Prospectus
Dated September 21, 2023

ADITYA BIRLA FINANCE LIMITED

Our Company was incorporated as 'Town Finance & Investments Private Limited' as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated August 28, 1991 issued by the Additional Registrar of Companies, Maharashtra. Subsequently, our Company was converted from a private limited company into a public limited company and the name of our Company was changed to 'Town Finance & Investments Limited' pursuant to a fresh certificate of incorporation dated March 17, 1994 issued by the Registrar of Companies, Maharashtra at Mumbai. Subsequently, the name of our Company was changed to 'Aditya Birla Finance Limited' pursuant to a fresh certificate of incorporation dated December 21, 2009 issued by the Registrar of Companies, Maharashtra at Mumbai. On March 30, 2011, a certificate of registration of Company Law Board for the change of state was issued by the Deputy Registrar of Companies, Gujarat at Ahmedabad ("**RoC**") consequent to which the state of our Registered Office was changed from Maharashtra to Gujarat. Our Company obtained a certificate of registration bearing number 13.01163 dated February 12, 1999 issued by the RBI to carry on the business of non-banking financial institution without accepting public deposits under Section 45IA of the RBI Act, 1934. Subsequent to the change of name of our Company from 'BGFL Finance & Investments Limited' to 'Birla Global Finance Company Limited' a fresh certificate of registration bearing number 13.01163 was issued by the RBI. On the change of registered office from Maharashtra to Gujarat, our Company has obtained a fresh certificate of registration bearing number N-01.00500 dated August 9, 2011 issued by the RBI to carry on the business of non-banking financial institution without accepting public deposits under Section 45IA of the RBI Act, 1934. For further details, see "*History and Other Corporate Matters*" beginning on page 108.

Corporate Identity Number: U65990GJ1991PLC064603; **PAN:** AABCB5769M
Registered Office: Indian Rayon Compound, Veraval – 362 266, Gujarat, India
Corporate Office: One World Centre, Tower 1, 18th Floor, 841, Jupiter Mills Compound, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013, Maharashtra, India
Tel: 022 4356 7100; **Website**: www.adityabirlafinance.com; **Email**: abfl.dm@adityabirlacapital.com
Compliance Officer for the Issue and Company Secretary: Ankur Shah; **Tel**: 022 6225 7615; **Email**: ankur.shah@adityabirlacapital.com
Chief Financial Officer: Pradeep Agrawal; **Tel**: 022 4356 7000; **Email**: pradeep.agrawal@adityabirlacapital.com

PUBLIC ISSUE BY OUR COMPANY OF SECURED, RATED, LISTED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF ₹1,000 EACH ("NCDS") FOR AN AMOUNT UP TO ₹1,000 CRORES ("BASE ISSUE SIZE") WITH AN OPTION TO RETAIN OVERSUBSCRIPTION UP TO ₹1,000 CRORES ("GREEN SHOE OPTION"), AGGREGATING UP TO 2,00,00,000 NCDs FOR AN AGGREGATE AMOUNT OF UP TO ₹2,000 CRORES ("ISSUE SIZE" OR "ISSUE LIMIT") (HEREINAFTER REFERRED TO AS THE "ISSUE") THROUGH THIS PROSPECTUS (THE "ISSUE DOCUMENT").

THIS ISSUE IS BEING MADE PURSUANT TO THE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON - CONVERTIBLE SECURITIES) REGULATIONS, 2021, AS AMENDED (THE "SEBI NCS REGULATIONS"), THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER, EACH AS AMENDED (THE "COMPANIES ACT, 2013") AND THE MASTER CIRCULAR NO. SEBI/HO/DDHS/POD1/P/CIR/2023/119 DATED AUGUST 10, 2021 ISSUED BY SECURITIES AND EXCHANGE BOARD OF INDIA AND AS UPDATED ON JULY 7, 2023, AS AMENDED.

OUR PROMOTER

Our Promoter is Aditya Birla Capital Limited; **Email**: abc.secretarial@adityabirlacapital.com; **Tel:** +91 22 4356 7000. For further details, see "*Our Promoter*" beginning on page 123.

GENERAL RISKS

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 "*Risk Factors*" and "*Material Developments*" on page 13 and 154 respectively of this Prospectus. 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. This Prospectus has not been and will not be approved by any regulatory authority in India, including the Securities and Exchange Board of India ("**SEBI**"), the Reserve Bank of India ("**RBI**"), RoC or any stock exchange in India nor do they guarantee the accuracy or adequacy of this document.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that the Draft Prospectus and this Prospectus, contains and will contain all information with regard to our Company and the Issue, which is material in the context of this Issue. The information contained in the Draft Prospectus and this Prospectus, is true and correct in all material respects and is not misleading and that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading.

CREDIT RATING

The NCDs proposed to be issued pursuant to this Issue have been rated IND AAA Outlook Stable by India Ratings & Research Private Limited for an amount of up to ₹5,000 crores by way of its letter dated August 30, 2023 and rated [ICRA]AAA (Stable) by ICRA Limited for an amount of up to ₹5,000 crores by way of its letter dated July 28, 2023 (and revalidation letter dated August 25, 2023). Ratings issued by India Ratings & Research Private Limited and ICRA Limited are valid as on the date of this Prospectus and will continue to be valid for the life of the instrument unless withdrawn or reviewed. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk. The rating provided by India Ratings & Research Private Limited and ICRA Limited may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. For the rationale, revalidated letters and press release for these ratings, see *"General Information"*, "*Annexure B*" and "*Annexure C*" of this Prospectus, beginning on page 35, 291 and 292 respectively.

