Cyril Amarchand Mangaldas advocates and solicitors has given its written consent for its appointment (annexed hereto as **Annexure C**) as Legal Counsel to the Issue and inclusion of its name in the form and context in which it appears in this Key Information Document.

7 RISK FACTORS RELATING TO THE DEBENTURES

7.1 Risks relating to the Debentures/ Issue

Please refer to section 4 of General Information Document.

8 DOCUMENTS SUBMITTED/ TO BE SUBMITTED TO DESIGNATED STOCK EXCHANGE / DEBENTURE TRUSTEE

8.1 The following documents shall be submitted to the BSE along with the listing application:

8.1.1 This Key Information Document along with the General Information Document.

8.1.2 Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures.

8.1.3 Statement containing particulars of, dates of, and parties to all material contracts and agreements.

8.1.4 An undertaking from the Issuer stating that the necessary documents, including the Debenture Trust Deed, would be executed within the time frame prescribed in the relevant regulations/acts/rules etc. and the same would be uploaded on the website of the BSE, where the debt securities have been listed.

8.1.5 Any other particulars or documents that the recognised stock exchange may call for as it deems fit.

8.2 The following documents have been/shall be submitted to the Debenture Trustee in electronic form (soft copy) on or before the allotment of the Debentures:

8.2.1 Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures.

8.2.2 Statement containing particulars of, dates of, and parties to all material contracts and agreements.

9 ISSUER INFORMATION

9.1 Expenses of the Issue:

The expenses for this Issue inter alia include the fees payable to intermediaries, listing fees and any other expense directly related to the Issue.

The Issue expenses and listing fees will be paid by our Company

The estimated breakdown of the total expenses along with a break up for each item of expense, including details of the fees payable (in terms of amount, as a percentage of total issue expenses and as a percentage of total issue size), as applicable:

Particulars	Amount (INR) excluding taxes	As percentage of the issue size (in %)	As percentage of total expenses of the issue (in %)
Fees payable to the legal advisors	18,00,000	0.12%	14.58%
Fess payable to Lead Managers	0	0	0
Advertising & marketing expenses	0	0	0
Underwriting commission	0	0	0
Brokerage, selling commission and upload fees	0	0	0

Fees payable to the Registrars to the Issue	11,750	0.0008%	0.095%
Fees payable to the regulators including Stock Exchanges	2,46,200	0.0164%	1.994%
Expenses incurred on printing and distribution of the issue stationary;	0	0	0
Stamp duty	75,660	0.01%	0.61%
Other miscellaneous expenses (Credit Rating fees & other misc expenses)	upto 1,02,15,825	upto 0.68%	upto 82.72%
Grand Total	**upto 1,23,49,435**	**upto 0.82%**	**100.00%**
Issue Size	**1,50,00,00,000**		

9.2 Other confirmations pertaining to the Issue

All monies received out of the Issue shall be credited/ transferred to a separate bank account maintained with a Scheduled Bank as referred to in section 40(3) of the Companies Act 2013.

Details of all monies utilised out of the Issue referred above shall be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies have been utilised along with details, if any, in relation to all such proceeds of the Issue that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Issue.

Details of all unutilised monies out of the Issue, if any, shall be disclosed under an appropriate separate head in our balance sheet indicating the form in which such unutilised monies have been invested.

The fund requirement as above is based on our current business plan and is subject to change in light of variations in external circumstances or costs, or in our financial condition, business or strategy. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirements and deployment of funds may also change.

There is no contribution being made or intended to be made by the Directors as part of the Issue or separately in furtherance of the Objects of the Issue, except to the extent of Debentures subscribed by the Director (if subscribed).

9.3 The names of the Debenture Trustee(s) shall be mentioned with statement to the effect that Debenture Trustee(s) has given its consent for appointment along with the copy of the consent letter from the Debenture Trustee:

The Debenture Trustee for the Debentures is Catalyst Trusteeship Limited. The Debenture Trustee has given its written consent for its appointment under Regulation 4(4) of the SEBI Regulations. The Debenture Trustee has also given its consent for the inclusion of its name as Debenture Trustee in the form and context in which it appears in this Key Information Document and all subsequent periodical communications to be sent to the holders of the debt securities. The consent letter from the Debenture Trustee is attached as **Annexure A** to this Key Information Document.

10 ISSUE/INSTRUMENT SPECIFIC REGULATIONS

10.1 Creation of recovery expense fund

The Issuer is required to deposit 0.01% of the Issue Size in the form of cash and cash equivalent (s) (including bank guarantees), towards the recovery expense fund with the Designated Stock Exchange and will inform the Debenture Trustee regarding the creation of such fund, as per the provisions of SEBI NCS Regulations read with SEBI Debenture Trustee Master Circular, as amended from time to time. The recovery expense fund shall be created to enable the Debenture Trustee to take prompt action in relation to the enforcement of the Debt Security in accordance with the Transaction Documents.

10.2 Creation of Settlement Guarantee Fund

If required, the Issuer shall deposit the required monies towards settlement guarantee fund with the Designated Stock Exchange, in the manner as specified in the SEBI Debenture Trustee Master Circular and under Applicable Law.

10.3 Issue Specific Regulations

The Debentures shall be issued and regulated in accordance with the provisions of the Companies Act, 2013 and rules framed thereunder and the SEBI Regulations.

10.4 Rights of Debenture Holders

The Debenture Holders will not be entitled to any rights and privileges of shareholders other than those available to them under statutory requirements. The Debentures issued under this Key Information Document shall not confer upon the Debenture Holders the right to receive notice, or to attend and vote at the general meetings of shareholders or Debenture Holders issued other than under this Key Information Document or of any other class of securities of the Company.

10.5 A summary term sheet with prescribed information pertaining to the Debentures

A summary of the term sheet has been set forth in 'Summary of Key Terms' appearing in "*Issue Details*" of this Key Information Document.

10.6 Debenture Redemption Reserve

The Company shall maintain a reserve to be called the debenture redemption reserve ("**Debenture Redemption Reserve**") as per the provisions of the Companies Act read with rules made thereunder or any regulations or guidelines issued by SEBI, as applicable. The Company shall submit to the Debenture Trustee a certificate duly certified by the Auditors certifying that the Company has transferred suitable sum to the Debenture Redemption Reserve at the end of each of financial year as per the Applicable Law. At present, the Debenture Redemption Reserve is not required to be created by a listed company, as per the Company (Share Capital and Debentures) Rules, 2014, as amended from time to time.

10.7 Buy Back

Subject to Applicable Law and the other Transaction Documents, the Company will have the power exercisable at its absolute discretion from time to time to repurchase some or all the Debenture(s) at any time prior to the Final Settlement Date. The Debentures which are in de-materialised form, can be repurchased by the Company through its beneficiary de-mat account as per the norms prescribed by the Depository. This right does not construe a call option. In the event of the Debenture(s) being bought back, or redeemed before maturity in any circumstance whatsoever, the Company shall be deemed to always have the right, subject to the provisions of the Applicable Law, to re-issue such Debentures either by re-issuing the same Debenture(s) or by issuing other Debentures in their place (if so, allowed under Applicable Law).

11 ISSUE PROCEDURE

The Issuer proposes to Issue the Debentures on the terms set out in this Key Information Document subject to the provisions of the Companies Act, the SEBI NCS Regulations, the SEBI LODR Regulations, the Memorandum and Articles of Association of the Issuer, PPOAL, Application Form, and other terms and conditions as may be incorporated in the Transaction Documents. This section applies to all applicants. Please note that all applicants are required to make payment of the full application amount along with submission of the Application Form.

The Issuer or any of Its Promoters or Directors is not a wilful defaulter as at the date of filing of this Key Information Document and neither the Issuer or any of its Promoters or its Directors have been categorized as wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

11.1 Who Can Bid/Apply/Invest

All QIBs and any non-QIB investors specifically mapped by the Issuer on the BSE – EBP Platform, are eligible to bid / invest / apply for this Issue.

There shall be no bidding for the anchor portion on the BSE – EBP Platform.

All applicants are required to comply with the relevant regulations/ guidelines applicable to them for investing in the Issue as per the norms approved by Government of India, RBI or any other statutory body from time to time, including but not limited to BSE EBP Guidelines as published by BSE on its website and SEBI for investing in this Issue. The contents of this Key Information Document and any other information supplied in connection with this Key Information Document, or the Debentures are intended to be used only by those investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced or disseminated by the recipient.

The Issue will be under the electronic book mechanism as required in terms of the Operational Guidelines.

However, out of the aforesaid class of investors eligible to invest, this Key Information Document is intended solely for the use of the person to whom it has been sent by the Issuer for the purpose of evaluating a possible investment opportunity by the recipient(s) in respect of the securities offered herein, and it is not to be reproduced or distributed to any other persons (other than professional advisors of the Eligible Investor receiving this Key Information Document from the Issuer).

11.2 Confirmation by Eligible Investor

Eligible Investors have confirmed that no software, algorithm, bots or other automation tools, which would give unfair access for placing bids on–the BSE - EBP Platform, have been used for placing bids.

11.3 Documents to be provided by successful bidders

Eligible Investors need to submit the certified true copies of the following documents, along-with the Application Form, as applicable:

(i) Memorandum and Articles of Association/ Constitution/ Bye-laws/ Debenture Trust Deed;

(ii) Board Resolution authorizing the investment and containing operating instructions;

(iii) Power of attorney/ relevant resolution/authority to make application;

(iv) Specimen signatures of the authorized signatories (ink signed), duly certified by an appropriate authority;

(v) Copy of Permanent Account Number Card ("PAN Card") issued by the Income Tax Department;

(vi) Necessary forms for claiming exemption from deduction of tax at source on interest on application money, wherever applicable.

11.4 Manner of Bidding

The Issue will be through open bidding on the EBP platform in line with the Operational Guidelines.

11.5 Bidding Process

(i) The bidding process on–the BSE - EBP Platform shall be on an anonymous order driven system.

(ii) Bids shall be made by way of entering bid in:

  (a) Price; or

  (b) Coupon (in %), up to four decimal places; or

  (c) Spread in basis points (bps).

(iii) The bid amount shall be specified in Indian Rupees.

(iv) Eligible Investors may place multiple bids in the Issue.

(v) If two or more bids have the same Coupon/ price/ spread and time, then allotment shall be done on '*pro- rata*' basis.

(vi) The Face Value and Coupon shall remain constant, and bids/ quotes shall be placed by the bidders in terms of price.

11.6 Manner of Settlement

Settlement of the Issue will be done through ICCL, and the account details are given in the section on 'Payment Mechanism' of this Key Information Document.

11.7 Method of Allotment

The allotment will be done on uniform yield basis in line with the Operational Guidelines.

11.8 How to bid

11.8.1 All Eligible Investors will have to register themselves as a one-time exercise (if not already registered) with BSE - EBP Platform offered by BSE for participating in electronic book building mechanism. Eligible Investors should refer the Operational Guidelines for issuance of debt securities on private placement basis through an electronic book mechanism as available on website of BSE. Eligible Investors will also have to complete the mandatory KYC verification process. Eligible Investors should refer to the BSE EBP Guidelines.

(a) The details of the Issue shall be entered on the BSE – EBP Platform by the Issuer at least 5 (five) working days prior to the Issue / Bid Opening Date, in accordance with the Operational Guidelines.

(b) The bidding on BSE – EBP Platform shall take place between 9 a.m. to 5 p.m. only, on the working days of the BSE.

(c) The bidding window shall be open for the period as specified by the issuer in the bidding announcement, however, the same shall be open for at least 1 (one) hour.

(d) The issuer can provide details of the Eligible Investor (s) for a particular issue, to the BSE-EBP Platform, not later than 1 (one) hour before the bidding start time.

(e) The Issuer shall provide the bidding start time and close time of the BSE – EBP Platform at least 1 (one) working day before the start of the Issue / bid opening date.

(f) The Issue will be open for bidding for the duration of the bidding window that would be communicated through the Issuer's bidding announcement on the BSE – EBP Platform, at least 1 (one) working day before the start of the Issue / Bid Opening Date.

(g) Changes in bidding date or time shall be allowed for a maximum of 2 (two) times in accordance with the Operational Guidelines and shall be intimated to the BSE-EBP Platform within the operating hours of the platform, at least 1 (one) working day before the bidding date.

(h) A bidder will enter the bid amount while placing their bids in the BSE – EBP Platform. The bid placed in the system shall have an audit trail which includes bidder's identification details, time stamp and unique order number.

11.8.2 Some of the key guidelines in terms of the current Operational Guidelines on issuance of securities on private placement basis through an electronic book mechanism, are as follows:

(a) Modification of Bid:

Eligible Investors may note that modification of bid is allowed during the bidding period. However, in the last 10 (ten) minutes of the bidding period, revision of bid is only allowed for upward revision of the bid amount placed by the Eligible Investor or

downward revision of Coupon/ spread or upward modification of price.

(b) Cancellation of Bid

Eligible Investors may note that cancellation of bid is allowed during the bidding period. However, in the last 10 (ten) minutes of the bidding period, no cancellation of bids is permitted.

(c) Multiple Bids

Eligible Investors may note that multiple bids are permitted. Multiple bids by the Arranger(s) is allowed where each bid is on behalf of multiple investor(s) provided the bid amount is not more than INR 100,00,00,000 (Indian Rupees One Hundred Crore only) or 5 % (five percent) of the base issue size, whichever is lower.

(d) Bids by Arranger(s)

Arrangers are allowed to bid on a proprietary, client and consolidated basis. At the time of bidding, the Arranger(s) is required to disclose the following details to the BSE - EBP Platform:

(i) Whether the bid is:

- proprietary bid; or
- a client bid, i.e. being entered on behalf of an Eligible Investor;
- or a consolidated bid, i.e., an aggregate bid consisting of proprietary bid and bid(s) on behalf of Eligible Investors.

(ii) For consolidated bids, the Arranger(s) shall disclose breakup between proprietary bid and client bid(s) (i.e. bids made on behalf of Eligible Investors).

(iii) For client bids (i.e. bids entered on behalf of Eligible Investors), the Arranger(s) shall disclose the following:

- Names of such Eligible Investors;
- Category of the Eligible Investors (whether qualified institutional buyers or non- qualified institutional buyers); and
- Quantum of bid of each Eligible Investor.

Arrangers are allowed to bid on behalf of multiple Eligible Investors, subject to the limits specified in the Operational Guidelines.

(e) Withdrawal of Issue

The Issuer may, at its discretion, withdraw the issue process on the following conditions:

(i) Non-receipt of bids upto the Issue Size; or

(ii) Bidder has defaulted on payment towards the allotment, within the stipulated time frame, due to which the Issuer is unable to fulfil the Issue Size; or

(iii) The cut-off yield (i.e. the highest yield at which a bid is accepted) in the Issue is higher than the estimated cut-off yield (i.e. the yield estimated by the Issuer, prior to opening of the Issue) disclosed to the BSE-EBP Platform, where the base Issue Size is fully subscribed.

The Issuer, at its discretion, may withdraw from the issue process at any time; however,

subsequent to such withdrawal, the issuer shall not be allowed to access any of the EBP platforms for a period of 7 (seven) days from the date of such withdrawal. A withdrawal from the issue process shall imply withdrawal of the total issue.

Disclosure of the estimated cut-off yield on the BSE - EBP platform to the Eligible Investors, pursuant to closure of issue, shall be at the discretion of the Issuer. In case an issuer withdraws issues on the BSE-EBP Platform due to the cut-off yield being higher than the estimated cut-off yield, the BSE-EBP Platform shall mandatorily disclose the estimated cut-off yield to the Eligible Investors.

However, Eligible Investors should refer to the Operational Guidelines as prevailing on the date of the bid.

11.9 Provisional/ Final allocation

The allotment of valid applications received on the closing day shall be done in the following manner:

(i) all bids shall be arranged in accordance with "price time priority" basis; and

- in case of in case of 'uniform yield allotment', allotment and settlement value shall be based on the cut-off price determined in the bidding process; or
- in case of 'multiple yield, then allotment and settlement value shall be done based on price quoted by each bidder/ allottee in the bidding process.

(ii) where two or more bids have the same yield Coupon/price/spread and time, then allotment shall be done on "pro-rata" basis.

Allocation shall be made on a *pro rata* basis for a minimum amount of INR 1,00,000 (Indian Rupees One Lakh only) per Debenture by a single Eligible Investor and in multiples of INR 1,00,000 (Indian Rupees One Lakh only) per Debenture by amount thereafter.

Post completion of bidding process, the Company will upload the provisional allocation on the BSE-EBP Platform. Post receipt of Eligible Investor details, the Company will upload the final allocation file on the BSE-EBP Platform applications by successful bidders.

Bids needs to be submitted by issue closing time or such extended time as decided by the Issuer on BSE-EBP Platform. Post that the original Applications Forms (along with all necessary documents as detailed in this Key Information Document), payment details and other necessary documents should be sent to the corporate office of the Issuer on the same day.

11.10 Payment Mechanism

Subscription should be as per the final allocation made to the successful bidder as notified by the Issuer.

Pay-in towards the allotment of the Debentures shall be done from the account of the bidder, to whom allocation is to be made. For bids made by the Arranger(s) on behalf of Eligible Investors, pay-in towards allotment of securities shall be made from the account of such Eligible Investors. The pay-in of funds towards an issue on the EBP shall be permitted either through clearing corporations of the BSE or through the escrow bank account of Issuer. The process of pay-in of funds by the Eligible Investors and pay-out to issuer can be done on either T+1, where T day is the issue day.

Successful bidders should do the funds pay-in to the bank accounts notified by ICCL ("I**CCL Bank Account**"):

Successful bidders must do the funds pay-in to the ICCL Bank Account on or before 10:30 A.M. on the Pay In Date ("**Pay-in Time**"). Successful bidders should ensure to do the funds pay-in from their same bank account which is updated by them in the BSE-EBP Platform while placing the bids. In case of mismatch in the bank account details between BSE-EBP Platform and the bank account from which payment is done by the successful bidder, the payment would be returned.

Note: In case of failure of any successful bidder to complete the funds pay-in by the Pay-in Time or the

funds are not received in the ICCL Bank Account by the Pay-in Time for any reason whatsoever, the bid will be liable to be rejected and the Issuer shall not be liable to the successful bidder.

In case of non-fulfilment of pay-in obligations by Eligible Investors, such Eligible Investors shall be debarred from accessing the bidding platform across all EBPs for a period of 30 (thirty) days from the date of such default. In case of 3 (three) instances of non-fulfilment of pay-in obligations, across all EBPs, by Eligible Investors for whom an Arranger(s) has bid, then such Arranger(s) shall be debarred from accessing all EBPs, for a period of 7 (seven) days from the date of such third or subsequent default.

Funds pay-out on the Pay-In Date would be made by ICCL to the following bank account of the Issuer:

Bank	: RBL Bank Limited
Branch:	: Anand Business Centre, No 154/56, GN Chetty Road, T Nagar Chennai 600017
Account Number	: 409001648998
IFSC Code	: RATN0000113
Mode	: RTGS/NEFT

Cheque(s), demand draft(s), money orders, postal orders will not be accepted. The Issuer assumes no responsibility for any applications lost in mail. The entire amount of INR 1,00,000 (Indian Rupees One Lakh only) per Debenture is payable on application.

Applications should be for the number of Debentures applied by the Applicant. Applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be filled in the Application Form. This is required for the applicant's own safety and these details will be printed on the refund orders and interest/ redemption warrants.