PUBLIC COMMENTS

The Draft Prospectus dated September 7, 2023 was filed with BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**" and together with BSE, the "**Stock Exchanges**"), pursuant to Regulation 27(2) of the SEBI NCS Regulations and was open for public comments for a period of seven Working Days (i.e., until 5:00 p.m.) from the date of filing of the Draft Prospectus with the Stock Exchanges. No comments were received on the Draft Prospectus until 5:00 p.m. on September 15, 2023.

LISTING

The NCDs offered through this Prospectus are proposed to be listed on BSE and NSE. Our Company has received an 'in-principle' approval from BSE by way of its letter bearing reference number DCS/BM/PI-BOND/013/23-24 dated September 18, 2023 and NSE by way of its letter bearing reference number NSE/LIST/D/2023/0229 dated September 18, 2023. For the purposes of this Issue, BSE shall be the Designated Stock Exchange.

COUPON RATE, COUPON PAYMENT FREQUENCY, REDEMPTION DATE, REDEMPTION AMOUNT AND ELIGIBLE INVESTORS

For details pertaining to Coupon Rate, Coupon Payment Frequency, Redemption Date and Redemption Amount of the NCDs, see "*Terms of the Issue*" beginning on page 156. For details relating to eligible investors, see "*Issue Structure*" beginning on page 173. The Issue is not underwritten.

LEAD MANAGERS TO THE ISSUE				REGISTRAR TO THE ISSUE
Trust Investment Advisors Private Limited 109/110, Balarama, Bandra Kurla Complex Bandra (East) Mumbai – 400 051 Maharashtra, India **Tel:** +91 22 4084 5000 **Fax:** +91 22 4084 5066 **Email:** projectaarambh.trust@trustgroup.in **Investor Grievance Email:** customercare@trustgroup.in **Website:** www.trustgroup.in **Contact Person:** Hani Jalan **Compliance Officer:** Brijmohan Bohra **SEBI Registration Number:** INM000011120 **CIN:** U67190MH2006PTC162464	**A. K. Capital Services Limited**# 603, 6th Floor, Windsor, Off CST Road Kalina, Santacruz East Mumbai 400 098 Maharashtra, India **Tel:** +91 22 6754 6500 **Fax:** +91 22 6610 0594 **Email:** abfl.ncd2023@akgroup.co.in **Investor Grievance Email:** investor.grievance@akgroup.co.in **Website:** www.akgroup.co.in **Contact Person:** Aanchal Wagle/ Chaitali Chopdekar **Compliance Officer:** Tejas Davda **SEBI Registration No:** INM000010411 **CIN:** L74899MH1993PLC274881	**JM Financial Limited** 7th Floor, Cnergy Appasaheb Marathe Marg Prabhadevi, Mumbai - 400 025 Maharashtra, India **Tel:** +91 22 6630 3030 **Fax:** +91 22 6630 3330 **Email:** abfl.ncd2023@jmfl.com **Investor Grievance Email:** grievance.ibd@jmfl.com **Website:** www.jmfl.com **Contact Person:** Prachee Dhuri **Compliance Officer:** Sunny Shah **SEBI Registration Number:** INM000010361 **CIN:** L67120MH1986PLC038784	**Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited)** 8th Floor, Wing A, Building No 3 Inspire BKC, G Block Bandra Kurla Complex, Bandra East Mumbai – 400 051, Maharashtra, India **Tel:** +91 22 4009 4400 **Email:** abfl.ncds@nuvama.com **Investor Grievance Email:** customerservice.mb@nuvama.com **Website:** www.nuvama.com **Contact Person:** Saili Dave **Compliance Officer:** Bhavana Kapadia **SEBI Registration Number:** INM000013004 **CIN:** U67110MH1993PLC344634	**Link Intime India Private Limited** C-101, 1st Floor, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra **Tel:** +91 810 811 4949 **Fax:** +91-022-49186060 **Email:** abfl.ncd@linkintime.co.in **Investor Grievance Email:** abfl.ncd@linkintime.co.in **Website:** www.linkintime.co.in **Contact Person:** Sumeet Deshpande **Compliance Officer:** BN Ramakrishnan **SEBI Registration No.:** INR000004058 **CIN:** U67190MH1999PTC118368

CREDIT RATING AGENCIES		DEBENTURE TRUSTEE**	STATUTORY AUDITORS	
India Ratings & Research Private Limited Wockhardt Tower, West Wing, Level 4, BKC, Bandra (East) Mumbai 400 051 Maharashtra, India **Ph no:** 022-40001700 **Fax no:** 022-40001701 **Contact person:** Jinay Gala **Email ID:** jinay.gala@indiaratings.co.in **Website:** www.indiaratings.co.in **SEBI Registration No.:** IN/CRA/002/1999	**ICRA Limited** 1802, 18th Floor, Tower 3, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai Maharashtra, India **Ph no:** 022-6179 6300 **Fax no:** 022-2433 1390 **Contact person:** Neha Parikh **Email ID:** neha.parikh@icraindia.com **Website:** www.icra.in **SEBI Registration No.:** IN/CRA/008/2015	**Vistra ITCL (India) Limited**** The IL&FS Financial Centre, Plot C-22 G-Block, Bandra Kurla Complex Bandra (E), Mumbai – 400 051 **Tel**: +91 22 2659333 **Fax**: + 91 22 2653297 **Email**: itclcomplianceofficer@vistra.com **Investor Grievance Email**: itclcomplianceofficer@vistra.com **Website**: www.vistraitcl.com **Contact Person**: Jatin Chonani – Compliance Officer **SEBI Registration No**.: IND000000578	**MSKA & Associates, Chartered Accountants** 602, Floor 6, Raheja Titanium Western Express Highway Geetanjali Railway Colony Ram Nagar, Goregaon (E) Mumbai 400 063 Maharashtra, India **Tel:** +91 22 6238 0519 **Firm registration no.:** 105047W **Email:** swapnilkale@mska.in **Peer review certificate no.:** 013267 **Contact Person:** Swapnil Kale	**Singhi & Co., Chartered Accountants** B2 402B, Marathon Innova Off Ganpatrao Kadam Marg Lower Parel, Opp. Peninsula Corporate Park Mumbai 400 013 Maharashtra, India **Tel:** 022 6662 5537/38 **Firm registration no.:** 302049E **Email:** amithundia@singhico.com **Peer review certificate no.:** 014484 **Contact Person:** Amit Hundia

ISSUE PROGRAMME*

ISSUE OPENS ON: Wednesday, September 27, 2023	**ISSUE CLOSES ON:** Thursday, October 12, 2023

*# A.K. Capital Services Limited is deemed to be our associate as per the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended ("**SEBI Merchant Bankers Regulations**"). Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the SEBI Merchant Bankers Regulations, A.K. Capital Services Limited would be involved only in marketing of the Issue and as per Regulation 25 (3) of SEBI NCS Regulations shall not issue a due diligence certificate.*

** This Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the period indicated above, except that this Issue may close on such earlier date or extended date (subject to a minimum period of three Working Days and a maximum period of ten Working Days from the date of opening of the Issue and subject to not exceeding thirty days from filing this Prospectus with ROC) as may be decided by the Board of Directors of our Company or the Finance Committee subject to compliance with Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of this Issue our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement for opening of this Issue has been given on or before such earlier or initial date of Issue closure. Application Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges, on Working Days during the Issue Period. On the Issue Closing Date, the Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time) and uploaded until 5:00 p.m. or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. (Indian Standard Time) on one Working Day after the Issue Closing Date. For further details please refer to the chapter titled "Issue Related Information" on page 156 of this Prospectus.*

*** Vistra ITCL (India) Limited pursuant to Regulation 8 of the SEBI NCS Regulations and by way of letters dated September 5, 2023 and September 21, 2023 has given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in the Draft Prospectus, this Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Issue.*

A copy of this Prospectus has been filed with the RoC, in terms of Section 26 of the Companies Act, 2013, along with the certified copies of all requisite documents. For further details, see "Material Contracts and Documents for Inspection" beginning on page 286.

TABLE OF CONTENTS

SECTION I: GENERAL **1**

DEFINITIONS AND ABBREVIATIONS 1
FORWARD-LOOKING STATEMENTS 10
CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY PRESENTATION 11

SECTION II: RISK FACTORS **13**

SECTION III: INTRODUCTION **35**

GENERAL INFORMATION 35
CAPITAL STRUCTURE 45
OBJECTS OF THE ISSUE 55
STATEMENT OF POSSIBLE TAX BENEFITS 58

SECTION IV: ABOUT THE ISSUER AND INDUSTRY OVERVIEW **74**

INDUSTRY OVERVIEW 74
OUR BUSINESS 88
HISTORY AND CERTAIN CORPORATE MATTERS 108
OUR MANAGEMENT 111
OUR PROMOTER 123

SECTION V: FINANCIAL INFORMATION **125**

DISCLOSURES ON EXISTING FINANCIAL INDEBTEDNESS 125
MATERIAL DEVELOPMENTS 154
RELATED PARTY TRANSACTIONS 155

SECTION VI: ISSUE RELATED INFORMATION **156**

TERMS OF THE ISSUE 156
ISSUE STRUCTURE 173
ISSUE PROCEDURE 179

SECTION VII: LEGAL AND OTHER INFORMATION **209**

OUTSTANDING LITIGATIONS AND DEFAULTS 209
OTHER REGULATORY AND STATUTORY DISCLOSURES 220
REGULATIONS AND POLICIES 251
PROVISIONS OF ARTICLES OF ASSOCIATION 265
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION 286

DECLARATION **289**

ANNEXURE A FINANCIAL STATEMENTS **290**

ANNEXURE B INDIA RATINGS & RESEARCH PRIVATE LIMITED RATINGS LETTER, RATING RATIONALE AND PRESS RELEASE **291**

ANNEXURE C ICRA LIMITED RATINGS LETTER, RATING RATIONALE, REVALIDATED LETTER AND PRESS RELEASE **292**

ANNEXURE D CONSENT OF THE DEBENTURE TRUSTEE **293**

ANNEXURE E ILLUSTRATIVE CASH FLOW AND DAY COUNT CONVENTION **294**

SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning ascribed to such definitions and abbreviations set forth. References to any legislation, act, regulation, rules, guidelines, clarifications or policies shall be to such legislation, act, regulation, rules, guidelines, clarifications or policies as amended, supplemented or re-enacted from time to time until the date of this Prospectus, and any reference to a statutory provision shall include any subordinate legislation notified from time to time pursuant to such provision.