The applicant or in the case of an application in joint names, each of the applicant, should mention his/her Permanent Account Number (PAN) allotted under the Income-tax Act, 1961 or where the same has not been allotted, the GIR No. and the Income tax Circle/Ward/District. As per the provision of Section 139A (5A) of the IT Act, PAN/GIR No. needs to be mentioned on the TDS certificates. Hence, the Eligible Investor should mention his PAN/GIR No. In case neither the PAN nor the GIR Number has been allotted, the applicant shall mention "Applied for" nor in case the applicant is not assessed to income tax, the applicant shall mention 'Not Applicable' (stating reasons for non-applicability) in the appropriate box provided for the purpose. Application Forms without this information will be considered incomplete and are liable to be rejected.

All applicants are requested to tick the relevant column "Category of Investor" in the Application Form. Public/ Private/ Religious/ Charitable Trusts, Provident Funds and Other Superannuation Trusts and other investors requiring "approved security" status for making investments.

For further instructions about how to make an application for applying for the Debentures and procedure for remittance of application money, please refer to the Issue Details and the Application Form.

11.11 Terms of Payment

The full-face value of the Debentures applied for is to be paid along with the Application Form. Eligible Investor(s) need to send in the Application Form and the details of RTGS for the full value of Debentures applied for.

11.12 Applications under Power of Attorney

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories and the tax exemption certificate/document, if any, must be lodged along with the submission of the completed Application Form. Further modifications/ additions in the power of attorney or authority should be notified to the Issuer or to the Registrars or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

Term	Description
	Amount of the Debentures; and (b) on and from the Deemed Date of Allotment, the Debenture Holders holding more than 50% (fifty percent) of the outstanding Principal Amount of the Debentures.
Management Control	shall mean (i) the right to appoint or remove the majority of Directors on the Board of Directors of the Company or such other person who may be charged with or entitled to exercise central management and control of the Company or (ii) the power directly or indirectly to otherwise direct or cause the direction of the management and policies of the Company, whether through ownership of shares or by agreement or otherwise.
Material Adverse Change	means change in the business, operations, property, Assets, liabilities, condition (financial or otherwise) or prospects of the Company since the date hereof that has resulted in a Material Adverse Effect and such Material Adverse Effect has not been remedied or rectified for a period of 15 (fifteen) Calendar Days.
Material Adverse Effect	means any event or circumstance, occurrence or condition which, as of any date of such determination in the sole opinion of the Debenture Holders, has caused or is likely to cause a material and adverse effect in respect of one or more of the following: (a) The ability of the Issuer to perform their obligations under the Debenture Documents; or (b) The validity or enforceability of, or the effectiveness of any Debenture Documentation; or (c) 3. Businesses, operations or financial condition, properties, assets or prospects of the Issuer.
Memorandum or Memorandum of Association	means the memorandum of association of the Issuer, as amended from time to time.
NBFC Master Directions	means the master directions issued by the RBI on Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 or Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 as may be applicable for the Company (as amended or modified or restated from time to time.
ICCL	means the Indian Clearing Corporation Limited.
Principal Amount	means the aggregate face value of the issued and outstanding Debentures.
Private Placement Offer cum application Letter/ PPOAL/Offer Letter	means the private placement offer cum application letter prepared and circulated by the Issuer to such Eligible Investors who are successful bidders, in compliance with Section 42 of the Companies Act read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014.
Promoters	means Individual Promoters consisting of Lakshmipathy Deenadayalan, Hema Lakshmipathy and Shritha Lakshmipathy, and Corporate Promoters consisting of Matrix Partners India Investments Holdings II LLC, and Peak XV Partners Investments V, together referred to as the Promoters of the Company.

Only individuals applying as sole applicant/joint applicant can nominate, in the prescribed manner, a person to whom his Debentures shall vest in the event of his death. Non -individuals including holders of power of attorney cannot nominate.

11.21 Fictitious Applications

Any person who makes, in fictitious name, any application to a body corporate for acquiring, or subscribing to, the Debentures, or otherwise induced a body corporate to allot, register any transfer of Debentures therein to them or any other person in a fictitious name, shall be punishable under the extant laws.

11.22 Depository Arrangements

The Issuer has appointed NSDL Database Management Limited having its office at Trade World, A – Wing 4th and 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai- 4000013 as the Registrar for the present Debenture Issue. The Issuer has entered into necessary depository arrangements with NSDL and CDSL for dematerialization of the Debentures offered under the present Issue, in accordance with the Depositories Act, 1996 and regulations made there under. In this context, the Issuer has signed two tripartite agreements as under: (i) Tripartite Agreements between the Issuer, NSDL and the Registrar ("**Tripartite Agreements**") and (ii) between the Issuer, CDSL and the Registrar for dematerialization of the Debentures offered under the present Issue.

11.23 The Debenture Holders can hold the Debentures only in dematerialized form and deal with the same as per the provisions of Depositories Act, 1996 as amended from time to time.

11.24 Procedure for applying for Demat Facility.

11.24.1 Applicant(s) must have a beneficiary account with any Depository Participant of NSDL or CDSL prior to making the application.

11.24.2 Applicant(s) must specify their beneficiary account number and DP's ID in the relevant columns of the Application Form.

11.24.3 For subscribing to the Debentures, names in the Application Form should be identical to those appearing in the account details of the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.

11.24.4 If incomplete/ incorrect beneficiary account details are given in the Application Form which does not match with the details in the depository system, it will be deemed to be an incomplete application and the same be held liable for rejection at the sole discretion of the Issuer.

11.24.5 The Debentures shall be directly credited to the beneficiary account as given in the Application Form and after due verification, allotment advice/ refund order, if any, would be sent directly to the applicant by the Registrars to the Issue but the confirmation of the credit of the Debentures to the applicant's Depository account will be provided to the applicant by the Depository Participant of the applicant.

11.24.6 The Coupon, redemption premium or other benefits with respect to the Debentures would be paid to those Debenture Holders whose names appear on the list of Beneficial Owners given by the Depositories to the Issuer as on the Record Date. In case, the Beneficial Owner is not identified by the Depository on the Record Date due to any reason whatsoever, the Issuer shall keep in abeyance the payment of interest or other benefits, till such time the Beneficial Owner is identified by the depository and intimated to the Issuer. On receiving such intimation, the Issuer shall pay the interest or other benefits to the beneficiaries identified, within a period of 15 (fifteen) days from the date of receiving such intimation.

11.24.7 Applicants may please note that the Debentures shall be allotted and traded on the Designated Stock Exchange only in dematerialized form.

11.25 Modification of Rights

The rights, privileges, terms and conditions attached to the Debentures may be varied, modified or

abrogated with the consent, in writing, of those Debenture Holders who hold at least three fourths of the outstanding amount of Debentures or with the sanction accorded pursuant to a resolution passed at a meeting of the Debenture Holders, provided that nothing in such consent or resolution shall be operative against the Company where such consent or resolution modifies or varies the terms and conditions of the Debentures, if the same are not acceptable to the Company and provided further that that for any terms that are not adverse to the interests of the Debenture Holders or clarificatory or explanatory changes to the terms and conditions of these Debentures (to the extent permitted under applicable laws)the consent of the Debenture Holders shall not be required and the consent of the Debenture Trustee in this regard shall be adequate.

11.26 Minimum subscription

As the current issue of Debentures are being made on private placement basis, the requirement of minimum subscription shall not be applicable and therefore the Issuer shall not be liable to refund the issue subscription(s) / proceed (s) in the event of the total issue collection falling short of the Issue Size or certain percentage of the Issue Size.

11.27 Underwriting

The present issue of Debentures is not underwritten.

11.28 Deemed Date of Allotment

All benefits under the Debentures including payment of interest will accrue to the Debenture Holders from and including the respective Deemed Date of Allotment. The actual allotment of Debentures may take place on a date other than the Deemed Date of Allotment. In case if the issue closing date/pay-in dates is/are changed (pre-poned/ postponed), the Deemed Date of Allotment may also be changed (pre - pond/ postponed) by the Issuer at its sole and absolute discretion.

11.29 Letter(s) of Allotment / Debenture Certificate(s) /Refund Order (s)/Issue of Letter(s) of Allotment

The Company shall issue a letter of allotment to each Debenture Holder on the Deemed Date of Allotment. Further, the Company shall allot the Debentures in dematerialized form within 2 (two) Business Days from the Deemed Date of Allotment and ensure completion of all statutory formalities as required for such dematerialized credit within the said time period.

11.30 Issue of Debenture Certificate(s)

The Company shall issue a letter of allotment to each Debenture Holder on the Deemed Date of Allotment. Further, the Company shall allot the Debentures in dematerialized form within 2 (two) Business Days from the Deemed Date of Allotment and ensure completion of all statutory formalities as required for such dematerialized credit within the said time period. The Debentures since issued in electronic (dematerialized) form, will be governed as per the provisions of the Depository Act, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, rules notified by NSDL/ CDSL/ Depository Participant from time to time and other applicable laws and rules notified in respect thereof. The Debentures shall be allotted in dematerialized form only.

11.31 Market Lot

The market lot will be one Debenture ("**Market Lot**"). Since the Debentures are being issued only in dematerialized form, the odd lots will not arise either at the time of issuance or at the time of transfer of Debentures.

11.32 Trading of Debentures

The marketable lot for the purpose of trading of Debentures shall be 1,00,000 (one Lakh) Debenture of face value of INR.1,00,000 (Indian Rupees One Lakh only) per Debenture each. Trading of Debentures would be permitted in de-mat mode only in standard denomination of INR 1,00,000 (Indian Rupees One Lakh only) and such trades shall be cleared and settled in recognized stock exchange(s) subject to conditions specified by SEBI. In case of trading in Debentures which has been made over the counter, the trades shall be reported on a recognized stock exchange having a nationwide trading terminal or such other platform as may be specified by SEBI.

11.33 Mode of Transfer of Debentures

The Debentures shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the CDSL/NSDL/Depository Participant of the transferor/transferee and any other Applicable Laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his Depository Participant. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Issuer.

Transfer of Debentures to and from NRIs/ OCBs, in case they seek to hold the Debentures and are eligible to do so, will be governed by the then prevailing guidelines of RBI.

11.34 Common Form of Transfer

The Issuer undertakes that it shall use a common form/procedure for transfer of Debentures issued under terms of this Key Information Document.

11.35 Interest on Application Money

No interest on application money will be payable to the Eligible Investors.

11.36 Deduction of Tax at Source

All payments to be made by the Company to the Debenture Holders under the Transaction Documents shall be made free and clear of and without deduction for or on account of taxes, except as required under the Income Tax Act, 1961, in the case of payment of interest under any Transaction Document or any interest to be paid on the withheld premium or any other amount payable in relation to the Debentures, as applicable. Provided that, the Company within the time stipulated under Applicable Laws delivers to the Debenture Trustee/ Debenture Holders tax withholding or tax deduction certificates in respect of such withholding or deduction made in any Fiscal Year, evidencing that such deducted taxes or withholdings have been duly remitted to the appropriate Governmental Authority.

If the Company is required to make a tax deduction, it shall make that tax deduction and any payment required in connection with such tax deduction within the time allowed and in the minimum amount required by Applicable Law.

11.37 List of Beneficial Owners

The Issuer shall request the Depository to provide a list of Debenture Holders as at the end of the Record Date. This shall be the list, which shall be considered for payment of interest or repayment of principal amount, as the case may be.

11.38 Succession

In the event of the demise of the sole/first holder of the Debenture(s) or the last survivor, in case of joint holders for the time being, the Issuer shall recognize the executor or administrator of the deceased Debenture Holder or the holder of succession certificate or other legal representative as having title to the Debenture(s).The Issuer shall not be bound to recognize such executor or administrator, unless such executor or administrator obtains probate, wherever it is necessary, or letter of administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a Court in India having jurisdiction over the matter. The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Debenture (s) standing in the name of the deceased Debenture Holder on production of sufficient documentary proof or indemnity.

11.39 Where a non-resident Indian becomes entitled to the Debenture by way of succession, the following steps have to be complied:

11.39.1 Documentary evidence to be submitted to the legacy cell of the RBI to the effect that the

Debenture was acquired by the NRI as part of the legacy left by the deceased holder.

11.39.2 Proof that the NRI is an Indian National or is of Indian origin.

11.39.3 Such holding by the NRI will be on a non -repatriation basis.

11.40 Joint Holders

Payment of the principal amount of each of the Debentures and interest and other monies payable thereon shall be made to the respective Debenture Holder and in case of joint Debenture Holders, to the one whose name stands first in the register of Debenture Holder(s).

11.41 Governing Law and Jurisdiction

11.41.1 The Transaction Documents and the rights and obligations of the Parties thereunder shall be construed in accordance with and be governed by the laws of India.

11.41.2 For all matters for which the courts of law would have jurisdiction, the courts and tribunals in Mumbai shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Transaction Documents and that accordingly any proceedings arising out of or in connection with the Transaction Documents may be brought in such courts or the tribunals and the Obligors irrevocably submits to and accepts for itself and in respect of their property, generally and unconditionally, the jurisdiction of those courts or tribunals.

11.42 Investor Relations and Grievance Redressal

Arrangements have been made to redress investor grievances expeditiously as far as possible. The Issuer shall endeavour to resolve the investor's grievances within 30 (thirty) days of its receipt. All grievances related to the issue quoting the Application Number (including prefix), number of Debentures applied for, amount paid on application and details of collection centre where the Application was submitted, may be addressed to the Compliance Officer at Registered Office/ Corporate Office of the Issuer. All Eligible Investors are hereby informed that the Issuer has designated a Compliance Officer who may be contacted in case of any pre-issue/ post-issue related problems such as non-credit of letter(s) of allotment/ Debenture certificate(s) in the demat account, non-receipt of refund order(s), interest warrant(s)/ cheque(s) etc. Contact details of the Compliance Officer are given elsewhere in this Key Information Document.

12 MATERIAL CONTRACTS & DOCUMENTS

Material Contracts–- By the very nature and volume of its business, the Company is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts and agreements involving financial obligations of the Company. However, the contracts referred to below which are or may be deemed to be material for this Issue have been entered into by the Company. Copies of these contracts may be inspected at the Registered Office of the Company between 10.00 a.m. and 12.00 noon on any working day until the Issue Closing Date.

12.1 Certified copy of the Memorandum & Articles of Association of the Issuer

12.2 Certified copy of Certificate of Incorporation of the Company.

12.3 Certified true Copy of the resolution passed by the Board approving the issue of Debentures.

12.4 Credit Rating Letter from India Ratings and Research Private Limited dated November 09, 2023 and revalidation of rating letter dated November 30, 2023**.**

12.5 Letter dated November 29, 2023 given by giving its consent for acting Catalyst Trusteeship Limited as Debenture Trustee to the Debentures offered under this Issue.

12.6 Debenture Trust Deed

12.7 Debenture Trustee Agreement

12.8 Private Placement Offer cum Application Letter

13 DUE DILIGENCE CERTIFICATE FROM THE DEBENTURE TRUSTEE:

Provided for in **Annexure F**

14 ISSUE DETAILS

14.1 Summary of Key Terms

Security Name (Name of the non-convertible securities which includes (Coupon/dividend, Issuer Name and maturity year)	9.50 % FSBFL Dec 2026
Issuer	Five-Star Business Finance Limited
Promoters / Promoter Group	Please see the Definition of Promoter above.
Type of Instrument	Senior, secured, rated listed, redeemable, taxable, transferable, non-convertible debentures
Arrangers	N.A.
Nature of Instrument (Secured or Unsecured)	Secured
Seniority (Senior or Subordinated)	Each Debenture issued by the Issuer will constitute, direct, secured and senior obligations of the Issuer. The claims of Debenture Holders shall be superior to the claims of Eligible Investors of tier 1 and tier 2 capital and shall rank pari passu to all unsubordinated and first ranking secured indebtedness of the Issuer.
Mode of Issue	Private placement
Eligible Investors	The following categories of investors, when specifically approached, are eligible to apply for this private placement of Debentures: (a) Resident individuals; (b) Hindu undivided family; (c) Trust; (d) Limited liability partnerships, Partnership firm(s); (e) Portfolio managers and foreign institutional investors (FII) registered with SEBI; (f) Association of persons; (g) Companies and bodies corporate including public sector undertakings; (h) Commercial banks, regional rural banks, financial institutions; (i) Insurance companies; and (j) Mutual funds/ alternative investment fund (AIF), and any other investor eligible to invest in these Debentures. All other investors eligible to bid / invest / apply for this Issue pursuant to the SEBI NCS Regulations read with SEBI Master

	Circular are eligible to apply for this Issue.
Listing (name of stock Exchange(s) where it will be listed and timeline for listing)	The Debentures will be listed on the debt segment of BSE on or upto 3 (three) Business Days from the Issue Closing Date. In case of delay in listing of the Debentures by the Company beyond 3 (three) Business Days from the closure of issue, the Company will pay the Debenture Holders penal interest of 1% (one percent) per annum over the Coupon Rate from the Deemed Date of Allotment till the listing of the Debentures. In case the Debentures are not listed within 3 (three) Business Days from the closure of the Issue, the Company shall immediately redeem/ buy back the Debentures only from those Debenture Holders (including any FPI) who are not permitted by Applicable Law to hold 'unlisted' debentures, and shall reimburse such Debenture Holders for any and all accrued redemption premium, costs and expenses (at actuals), as determined by each such Debenture Holder that such Debenture Holder may have incurred in connection with the investment in the Debentures.
Rating of the Issue	IND AA- (Stable) by India Ratings and Research Private Limited
Manner of Bidding(open/closed)	Closed bidding.
Manner of Allotment	Uniform yield basis.
Issue Size	15,000 (fifteen thousand) senior, secured, rated, listed, redeemable, taxable, transferable, non-convertible debentures of a face value of INR 1,00,000/- (Indian Rupees One Lakh only) each aggregating upto INR 1,50,00,00,000 (Indian Rupees One Hundred and Fifty Crores only) comprising of : Base Issue of 7,500 (seven thousand five hundred) senior, secured, rated, listed, transferable, redeemable, non-convertible, taxable, debentures of a face value of INR 1,00,000/- (Indian Rupees One Lakh only) each aggregating upto INR 75,00,00,000 (Indian Rupees Seventy Five Crores only). Green shoe option of 7,500 (seven thousand five hundred) senior, secured, rated, listed, transferable, redeemable, non-convertible, taxable, debentures of a face value of INR 1,00,000/- (Indian Rupees One Lakh only) each aggregating upto INR 75,00,00,000 (Indian Rupees Seventy Five Crores only).
Base Issue	7,500 (seven thousand five hundred) senior, secured, rated, listed, transferable, redeemable, non-convertible, taxable, debentures of a face value of INR 1,00,000/- (Indian Rupees One Lakh only) each aggregating upto INR 75,00,00,000 (Indian Rupees Seventy Five Crores only).
Green Shoe Option	7,500 (seven thousand five hundred) senior, secured, rated, listed, transferable, redeemable, non-convertible, taxable, debentures of a face value of INR 1,00,000/- (Indian Rupees One Lakh only) each aggregating upto INR 75,00,00,000 (Indian Rupees Seventy Five Crores only).
Anchor Investor	Nil
Anchor Portion	Nil

Minimum subscription	100 (one hundred) Debentures (aggregating to INR 1,00,00,000 (Indian Rupees One Crore only), and 1 (one) Debenture thereafter.
Option to retain oversubscription (Amount)	Green Shoe option of INR 75,00,00,000 (Indian Rupees Seventy Five Crores only).
Objects of the Issue / Purpose for which there is requirement of funds	Issue proceed will be utilized for following "Purpose": (a) For deployment in business & growth of asset book; (b) General corporate purpose in the ordinary course of business, including refinance of existing debt.
Details of the utilization of the Proceeds	The funds raised by the Issue shall, after issue related expenses, be utilised by the Issuer for the following purposes ("**Purpose**"): (a) for making/providing loans and other loan disbursements to its clients/borrowers; (b) for re-financing and repayment of existing Financial Indebtedness of the Issuer (including in relation to interest expenses in respect thereof); (c) for working capital requirements of the Issuer; and/or (d) for general corporate purposes of the Issuer. The amount equivalent to 100% (hundred percent) of the funds raised by the Issue will be utilized towards the objects set out in paragraphs (i) to (iv) above. The Issuer has not, as of the date of the Key Information Document, determined the specific allocation between the objects set out in paragraphs (i) to (iv) above. The funds raised by the Issue shall be utilised by the Company solely for the Purpose and the Company shall not use the proceeds of the Issue towards: (a) any capital market instrument such as equity, debt, debt linked, and equity linked instruments or any other capital market related activities (whether directly or indirectly); it is clarified that placement of the issue proceeds in liquid mutual funds for a period of upto 90 (ninety) days from the Deemed Date of Allotment pending utilization for the Purpose by the Company would not be violative of this requirement; (b) investment in the real estate sector/real estate business (including the acquisition/purchase of land); (c) any speculative purposes; (d) any purpose, that is not eligible for the providing of financing by banks to non-banking financial companies for bank finance to non-banking financial companies, or, which results in a breach of the RBI's master circular no. DOR.CRE.REC.No.77/21.04.172/2021-22 dated January 5, 2022 on "Bank Finance to Non-Banking Financial Companies (NBFCs)"); (e) in contravention of Applicable Law (including without limitation, any guidelines, rules or regulations of the RBI

	and/or SEBI); and (f) providing any loans to any group companies of the Issue. Until the funds raised by the Issue are utilised for the Purpose, the funds raised by the Issue may be held by the Issuer either (a) in the form of cash, or (b) by way of investments in money market instruments, liquid debt instruments, liquid mutual funds, each having a rating of at least "AAA" and/or "A1+", or (c) deposits held with scheduled commercial banks/small finance banks that either have a rating of at least "A1+" or are classified as a "public sector undertakings".
In case the issuer is a NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made	N.A.
Coupon / Dividend Rate	9.50 % (nine-point five zero percent) per annum.
Step Up/Step Down Coupon Rate	N.A.
Restricted Payments	N.A.
Coupon/Dividend Payment Frequency	Annual
Coupon / Dividend Payment Dates	Annually and on Final Redemption Date December 12, 2024 December 12, 2025 December 12, 2026
Cumulative / non-cumulative, in case of dividend	N.A.
Coupon Type (Fixed, floating or other structure)	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).	N.A.
Day Count Basis (Actual/Actual)	Interest shall be computed on an "actual/actual basis". Where the interest period (start date to end date) includes February 29, interest shall be computed on 366 (three hundred and sixty-six) days-a-year basis.
Interest on Application Money	Interest at the Coupon Rate per annum (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) will be paid to the applicants on the application money for the Debentures for the period starting from and including the

	date of realization of application money in Issuer's bank account upto one day prior to the Deemed Date of Allotment. Where Pay-in Date and Deemed date of Allotment are the same, no interest on Application money is to be paid.
Issuance mode of the Issue	In dematerialized mode.
Trading mode of the Issue	In dematerialized mode.
Default Interest Rate	• **Payment default:** 2% (two per cent) per annum payable by the Company for the defaulting period over and above the Coupon Rate. • **Delay in execution of Debenture Trust Deed:** If not already executed, the Company shall execute the Debenture Trust Deed within the timelines prescribed by SEBI. In case of a delay in execution of Debenture Trust Deed, the Company will pay penal interest of at least 2% p.a. (two percent per annum) over the Coupon Rate till the execution of Debenture Trust Deed. • **Delay in listing**: In accordance with the SEBI NCS Regulations read together with the SEBI Master Circular, the Company confirms that in the event there is any delay in listing of the Debentures beyond 3 (three) Business Days from the date of closure of the issue for the Debentures, the Company will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Coupon Rate for the period of delay from the Deemed Date of Allotment until the listing of the Debentures is completed.
Tenor	36 (thirty six) months.
Redemption Date	December 12, 2026
Redemption Amount	redeemed at Face Value (as defined in 'Summary of Terms') of Debentures
Redemption Premium /Discount	N.A.
Issue Price	INR 1,00,000 (Indian Rupees One Lakh only) per Debenture
Discount at which security is issued and the effective yield as a result of such discount.	N.A.
Premium/Discount at which security is redeemed and the effective yield as a result of such premium/discount.	N.A.
Put Option	N.A.
Put Date or Put Option Exercise Date	N.A.
Put Price or Put Option Price	N.A.
Call Option	N.A.

Call Date or Call Option Exercise Date	N.A.
Call Price or Call Option Price	N.A.
Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	N.A.
Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)	N.A.
Face Value	INR 1,00,000 (Indian Rupees One Lakh only) per Debenture
Minimum Application and in multiples of thereafter	Application must be for a minimum size of 100 (hundred) Debentures aggregating to INR 1,00,00,000 (Indian Rupees One Crore only) and a Debenture thereafter.
Issue Timing	The details of the Issue shall be entered on the BSE – EBP Platform by the Issuer at least 5 (five) working days prior to the Issue / Bid Opening Date, in accordance with the Operational Guidelines. The bidding on BSE – EBP Platform shall take place between 9 a.m. to 5 p.m. only, on the working days of BSE. The bidding window shall be open for the period as specified by the Issuer in the bidding announcement, however, the same shall be open for at least 1(one) hour. The issuer can provide details of the Eligible Investor (s) for a particular issue, to the BSE-EBP Platform, not later than 1 (one) hour before the bidding start time. The Issuer shall provide the bidding start time and close time of the BSE – EBP Platform at least 1 (one) working day before the start of the Issue / Bid Opening Date.
Issue Opening Date	December 11, 2023
Issue Closing date	December 11, 2023
Date of earliest closing of the issue, if any.	N.A.
Pay-in Date	December 12, 2023
Deemed Date of Allotment	December 12, 2023
Settlement mode of the Issue	Payment of interest and repayment of principal shall be made by way of cheque(s)/ warrant(s)/ demand draft(s)/direct credit/ RTGS/ NECS/ NEFT or any other electronic mode offered by banks.
Debenture Trustee	Catalyst Trusteeship Limited
Depository	NSDL and/or CDSL
Holiday Convention	If the date of payment of any interest in respect of the Debentures falls on a day that is not a Business Day, such payment of interest shall be made on the next occurring Business Day.

	If the Final Redemption Date or the early Redemption Date (the date on which the Debentures are redeemed prior to the Final Redemption Date in terms of the Transaction Documents), as the case may be, falls on a day that is not a Business Day, such payment of Coupon and Redemption Amount shall be made on the immediately preceding Business Day. If a leap year (i.e. February 29) falls during the tenor of a security, then the number of days shall be reckoned as 366 days (actual/ actual day count convention) for the entire year, irrespective of whether the coupon/ dividend is payable annually, half yearly, quarterly or monthly.
Disclosure of Interest/Dividend / redemption dates	Coupon Payment Date: December 12, 2024; December 12, 2025; and December 12, 2026 Redemption Date: December 12, 2026 Dividend Dates: N.A.
Record Date	The date, as may be fixed by the Issuer 7 (seven) Business Days prior to each Coupon Payment Date or Final Redemption Date on which the determination of the persons entitled to receive interest/Redemption Amount in respect of the Debentures (i.e., persons whose names are registered in the register of Debenture Holders or NSDL/CDSL record) shall be made.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	Please refer **Annexure H**
Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation	The issue amounts outstanding under the Debentures together with Coupon, default interest, remuneration of the Debenture Trustee, charges, fees, expenses and all other monies due from the Company shall be secured on a first ranking exclusive and continuing charge basis by way of hypothecation up to the Security Cover Ratio in favour of the Debenture Trustee over identified loan Receivables that meet the eligibility criteria as set out below with the prescribed Security Cover Ratio on or prior to the Deemed Date of Allotment. Issuer to provide a list of specific loan Receivables / identified book debt to the Debenture Trustee over which charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) and sufficient to maintain the Security Cover Ratio on monthly basis within the 15th day of every month. The Issuer shall not create any charge, lien or other encumbrance upon or over the Hypothecated Assets or any part thereof except in favour of the Debenture Trustee nor will it do or allow anything that may prejudice the security created in respect of issuance of Debentures. **Security Cover Ratio**:- 1.10 X (one point one zero times) The Security Cover Ratio shall be confirmed by the Issuer on a monthly basis on each monthly Security Cover Ratio determination date commencing from Deemed Date of Allotment.

	Eligibility Criteria:- (a) Each Receivable(s) comprising the Hypothecated Asset must be a loan (but not a loan that has been sold or assigned by the Company); (b) The hypothecated loans must have been originated while complying with all the extant 'know your customer' norms specified by the RBI; (c) The hypothecated loans must have been originated at the branches owned, controlled and operated by the Company. (d) The Receivables have not been restructured or rescheduled and are 'standard'. It is clarified that in the event the Receivables forming part of the Hypothecated Assets becomes non-performing assets during the tenor of the Debentures, they shall be replaced by Receivables that are "current" within 30 (thirty) days of such Receivables becoming non-performing assets. **Specific Disclosures** (a) Type of security: All Receivables arising, inter alia, out of identified book debts/loans of the Issuer and identified fixed deposits placed by the Issuer. (b) Type of charge: Hypothecation. (c) Date of creation of security/ likely date of creation of security: Within regulatory timelines. (d) Minimum Security Cover Ratio: At least 1.10 (one decimal one zero) times the value of the outstanding amounts. (e) Revaluation: N.A. **Filings and other information** The Issuer shall create the charge over the Hypothecated Assets on or prior to the Deemed Date of Allotment and perfect such security by filing Form CHG-9 with the ROC within the time period prescribed under the Deed of Hypothecation. The Debenture Trustee shall file the prescribed Form I with Central Registry of Securitisation Asset Reconstruction and Security Interest ("**CERSAI**") reporting the charge created to the CERSAI within the time period prescribed under the Deed of Hypothecation. The Issuer will provide all information and assistance that the Debenture Trustee may require, to enable it to file the prescribed Form I with CERSAI within the time period prescribed under the Deed of Hypothecation.
Replacement of security, interest to the debenture holder over and above the Coupon Rate as specified in the Trust Deed and disclosed in the Key Information Document	**Replacement of security**: The Issuer shall, within the timelines prescribed under the Deed of Hypothecation, add fresh Receivables to the Hypothecated Assets, in accordance with the Deed of Hypothecation, so as to ensure that the Security Cover Ratio is maintained or replace such Hypothecated Assets that do not satisfy the eligibility criteria prescribed in the Transaction Documents.

	Interest over and above the Coupon Rate: In the event of any delay in the execution of any Transaction Document (including the Debenture Trust Deed or the Deed of Hypothecation) or the creation and perfection of security in terms thereof, the Issuer will, at the option of the Debenture Holders, either: (a) if so required by the Debenture Holders, refund the application money together with interest (including interest accrued) at the Coupon Rate/discharge the secured obligations; and/or (b) pay to the Debenture Holders additional interest at the rate of 2% (two percent) per annum on the outstanding principal amounts in addition to the Coupon Rate until the relevant Transaction Document is duly executed or the security is duly created and perfected in terms thereof or the secured obligations are discharged (whichever is earlier).
Transaction Documents	Including but not limited to: (a) Debenture Trust Deed; (b) General Information Document; (c) Key Information Document; (d) Debenture Trustee Appointment Agreement; (e) Deed of Hypothecation; (f) Term sheet; (g) Board and Shareholders Resolution authorising the Issue; (h) The letters issued by the Rating Agency, the Debenture Trustee and/or the Registrar; and (i) Any other documentation as may be desired by the Debenture Trustee and mutually agreed with Issuer.
Conditions Precedent to Disbursement	As customary to transactions of this nature, including, but not limited to: (a) A certified true copy of the constitutional documents of the Company (being its Memorandum and Articles of Association and certificate of incorporation) to be submitted to the Debenture Trustee. (b) All corporate approvals from the Board of Directors and shareholders of the Company, if applicable, shall have been received for the issuance of the Debentures and the execution, delivery and performance by the Company of the Transaction Documents in accordance with the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other rules prescribed. (c) Execution of the Transaction Documents shall have taken place.

	(d) Identification of Hypothecated Assets for purpose of security creation in terms of the Transaction Documents. (e) Rating of the Debentures being completed and the rating agency having provided a minimum rating of 'IND AA-" for the Debentures and the rating letter issued by the Rating Agency being in a form and manner satisfactory to the Debenture Trustee. (f) The Company shall have provided to the Debenture Trustee a certificate from a director/company secretary of the Company certifying that :- (i) the Company and its Directors have the necessary powers under the Memorandum and Articles of Association of the Company to borrow moneys pursuant to the issuance of the Debentures; (ii) the borrowing of moneys pursuant to the issuance of the Debentures will not cause any limit binding on the Company to be exceeded; (iii) no Material Adverse Effect has occurred in the Company, and/or the business of the Company; (iv) there are no Events of Default, any potential Event of Default, and/or any force majeure event; and (v) all representations and warranties contained in Debenture Trust Deed are true and correct in all material respects on and as of the Deemed Date of Allotment, before and after giving effect to the Issue and to the application of the proceeds therefrom. (g) Due execution of the Depository agreements by, inter-alia, the Depository and the Company. (h) Due execution of the Tripartite Agreement by, inter-alia, the Registrar and Transfer Agent, Depository and the Company. (i) The Company shall have submitted to the Debenture Trustee, all required documents for the purpose of satisfying its respective know your customer requirements. (j) The Company shall have submitted to the Debenture Trustee, its audited account statements for the most recent financial year or financial half-year. (k) The Company shall have submitted the copy of the General Information Document and Key Information Document. (l) A copy of the in-principle approval provided by the BSE in respect of the listing of the Debentures.
Conditions Subsequent to	Customary to transaction of such nature including but not limited

Disbursement	to: (a) the Company shall make the application for listing of the Debentures and obtain listing of the Debentures within the time period prescribed under the SEBI Master Circular; (b) the record of private placement offers maintained by the Company, including the offer of the Debentures, in Form PAS – 5, on the Deemed Date of Allotment; (c) the details of the Depository accounts of the Debenture Holders with the Depositories confirming that such account has been credited with the relevant Debentures as soon as possible but in event within 2 (two) Business Days from the Deemed Date of Allotment; (d) the return of allotment in Form PAS – 3, along with a complete list of allottees and containing the prescribed particulars, filed with the relevant ROC within 15 (fifteen) days of the Deemed Date of Allotment of the Debentures; (e) evidence that the security shall have been perfected in a form and manner acceptable to the Debenture Trustee and that the Form CHG-9 in respect of creation of hypothecation over the Hypothecated Assets has been filed with the relevant ROC within 30 (thirty) days of the Deemed Date of Allotment of the Debentures. (f) a copy of the certificate of registration of charge issued by the relevant ROC in connection with the security interest created under the Deed of Hypothecation within 1 (one) Business Day of the receipt thereof by the Company. (g) Comply with such other conditions and provide such other information and documents and execute such documents as are customary for a financing similar to the issuance of the Debentures or as the Debenture Holders may reasonably request or as may be required under Applicable Law (including without limitation, the Companies Act and any guidelines/circulars issued by the SEBI).
Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	Customary to transaction of such nature including but not limited to: **(a) Payment Defaults** The Company does not pay on the Due Date any amount payable pursuant to the Debenture Trust Deed and the Debentures (including but not limited to penal interest, if any) at the place at and in the currency in which it is expressed to be payable, unless its failure to pay is caused by administrative or technical error and payment is made within 1 (one) Business Day of its Due Date. The cure period for payment defaults would be only this one day. **(b) Insolvency / Inability to Pay Debts / Distress** (i) The Company is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties,

	commences negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness. (ii) The Company is (or deemed by law or declared by a court to be) insolvent or unable to pay its debts or stops or suspends payments of all its debts, makes a general assignment or an arrangement or composition with or for benefit of the relevant creditors in respect of any such debts or a moratorium is agreed or declared in respect of or affecting all the debts of the Company. (iii) Any distress, attachment, execution or other legal process is levied, enforced or sued out on or against any material part of the property, assets, or revenues of the Company and is not discharged or quashed or stayed within 15 (fifteen) days. **(c) Charge over Hypothecated Assets** The Company creates or attempts to create any charge/encumbrance on the Hypothecated Assets or any part thereof, in addition to the charge created pursuant to the Deed of Hypothecation without the consent of the Special Majority Debenture Holders. **(d) Business** The Company without obtaining the prior consent of the Special Majority Debenture Holders ceases to carry on its business or gives notice of its intention to do so. **(e) Security in Jeopardy** (i) In the opinion of the Debenture Trustee the Hypothecated Assets are in jeopardy; (ii) If, the security provided pursuant to the Deed of Hypothecation depreciates in value to such an extent that in the reasonable opinion of the Debenture Trustee further security should be given and on advising the Company to that effect such security has not been given to the Debenture Trustee to their satisfaction; (iii) If, without the prior written approval of the Debenture Trustee, the Hypothecated Assets or any part thereof is transferred, assigned, charged, encumbered or alienated but no prior approval shall be required for the replacement of assets comprising the Hypothecated Assets with other similar assets; or (iv) the value of the Hypothecated Assets is insufficient to maintain the Security Cover Ratio and Company fails to maintain the minimum-Security Cover Ratio specified in the Deed of Hypothecation within the stipulated timelines in

	the Deed of Hypothecation. **(f) Misrepresentation** Any representation or warranty made by the Company in any Transaction Document or in any certificate, financial statement or other document delivered to the Debenture Trustee/Debenture Holders by the Company shall prove to have been incorrect, false or misleading in any material respect when made or deemed made. **(g) Material Adverse Change** There shall have occurred a change in the business, operations, property, assets, liabilities, condition (financial or otherwise) or prospects of the Company since the date hereof that has resulted in a Material Adverse Effect and such Material Adverse Effect has not been remedied or rectified for a period of 15 (fifteen) days. The occurrence of a Material Adverse Effect as determined by the Debenture Trustee, acting solely on the instructions of the Majority Debenture Holders. **(h) Liquidation or dissolution of the company / appointment of receiver or liquidator** (i) Any corporate action, legal proceedings or other procedure or step is taken in relation to: (A) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or re-organisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company; (B) a composition, compromise, assignment or arrangement with any creditor of the Company; (C) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Company; (D) the Company, in respect of any reference or enquiry or proceedings commenced, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the RBI's circular no. DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on "Prudential Framework for Resolution of Stressed Assets", as amended or modified or restated from time to time);

(E) admission of an insolvency resolution process under the (Indian) Insolvency and Bankruptcy Code, 2016 (to the extent applicable) or under any other Applicable Law, in respect of the Company or its Affiliates;

(F) enforcement of any security over any assets of the Company; or

(G) Any other event occurs or proceeding instituted under any Applicable Law that would have an effect analogous to any of the events listed in sub-clauses (i) to (vi) above.

(ii) An order is made or an effective resolution passed for the winding up or dissolution, judicial management or administration of the Company, or the Company ceases to carry on all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, re-organization, merger or consolidation on terms approved by special resolution of Debenture Holders.

(i) Cross default

The Company:

(i) defaults in any payment of any Financial Indebtedness beyond the period of grace, not exceeding 30 (thirty) days, if any, provided in the instrument or agreement under which such Financial Indebtedness was created;

(ii) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (determined without regard to whether any notice is required) any such Financial Indebtedness to become due prior to its stated maturity; or

(iii) any Financial Indebtedness of the Company shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof.