The words and expressions used in this Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such words and expressions under the SEBI NCS Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, the RBI Act and the rules and regulations notified thereunder.

Notwithstanding the above, the terms defined as part of "Risk Factors", "General Information", "Industry Overview", "Regulations and Policies", "Statement of Possible Tax Benefits Available to the Debenture Holders", "Other Regulatory and Statutory Disclosures", "Provisions of Articles of Association" and "Financial Statements" on pages 13, 35, 74, 251, 58, 220, 265 and 290, respectively, shall have the meaning ascribed to them as part of the aforementioned sections. Terms not defined as part of the sections "Our Business", "Risk Factors", "Industry Overview" and "Regulations and Policies", on pages 88, 13, 74 and 251, respectively, shall have the meaning ascribed to them hereunder.

General Terms

Term	Description
"Company" or "Issuer"	Aditya Birla Finance Limited, a public limited company incorporated under the provisions of the Companies Act, 1956, having its Registered Office at Indian Rayon Compound, Veraval – 362 266, Gujarat, India and its Corporate Office at One World Centre, Tower 1, 18th Floor, 841, Jupiter Mills Compound, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013, Maharashtra, India
"We" or "us" or "our"	Unless the context otherwise indicates or implies, refers to our Company

Company related terms:

Term	Description
ABFL Scheme 2022	Aditya Birla Finance Limited Employee Stock Option Scheme 2022
"Articles" or "Articles of Association" or "AoA"	Articles of association of our Company, as amended
Audit Committee	Audit committee of Board of Directors of our Company, constituted in accordance with applicable laws
2021 Audited Financial Statements	Audited financial statements of our Company comprising of balance sheet as at March 31, 2021, and the statement of profit and loss (including other comprehensive income), statements of changes in equity, the statement of cash flows for the year ended March 31, 2021 and a summary of significant accounting policies and other explanatory information, as audited by Previous Statutory Auditors
2022 Audited Financial Statements	Audited financial statements of our Company comprising of balance sheet as at March 31, 2022, and the statement of profit and loss (including other comprehensive income), statements of changes in equity, the statement of cash flows for the year ended March 31, 2022 and a summary of significant accounting policies and other explanatory information, as audited by our Previous Joint Statutory Auditors
2023 Audited Financial Statements	Audited financial statements of our Company comprising of balance sheet as at March 31, 2023, and the statement of profit and loss (including other comprehensive income), statements of changes in equity, the statement of cash flows for the year ended March 31, 2023 and a summary of significant accounting policies and other explanatory information, as audited by our Previous Joint Statutory Auditors
Audited Financial Statements	2021 Audited Financial Statements, 2022 Audited Financial Statements and 2023 Audited Financial Statements
"Board" or "Board of Directors"	Board of directors of our Company and includes any committee constituted thereof
Borrowings	Includes debt securities and borrowings other than debt securities
CEO	Chief Executive Officer
CFO	Chief Financial Officer
Corporate Office	One World Centre, Tower 1, 18th Floor, 841, Jupiter Mills Compound, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013, Maharashtra, India
Corporate Social Responsibility Committee	Corporate social responsibility committee of Board of Directors of our Company constituted in accordance with applicable laws
Committee	A committee constituted by the Board, from time to time
Compliance Officer for the Issue and Company Secretary	Compliance Officer for the Issue and Company Secretary of our Company, namely, Ankur Shah
Director(s)	Director(s) of our Company
Equity Shares	Equity shares of face value ₹ 10 each of our Company
Finance Committee	Finance Committee constituted by the Board of Directors of our Company, in accordance with applicable laws