(j) Creditors' process

(i) All or a material part of the undertaking, assets, rights or revenues of the Company are condemned, seized, nationalised, expropriated or compulsorily acquired, or shall have assumed

	custody or control of the business or operations of the Company, or shall have taken any action for the dissolution of the Company, or any action that would prevent the Company, their member, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Government or any Government Authority. (ii) The Company does not inform the Debenture Trustee of one or more of the other creditors of the Company accelerating the payment obligations on the grounds of a Material Adverse Change (howsoever described) or a Material Adverse Effect (howsoever described) in the financial, operational or regulatory conditions governing the Company. (iii) The Company has voluntarily or involuntarily becomes the subject of proceedings under any bankruptcy or insolvency laws and such proceedings have been admitted by a competent court or the Company is voluntarily or involuntarily dissolved. (iv) The Company is adjudged insolvent by a competent court or takes advantage of any law for the relief of insolvent debtors. (v) Any expropriation, attachment, garnishee, sequestration, distress or execution affects any Receivables constituting Hypothecated Assets or part thereof. **(k) Judgments defaults** One or more judgments or decrees entered against the Company involving a liability (not paid or not covered by a reputable and solvent insurance company), individually or in the aggregate, exceeding INR 100,00,00,000 (Indian Rupees One Hundred Crores only) of the total assets of the Company, provided that such judgments or decrees are either final and non-appealable or have not been applied for vacation, discharge or stay pending appeal for any period of 15 (fifteen) consecutive days. **(l) Transaction Documents** (i) The Debenture Trust Deed or any other Transaction Document in whole or in part, are terminated or cease to be effective or cease to be a legally valid, binding and enforceable obligation of the Company. (ii) In the opinion of the Debenture Trustee, any of the Transaction Documents fails to provide the security interest, rights, title, remedies, power or privileges intended to be created thereby (including the priority intended to be created thereby), or such security interests do not have the priority contemplated under the Transaction

	Documents, or the security interest created thereunder become unlawful, invalid, or unenforceable. **(m) Unlawfulness** It is or becomes unlawful for the Company to perform any of its obligations under the Transaction Documents and/or any obligation or obligations of the Company under any Transaction Document are not or cease to be valid, binding or enforceable. **(n) Repudiation** The Company repudiates any of the Transaction Documents or evidences an intention to repudiate any of the Transaction Documents. **(o) Government intervention** (i) Any step is taken by Governmental Authority or agency or any other competent authority, with a view to the seizure, compulsory acquisition, expropriation or nationalization of all or (in the opinion of the Debenture Trustee) a material part of the assets of the Company which is material to the Company; (ii) Any Governmental Authority having assumed custody or control of the business or operations of the Company or having taken any action for the dissolution of the Company or any action that would prevent the Company or its officers from carrying on its business or operations thereof; or The Company's organizational or legal status, or any license or franchise is revoked or suspended by any Governmental Authority or authority after the Company has exhausted all remedies and appeals relating thereto. **(p) Delisting** If the Debentures are listed and any Debenture is subsequently delisted from any exchange on which it is listed without the prior written consent of the Debenture Trustee. **(q) Rating Downgrade** If rating of the Debentures by the Rating Agency is downgraded by 4 (four) notches or more from present rating i.e. AA-/stable, the Debenture Holders shall have the right to accelerate the redemption of the Debentures and require the Issuer to mandatorily redeem the Debentures and repay the principal amount, interest accrued, costs, fees, penalty, default interest, if any. Issuer has to pay the amount due within 30 (thirty) days of receipt of such notice. There will be no cure period available for rating downgrade incidence. **(r) Cessation**

		The Company ceases or threatens to cease to carry on the main business it is currently engaged in.
	(s)	**Alteration in constitutional documents** The Company, without the previous consent in writing of the Debenture Trustee, makes or attempts to make any alteration in the provisions of its constitutional documents where (i) such change might in the opinion of the Debenture Trustee detrimentally affect the interests of the Debenture Holder(s) and (ii) the Company refuses or neglects to or is unable to rescind such alteration.
	(t)	**Non-compliance with judicial order** The Company fails to comply with or fulfil any judicial order passed against it provided however that such order shall not include any order against which appeal is available or for which an appeal is pending.
	(u)	**Erosion of net worth** The Debenture Holders' assessment from quarterly or annual financial reporting from the company, or at any time certified by an accountant of a firm or chartered accountant appointed by the Debenture Trustee (which the Debenture Trustee is entitled and hereby authorized to do so at any time), that the net worth (as defined in the Companies Act) of the Company has eroded by 50% (fifty percent) or more.
	(v)	**Merger** The rearrangement or consolidation or amalgamation with or merger with or into or receiving of all or substantially all the assets or obligations of, another entity, or any action for reorganisation of capital without the prior written consent of the Debenture Trustee.
	(w)	**Sale, disposal** Sale, transfer, or other disposition of all or substantially all of the Company's assets other than in the normal course of business of the Company.
	(x)	**Third party** A default or Event of Default occurs on account of a breach of representation or breach of an information covenant under the terms of any other agreement involving borrowed money or the extension of credit or any other Financial Indebtedness under which the Company may be obligated as a borrower or guarantor and pursuant to which the Company is called upon to and makes a prepayment to a 3rd party without the prior written consent of the Debenture Holder. Such consent shall not be unreasonably delayed or withheld by the Debenture Holders.
	(y)	**Wilful default** Any director or key management personnel of the

	Company is/are declared as wilful defaulter by any competent authority or accused of, charged with, arrested or convicted a criminal offence involving moral turpitude, any material act of fraud, embezzlement, misstatement, misappropriation or siphoning off of the Company funds or revenues, dishonesty or which otherwise impinges on the integrity of the director, including any accusations, charges and/or convictions of any offence relating to bribery or any other act having a similar effect being committed by the management or an officer of the Company. **(z) Breach of Covenants** Any breach of covenant stipulated in financial covenants, negative covenants, affirmative covenants, reporting covenants and any other covenants as set out herein and the same is not cured within the cure period. **(aa) Breach of other terms of the Debenture Trust Deed** A breach by the Company of any of its obligations and covenants mentioned above or other Transaction Documents (other than (a) to (d) above) and such breach is not remedied (if capable of remedy) within the expiry of cure period for breach of other covenants from the date of such breach.
Consequences of Event of Default	If one or more of the events specified in Events of Default occur(s), the Debenture Trustee may after the expiry of the cure period, in its discretion, that is, without requiring any consent or confirmation of the Company, and upon request in writing of Majority Debenture Holders by a notice in writing of 30 (thirty) days ("**Notice of Acceleration**") to the Company initiate the following course of action: (a) require the Company to mandatorily redeem the Debentures and repay the principal amount, interest accrued, default interest and all other dues on the Debentures, along with accrued but unpaid interest, and other costs, charges and expenses incurred under or in connection with the Debenture Trust Deed and other Transaction Documents; (b) declare all or any part of the Debentures to be immediately (or on such dates as the Debenture Trustee may specify) due and payable, whereupon it shall become so due and payable; (c) enforce any security created pursuant to the Deed of Hypothecation in accordance with its terms, as may be set out herein or therein, towards repayment of the Debentures; (d) appoint any independent agency to inspect and examine the working of the Company and give a report to Debenture Holders/ the Debenture Trustee. The Company shall give full co-operation and provide necessary assistance to such agency and bear all costs and expenses of the examination including the professional fees and

	travelling and other expenses; (e) to appoint a nominee director as per the SEBI (Debenture Trustee) Regulations, 1993 on the board of directors of the Company or to appoint an observer to all meetings of the board of directors of the Company; (f) take necessary action of either enforcing the security or entering into the Inter Creditor Agreement ("**ICA**") or take any other action as decided in the meeting of Debenture Holder(s) based on the decision of the Special Majority Debenture Holder(s), including the decision of formation of a committee of the Debenture Holder(s) to participate in the ICA or to enforce the security or as may be decided in the meeting of Debenture Holder(s). Such a committee, if decided to be formed, may comprise of the designated members representing the interest of the ISIN level Debenture Holder(s) under the Debentures and be responsible to take decisions which shall be binding on the specific ISIN level Debenture Holder(s) relating to ICA matters, or in relation to enforcement of the security, or take any other action as may be decided by the Debenture Holder(s), from time to time. The Debenture Trustee(s) may in accordance with the decision of the Debenture Holder(s), sign the ICA and consider the resolution plan, if any, on behalf of the Debenture Holder(s) in accordance with the requirements under the extant RBI guidelines, SEBI circulars, guidelines and other Applicable Laws. (g) The Debenture Trustee after obtaining consent of Debenture Holder(s) for enforcement shall inform the designated stock exchange seeking release of the Recovery Expense Fund. The Debenture Trustee shall follow the procedure set out in by Issuers of listed or proposed to be listed debt securities towards creation of "Recovery Expense Fund" issued by SEBI, as amended from time to time for utilization of the Recovery Expense Fund and be obligated to keep proper account of all expenses, costs including but not limited to legal expenses, hosting of meetings etc., incurred out of the Recovery Expense Fund towards enforcement of security. All expenses over and above those met from the Recovery Expense Fund incurred by the Debenture Trustee after an Event of Default has occurred. (h) take all such other action expressly permitted under the Debenture Trust Deed or in the other Transaction Documents or permitted under the Law. (i) to initiate any enforcement action including without limitation under SARFAESI Act, 2002, Insolvency and Bankruptcy Code, 2016 (wherever applicable), or any other Applicable Law; (j) Exercise such other rights as the Debenture Trustee may deem fit under applicable Law to protect the interest of the Debenture Holders. The Debenture Trustee shall be entitled to appoint any independent agency to inspect and examine the working of the Company and

	give a report to Debenture Holders/ the Debenture Trustee. The Company shall give full co-operation and provide necessary assistance to such agency and bear all costs and expenses of the examination including the professional fees and travelling and other expenses; The Debenture Trustee may exercise any other right that the Debenture Trustee and / or Debenture Holder(s) may have under the Transaction Documents or under Applicable Law.
Mandatory/accelerated redemption	The Debenture Holders shall have the right to redeem the Debentures on happening of any of the following event: **(a) Rating downgrade:** If external rating given to the Debentures by the Rating Agency is downgraded by 4 notches or more, from present rating of AA- , the Debenture Holders shall have the right to accelerate the redemption of the Debentures and call upon the Issuer to mandatorily redeem the Debenture and repay the principal amount on the Debentures, along with accrued but unpaid coupon, and all other costs, charges and expenses incurred under or in connection with the Transaction Documents. There is no cure period of such rating downgrade. The Company shall within 30 (thirty) days of receipt of such notice from the Debenture Trustee, redeem such Debentures as is mentioned in the notice by making payment of all principal amounts along with the coupon, outstanding dues, if any. **(b) Event of Default** On happening of Events of Default. **(c) Breach of covenants** In case of breach of any covenant of financial covenants, affirmative covenants, negative covenants, reporting covenants or any other covenants) which results in an Event of Default, and as mentioned in this Key Information Document or in Transaction Documents, if the Issuer is unable to cure the breach within 30 days, then the Debenture Holder shall call upon the Issuer to redeem the Debentures held by such Debenture Holders. Such acceleration shall be exercised by the Debenture Holders within 30 (thirty) Business Days of expiry of the cure period allowed, by issuance of a notice on the Company by the Debenture Trustee calling upon the Company to redeem such Debentures. Upon receipt of such notice of acceleration by the Debenture Trustee, the Company shall within 30 (thirty) days of receipt of such notice of acceleration, redeem such Debentures as is mentioned in the notice by making payment of all principal amounts, interest accrued, due, penalty, default interest.
Material Adverse Effect	Company shall promptly inform the Debenture Trustee in writing of the occurrence of any, or the occurrence of any event that is likely to have a, Material Adverse Effect, together with explanation of the reasons thereof.
Representations and Warranties	To be detailed in the Debenture Trust Deed.
Creation of recovery expense	The Issuer will create a recovery expense fund with the BSE as the

fund	Designated Stock Exchange, in the manner as specified by the SEBI pursuant to circular number SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 and circular number SEBI/HO/MIRSD/CRADT/CIR/P/2022/67 dated May 19, 2022, as amended from time to time, and inform the bond trustee about the same.
Creation of settlement guarantee fund	N.A.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	To be detailed in the Debenture Trust Deed.
Provisions related to Cross Default Clause	The following would lead to Event of Default: (a) if the Company defaults in any payment of any Financial Indebtedness beyond the period of grace (not to exceed 30 (thirty) days), if any, provided in the instrument or agreement under which such Financial Indebtedness was created; (b) if the Company defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (determined without regard to whether any notice is required) any such Financial Indebtedness to become due prior to its stated maturity; or (c) any Financial Indebtedness of the Company is declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof.
Role and Responsibilities of Debenture Trustee	As per Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended from time to time and Debenture Trust Deed executed between the Issuer and Debenture Trustee.
Expenses	The Issuer shall pay all the reasonable costs, remuneration fee of the Debenture Trustee, costs, and charges to be incurred in relation to the rating and listing of the Debentures, dematerialization of the Debentures and stamp duty.
Risk factors pertaining to the issue	Refer Risk Factors under Section 4 of General Information Document.
Settlement Mechanism	Through clearing corporation of BSE.
Governing Law and Jurisdiction	The Debentures are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of courts of Mumbai.
Over and above the aforesaid terms and conditions, the said Debentures shall be subject to the terms and conditions of the General Information Document, this Key Information Document and terms and conditions of the Debenture Trust Deed/ Debenture Trustee Appointment Agreement and other	

Transaction Documents.

Notes:

- *If there is any change in Coupon Rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new Coupon Rate and the events which lead to such change should be disclosed.*

- *The list of documents which have been executed in connection with the issue and subscription of debt securities shall be annexed.*

- *The Issuer shall provide granular disclosures in their Key Information Document, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "object of the issue".*

- *The Debt Securities are secured against a charge to the tune of 110% of the principal and interest amount in favour of Trustee, and it is the duty of the Trustee to monitor that the security is maintained.*

- *Please find below the additional disclosures as required pursuant to SEBI Master Circular-*

Particulars	Description
Manner of Bidding	Closed Bidding
Minimum Bid Lot	100 (one hundred) Debentures (aggregating to INR 1,00,00,000 (Indian Rupees One Crore), and 1 (one) Debenture thereafter
Bid Opening Date	December 11, 2023
Bid Closing Date	December 11, 2023
Manner of Allotment	Uniform Yield Method
Settlement Cycle	T+1; "T" being the bidding date
Manner of Settlement	Through clearing corporation of BSE.

15 ILLUSTRATION OF CASH FLOWS-Series 1

(a) The day count convention for dates on which the payments in relation to the Debentures, which need to be made, procedure and time schedule for allotment and issue of Debentures and the illustrative cash flows per Debenture (bearing face value of INR.1,00,000 **(**Indian Rupees One Lakh only)) is as under:

Particulars	Details
Name of the Issuer	Five Star Business Finance Limited
Face Value	INR 1,00,000 (Indian Rupees One Lakh only) per Debenture
Deemed Date of Allotment	December 12, 2023
Redemption Date	December 12, 2026
Coupon Rate	9.50 % (nine point five zero percent) per annum
Frequency of Interest Payment	Annual and on Final Redemption Date
Day Count Convention	actual/actual
Number of Debenture	15,000

(b) **Cash Flow**

The illustrative cash flows per Debenture (bearing face value of INR 1,00,000 **(**Indian Rupees One Lakh only)) is as under:

Sr. No	Cash Flow Event	Due Date	Actual Payment Date	No of days in coupon period	Coupon payment per debenture (INR)	Principal payment per debenture (INR)	Total (INR)
1)	**INTEREST**	Decembe	Decembe r 12,	366	9,500	00	9,500

Sr. No	Cash Flow Event	Due Date	Actual Payment Date	No of days in coupon period	Coupon payment per debenture (INR)	Principal payment per debenture (INR)	Total (INR)
		r 12, 2024	2024				
2)	**INTEREST**	Decembe r 12, 2025	Decembe r 12, 2025	365	9,500	00	9,500
3)	**INTEREST+ REDEMPTI ON**	Decembe r 12, 2026	Decembe r 12, 2026	365	9,500	1,00,000	1,09,500

(In the event any Due Date is a holiday, payments will be made in accordance with the Holiday Convention).

16 UNDERTAKING BY THE ISSUER

(a) The Eligible Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, Eligible Investors must rely on their own examination of the Issuer and the offer including the risks involved. The securities have not been recommended or approved by any regulatory authority in India, including SEBI nor does SEBI guarantee the accuracy or adequacy of this Key Information Document. Specific attention of the Eligible Investors is invited to the statement of 'Risk factors' given on front page under the section 'General Risks' of the General Information Document and the section 'Risks relating to the Debentures/Issue' given in section 4 of the General Information Document.

(b) The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Key Information Document read together with the General Information Document contain all information with regard to the Issuer and the Issue, that the information contained in the Key Information Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Key Information Document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

(c) The Issuer has no side letter with any debt securities holder except the one(s) disclosed in the Key Information Document. Any covenants later added shall be disclosed on the stock exchange website where the debt is listed.

DECLARATION

The Company hereby declares that the Key Information Document and the General Information Document contains full disclosure in accordance with SEBI NCS Regulations, the Companies Act and the Operational Guidelines.

The Company undertakes and confirms that the Key Information Document and the General Information Document does not omit disclosure of any material fact which may make the statements made therein, in the light of the circumstances under which they are made, misleading.

The Company accepts no responsibility for the statements made otherwise than in the Key Information Document and the General Information Document or in any other material issued by or at the instance of the Company and that anyone placing reliance on any other source of information would be doing so at his own risk.

I, Lakshmipathy Deenadayalan, Chairman and Managing Director, without prejudice to the above, behalf of the Board of Directors of the Company, confirm that:

(a) The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the SEBI, 1992, Companies Act, 2013 and the rules and regulations made thereunder;

(b) The compliance with the SEBI Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the central government;

(c) The monies received under the offer shall be used only for the purposes and objects indicated in the Key Information Document;

(d) Whatever is stated in this Key Information Document and in the Transaction Documents thereto is true, correct and complete and no information material to the subject matter of this Key Information Document has been suppressed or concealed and is as per the original records maintained by the Promoters subscribing to the Memorandum of Association and Articles of Association;

(e) Nothing in the Key Information Document and the General Information Document is contrary to the provisions of Companies Act, the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and the SEBI, 1992 (15 of 1992) and the rules and regulations made thereunder; and

(f) the clause on "General Risks" has been suitably incorporated in prescribed format in the Key Information Document and the General Information Document.

I, Lakshmipathy Deenadayalan, Chairman and Managing Director, am authorised by the Board of Directors of the Company vide resolution dated February 25, 2023 to sign the General Information Document and the Key Information Document and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of this subject matter of the General Information Document and the Key Information Document and matters incidental thereto have been complied with. Whatever is stated in this Key Information Document and attachments thereto is true, correct and complete and no information material to subject matter in this Key Information Document has be suppressed or concealed and is as per the original records maintained by the Promoters subscribing to Memorandum of Association and Articles of Association. It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to the Key Information Document and the General Information Document, as required.



Name: Lakshmipathy Deenadayalan

Designation: Chairman and Managing Director

DIN: 01723269

Date: December 7, 2023

ANNEXURE A- CONSENT LETTER FROM DEBENTURE TRUSTEE

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CATALYST
Believe in yourself... Trust us!

CL/DEB/23-24/1354 **Date : 29-Nov-2023**

To,
Prashanth S,
Five-Star Business Finance Limited,
New No. 27, Old No. 4,
Taylors Road, Kilpauk,
Chennai,
Tamil Nadu,
India 600010.

Dear Sir/ Madam,

Re: Consent to act as a Debenture Trustee for Private Placement of Fully Paid, Rated, Listed, Redeemable, Transferable, Secured, Non-Convertible Debentures of ₹ 75.00 Crores with green shoe option of 75.00 Crores Crores aggregating to 150.00 Crores.