Term	Description
Group Companies	Group Companies as identified for the Issue in accordance with regulation 2(1)(r) of the SEBI NCS Regulations, namely: 1. ABREL EPC Limited; 2. Aditya Birla ARC Limited; 3. Aditya Birla Capital Foundation; 4. Aditya Birla Capital Digital Limited; 5. Aditya Birla Capital Technology Services Limited (formerly known as Aditya Birla MyUniverse Limited); 6. Aditya Birla Financial Shared Services Limited; 7. Aditya Birla Health Insurance Company Limited; 8. Aditya Birla Housing Finance Limited; 9. Aditya Birla Insurance Brokers Limited; 10. Aditya Birla Management Corporation Private Limited; 11. Aditya Birla Money Insurance Advisory Services Limited; 12. Aditya Birla Money Limited; 13. Aditya Birla Money Mart Limited; 14. Aditya Birla PE Advisors Private Limited; 15. Aditya Birla Stressed Asset AMC Private Limited; 16. Aditya Birla Sun Life Asset Management Company Limited; 17. Aditya Birla Sun Life Insurance Company Limited; 18. Aditya Birla Sun Life Pension Management Limited; 19. Aditya Birla Wellness Private Limited; 20. Essel Mining and Industries Limited; 21. Grasim Industries Limited; 22. Hindalco Industries Limited; 23. Ultratech Cement Limited; and 24. Waacox Energy Private Limited.
Independent Directors(s)	Independent director(s) of our Company, as disclosed under *"Our Management"*, beginning on page 111
"Joint Statutory Auditors" or "Auditors"	Jointly, MSKA & Associates, Chartered Accountants and Singhi & Co., Chartered Accountants
"Key Managerial Personnel(s)" or "KMP(s)"	Key managerial personnel(s) of our Company as disclosed under *"Our Management"*, beginning on page 111 and appointed in accordance with regulation 2(1)(sa) of the SEBI NCS Regulations and the provisions of the Companies Act, 2013
Limited Review Financial Results	The unaudited financial results of our Company for the quarter ended June 30, 2023 which have been prepared in accordance with recognition and measurement principles laid down in Ind AS 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued there-under and other accounting principles generally accepted in India and Regulation 52 of the SEBI Listing Regulations which has been subjected to limited review as described in 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, by the Previous Joint Statutory Auditors
"Memorandum" or "Memorandum of Association" or "MoA"	Memorandum of association of our Company
MSKA	M S K A & Associates, Chartered Accountants
"Nomination and Remuneration Committee" or "NRC:	Nomination and remuneration committee of Board of Directors of our Company, constituted in accordance with applicable laws
Non-Executive Director(s)	Non-executive director(s) of our Company, as disclosed under *"Our Management"*, beginning on page 111
Previous Statutory Auditors	Deloitte Haskins & Sells LLP, Chartered Accountants
Previous Joint Statutory Auditors	Jointly, Deloitte Haskins & Sells LLP, Chartered Accountants and Singhi & Co., Chartered Accountants
Promoter	Aditya Birla Capital Limited
Promoter Group	Includes such persons and entities constituting the promoter group of our Company pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations, 2018, as amended
Registered Office	Indian Rayon Compound, Veraval – 362 266, Gujarat, India
"Registrar of Companies" or "RoC"	Registrar of Companies, Gujarat at Ahmedabad
Risk Management Committee	Risk management committee of Board of Directors of our Company constituted in accordance with applicable laws
Senior Management	Senior Management of our Company as disclosed under "*Our Management*", beginning on page 111 and in accordance with Regulation 2(1)(iia) of the SEBI NCS Regulations
Shareholders	Equity Shareholders of our Company from time to time
Stakeholders Relationship Committee	Stakeholders relationship committee of Board of Directors of our Company constituted in accordance with applicable laws

Issue related terms

Term	Description
Abridged Prospectus	A memorandum containing the salient features of this Prospectus
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form
Addendum	The addendum dated September 16, 2023 to the Draft Prospectus which was published on September 18, 2023 in all editions of Financial Express (an English daily newspaper), Jansatta (a Hindi daily newspaper) and in the Rajkot-Saurashtra edition of Jaihind (a regional daily newspaper)
A. K. Capital	A. K. Capital Services Limited* ** A.K. Capital Services Limited is deemed to be our associate as per the SEBI Merchant Bankers Regulations. Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the SEBI Merchant Bankers Regulations, A.K. Capital Services Limited would be involved only in marketing of the Issue and as per Regulation 25 (3) of SEBI NCS Regulations shall not issue a due diligence certificate.*
"Allot" or "Allotment" or "Allotted"	Unless the context otherwise requires, the issue and allotment of the NCDs pursuant to this Issue to the Allottees
Allotment Advice	The communication sent to the Allottees conveying details of NCDs allotted to the Allottees in accordance with the Basis of Allotment
Allottee(s)	The successful Applicant to whom the NCDs are Allotted, either in full or in part in terms of this Issue
"Applicant" or "Investor" or "ASBA Applicant"	The person who applies for issuance and Allotment of NCDs through ASBA process or through UPI Mechanism pursuant to the terms of this Prospectus, Abridged Prospectus and Application Form
"Application" or "ASBA Application"	An application (whether physical or electronic) to subscribe to the NCDs offered pursuant to the Issue by submission of a valid Application Form and authorized an SCSB to block the Application Amount in the ASBA Account or to block the Application Amount using the UPI Mechanism, where the Bid Amount or an Application Amount of up to UPI Application Limit will be blocked upon acceptance of UPI Mandate Request by retail investors which will be considered as the application for Allotment in terms of this Prospectus
Application Amount	The aggregate value of the NCDs applied for, as indicated in the Application Form for the Issue
ASBA Account	A bank account maintained by an ASBA Bidder with an SCSB, as specified in the ASBA Form submitted by ASBA Applicants for blocking the Bid Amount mentioned in the ASBA Form, and will include a bank account of a retail individual investor linked with UPI, for retail individual investors submitting application value up to UPI Application Limit
ASBA Applicant	Any Applicant who applies for NCDs through the ASBA process
"ASBA" or "Application Supported by Blocked Amount"	The Application (whether physical or electronic) to subscribe to the NCDs offered pursuant to the Issue by submission of a valid Application by authorized SCSB to block the Application Amount in the specified bank account maintained with such SCSB or to block the Application Amount using the UPI Mechanism, where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by retail investors for an Application Amount of up to UPI Application Limit which will be considered as the application for Allotment in terms of this Prospectus
Banker to the Issue	Collectively Public Issue Account Bank(s), Refund Bank and Sponsor Bank as specified in this Prospectus
"Base Issue Size" or "Base Issue"	₹1,000 crores
Basis of Allotment	The basis on which NCDs will be allotted to applicants as described in "*Issue Procedure – Basis of Allotment for NCDs*" on page 203
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, i.e., Designated Branches of SCSB, Specified Locations for Consortium, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Broker Centres	Broker centres notified by the Stock Exchanges where Applicants can submit the ASBA Forms (including ASBA Forms under UPI in case of UPI Investors) to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the website of the Stock Exchanges at www.bseindia.com and www.nseindia.com
Category I Investor - Institutional Investors	• Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institutions which are authorized to invest in the NCDs; • Provident funds and pension funds each with a minimum corpus of ₹25 crores, superannuation funds and gratuity funds, which are authorized to invest in the NCDs; • Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012; • Resident Venture Capital Funds registered with SEBI; • Insurance companies registered with the IRDAI; • State industrial development corporations; • Insurance funds set up and managed by the army, navy, or air force of the Union of India; • Insurance funds set up and managed by the Department of Posts, the Union of India; • Systemically Important Non-Banking Financial Company registered with the RBI and having a net-worth of more than ₹500 crores as per the last audited financial statements; • National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and • Mutual funds registered with SEBI.
Category II Investor - Non-Institutional Investors	• Companies within the meaning of Section 2(20) of the Companies Act, 2013;

Term	Description
	• Statutory bodies/ corporations and societies registered under the applicable laws in India and authorized to invest in the NCDs; • Co-operative banks and regional rural banks; • Trusts including public/private charitable/religious trusts which are authorized to invest in the NCDs; • Scientific and/or industrial research organisations, which are authorized to invest in the NCDs; • Partnership firms in the name of the partners; • Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009); • Association of Persons; and • Any other incorporated and/ or unincorporated body of persons.
Category III Investor – High Net-Worth Individual Investors	Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 1,000,000 across all options of NCDs in this Issue
Category IV Investor – Retail Individual Investors	Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹1,000,000 across all options of NCDs in this Issue and shall include retail individual investors, who have submitted bid for an amount not more than UPI Application Limit in any of the bidding options in the Issue (including Hindu Undivided Families applying through their Karta and does not include NRIs) through UPI Mechanism
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account
"Collecting Depository Participants" or "CDPs"	A depository participant, as defined under the Depositories Act, 1996 and registered with the SEBI Act and who is eligible to procure Applications at the Designated CDP Locations in terms of the SEBI Master Circular
Collecting Registrar and Share Transfer Agents or CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications, at the Designated RTA Locations
Consortium Agreement	Consortium Agreement dated September 21, 2023 entered into between the Company, Lead Managers and Consortium Members to the Issue
Consortium Members	A.K. Stockmart Private Limited, JM Financial Services Limited, Nuvama Wealth and Investment Limited (*formerly known as Edelweiss Broking Limited*), Trust Financial Consultancy Services Private Limited, and Trust Securities Services Private Limited
"Consortium" or "Members of the Consortium" or "Members of Syndicate" (each individually, a Member of the Consortium)	The Lead Managers and the Consortium Members
"Coupon" or "Interest Rate"	Please see "*Terms of the Issue*" on page 156
Credit Rating Agency(ies)	India Ratings (as defined hereinafter) and ICRA (as defined hereinafter)
"Debenture Holder(s)" or "NCD Holder(s)"	The holders of the Secured NCDs whose name appears in the database of the relevant Depository and/or the register of NCD Holders (if any) maintained by our Company as required under applicable law.
Debenture Trust Deed	The hypothecation cum debenture trust deed to be entered between the Debenture Trustee and our Company which shall be executed in relation to the NCDs within the time limit prescribed by applicable statutory and/or regulatory requirements, including creation of appropriate security, in favour of the Debenture Trustee for the NCD Holders on the assets adequate to ensure at least 100% security cover of the outstanding principal amounts of NCDs and all interest due and payable thereon in respect of the NCDs maintained at all times as security until the Final Settlement Date, issued pursuant to the Issue. The contents of the Debenture Trust Deed shall be as prescribed by SEBI or any other applicable statutory/regulatory body from time to time.
Debenture Trustee Agreement	Agreement dated September 5, 2023 entered into between our Company and the Debenture Trustee.
"Debenture Trustee" or "Trustee"	Trustee for the NCD holders in this case being Vistra ITCL (India) Limited
Deemed Date of Allotment	The date on which the Board of Directors or the Financing Committee authorised by the Board approves the Allotment of the NCDs for the Issue or such date as may be determined by the Board of Directors/ or the Finance Committee authorised by the Board thereof and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment
Demographic Details	The demographic details of an Applicant such as his address, email, bank account details, MICR Code, UPI ID (as applicable), category, PAN etc. for printing on refund or used for refunding through electronic mode as applicable
Depository(ies)	National Securities Depository Limited and /or Central Depository Services (India) Limited
Designated Branches	Such branches of the SCSBs which shall collect the Application Forms used by the ASBA Applicants and a list of which is available at http://www.sebi.gov.in/sebi_data/attachdocs/1365051213899.html or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or at such other weblink as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the ASBA Forms, a list of which, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com