We refer to your letter dated 29.11.2023 , requesting us to convey our consent to act as the Debenture Trustee for captioned issue of Debentures.

We hereby convey our acceptance to act as Debenture Trustees for the said issue Debentures, subject to execution of Debenture Trustee Agreement as per Regulation 13 of SEBI (Debenture Trustee) Regulations, 1993, thereby agreeing to execute Debenture Trust Deed and to create the security if applicable within the timeline as per relevant Laws / Regulations and in the Offer Document / Information Memorandum / Disclosure Document / Placement Memorandum and company agreeing / undertaking to comply with the provisions of SEBI (Debenture Trustee) Regulations, 1993, SEBI (Issue and Listing o f Non-Convertible Securities) Regulations 2021, SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, Companies Act, 2013 and Rules thereunder and other applicable laws as amended from time to time.

Fee Structure for the proposed transaction will be as per annexure A.

Assuring you of the best professional services.
Thanking you.

Yours faithfully,

Catalyst Trusteeship Limited

Name : Soham Vaidya

Designation : Assistant Manager

Annexure A

Fee Structure for transaction CL/DEB/23-24/1354

PARTICULARS	AMOUNT / PERCENTAGE
Acceptance fees (one-time, non-refundable, payable on our appointment)	₹ 75000.00000
Annual Trusteeship Fees(Amount/Percentage)	₹ 75000.00000

Annual Trusteeship Fees are payable in advance each year from date of execution till termination of the transaction. Pro-rata charges would apply for the first year till FY end, as applicable.

The taxes on above fee structure are payable at applicable rates from time to time.

All out of pocket expenses incurred towards legal fees, travelling, inspection charges, etc shall be levied and re-imbursed on actual basis.

Please return the second copy this letter duly signed by Authorized Officer from your company.

Yours Faithfully,

For Catalyst Trusteeship Limited

Name : Soham Vaidya

Designation : Assistant Manager

We accept the above terms.

For Five-Star Business Finance Limited

STAR BUSINESS FINANCE LTD. CHENNAI 600 010

Name : PRASHANTH.S

Designation : CHIEF TREASURY OFFICER

ANNEXURE B – CONSENT LETTER FROM REGISTRAR OF THE ISSUE

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NSDL Database Management Limited

November 29, 2023

Ms. Shalini
M/S Five-Star Business Finance Ltd
New No. 27, Old No. 4, Taylor's Road,
Kilpauk,
Chennai- 600010

Dear Sir,

This has reference to you email dated November 29, 2023, we are happy to act as Registrar & Transfer Agents for Issue of 15000, Rated, Listed, Senior, Secured, Redeemable, Taxable, Transferable non-convertible debentures of Rs 10,00,00/- aggregating up to INR 150 Crores.

We hereby give our consent to include our name in the Disclosure Document for the Issue of 15000, Rated, Listed, Senior, Secured, Redeemable, Taxable, Transferable non-convertible debentures of Rs 10,00,00/- aggregating up to INR 150 Crores.

Our SEBI registration is INR000004181.

Yours faithfully

For NSDL Database Management Ltd.

Maksood Khan
Sr. Manager

ANNEXURE C- CONSENT LETTER FROM LEGAL COUNSEL

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cyril amarchand mangaldas
ahead of the curve

Ref Number: BLR/1979

November 30, 2023

To,

Five-Star Business Finance Limited
New No. 27, Old No. 4, Taylor's Road, Kilpauk,
Chennai, Tamil Nadu- 600010

Dear Sir/ Madam,

Subject: Consent to act as legal counsel for the proposed privately placed issue of 15,000 (fifteen thousand) Rated, Listed, Senior, Secured, Redeemable, Taxable, Transferable Non-Convertible Debentures ("Debentures") of a face value of INR 1,00,000/- (Indian Rupees One Lakh only) each, aggregating upto INR 1,50,00,00,000 /- (Indian Rupees One Hundred and Fifty Crores only) by Five-Star Business Finance Limited ("Issuer").

We, Cyril Amarchand Mangaldas, hereby give our consent to act as the legal counsel for the abovementioned issue of Debentures having a tenure of more than one year and are agreeable to the inclusion of our name as legal counsel in the General Information Document and Key Information Document and/or application to be made to the Stock Exchange for the listing of the said Debentures in accordance with the terms and conditions agreed in our mandate letter.

Yours truly,

For and on behalf of Cyril Amarchand Mangaldas



Lakshmi Prakash

Partner

ANNEXURE D - RATING LETTER AND RATING RATIONALE

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India Ratings & Research
A Fitch Group Company

Fitch Group

Mr. Rangarajan Krishnan
CEO
Five-Star Business Finance Ltd.
New No 27, Old No 4, Taylor's Road,
Kilpauk, Chennai 600010

November 09, 2023

Dear Sir/Madam,

Re: Rating Letter for NCD of Five Star Business Finance Limited

India Ratings and Research (Ind-Ra) has taken the following rating actions on Five-Star Business Finance Limited's (Five-Star) debt instruments:

Instrument	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (million)	Rating/Outlook	Rating Action
Non-convertible debentures (NCDs)#^	-	-	-	INR2,000	IND AA-/Stable	Affirmed
Non-convertible debentures (NCDs)^	-	-	-	INR1,500	IND AA-/Stable	Assigned

#interchangeable with principal protected market-linked debentures (PP-MLDs)
^ Details in annexure

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

The manner of India Ratings factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the

time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in an India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.

It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings

Karan Gupta
Director

Pankaj Naik
Director

Annexure: ISIN

Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Ratings	Outstanding/Rated Amount(INR million)
NCD	INE128S07580	24/02/2023	9.2	24/04/2026	IND AA-/Stable	490
Unutilised					IND AA-/Stable	3010

India Ratings Rates Five-Star Business Finance's Additional NCDs and Affirms Existing Ratings at 'IND AA-'/Stable

Nov 09, 2023 | Non Banking Financial Company (NBFC)

India Ratings and Research (Ind-Ra) has taken the following rating actions on Five-Star Business Finance Limited's (Five-Star) debt instruments:

Instrument	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (million)	Rating/Outlook	Rating Action
Bank loans	-	-	-	INR20,000	IND AA-/Stable	Affirmed
Non-convertible debentures (NCDs)#^	-	-	-	INR2,000	IND AA-/Stable	Affirmed
Non-convertible debentures (NCDs)^	-	-	-	INR1,500	IND AA-/Stable	Assigned

#interchangeable with principal protected market-linked debentures (PP-MLDs)
^ Details in annexure

The rating of the market-linked debentures is an ordinal assessment of the underlying credit risk of the instrument and does not factor in the market risk that investors in such instruments will assume. This market risk stems from the fact that coupon payment on the instrument will be based on the performance of a reference index or equity share (detailed in the information memorandum of the issue).

PP-MLD refers to full principal protection in the equity-linked notes, wherein the issuer is obligated to pay the full principal upon maturity.

The ratings reflect Five-Star's sizeable franchise in the southern India geography, stable and experienced management, comfortable leverage, diversified funding profile and superior profitability ratios. The ratings, however, are constrained by the company's geographically concentrated and moderately seasoned loan book.

Key Rating Drivers

Long Track Record of Operations in Small Business Loans: Five-Star offers secured loans backed by self-occupied residential property predominantly in the INR0.3 million-0.5 million ticket size and with average yields of 24%-25% to small business entrepreneurs and self-employed individuals mainly in the Tier 3-Tier 6 towns. Five-Star has over two decades of experience of lending to this segment and has well positioned itself in the

southern region of Tamil Nadu, Andhra Pradesh and Telangana.

Five-Star mainly focuses on borrowers linked to the essential services sector in the small business and self-employed segment, largely related to non-cyclical day-to-day essential services, and avoids borrowers who are related to cyclical activities such as pure agriculture-linked businesses. Five-Star's assets under management (AUM) grew significantly at a CAGR of 46.6% over FY18-1HFY24 to reach INR82,644 million in September 2023. The equity shares of the company were listed on National Stock Exchange and the BSE Ltd in November 2022.

Stable Asset Quality across Business Cycles: Five-Star has fine-tuned its underwriting/risk management practices with over two decades of experience of lending to the vulnerable borrower class. This gets reflected in the tightly controlled gross non-performing asset (GNPA) levels (1HFY24: 1.35%, FY23: 1.36%; FY22: 1.05%, FY21: 1.02%). There was an impact on the reported asset quality ratios in FY23 financials due to the implementation of the Reserve Bank of India's November 2021 circular. Even on a two-year lagged basis, the GNPA was modest at 2.41% at end-September 2023; nonetheless, it was better than peers'. The company's restructured book stood at 0.66% at end-September 2023. Moreover, the delinquencies in the softer buckets (30+ days past due) have witnessed a declining trend (1HFY24: 8.59%; FY23: 10.51%; FY22: 16.78%).

Given the secured lending with collaterals as self-occupied residential property, the credit costs stood low at 0.74% in 1HFY24 annualised (FY23: 0.34%; FY22: 0.96%, FY21: 0.86%). The provision coverage ratio at 50.2% in 1HFY24 (FY23: 49.33%; FY22: 34.89%) stands comparable to peers'. Maintaining asset quality with franchisee expansion and the replicability of the business model in new geographies will be a key rating monitorable.

Adequate Capital Buffers with Demonstrated Ability to Raise Equity Capital: At end-September 2023, Five-Star had a total equity base of INR47.4 billion. Its Tier I capital adequacy ratio was 59.4% (FY23: 67.2%; FY22: 75.2%, FY21: 58.9%) and leverage (debt/equity) was 1.02x (0.98x; 0.69x, 1.48x). The company has the ability to attract investments from large private equity firms such as TPG Asia, Matrix Partners, KKR & Co. Inc, Norwest Venture Partners and Sequoia Capital, with equity infusions of INR9 billion and INR3.2 billion in FY22 and FY20, respectively. The strengthened equity provides the required buffer for absorbing any asset quality shock together with the capital required to meet near-to medium-term AUM growth while maintaining a moderate leverage ratio. Also, based on Ind-Ra stress test, pre-provision operating profit and capital buffers remain strong to absorb stress credit cost. The agency expects Five-Star to continue to hold comfortable equity buffers with a leverage of below 3.5x on a steady-state basis.

Liquidity Indicator – Adequate: Five-Star had a positive cumulative surplus in the one-year time frame, as per the structural liquidity statement at end-September 2023. It had also maintained sanctioned and committed but undrawn bank lines of INR4.5 billion from various banks at end-September 2023. The on-balance sheet liquidity (liquid investments and unencumbered cash and investments) stood at INR12.7 billion at end-September 2023; adequate to cover the debt outflows (principal and interest) over the next three months (INR2.9 billion). According to the management, the policy of the company is to maintain liquidity to cover at least three months' operating expenses and lender repayments and one month's disbursements on a rolling basis.

Diversified Funding Profile: The company has a diversified funding profile with sources including bank term loans (69%), financial institution term loans (4%), NCDs (4%), securitisation (21%) and external commercial borrowings (2%). Five-Star's reliance on bank funding increased to 69% in September 2023 from 50% in September 2022. As of September 2023, Five-Star had relationships with 47 lenders which almost doubled from March 2019; however, it plans to consolidate and raise a higher quantum from existing lenders, which is a rating monitorable. Five-Star has also been able to mobilise funds at competitive rates, and its incremental cost of borrowings during 1HFY24 stood at 9.17% (FY23: 8.95%, FY22: 8.51%; FY21: 9.68%).

Favourable Risk Return Trade-Off Driving Profitability: Catering to the informal segment in Tier 3-Tier 6 cities, the company is able to price in loans at over 20% (FY23: 24.2%; FY22: 24.1%, FY21: 24.2%). It maintains a healthy spread of around 14% due to the competitive cost of funding. In the past few years, the

company has passed on the benefit of any reduction in the cost of funds to its borrowers, while maintaining spreads, and plans to continue with the same policy over the near-to-medium term once the rate curve plateaus out. Five-Star has an inhouse sourcing model and does not use intermediaries/direct selling agents to source files, and have built a collection team over the past six to nine months, which handles collections on all loans beyond 24 months vintage, irrespective of the delinquency status. Thus, the operating expense to the total asset ratio stood moderately high at 6.5% at end-1HFY24 (FY23: 5.9%; FY22: 5.1%: FY21: 5.2%). Any moderation from hereon could be gradual, as the business requires a large presence on ground to cater the informal segment while the collections remain cash driven, albeit showing a declining trend over time. Overall, the company has been able to maintain reasonable return ratios (return on average assets/return on average equity: 1HFY24: 9.4%/17.5%, FY23: 8.1%/15.2%; FY22: 7.5%/15.3%, FY21: 7.1%/17.1%). Over the medium term, as the leverage increases, Ind-Ra expects the return on average assets to come down moderately to 6%-6.5% though this can enable the company to improve the return on average equity above 20% gradually. Ind-Ra believes with borrowers establishing a repayment track record with Five-Star, there could be retention as well as competitive pressures on the margin from small finance banks and other non-banks.

Geographically Concentrated Portfolio, Diversification to be Monitored: Five-Star is mainly engaged in small business financing with its portfolio concentrated in Tamil Nadu, Andhra Pradesh and Telangana, with these three states forming 88% of the portfolio as on 30 September 2023. The company has, however, started spreading its portfolio to newer states including Maharashtra, Madhya Pradesh, Chhattisgarh, Uttar Pradesh and Rajasthan. Ind-Ra expects the company to grow deeper into these southern state regions, while continuing to put up new branches in north and central regions of the country. Five-Star maintains a contiguous expansion plan for opening its new branches and cautious approach for growing into new states. However, replicating the business model while ramping-up its operations and maintaining the asset quality in newer states outside the southern geography will be a key rating monitorable.

Rating Sensitivities

Positive: Significant growth in the scale of operations, geographical diversification, diversification of funding avenues and significant deepening of funding relationships with existing and new lenders, and a demonstrated ability to manage its asset quality could lead to a positive rating action.

Negative: Significant deterioration in the asset quality, funding challenges and a dilution of liquidity buffers and the leverage exceeding 3.5x on a sustained basis could lead to a rating downgrade.

ESG Issues

ESG Factors Minimally Relevant to Rating: Unless otherwise disclosed in this section, the ESG issues are credit neutral or have only a minimal credit impact on Five-Star, due to either their nature or the way in which they are being managed by the entity. For more information on Ind-Ra's ESG Relevance Disclosures, please click here. For answers to frequently asked questions regarding ESG Relevance Disclosures and their impact on ratings, please click here.

Company Profile

Incorporated in 1984, Five-Star is a Chennai-based systemically important non-bank financial institution with presence across nine states and 456 branches as on 30 September 2023. The promoter Lakshmipathy Deenadayalan is the managing director of Five-Star. The company was also backed by marquee private equity players such as Matrix Partners, Sequoia Capital, Norwest Venture Partners, TPG, KKR & TVS Capital Funds, before becoming a listed entity in November 2022.

FINANCIAL SUMMARY

Particulars (INR million)	FY23	FY22
Total assets	86,369	62,955
Total equity	42,852	36,628
Net income	6,035	4,535.4
Return on average assets (%)	8.08	7.53
Equity/assets (%)	49.6	58.2
Total capital ratio (%)	67.2	75.2
Source: Five-Star, Ind-Ra		

Note: All ratios in the rating rationale are as per Ind-Ra methodology and can vary from as reported by the company.

Non-Cooperation with previous rating agency

Not applicable

Solicitation Disclosures

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by, or on behalf of, the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security any issuer.

Rating History

Instrument Type	Current Rating/Outlook			Historical Rating/Outlook	
	Rating Type	Rated Limits (million)	Rating	27 January 2023	16 December 2022
Bank loans	Long-term	INR20,000	IND AA-/Stable	IND AA-/Stable	IND AA-/Stable
NCDs	Long-term	INR3,500	IND AA-/Stable	IND AA-/Stable	-

Annexure

Instrument Type	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (million)	Rating/Outlook
NCD	INE128S07580	24 February 2023	9.2	24 April 2026	490	'IND AA-'/Stable
Unutilised					INR3,010	
Total limit					INR3,500	

Bank wise Facilities Details

Click here to see the details

Complexity Level of Instruments

Instrument Type	Complexity Indicator
Bank loans	Low
NCDs	Low
PP-MLD	High

For details on the complexity level of the instruments, please visit https://www.indiaratings.co.in/complexity-indicators.

Contact

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Senior Analyst
India Ratings and Research Pvt Ltd
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APPLICABLE CRITERIA

Financial Institutions Rating Criteria

Non-Bank Finance Companies Criteria

Evaluating Corporate Governance

The Rating Process

DISCLAIMER

All credit ratings assigned by india ratings are subject to certain limitations and disclaimers. Please read these limitations and disclaimers by following this link: https://www.indiaratings.co.in/rating-definitions. In addition, rating definitions and the terms of use of such ratings are available on the agency's public website www.indiaratings.co.in. Published ratings, criteria, and methodologies are available from this site at all times. India ratings' code of conduct, confidentiality, conflicts of interest, affiliate firewall, compliance, and other relevant policies and procedures are also available from the code of conduct section of this site.

India Ratings & Research
A Fitch Group Company

Fitch Group

Mr. Rangarajan Krishnan
CEO
Five-Star Business Finance Ltd.
New No 27, Old No 4, Taylor's Road,
Kilpauk, Chennai 600010

November 30, 2023

Dear Sir/Madam,

Re: Rating Letter for non-convertible debenture (NCD) programme of Five Star Business Finance Limited

India Ratings and Research (Ind-Ra) is pleased to communicate the rating of:

- INR 3500mn NCDs: IND AA-/Stable

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors

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India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in an India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the

adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.

It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings



Abhishek Bhattacharya
Senior Director

Annexure: ISIN

Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Ratings	Outstanding/Rated Amount(INR million)
NCD	INE128S07580	24/02/2023	9.2	24/04/2026	IND AA-/Stable	490
Unutilised					IND AA-/Stable	3010

ANNEXURE E- COPY OF BOARD RESOLUTION

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FIVE STAR
Business Finance Limited

EXTRACT OF THE SPECIAL RESOLUTION PASSED AT THE 39TH ANNUAL GENERAL MEETING OF THE COMPANY HELD ON SATURDAY, SEPTEMBER 16, 2023, AT 11:00 AM THROUGH VIDEO CONFERENCE OTHER AUDIO-VISUAL MEANS

Offer / invitation to subscribe to non-convertible debentures (NCDS) on private placement basis

RESOLVED THAT pursuant to the provisions of sections 42, 71 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the provisions of the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (as amended from time to time), the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2021 (as amended from time to time), and in accordance with the Memorandum of Association and Articles of Association of the Company, and listing agreements to be entered into with BSE Limited and / or National Stock Exchange of India Limited ("Stock Exchanges"), where the non-convertible debentures of the Company are proposed to be listed, and subject to approvals, consents, sanctions, permissions as may be necessary from the Securities and Exchange Board of India (SEBI), Stock Exchanges, all other appropriate statutory and regulatory authorities, approval of the members be and is hereby accorded to authorize the Board of Directors of the Company (which term shall be deemed to include the Business & Resource Committee and any such Committee which the Board may constitute/authorize for this purpose) to issue, offer or invite subscriptions for all kinds and types of Non-Convertible Debentures (NCDs), in one or more series / tranches, aggregating up to INR 5,000 Crores (Indian Rupees Five Thousand Crores only), on private placement basis, on such terms and conditions as the Board of Directors of the Company may, from time to time, determine and consider proper and most beneficial to the Company including as to when the said NCDs are to be issued, the consideration for the issue, utilization of the issue proceeds and all matters connected therewith or incidental thereto.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer or allotment of NCDs, the Board (which term shall be deemed to include the Business & Resource Committee and any such Committee which the Board may constitute/authorize for this purpose) be and is hereby authorized on behalf of the Company to take all such actions and do all such deeds, matters, and things as it may, in its absolute discretion, deem necessary, desirable or expedient and to settle any question, difficulties or doubts that may arise in this regard including but not limited to the offering and allotment of NCDs as it may in its absolute discretion deem fit and proper.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to the Business & Resource Committee or any Committee of Directors or any Director or Directors or to any officer or officers of the Company to give effect to this resolution.

RESOLVED FURTHER THAT any of the Directors and/or the Company Secretary of the Company are authorised to certify the true copy of the aforesaid resolutions and the same may be forwarded to any concerned authorities for necessary action.

//Certified True Copy//

Shalini Baskaran
Company Secretary
Membership No: A51334

FIVE STAR
Business Finance Limited

Statement pursuant to section 102(1) of The Companies Act, 2013 ("the Act") setting out all material facts relating to the special business to be transacted at the AGM is detailed hereunder:

Item No 6: Offer / invitation to subscribe to Non-Convertible Debentures (NCDs) on private placement basis:

As part of its fundraising plans, the Company proposes to issue NCDs aggregating upto INR 5,000 crores, on private placement basis as per the recommendation of the Board of Directors at their meeting held on February 25, 2023, to persons including but not limited to individuals, institutions, and bodies corporate, both domestic and non-domestic as may be identified by the Board of Directors or any Committee of the Board authorised in this behalf from time to time. The Company may offer or invite subscription for all kinds and types of NCDs including secured redeemable NCDs, in one or more series / tranches on private placement basis on such terms & conditions as may be decided by the Board or any Committee of the Board authorised in this behalf from time to time, subject to provisions of and including SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015, applicable circulars and notifications as may be issued by SEBI, Stock Exchanges in this regard.

Pursuant to Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, in case of an offer or invitation to subscribe for Non – Convertible Debentures ("NCDs") on private placement basis, the Company has an option to obtain omnibus approval from its shareholders by means of a special resolution once in a year for all the offers or invitations for such debentures during the year.

This resolution enables the Board of Directors (which term shall be deemed to include the Business & Resource Committee and any such Committee which the Board may constitute/authorize for this purpose) of the Company to offer or invite subscription for NCDs, as may be required by the Company, from time to time for one year from the conclusion of this General Meeting.

None of the Directors, Key Managerial Persons of the Company and their relatives are concerned or interested financially or otherwise in the above resolution.

Accordingly, Omnibus approval of the members is sought for passing a **Special Resolution** as set out at item no. 6 of the Notice.

//Certified True Copy//

B. Shalini

Shalini Baskaran
Company Secretary
Membership No: A51334

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Business Finance Limited

EXTRACT OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF FIVE-STAR BUSINESS FINANCE LIMITED HELD ON SATURDAY, FEBRUARY 25, 2023, AT THE REGISTERED OFFICE - NEW NO.27, OLD NO.4, TAYLOR'S ROAD, KILPAUK, CHENNAI 600010

Approval of limits for availing loans, credit, and financing facilities

RESOLVED THAT pursuant to the provisions of Sections 179, 180(1)(c) and other applicable provisions if any, of the Companies Act, 2013 and the rules made thereunder, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or any other law for the time being in force (including any statutory modification or amendment(s) thereto or re-enactment(s) thereof for the time being in force) and in terms of Articles of Association of the Company, and subject to the approval of the shareholders in a general meeting, consent of the Board be and is hereby accorded to borrow such sum or sums of moneys and for availing all kinds and types of loans, advances and credit facilities including all kinds of debentures / bonds and other debt instruments, from time to time, upto a sum of INR 8000 Crores (Rupees Eight Thousand Crores) outstanding at any point of time on account of principal, for and on behalf of the Company, from its bankers, other banks, Non-Banking Financial Companies (NBFCs), financial institutions, companies, firms, bodies corporate, Cooperative Banks, investment institutions and their subsidiaries, mutual funds, trusts, or from any other person as may be permitted under applicable laws, whether unsecured or secured.

RESOLVED FURTHER THAT pursuant to the provisions of section 180(1)(a) of the Companies Act, 2013, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and all other applicable provisions if any, or any other law for the time being in force (including any statutory modification or amendment(s) thereto or reenactment (s) thereof or the time being in force) and in terms of Articles of Association of the Company, and subject to the approval of the shareholders in a general meeting, consent be and is hereby accorded for mortgaging/ charging / hypothecating all or any of the properties and assets of the Company both present and future and the whole or substantially the whole of the undertaking or the undertakings of the Company on such terms and conditions, as may be agreed to between the Board and Lender(s), Debenture holders and providers of credit and debt facilities to secure the loans /borrowings / credit / debt facilities obtained or as may be obtained, or Debentures/Bonds and other debt instruments issued or to be issued by the Company to or in favour of the financial institutions, NBFCs, Co-operative Banks, investment institutions and their subsidiaries, its bankers and other banks, mutual funds, trusts and other bodies corporate or trustees for the holders of debentures/bonds and/or other instruments, or any other person, which may exceed the paid-up capital and free reserves provided that the total amount of monies borrowed/ credit facilities / monies raised by issuance of debentures / bonds / instruments and through all of the aforesaid means shall not at any time exceed a sum of INR 8000 Crores (Rupees Eight Thousand Crores) outstanding at any point of time on account of principal.

RESOLVED FURTHER THAT the Company may issue from time to time, all kinds of Debenture/Bonds and other debt instruments, upto INR 5000 Crores.

RESOLVED FURTHER THAT the aforesaid powers may be exercised by the Board of Directors of the Company (which term shall be deemed to include the Business & Resource Committee and any such committee which the Board may constitute / authorize for this purpose).

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Business Finance Limited

RESOLVED FURTHER THAT Mr Lakshmipathy Deenadayalan, Chairman and Managing Director (DIN: 01723269), Mr Rangarajan Krishnan, Chief Executive Officer, Mr Srikanth Gopalakrishnan, Chief Financial officer be and are hereby severally authorised to do and perform all such acts, deeds and things as may be necessary, desirable or expedient to give effect to this resolution.

//Certified True Copy//

Shalini Baskaran
Company Secretary
Membership No. A51334

FIVE STAR
Business Finance Limited

EXTRACT OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF FIVE-STAR BUSINESS FINANCE LIMITED HELD ON SATURDAY, FEBRUARY 25, 2023, AT THE REGISTERED OFFICE - NEW NO.27, OLD NO.4, TAYLOR'S ROAD, KILPAUK, CHENNAI 600010

Approval of limits for Issuance of Non-Convertible Debentures (NCDs) on private placement basis

RESOLVED THAT pursuant to sections 42, 71, 179 and all other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the provisions of the Issuance of Non-Convertible Debentures (Reserve Bank) Directions, 2010 (as amended from time to time) issued by the Reserve Bank of India (NCD Directions), the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (as amended from time to time) (Debt Listing Regulations), and other applicable provisions of the Companies Act, 2013, and in accordance with the Memorandum of Association and Articles of Association of the Company, and listing agreements to be entered into with BSE Limited and/ or NSE (Stock Exchange) where the non-convertible debentures of the Company are proposed to be listed, and subject to approvals, consents, sanctions, permissions as may be necessary from the Securities and Exchange Board of India(SEBI), the Stock Exchange, all other appropriate statutory and regulatory authorities, and subject to such conditions and modifications as may be prescribed by the respective statutory and/or regulatory authorities while granting such approvals, consents, sanctions, permissions and subject to such conditions or modifications which may be agreed to by the Board, and subject to the approval of the shareholders of the Company, the approval of the Board be and is hereby accorded for issue, offer and allotment of all kinds and types of non-convertible debentures aggregating upto INR 5000 Crores, on private placement basis.

RESOLVED FURTHER THAT the Business & Resource Committee be and is hereby authorized to do all such necessary acts and things as may be required to offer and allot the aforesaid debentures including the following:

a. Identifying the potential subscribers / offerees for the debentures;
b. Administer the entire debenture offer and allotment process;
c. Determining the number of Debentures to be offered to the Offeree;
d. To finalise and approve private placement offer letter in Form PAS4;
e. To finalise and approve record of private placement offers in Form PAS 5;
f. Determining the consideration for the offer;
g. To open/designate a separate bank account;
h. To approve circulation of offer letter (PAS 4) to the offeree and to determine offer period;
i. To do all acts, deeds and things to give effect to and complete the Debentures offer and allotment process;
j. Finalizing the terms and conditions of the offer for private placements, and the letter of Offer to be sent to the subscriber, consideration / acceptance of the offers received from the subscriber;
k. The allotment of the debentures in dematerialized form;
l. Entering into necessary arrangements/agreements with Registrar & Share transfer agent and the depositories, namely, NSDL and/ or CDSL;
m. Taking necessary steps for listing of the NCDs with stock exchanges;
n. Finalizing and executing the transaction documents on behalf of the company including the debenture trust deed, trustee appointment letter, deed of hypothecation, information memorandum, any other document relating to the NCDs, etc.;

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Business Finance Limited

o. Filing of necessary applications, forms, returns, documents with the Registrar of Companies, Registrar and Transfer Agent, Depositories, etc.;
p. Affixing of the Common Seal of the Company to the stamped engrossment(s) of the Documents/Agreements and such other instruments for the aforesaid Transaction as may be finalized by the Company in the presence of any one Director of the Company, CFO or CEO or Company Secretary who shall sign the same in token thereof;
q. To delegate one or more of the powers vested in the Committee by the Board vide this resolution to any member of the Committee and to do all acts, deeds and things to give effect to and complete the debenture offer and allotment process.

RESOLVED FURTHER THAT each member of the Business & Resource Committee, Mr Rangarajan Krishnan, Chief Executive Officer and Mr Srikanth Gopalakrishnan, Chief Financial officer, be and is hereby severally authorized to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or desirable with regard to the offer and allotment of the above debentures and to finalise and execute all such deeds and documents as may be necessary or expedient including (i) signing the letter of offer /allotment, approving the allotment, and (ii) filing the return of allotment and other necessary forms with the Registrar of Companies, Registrar and Transfer Agent, Depositories, etc.

//Certified True Copy//

B. Shalini

Shalini Baskaran
Company Secretary
Membership No. A51334

FIVE STAR
Business Finance Limited

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BUSINESS & RESOURCE COMMITTEE ("COMMITTEE") OF FIVE-STAR BUSINESS FINANCE LIMITED ("COMPANY") HELD ON FRIDAY, DECEMBER 01, 2023, AT NEW NO.27, OLD NO.4, TAYLOR'S ROAD, KILPAUK, CHENNAI 600010

Offer of Non - Convertible Debentures on private placement basis

RESOLVED THAT pursuant to the provisions of Sections 42, 71, 179, 180 of the Companies Act, 2013 read with rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and rule 18 of the Companies (Share Capital and Debentures) and all other applicable provisions of the Companies Act 2013 and rules and regulations made thereunder ("**Companies Act**") if any (including any statutory modification or re-enactment thereof for the time being in force), the applicable regulations, directions, guidelines, circulars and notifications of the Reserve Bank of India ("**RBI**"), the applicable regulations of the Securities and Exchange Board of India ("**SEBI**"), including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, and the provisions of SEBI (Issue and Listing of Debt Securities) Regulations, 2008, as amended ("**SEBI Regulations**") and in accordance with the memorandum of association and articles of association of the Company, and listing agreements entered into with BSE Limited (BSE) ("**Stock Exchange**") where the non-convertible debentures are proposed to be listed and pursuant to the resolutions passed by the shareholders of the Company in its 39th Annual General Meeting held on September 16, 2023 and the meeting of the Board of Directors of the Company held on February 25, 2023, and subject to such approvals, consents, sanctions, permissions as may be necessary from the Securities and Exchange Board of India ("**SEBI**"), the Stock Exchange, the Reserve Bank of India("**RBI**"), all other appropriate statutory and regulatory authorities, and subject to such conditions and modifications as may be prescribed by the respective statutory and/or regulatory authorities while granting such approvals, consents, sanctions, permissions and the rules, regulations and guidelines issued thereunder, as may be applicable, and subject to such conditions or modifications which may be agreed to, the approval of the Committee be and is hereby accorded for managing the offering of senior, secured, unsubordinated, rated, listed, transferable, redeemable, non-convertible debentures ("**NCDs**") on private placement basis in one or more tranches or series up to an aggregate amount of upto INR 150,00,00,000 (Indian Rupees One Hundred and Fifty Crores Only) comprising of base issue of upto INR 75,00,00,000 (Indian Rupees Seventy Five Crores Only) and green shoe option of INR 75,00,00,000 (Indian Rupees Seventy Five Crores Only) ("**Offer**").

RESOLVED FURTHER THAT pursuant to Section 42(2) of the Companies Act, 2013, the Committee hereby identifies all such eligible bidders/ eligible participants to whom offer is to be made by the Company for issuance of securities on private placement basis in terms of the relevant circulars and directions issued by the Securities and Exchange Board of India, as the identified person(s) for the purpose of the Offer.

RESOLVED FURTHER THAT Mr Lakshmipathy Deenadayalan, Chairman & Managing Director (DIN: 01723269), Mr Rangarajan Krishnan, Chief Executive Officer, Mr Srikanth Gopalakrishnan, Chief Financial Officer and Ms Shalini Baskaran, Company Secretary, be and are hereby severally authorized to do necessary deeds and such things as desirable in connection with the negotiating, finalizing and accepting the terms and conditions of Offer of NCDs.

RESOLVED FURTHER THAT Mr Lakshmipathy Deenadayalan, Chairman & Managing Director (DIN: 01723269), Mr Rangarajan Krishnan, Chief Executive Officer, Mr Srikanth Gopalakrishnan, Chief Financial Officer and Ms Shalini Baskaran, Company Secretary of the Company ("**Authorised Signatories**") be and are hereby severally authorized to do such acts, deeds and things as in their absolute discretion deems necessary or desirable in connection with the Offer of the NCDs including the following:

(a) Identification and finalization of potential subscribers for the NCDs/ Offer;

B. Shalini

(b) Preparing, finalizing, signing and issuing the debt disclosure document, preparing, finalizing, signing and entering into debenture trustee agreement, debenture trust deed, deed of hypothecation and other agreements / documents ("**Transaction Documents**"), preparing, finalizing, signing and issuing the private placement offer letter in Form PAS – 4 along with the application form, drafts of which are tabled at the meeting and initialed by the Chairman for identification purposes; and

(c) Preparing, finalizing, signing and entering into such other documents, deeds, notices, letters, agreements, power of attorneys, declarations, memorandums, indentures, indemnities (including without limitation in respect of stamp duty), undertakings, instruments and forms as may be required in relation to or in connection with the Offer, the creation of security interest or pursuant to any other purpose mentioned in these resolutions or to give effect to any transactions contemplated in such documents or the Debenture Trust Deed for the benefit of the holders of the Debentures and to present the same for registration before the concerned authority either in person or through authorized representative;

(d) creating and perfecting the security by hypothecation of certain identified loans/book debts (and/or other assets) of the Company as required in accordance with the terms of the Transaction Documents in relation to the issue, offer and allotment of the NCDs;

(e) negotiate, execute, ratify, file and deliver any documents, instruments, deeds, amendments, papers, applications, forms, notices or letters as may be required in connection with the issue, offer and allotment of the NCDs and deal with regulatory authorities in connection with the issue, offer and allotment of the NCDs including but not limited to the RBI, SEBI (if so required), the jurisdictional Registrar of Companies, the Central Registry of Securitisation Asset Reconstruction and Security Interest, the Ministry of Corporate Affairs, or any depository, and such other persons as may be required; and

(f) to do all such acts, deeds, things and execute or ratify all such documents, deeds and things whatsoever as may be required in connection with the issue, offer and allotment of the NCDs including without limitation the opening of bank accounts, opening of demat accounts, appointment of legal counsel, the registrar and transfer agent, the rating agency and other advisors, consultants as may be required and making payment of their fees.

RESOLVED FURTHER THAT pursuant to Section 77 of the Companies Act, 2013 and Regulation 8 of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("**NCD Regulations**"), approval of the Committee be and is hereby accorded for appointing Catalyst Trusteeship Limited, (a) as the debenture trustee in connection with the Offer; and (b) as the debenture trustee in connection with any and all the security interest created or proposed to be created or any guarantee, indemnities or undertakings issued or proposed to be issued pursuant to the Transaction Documents or any transactions contemplated therein for the benefit of holders of the NCDs.

RESOLVED FURTHER THAT pursuant to Regulation 7 and Regulation 9 of the NCD Regulations, the Company do and hereby seek admission of the NCDs in the Depository system of National Securities Depository Limited (NSDL) and / or Central Depository Services (India) Limited (CDSL) and to allot the NCDs in dematerialized form, and the approval of the Committee be and is hereby accorded for appointing NSDL Database Management Limited as the registrar and transfer agent ("**RTA**") upon such terms and conditions as maybe mutually agreed upon.

RESOLVED FURTHER THAT pursuant to Regulation 10 of NCD Regulations, approval of the Committee be and is hereby accorded for appointing India Ratings and Research Private Limited, a SEBI registered rating agency, for obtaining the ratings for the issue, offer and allotment of the NCDs.

RESOLVED FURTHER THAT the Authorised Signatories be and are hereby severally authorized to seek for listing of the NCDs with the Stock Exchange, submit the listing application to the Stock Exchange and

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Business Finance Limited

do all such acts, deeds and things, filing of documents at the Stock Exchange portal and all other formalities in this matter.

RESOLVED FURTHER THAT the NCDs may be secured by charge on such assets as deemed fit and necessary as per the terms of the NCDs and that Mr Lakshmipathy Deenadayalan, Chairman & Managing Director (DIN: 01723269), Mr Rangarajan Krishnan, Chief Executive Officer, Mr Srikanth Gopalakrishnan, Chief Financial Officer and Ms Shalini Baskaran, Company Secretary of the Company, be and are hereby severally authorised to file the prepare, sign and file necessary forms, returns and such other documents pertaining to the NCDs with the jurisdictional Registrar of the Companies and other authorities as may be required from time to time.

RESOLVED FURTHER THAT all or any the above contracts, agreements, deeds, letters of intent, signed, executed or to be executed, appointment of various agencies/intermediaries such as, Debenture Trustee, RTA, National Securities Depository Limited and/or Central Depository Services (India) Limited, India Ratings and Research Private Limited and any other actions here to before undertaken and performed in connection with the offer and allotment of the NCDs on behalf of the Company by the Authorised Signatories be and are hereby confirmed, ratified and approved.

RESOLVED FURTHER THAT Mr Lakshmipathy Deenadayalan, Chairman & Managing Director (DIN: 01723269), Mr Rangarajan Krishnan, Chief Executive Officer, Mr Srikanth Gopalakrishnan, Chief Financial Officer and Ms Shalini Baskaran, Company Secretary of the Company, be and are hereby severally authorised to take such further steps and to do all acts, deeds and things as may be necessary to give effect to and implement this resolution.

//Certified True Copy//

B. Shalini

Shalini Baskaran
Company Secretary
Membership no: A51334

ANNEXURE F- DUE DILIGENCE CERTIFICATE FROM DEBENTURE TRUSTEE

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CL/23-24/ 04057 ***(Annexure IIA)***

DUE DILIGENCE CERTIFICATE TO BE GIVEN BY THE DEBENTURE TRUSTEE AT THE TIME OF FILING THE DRAFT OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM
(Applicable for Secured and Unsecured Issuances)

To,
The Manager,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai- 400001.