Term	Description
Designated Date	The date on which the Registrar to the Issue issues instruction to SCSBs for transfer of funds from the ASBA Account to the Public Issue Account(s) or to the Refund Account, as appropriate, in terms of this Prospectus and the Public Issue Account and Sponsor Bank Agreement
Designated Intermediaries	The Members of the Consortium, Sub-Consortium/agents, Trading Members, agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Issue
Designated RTA Locations	Such centres of the RTAs where Applicants can submit the Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs eligible to accept ASBA Forms and Application Forms submitted using the UPI Mechanism as a payment option (for a maximum amount of UPI Application Limit) are available on the website of the Stock Exchanges at www.bseindia.com and www.nseindia.com updated from time to time
Designated Stock Exchange	The designated stock exchange for the Issue, being BSE
Direct Online Application Mechanism	An online interface enabling direct applications through UPI by an app based/web interface, by investors to a public issue of debt securities with an online payment facility
"DP" or "Depository Participant"	A depository participant as defined under the Depositories Act
Draft Prospectus	The draft prospectus dated September 7, 2023 filed with the Stock Exchanges for receiving public comments and with SEBI in accordance with the provisions of the Companies Act, 2013 and the SEBI NCS Regulations, read along with the Addendum
Final Settlement Date	The date on which all secured obligations (including all present and future obligations (whether actual or contingent and whether owed jointly or severally or in any capacity whatsoever) of the Company to the holders of the debentures or the debenture trustee under the Transaction Documents in respect of the debentures, including without limitation, the making of payment of any coupon, interest, redemption of principal amounts, the default interest, additional interest, liquidated damages, indemnity payments and all costs, charges, expenses and other amounts payable by the company in respect of the debentures) have been irrevocably and unconditionally paid and discharged in full to the satisfaction of the holders of the debentures
ICRA	ICRA Limited
ICRA Reports	Reports titled Non-banking Financial Companies: Well-placed for strong performance in FY2024 as well' dated July 2023 and 'NBFC-Infrastructure Finance Companies: Earnings profile improves, driven by better asset quality: Entities well-poised for growth' dated April 2023 by ICRA
"India Ratings" or "IRRPL"	India Ratings and Research Private Limited
Issue	Public issue by our Company of secured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000 each ("**NCDs**") for an amount up to ₹1,000 crores ("**Base Issue Size**") with an option to retain oversubscription up to ₹1,000 crores ("**Green Shoe Option**"), aggregating up to 2,00,00,000 NCDs for an aggregate amount of up to ₹2,000 crores ("**Issue Size**" or "**Issue Limit**") pursuant to this Prospectus. The Issue is being made pursuant to the provisions of SEBI NCS Regulations, the Companies Act, 2013 and rules made thereunder as amended to the extent notified and the SEBI Master Circular
Issue Agreement	Agreement dated September 7, 2023 entered into by our Company, AK Capital and Trust Investments read with the amendment agreement to the Issue Agreement dated September 16, 2023 entered into by and among our Company and the Lead Managers
Issue Closing Date	Thursday, October 12, 2023
Issue Documents	The Draft Prospectus, the Addendum, this Prospectus, the Abridged Prospectus, the Application Form and supplemental information, if any, read with any notices, corrigenda and addenda thereto.
Issue Opening Date	Wednesday, September 27, 2023
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days, during which prospective Applicants can submit their Application Forms
JMFL	JM Financial Limited
Lead Managers	Trust Investment Advisors Private Limited, A. K. Capital Services Limited, JM Financial Limited and Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited)
Listing Agreement	The uniform listing agreement entered into between our Company and the Stock Exchanges in connection with the listing of debt securities of our Company
Market Lot	1 (one) NCD
Nuvama	Nuvama Wealth Management Limited (*formerly known as Edelweiss Securities Limited*)
"OCB" or "Overseas Corporate Body"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% (sixty percent) by NRIs including overseas trusts, in which not less than 60% (sixty percent) of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not permitted to invest in the Issue
"NCDs" or "Debentures"	Secured, rated, listed, redeemable, non-convertible debentures of face value of ₹1,000 each ("**NCDs**") for an amount up to ₹1,000 crores ("**Base Issue Size**") with an option to retain oversubscription up to ₹1,000 crores ("**Green Shoe Option**"), aggregating up to 2,00,00,000 NCDs for an aggregate amount of up to ₹2,000 crores ("**Issue Size**" or "**Issue Limit**") offered through this Prospectus.
"Option(s)" or "Series"	An option of NCDs which are identical in all respects including, but not limited to terms and conditions, listing and ISIN and as further stated to be an individual option in this Prospectus. Collectively, the options of NCDs being offered to the Applicants as stated in this Prospectus
Prospectus	This Prospectus dated September 21, 2023 filed with the RoC and submitted with SEBI and the Stock Exchanges in accordance with the provisions of the Companies Act, 2013 and the SEBI NCS Regulations