Dear Sir / Madam,

SUB ISSUE OF 15,000 (FIFTEEN THOUSAND) RATED, LISTED, SENIOR, SECURED, REDEEMABLE, TAXABLE, TRANSFERABLE NON-CONVERTIBLE DEBENTURES ("DEBENTURES") OF A FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH AGGREGATING UPTO INR 1,50,00,00,000 /- (INDIAN RUPEES ONE HUNDRED AND FIFTY CRORES ONLY) ("ISSUE SIZE") BY WAY OF PRIVATE PLACEMENT BY FIVE-STAR BUSINESS FINANCE LIMITED.

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.

2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications:

We confirm that:

a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued and listed.

b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies).

c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities.

d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document or private placement memorandum/ information memorandum and all disclosures made in the offer document or private placement memorandum/ information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement**.**

e) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.

f) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or private placement memorandum/ information memorandum and given an undertaking that debenture trust deed would be executed before filing of listing application.

g) All disclosures made in the draft offer document or private placement memorandum/ information memorandum with respect to the debt securities are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed issue.

We have satisfied ourselves about the ability of the Issuer to service the debt securities.

Place: Mumbai
Date: December 01, 2023

For Catalyst Trusteeship Limited

For CATALYST TRUSTEESHIP LIMITED
Authorised Signatory

CATALYST TRUSTEESHIP LIMITED

Ms. Kalyani Pandey
Compliance Officer

Note: There is no change in shareholding pattern of the Issuer post issuance.

ANNEXURE G- PRE-ISSUE AND POST-ISSUE SHAREHOLDING PATTERN

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FIVE STAR
Business Finance Limited

Shareholding Pattern as on September 30, 2023

Sno	Category	No. of shares	%
1	Promoter Individuals	5,17,81,278	17.75
2	Promoter Group	28,26,750	0.97
3	Foreign Promoter Bodies Corporates	3,67,06,817	12.58
4	Mutual Funds	1,14,33,479	3.92
5	Alternative Investment Fund	83,16,968	2.85
6	Qualified Institutional Buyer	21,94,814	0.75
7	Indian Financial Institutions	30	0.00
8	Foreign Corporate Bodies	10,24,84,230	35.13
9	Foreign Portfolio - Corp	4,34,03,071	14.88
10	Foreign Portfolio - Corp	6,14,778	0.21
11	Key Management Personnel	29,35,867	1.01
12	IEPF	5,94,800	0.20
13	Resident Individuals	1,73,90,406	5.96
14	Employees	9,35,696	0.32
15	Non-resident Indian Non Repatriable	9,88,230	0.34
16	NRI	4,64,777	0.16
17	Resident Individuals	226	0.00
18	Bodies Corporates	81,24,826	2.79
19	Resident Individuals	237	0.00
20	Clearing Members	2,589	0.00
21	HUF	5,15,333	0.18
22	Trusts	2,338	0.00
	Total:	**29,17,17,540**	**100.00**

For Five-Star Business Finance Limited

B. Shalini

Shalini Baskaran
Company Secretary & Compliance Officer

ANNEXURE H - COVENANTS TO THE ISSUE

A. REPORTING COVENANTS

Company shall provide or cause to be provided to the Debenture Trustee (and to the Debenture Holders if so requested), in form and substance reasonably satisfactory to the Debenture Trustee, each of the following items:

(a) Monthly Reporting

The Security Cover Ratio must be tested on a monthly basis on each Monthly Hypothecated Assets reporting date.

(b) Quarterly Reports

As soon as available and in any event within 60 (sixty) days after the end of each quarterly reporting period of the Company, the quarterly reporting required and in form and substance satisfactory to the Debenture Trustee and the Debenture Holders. Such reporting will include information detailing:

(i) the shareholding structure and composition of the board of directors in the Company;

(ii) Financials and other operational metrics as per the requirement and format agreed with the Debenture Trustee from time to time.

(iii) Financial covenant compliance certificate signed by a Director or the Chief Financial Officer or authorized signatory.

(iv) The Company shall furnish quarterly report to the Debenture Trustee containing the following particulars:

(A) Updated list of the names and addresses of the Debenture Holders.

(B) Details of the interest due, but unpaid and reasons thereof.

(C) The number and nature of grievances received from the Debenture Holders and (a) resolved by the Company (b) unresolved by the Company and the reasons for the same.

(D) The Issuer shall prepare the Security Cover Ratio certificate on quarterly basis and the statutory auditor of the listed entity shall certify the book values of the assets provided in such certificate. The certificate shall mention that the Hypothecated Assets are sufficient to discharge the claims of the Debenture Holders as and when they become due.

(v) On quarterly basis, the Issuer shall furnish the compliance status with respect to financial covenants of the Debentures certified by statutory auditor to Debenture Trustee.

(A) The Company shall, while submitting quarterly/annual financial results, accordingly shall provide Debenture Trustee the following information, on the letter head of the Company, addressed to the Stock Exchange/(s):

(1) debt equity ratio;

(2) debt service coverage ratio;

(3) interest service coverage ratio;

(4) outstanding redeemable preference shares (quantity and value);

(5) capital redemption reserve/debenture redemption reserve, as applicable;

(6) net worth;

(7) net profit after tax;

(8) earnings per share;

(9) current ratio;

(10) long term debt to working capital;

(11) bad debts to Account receivable ratio;

(12) current liability ratio;

(13) total debts to total assets;

(14) debtors turnover;

(15) inventory turnover;

(16) operating margin (%);

(17) net profit margin (%); and

(18) sector specific equivalent ratios, as applicable.

Provided that if the information mentioned in sub-regulation (v) above is not applicable to the listed entity, it shall disclose such other ratio/equivalent financial information, as may be required to be maintained under applicable laws, if any.

(c) Half Yearly Reports –

The Issuer shall provide to the Debenture Trustee as per Regulation 56 of SEBI LODR Regulation on a half-yearly basis certificate regarding maintenance of hundred percent Security Cover Ratio or higher Security Cover Ratio as per the terms of General Information Document/ Key Information Document and/or Debenture Trust Deed, including compliance with all the covenants, in respect of listed non-convertible debt securities, by the statutory auditor, along with the financial results, in the manner and format as specified by SEBI.

(d) Annual Reports -

As soon as available, and in any event within 180 (one hundred and eighty) days after the end of each financial year of the Company, the annual reporting required and in form and substance satisfactory to the Debenture Trustee and the Debenture Holders. Such reporting will include information detailing:

(i) certified copies of its audited consolidated and non-consolidated (if any) financial statements for its most recently completed fiscal year, prepared in accordance with IND-AS including its balance sheet, income statement and statement of cash flow. All such information shall be complete and correct in all material respects and fairly represents the financial condition, results of operation and changes in cash flow of the Company as of the date thereof; and

(ii) a certificate of the Chief Financial Officer or a Director of the Company confirming that his or her review has not disclosed the existence of any potential Event of Default or Event of Default.

(e) Event Based Reports -

(i) As soon as available and in any event within 7 (seven) Business Days of the occurrence of such event, the details of any change in board of directors and key managerial personnel.

(ii) The Company shall provide/cause to be provided information to the Debenture Trustee (and to the Debenture Holders, if so requested) as soon as practicable, and in any event within 7 (seven) Business Days from the occurrence of such event:

(A) the Company obtains or reasonably should have obtained actual knowledge thereof, notice of the occurrence of any event or circumstance that could reasonably be expected to result in a Material Adverse Effect;

(B) the Company obtains or reasonably should have obtained actual knowledge thereof, notice of any dispute, litigation, investigation or other proceeding affecting the Company or its property or operations, which, if adversely determined, could result in a Material Adverse Effect;

(C) the Company obtains actual knowledge thereof, notice of the occurrence of any Event of Default or potential Event of Default, specifying the nature of such event and any steps the Company is taking and proposes to take to remedy the same;

(D) the Company makes any prepayment or receives a notice of any prepayment of any Financial Indebtedness of the Company that would result in a Material Adverse Effect;

(E) the Company alters its constitutional documents; and

(F) any application for winding up has been admitted before the court.

(iii) The Company shall provide/cause to be provided information to the Debenture Trustee as soon as practicable, and in any event within 2 (two) Business Days from the occurrence of such event:

(A) The Company obtains actual knowledge thereof, notice of the occurrence of any Event of Default or potential Event of Default, specifying the nature of such event and any steps the Company is taking and proposes to take to remedy the same.

(B) It is clarified that should the Company, being an equity listed entity, provide this information to the Stock Exchanges before the timeline of 2 (two) Business Days, no separate information would be required to be provided to the Debenture Trustee in this regard.

(f) Reporting to stock exchange –

The Company shall disclose all such information to the Debenture Trustee under applicable laws and shall file with the BSE all such information as required under Chapter V of SEBI LODR Regulation, SEBI Master Circular and SEBI NCS Regulations including as required under SEBI Debenture Trustee Circular as amended from time to time.

B. AFFIRMATIVE COVENANTS

The Company shall comply with the following covenants until the Final Redemption Date.

(a) Amendment of Articles of Association

Issuer undertakes that it has incorporated provisions in their Articles of Association, authorizing the Debenture Holders and the Debenture Trustee to appoint a nominee director on the board of directors of the Company as per Clause 15 (1)(e) of the Securities and SEBI (Debenture Trustee) Regulations, 1993 and Rule 18(3) (e) of Companies (Share Capital and Debentures) Rules, 2014 as specified in press release of SEBI Board Meeting (PR No. 37/2022).

(b) Notice of winding up or other legal process

Company shall promptly inform the Debenture Trustee if it has notice of any application for

winding up having been made or any statutory notice of winding up under the provisions of the Companies Act or any other notice under any other statute relating to winding up or otherwise of any suit or other legal process intended to be filed or initiated against the Company.

(c) Credit rating

The Company shall ensure that the Debentures at all times are rated in accordance with the provisions of the Transaction Documents and the Company will ensure that the rating of the Debentures is not withdrawn for any reason.

(d) Loss or damage by uncovered risks

Company shall promptly inform the Debenture Trustee of any material loss or significant damage which the Company may suffer due to any force majeure circumstances or act of god, such as earthquake, flood, tempest or typhoon, etc. against which the Company may not have insured its properties.

(e) Costs and expenses

Company shall pay all costs, charges and expenses in any way incurred by the Debenture Trustee towards protection of Debenture Holders' interests, including traveling and other allowances and such taxes, duties, costs, charges and expenses in connection with or relating to the Debentures subject to such expenses, costs or charges being approved in writing by the Company before they are incurred and shall not include any foreign travel costs.

(f) Payment of Rents, etc.

Company shall punctually pay all rents, royalties, taxes, rates, levies, cesses, insurance premium, assessments, impositions and outgoings, governmental, municipal or otherwise imposed upon or payable by the Company as and when the same shall become payable and when required by the Debenture Trustee produce the receipts of such payment and also punctually pay and discharge all debts and obligations and liabilities which may have priority over the Debentures and observe, perform and comply with all covenants and obligations which ought to be observed and performed by the Company under the Debenture Trust Deed.

(g) Preserve corporate status; authorisations

Company shall

(i) diligently preserve and maintain its corporate existence and status and all rights, contracts privileges, franchises and concessions now held or hereafter acquired by it in the conduct of its business and comply with each and every term of the said franchises and concessions and all acts, authorizations, consents, permissions, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to its Assets or any part thereof provided that the Company may contest in good faith the validity of any such acts, rules, regulations, orders and directions and pending the determination of such contest may postpone compliance therewith if the rights enforceable under the Debentures are not thereby materially endangered or impaired. The Company will not do or voluntarily suffer or permit to be done any act or thing whereby its right to transact its business might or could be terminated or whereby payment of the principal of or interest on the Debentures might or would be hindered or delayed;

(ii) conduct its business with due diligence and efficiency and in accordance with sound technical, managerial and financial standards and business practices with qualified and experienced management and personnel; and

(iii) promptly obtain all consents and authorizations as maybe necessary for performing its obligations in relation to the issue of the Debentures.

(h) Pay stamp duty

Company shall pay all such stamp duty (including any additional stamp duty), other duties, taxes, charges and penalties, if and when the Company may be required to pay according to the applicable state laws and in the event of the Company failing to pay such stamp duty, other duties, taxes and penalties as aforesaid, the Debenture Trustee will be at liberty (but shall not be bound) to pay the same and the Company shall reimburse the same to the Debenture Trustee on demand.

(i) Furnish information to trustee

Company shall give to the Debenture Trustee or its nominee(s)/ agent(s) such information/copies of relevant extracts as they shall require as to all matters relating to the business of the Company or any part thereof and to investigate the affairs thereof and the Company shall allow the Debenture Trustee to make such examination and investigation as and when felt necessary and shall furnish him with all such information as they may require and shall pay all reasonable costs, charges and expenses incidental to such examination and investigation.

(j) Grievance

Promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holders. The Company further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of the compliance.

(k) Specific Information to be provided to the Debenture Trustee

Company shall inform and provide the Debenture Trustee with applicable documents in respect of the following:

(i) notice of any Event of Default or potential Event of Default;

(ii) periodic review of the ratings obtained by the Company by the credit rating agencies and any revision in the rating;

(iii) details of any material litigation, arbitration or administrative proceedings, etc. including those that are required to be disclosed to Debenture Trustee;

(iv) any and all information required to be provided to the Debenture Holders under the listing agreement that may be entered into between the Company and the BSE; and

(v) the declaration or distribution of dividend.

(l) Comply with Investor Education and Protection Fund requirements

Company shall comply with the provisions of the Companies Act relating to transfer of unclaimed/ unpaid amounts of interest on Debentures and redemption of Debentures to Investor Education and Protection Fund, if applicable to it.

(m) Further assurances

(i) Company shall

(A) execute and/or do, at their own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form and otherwise as the Debenture Trustee may reasonably or by law require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee;

(B) furnish to the Debenture Trustee details of all grievances received from the Debenture Holders and the steps taken by the Company to redress the same. At the request of any Debenture Holder, the Debenture Trustee shall, by

notice to the Company call upon the Company to take appropriate steps to redress such grievance and the Company shall comply with the instructions of the Debenture Trustee issued in this regard; and

(C) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations necessary to enable it to lawfully enter into and perform its obligations under the Debenture Trust Deed or to ensure the legality, validity, enforceability or admissibility in evidence in India of the Debenture Trust Deed.

(ii) comply with:

(A) all laws, rules, regulations and guidelines (including but not limited to environmental, social and taxation related laws), as applicable in respect of the Debentures and obtain such regulatory approvals as may be required from time to time;

(B) the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 as in force from time to time, in so far as they are applicable to the Debentures and furnish to the Debenture Trustee such data, information, statements and reports as may be deemed necessary by the Debenture Trustee in order to enable them to comply with the provisions of Regulation 15 thereof in performance of their duties in accordance therewith to the extent applicable to the Debentures; and

(C) the provisions of the Companies Act in relation to the issue of the Debentures.

(D) Procure that the Debentures are rated and continued to be rated until the redemption of the Debentures.

(E) The Company shall ensure that, at time of making any payment of interest or repayment of the principal amount of the Debentures in full or in part, the Company shall do so in the manner that is most tax efficient for the Debenture Holders (including withholding tax benefit) but without, in any way, requiring the Company to incur any additional costs, expenses or taxes and the Company shall avail of all the benefits available under any treaty applicable to the Company and/or the Debenture Holders.

(F) In the event of failure by the Issuer to meet standards with respect to collection quality, management, governance, internal systems and processes, and data integrity, as may be required by the Debenture Holder. The Debenture Trustee shall be authorised by the Debenture Holders to conduct such discretionary audits on its behalf.

(G) Company undertakes to amend and incorporate provisions in their Articles of Association, authorizing the Debenture Holders and the Debenture Trustee to appoint a nominee director on the board of directors of the Company as per Clause 15 (1)(e) of the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 and Rule 18(3) (e) of Companies (Share Capital and Debentures) Rules, 2014.

(n) Filings

The Company shall file with the BSE such information as required under Chapter V of SEBI LODR Regulations, SEBI Master Circular and SEBI NCS Regulations.

(o) Security

The Company hereby further agrees, declares and covenants with the Debenture Trustee as follows:

(i) the Debentures shall be secured with first ranking exclusive continuing security by way

of a first ranking exclusive charge on the Hypothecated Assets in favour of the Debenture Trustee for the benefit of the Debenture Holders;

(ii) that all the Hypothecated Assets that shall be charged to the Debenture Trustee under the Deed of Hypothecation shall always be kept distinguishable and held as the exclusive property of the Company specifically appropriated to this security and be dealt with only under the directions of the Debenture Trustee. The Company shall not create any charge, lien or other encumbrance upon or over the same or any part thereof except in favour of the Debenture Trustee nor suffer any such charge, lien or other encumbrance or any part thereof nor do or allow anything that may prejudice this security and the Debenture Trustee shall be at liberty to incur all costs and expenses as may be necessary to preserve this security and to maintain the same undiminished and claim reimbursement thereof;

(iii) shall, on the first Security Cover Ratio determination date and at all times thereafter, ensure that the Security Cover Ratio is maintained and towards this end, it shall on or before each monthly Security Cover Ratio determination date, top-up the Hypothecated Assets with additional Receivables and/or replace any Receivables constituting the Hypothecated Assets in accordance with the Deed of Hypothecation so as to ensure that Security Cover Ratio is maintained at all times from the first security cover ratio determination date until the redemption of the Debentures in full;

(iv) perfect the first ranking and exclusive charge over Hypothecated Assets in favor of the Debenture Trustee over modified Hypothecated Assets (modified by way of Top-Up/Replacement etc.) by filing Form CHG-9 with the concerned ROC and the required filing with the Central Registry in relation thereto as soon as practicable on a quarterly basis and no later than 30 (thirty) days therefrom;

(v) shall, on the first security cover ratio determination date and on each monthly Hypothecated Assets reporting date, as also whenever required by the Debenture Trustee, give full particulars to the Debenture Trustee of all the Hypothecated Assets from time to time and shall furnish and verify all statements, reports (including monitoring reports as prescribed in the Deed of Hypothecation), returns, certificates and information from time to time and as required by the Debenture Trustee and furnish and execute all necessary documents to give effect to the Hypothecated Assets;

(vi) the security interest created on the Hypothecated Assets shall be a continuing security as described in the Deed of Hypothecation;

(vii) the Hypothecated Assets shall satisfy the eligibility criteria;

(viii) nothing contained herein shall prejudice the rights or remedies of the Debenture Trustee and/ or the Debenture Holders in respect of any present or future security, guarantee obligation or decree for any Financial Indebtedness or liability of the Company to the Debenture Trustee and/ or the Debenture Holders; and

(ix) the Debenture Holders shall have a beneficial interest in the moveable Assets of the Company which have been charged to the Debenture Trustee to the extent of the Outstanding Principal Amounts of the Debentures under the Debenture Trust Deed.

(p) Amounts to be reimbursed to the Debenture Trustee

Company shall, forthwith upon demand by the Debenture Trustee, reimburse to the Debenture Trustee all amounts paid by the Debenture Trustee to reasonably protect the Hypothecated Assets and such amounts shall be deemed to be secured by the Hypothecated Assets.

(q) Delay in Security Creation

Company shall in the event of any delay in the creation of first ranking and exclusive charge over the Hypothecated Assets within the timelines stipulated in the Deed of Hypothecation or in the event the Security Cover Ratio is not met on or prior to the first security cover determination date, the Company will, at the option of the Debenture Holders, either:

(i) refund the application money as set out in the Debenture Trust Deed, to the Debenture Holders; or

(ii) pay to the Debenture Holders additional interest at default interest rate on the outstanding principal amounts from the Deemed Date of Allotment till the creation of first ranking and exclusive charge over the Hypothecated Assets pursuant to the terms of the Deed of Hypothecation such that the Security Cover Ratio is met.

(r) Books of Account

Company shall maintain proper books of account as required by the Companies Act and therein make true and proper entries of all dealings and transactions of and in relation to the Hypothecated Assets and the business of the Company and keep such books of account and all other books, registers and other documents relating to the affairs of the Company at its registered office or, where permitted by law, at other place or places where the books of account and documents of a similar nature may be kept. The Company will ensure that all entries in the same relating to the Hypothecated Assets and the business of the Company shall at all reasonable times be open for inspection of the Debenture Trustee and such person or persons as the Debenture Trustee shall, from time to time, in writing for the purpose, appoint.

(s) Material Adverse Effect

Company shall promptly inform the Debenture Trustee in writing of the occurrence of any, or the occurrence of any event that is likely to have a, Material Adverse Effect, together with explanation of the reasons thereof.

(t) Corporate Governance

(i) the Company shall maintain the highest standards of corporate governance in accordance with the NBFC Master Directions;

(ii) shall at all times until the redemption of all outstanding Debentures, ensure that there is at least 2 (two) independent directors; and

(iii) the Company shall at all times comply with the NBFC Master Directions.

(u) General

(i) the Company shall perform all of its obligations under the terms of the Transactions Documents and maintain in full force and effect each of the Transaction Documents;

(ii) the Company shall promptly pay and discharge all its financial obligations and regularly make all payments due and payable by the Company, including but not limited to taxes and also such payment due and payable under or in respect of the Issue or any documents executed in connection there with;

(iii) the Company shall give the Debenture Trustee any information, relating to the business, property, affairs of the Company, that materially impacts the interests of the Debenture Holders;

(iv) the Company shall comply with the 'Guidelines on Fair Practices Code for Non-Banking Financial Companies' as prescribed by the RBI from time to time;

(v) the Company shall obtain, comply with and maintain all necessary licenses / authorisations; and

(vi) the Company shall at all times act and proceed in relation to its affairs and business in compliance with applicable Law.

(v) Access

Company shall permit the Debenture Trustee (and the Debenture holders) and/or accountants or other professional advisers and contractors appointed by the Debenture Trustee access at all

reasonable times and on reasonable notice of the Company to:

(i) check the management of the funds made available through subscription to the Debentures;

(ii) inspect and take copies and extracts from the books, accounts and records of the Company;

(iii) visit and inspect the premises of the Company; and

(iv) meet and discuss matters with senior management employees of the Company.

(w) Conditions Subsequent

Company shall comply with the conditions stipulated in the Debenture Trust Deed.

(x) Financial Covenants

Company shall comply with the financial covenants stipulated in the Debenture Trust Deed.

(y) Issue Terms and Conditions

At all times during the term of these presents comply with each of the Issue terms and conditions.

(z) Internal Controls

Company shall maintain appropriate internal controls for the purpose of (i) preventing fraud on monies lent by the Company; and (ii) preventing money being used for money laundering or illegal purposes.

(aa) Information to Debenture Trustee

The Company shall promptly provide all assistance, documents and information to the Debenture Trustee on a quarterly basis and as may be required from time to time.

Company undertakes to comply with all the directions/guidelines/ circulars/regulations issued by any regulatory authority with regard to the Debenture issue including latest amendments i.e. SEBI (Debenture Trustee) Amendment Regulation, 2020, SEBI NCS Regulations and SEBI LODR Regulations as may be amendment by SEBI from time to time and further company shall take such steps as may be required from time to time.

C. FINANCIAL COVENANTS

The Company shall ensure that, on an annual basis, it complies with the following Financial Covenants:

(a) The capital adequacy ratio (as defined in NBFC Regulations) shall not be less than 20% (twenty percent).

(b) Total debt to equity ratio <3 (three) times.

(c) Gross NPA<4.00% (four percent) and Net NPA <2.75% (two point seven five percent).

(d) Interest coverage ratio for all debt outstanding will be >2 (two) times

(e) No cumulative mismatches in any of the RBI stipulated maturity buckets upto 1 (one) year.

(f) Earnings: After-tax net income (excluding extraordinary income) to remain positive. The said covenant to be tested on a quarterly and on annual basis.

For the purpose of aforementioned Financial Covenants, following terms shall have the following meanings:

"**Debt**" shall mean aggregate of:

(i) All long-term debt outstanding, whether secured or unsecured, plus

(ii) Contingent liability pertaining to corporate/ financial guarantees given on behalf of any company / partnership firm/SPV / subsidiary / affiliate to the extent of outstanding of such guaranteed debt, plus

(iii) Any short-term debt outstanding, whether secured or unsecured, availed of in lieu of long term debt or by way of bridge financing for long term debt,

(iv) Any amount raised by acceptance under any acceptance credit facility

(v) Receivables sold or discounted (other than any Receivables to the extent they are sold on a non-recourse basis)

(vi) Any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing

"**Equity**" shall mean issued and paid-up Equity and Compulsorily Convertible Preference Share capital (+) all reserves (excluding revaluation reserves) (–) any dividend declared (+) deferred tax liability (-) deferred tax asset (-) intangibles (including but not restricted to brand valuation, goodwill etc) as per the latest audited/ unaudited financials of the Company for the relevant period.

"**Assets Under Management (AUM)**" means and includes the outstanding principal amounts of the loans originated by the Issuer on its own books, securitized portfolio as well as loans originated on behalf of other entities by entering into partnership agreements but not included on the Issuer's own book.

"**Gross NPA**" shall be computed as per the Master Circular - Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances, 2022, as amended from time to time.

"Gross Loan Portfolio" shall include on balance sheet portfolio including securitization.

"**Net NPA**" shall be computed as per the Master Circular - Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances, 2022, as amended from time to time.

"**Off Balance Sheet Portfolio**" shall include Direct Assignment (DA) portfolio, Business Correspondent portfolio, Co-lending (Partners' share) portfolio any other portfolio under management.

"PAT" shall be profit after tax and shall include one-time time / exceptional items (profit or loss) in its computation.

All financial covenants would be tested on a quarterly basis i.e. as on 31st March, 30th June, 30th September and 31st December every year starting from December 31, 2023 till the redemption of the Debentures and the Issuer shall furnish the compliance status with respect to financial covenants certified by statutory auditor to Debenture the Debenture Trustee as specified under SEBI Debenture Trustee Circular. The Financial covenants shall be certified by the Company within 60 (sixty) days from end of each reporting quarter.

D. NEGATIVE COVENANTS

Without the prior written consent of the Debenture Trustee and Debenture Holders the Company shall not take any action/ permit any action to be taken in relation to the items set out herein:

(a) Change of business

Change the general nature of its business from that which is permitted by the RBI. The Issuer shall not undertake any new major new business outside financial services or any diversification of its business outside financial services.

(b) Change in Constitutional Documents

Change or make any alteration to its constitutional documents where such amendment in the

opinion of the Debenture Trustee would adversely affect the interest of the Debenture Holders, including changes in clauses pertaining to main objects, share capital, business or operation of the Company, without prior consent of the Debenture Trustee.

(c) Dividend

Declare or pay any dividend or make any distributions on its share capital (other than dividends or distributions payable on shares of the Company), unless:

(i) the proposed payment or distribution is out of net income of the current financial year (excluding any amount resulting from the revaluation of any of the Company's assets);

(ii) no Event of Default has occurred and is then continuing, or could occur or is reasonably likely to occur, as a result of such payment or declaration of any dividend or distribution and after giving effect to any such action;

(iii) the Company is in compliance with the financial covenants; and

(iv) the company has paid or made satisfactory provision for the payment of the installments of principal and interest due on the Debentures.

(d) Arrangement/compromise, etc.

Undertake or permit scheme of arrangement or compromise with its creditors or shareholders.

(e) Merger, Acquisition etc

Enter into any merger, demerger, consolidation, re-organization, or effect any scheme of amalgamation or reconstruction, acquire any other companies, business or undertaking during that financial year in excess of 10% (ten percent) of the net worth of the Company.

(f) Joint Venture

Without the prior written consent of the Debenture Holders as stated herein:

(i) acquire (or agree to acquire) any shares, stocks, securities or other interest in any joint venture; or

(ii) transfer any assets or lend to or guarantee or indemnify or give security for the obligations of a joint venture (or agree to transfer, lend, guarantee, indemnify or give security for the obligations of a joint venture).

(iii) Any sale of assets/business/division that has the effect of exiting the business or re-structuring of the existing business.

(g) Loans and Guarantees

The Company shall not undertake any loan guarantee other than in the ordinary course of business.

(h) Arm's length basis; No profit-sharing arrangements

The Company shall not, without the prior written consent of the Special Majority Debenture Holders:

(i) enter into any transaction with any person or enter into or continue business relations with its shareholders, employees, affiliate(s), holding company(ies), and/or subsidiary(ies) except on proper commercial terms negotiated on an arm's length basis;

(ii) enter into or establish any partnership, profit sharing, royalty agreement or other similar other arrangement whereby the Company's income or profits are, or might be, shared with any other person; or

(iii) enter into any management contract or similar arrangement whereby its business or operations are managed by any other person.

(i) Immunity

Claim any immunity or limitation of liability against any payment obligations arising towards the Debenture Holders.

(j) Disposal of Assets

Sell, transfer, or otherwise dispose of in any manner whatsoever any material Assets other than any securitization/portfolio sale of assets undertaken by the Company in its ordinary course of business.

(k) Management Control / Management Covenant

If Mr. Lakshmipathy Deenadayalan steps down as Individual Promoter or from executive position on the Board of Directors of the Issuer or there is a change in Management Control prior to the Final Redemption Date.

"**Management Control**" means (i) the right to appoint or remove the majority of directors on the board of directors of the Company or such other person who may be charged with or entitled to exercise central management and control of the Company or (ii) the power directly or indirectly to otherwise direct or cause the direction of the management and policies of the Company, whether through ownership of shares or by agreement or otherwise.

(l) Change of Control

Issue any additional shares or equity interests and shall not have its existing shares or equity interests transferred, sold, pledged or otherwise encumbered prior to the Final Redemption Date, if such action results in change in Control of the Company.

"**Control**" shall include the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, whether by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner.

(m) Material compromise or Settlement

Enter into material compromise or arrangement or settlement with any of its creditors (secured and unsecured) that would prejudicially affect the interest of the Debenture Holders.

(n) Anti-money laundering

Permit any of the Debenture proceeds to be used to fund any form of violent political activity, terrorists or terrorist organizations, nor any money laundering process or scheme to disguise illegally obtained funds, nor any other criminal activity including arms sales, drug trafficking, robbery, fraud or racketeering.

(o) Related Party Transactions

The Issuer shall not enter into or perform any transaction(s) with a related party other than in the ordinary course of business.

(p) Financial Year

Company shall not change its financial year-end from 31st March (or such other date as may be approved by Majority Debenture Holders) without the prior written consent of the Debenture Trustee.

(q) Change in terms of the Debenture

The Company shall not make any material modification to the structure of the Debentures in

terms of coupon, redemption, or otherwise without the prior approval of the stock exchange (if and such prior approval of the stock exchange would be obtained only after: (a) approval of the Board and the Debenture Trustee; and (b) complying with the provisions of Companies Act, 2013 including approval of the requisite majority of Debenture Holder(s). Further, any proposal of restructuring received by Debenture Trustee shall be communicated to Debenture Holder(s) immediately.

Provided that the Trustee shall provide the response to any request where prior written consent of the Debenture Trustee acting for the Debenture Holders is required in a timely manner, and any such response shall not be unreasonably withheld by the Debenture Trustee; and if such response is not received within 15 (fifteen) days, it would be taken as deemed consent thereof except in an Event of Default, breach of terms of Transaction Documents, acceleration event where the consent of the Debenture Holders/ Debenture Trustee shall be obtained as per the applicable SEBI regulation, SEBI Master Circulars, SEBI Debenture Trustee Circular and any amendments from time to time and in terms of process set out Section 6 (Provisions of the Meeting of Debenture Holders) and the Debenture Trust Deed.

ANNEXURE I – IN-PRINCIPLE APPROVAL FROM BSE

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DCS/COMP/AA/IP-PPDI/357/23-24 December 04, 2023

Five-Star Business Finance Limited
New No. 27, Old No. 4,
Taylor's Road, Kilpauk,
Chennai, Tamil Nadu- 600010

Dear Sir/Madam

Re: General Information Document dated December 4, 2023 in relation to the funds to be raised by way of Debt Securities including Debentures, Bonds, Non-Convertible Redeemable Preference Shares and Commercial Papers etc, as may be approved by the Board of Directors during the Period of 1 Year from the date of Opening of the first offer of debt securities made under this General Information Document ("validity period"), (the "company" or the "issuer"), on private placement basis and shall be read with the relevant Key Information Document(s) issued by the issuer during the validity period

We acknowledge receipt of your application on the online portal on December 04, 2023 seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.

2. Payment of fees as may be prescribed from time to time.

3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder and also Compliance with provisions of Companies Act 2013.

4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.

5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time.

6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:
https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31

7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, Issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of such issuance. The details can be uploaded using the following links Electronic Issuance - Bombay Stock Exchange Limited (bseindia.com).

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8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021

9. ***Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.***

10. Company is further requested to comply with SEBI Circular SEBI/HO/DDHS/DDHS-RACPOD1/CIR/P/2023/56 dated April 13, 2023, (if applicable) read along with BSE Circular https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20230428-18 and ensure compliance of the same.

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter or period of 1 year from the date of opening of the first offer of debt securities under the shelf placement memorandum, which ever applicable. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,
For BSE Limited

Rupal Khandelwal
Deputy General Manager

Prasad Bhide
Senior Manager

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ANNEXURE J – APPLICATION FORM

SUBSCRIPTION APPLICATION FORM

FIVE-STAR BUSINESS FINANCE LIMITED

SERIAL NO: (2022-2023) **INVESTOR NAME :**

SUBSCRIPTION APPLICATION FORM
SECURED, LISTED NON-CONVERTIBLE DEBENTURES

Date of Application:

Name of the Investor:

Dear Sirs,

We have received, read, reviewed and understood all the contents, terms and conditions and disclosures in this private placement offer letter cum application form (the **"Key Information Document"**), issued by Five Star Business Finance Limited (the **"Company"**). We have also done all the required due diligence (legal or otherwise). Now, therefore, we hereby agree to accept the Debentures mentioned hereunder, or such smaller number as may be allocated to us, subject to the terms of the Key Information Document, this subscription application form. We undertake that we will sign all such other documents and do all such other acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Debentures which may be allotted to us. The amount payable on application as shown below is remitted herewith.

We have attached a filled in Part B of the Subscription Application Form and confirm that all the information provided therein is accurate, true and complete. The bank account details set out by us in Part B is the account from which we are making payment for subscribing to the Issue.

We note that the Company is entitled in its absolute discretion to accept or reject this application in whole or in part without assigning any reason whatsoever.

Yours faithfully,

For *(Name of the Applicant)*
(Name and Signature of Authorized Signatory)

PART A OF THE SUBSCRIPTION APPLICATION FORM

The details of the application are as follows:

SUBSCRIPTION APPLICATION FORM FOR DEBENTURES (CONT.)

DEBENTURES APPLIED FOR:

No. of Debentures (in figures and in words)	Issue Price per Debenture (₹)	Amount (₹)
Total		

Tax status of the Applicant (please tick one)

1.Non-Exempt 2.Exempt under: Self-declaration Under Statute Certificate from I.T. Authority

Please furnish exemption certificate, if applicable.

We apply as (tick whichever is applicable)

Financial Institution/

Company

Non-Banking Finance Company

Insurance Company

Commercial Bank/RRB/Co-op. Bank/UCB

Body Corporate

Mutual Fund

Others: _

PAYMENT PREFERENCE

APPLICANT'S NAME IN FULL:

Tax payer's PAN										IT Circle/ Ward/ District									

MAILING ADDRESS IN FULL (Do not repeat name) (Post Box No. alone is not sufficient)

Pin							Tel							Fax					

CONTACT PERSON

NAME DESIGNATION TEL. NO. FAX NO. Email

I / We, the undersigned, want delivery of the Debentures in Electronic Form. Details of my / our Beneficiary (Electronic) account are given below:

Depository Name	NSDL					CDSL		
Depository Participant Name								
DP ID								
Beneficiary Account Number								
Name of Applicant								

We understand that in case of allocation of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allocated Debentures. (Applicants must ensure that the sequence of names as mentioned in the subscription application form matches that of the Account held with the DP).

Name of the Authorized Signatory(ies)	Designation	Signature

FOR OFFICE USE ONLY

No. of Debentures (in words and figures)			Date of receipt of application							
Amount for Debentures (₹) (in words and figures)			Date of clearance of cheque							
RTGS/Cheque/Fund Transfer/Demand Draft drawn on (Name of Bank and Branch)	Cheque/Demand Draft No./UTR No. in case of RTGS/ A/c no in case of FT	RTGS/Cheque/Demand Draft/fund transfer Date	DP ID No.							
			Client ID No.							

_ _ _ _ _ _ _ _ _ _Tear Here_ _ _ _ _ _ _ _ _ _

PART B OF THE SUBSCRIPTION APPLICATION FORM

Investor Details

(To be filled by Investor)

SERIAL NO : _____INVESTOR NAME: ____

(i) Name

(ii) Father's Name

(iii) Complete Address

Including Flat/House

Number, Street, Locality,

Pin Code

(iv) Phone Number, if any

(v) Email id, if any

(vi) PAN Number

(vii) Bank Account Details

Name of Investor: _____

Signature of Investor: _____

Initial of the officer of the Company designated to keep the record

Instructions to fill Subscription Application Form

1. Application must be completed in full BLOCK LETTER IN ENGLISH except in case of signature. Applications, which are not complete in every respect, are liable to be rejected.

2. Payments must be made by RTGS as per the following details to the designated virtual account provided by Indian Clearing Corporation Limited (ICCL) (the "**Designated Bank Account**"). The details of the virtual account shall be shared via email by BSE-EBP.

3. The Subscription Application Form along with relevant documents should be forwarded to the Corporate office of the Issuer, to the attention of Company Secretary, Authorised Person along on the same day the application money is deposited in the Bank or with the clearing corporation. A copy of PAN Card must be attached to the application.

4. In the event of debentures offered being over-subscribed, the same will be allotted in such manner and proportion as may be decided by the Company.

5. The Debentures shall be issued in Demat form only and subscribers may carefully fill in the details of Client ID/ DP ID.

6. In the case of application made under Power of Attorney or by limited companies, corporate bodies, registered societies, trusts etc., following documents (attested by Company Secretary /Directors) must be lodged along with the application or sent directly to the Company at its Corporate office to the attention of Mr. Company Secretary, Authorised Person along with a copy of the Subscription Application Form.

    (a) Memorandum and Articles of Association / documents governing constitution/ certificate of incorporation.

(b) Board resolution of the investor authorising investment.

(c) Certified true copy of the Power of Attorney.

(d) Specimen signatures of the authorised signatories duly certified by an appropriate authority.

(e) PAN (otherwise exemption certificate by IT authorities).

(f) Specimen signatures of authorised persons.

(g) SEBI registration certificate, if applicable.

7. Any person who:

(a) Makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, for its securities; or

(b) Makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a Company to allot or register any transfer of securities to him or any other person in a fictitious name,

shall be punishable with imprisonment for a term which shall not be less than 6 months, but which may extend to 10 years and shall also be liable to fine which shall not be less than the amount involved which may extend to 3 times the amount involved.

8. The applicant represents and confirms that it has understood the terms and conditions of the Debentures and is authorised and eligible to invest in the same and perform any obligations related to such investment.

9. Any Subscription Application Form received from a person other than an Eligible Investor will be invalid. Further, any incomplete Subscription Application Form not accompanied by the filled in Eligible Investor Details in Part B of the Subscription Application Form will also be treated as invalid.