Term	Description
Public Issue Account	Account(s) opened with the Banker(s) to the Issue to receive monies from the ASBA Accounts maintained with the SCSBs (including under the UPI mechanism) on the Designated Date
Public Issue Account and Sponsor Bank Agreement	Agreement dated September 21, 2023 entered into amongst our Company, the Registrar to the Issue, the Public Issue Account Bank, Refund Bank and Sponsor Bank, and the Lead Managers for the appointment of the Public Issue Account Bank and Sponsor Bank in accordance with the SEBI Master Circular and for collection of the Application Amounts from ASBA Accounts under the UPI mechanism from the Applicants on the terms and conditions thereof and where applicable, refund of the amounts collected from the applicants
Public Issue Account Bank	IndusInd Bank Limited
RBI Bulletin August 2023	Reserve Bank of India Bulletin - August 2023 (Volume LXXVII Number 8)
Receivables	Shall mean to include: (a) all receivables of our Company, both present and future, arising out of its business; (b) all other book debts; (c) receivables from senior and junior pass through certificates in which the Company has invested; such other currents assets, both present and future, as may be identified by the Company from time to time and accepted by the Debenture Trustee, but exclude any specific receivables in respect of which lien (undertaking to create charge) or a mortgage or charge or other encumbrance has been created to secure borrowings of any nature whatsoever, including in case of the issues of debentures, inter- corporate deposits, term loans, working capital demand loans, cash credit and other fund based and non-fund based credit facility/(ies) availed by the Company.
Record Date	15 (fifteen) Days prior to the interest payment date, and/or Redemption Date for NCDs issued under this Prospectus. In case of redemption of NCDs, the trading in the NCDs shall remain suspended between the Record Date and the date of redemption. In case the Record Date falls on a day when the Stock Exchanges are having a trading holiday, the immediate subsequent trading day or a date notified by our Company to the Stock Exchanges, will be deemed as the Record Date
Recovery Expense Fund	A fund created by our Company with the Designated Stock Exchange for an amount equal to 0.01% of the Issue size, subject to a maximum of deposit of ₹25,00,000 at the time of making the application for listing of NCDs, in the manner as specified by SEBI in the SEBI Master Circular for Debenture Trustees and Regulation 11 of SEBI NCS Regulations. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security
Redemption Amount	Please see "*Terms of the Issue*" on page 156
Redemption Date	The date on which our Company is liable to redeem the NCDs in full as specified in this Prospectus
Refund Account(s)	The account(s) opened by our Company with the Refund Bank(s), from which refunds of the whole or part of the Application Amounts (excluding for the successful ASBA Applicants), if any, shall be made
Refund Bank	IndusInd Bank Limited
Register of NCD holder	A register of debenture holders maintained by our Company in accordance with the provisions of the Companies Act, 2013
Registrar Agreement	Agreement dated September 5, 2023 entered into between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue, read with the amendment agreement to the Registrar Agreement dated September 16, 2023
Registered Brokers or Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 as amended from time to time, and the stock exchange having nationwide terminals, other than the Consortium and eligible to procure Applications from Applicants
Registrar to the Issue	Link Intime India Private Limited
"SCSBs" or "Self Certified Syndicate Banks"	The banks registered with SEBI, offering services in relation to ASBA and UPI, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes for ASBA and https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 for UPI, updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Security	The principal amount of the NCDs to be issued together with all interest due and payable on the NCDs, thereof shall be secured by a *pari passu* charge over the Receivables of the Company, created in favour of the Debenture Trustee acting for the benefit of the Debenture Holders, in terms of and as specifically set out in and fully described in the Debenture Trust Deed, such that a security cover to the extent of at least 100% of the outstanding principal amounts of NCDs and all interest due and payable thereon in respect of the NCDs maintained at all times as security until the Final Settlement Date, issued pursuant to the Issue. The NCDs proposed to be issued shall rank *pari passu* without preference of one over the other except that priority for payment shall be as per applicable date of redemption / repayment
Stock Exchanges	BSE and NSE
Specified Locations	Centers where the member of the Consortium shall accept ASBA Forms from Applicants a list of which is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time, and at such other websites as may be prescribed by SEBI from time to time.
Sponsor Bank	IndusInd Bank Limited
Syndicate ASBA	ASBA Applications through the Designated Intermediaries.

Term	Description
Syndicate ASBA Application Locations	Locations Bidding centres where the Designated Intermediaries shall accept Application Forms from Applicants, a list of which is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Syndicate SCSB Branches	In relation to ASBA Applications submitted to a member of the Syndicate, such branches of the SCSBs at the Syndicate ASBA Centres named by the SCSBs to receive deposits of the Application Forms from the members of the Syndicate, and a list of which is available on http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Tenor	Tenor shall mean the tenor of the NCDs as specified in this Prospectus
Trading Members	Intermediaries registered with a broker or a sub-broker under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 and/or with the Stock Exchanges under the applicable byelaws, rules, regulations, guidelines, circulars issued by Stock Exchanges from time to time and duly registered with the Stock Exchanges for collection and electronic upload of Application Forms on the electronic application platform provided by Stock Exchanges
"Transaction Documents"	The Draft Prospectus, the Addendum, and this Prospectus read with any notices, corrigenda, addenda thereto, Abridged Prospectus, the Issue Agreement, Registrar Agreement, Consortium Agreement, Debenture Trustee Agreement, Public Issue Account and Sponsor Bank Agreement, Tripartite Agreements, Application Form, the Debenture Trust Deed to be executed between our Company and the Debenture Trustee. For further details see, "*Material Contracts and Documents for Inspection"* on page 286
Tripartite Agreements	Tripartite Agreement dated March 28, 2008 entered into between our Company, Registrar to the Issue and NSDL and Tripartite Agreement dated September 19, 2008 entered into between our Company, Registrar to the Issue and CDSL for offering demat option to the NCD Holders
Trust Investments	Trust Investment Advisors Private Limited
UPI ID	Identification created on the UPI for single-window mobile payment system developed by the National Payments Corporation of India
UPI Application Limit	Maximum limit to utilize the UPI mechanism to block the funds for application value up to ₹500,000 for issues of debt securities pursuant to SEBI Master Circular or any other investment limit, as applicable and prescribed by SEBI from time to time
"UPI Mandate Request" or "Mandate Request"	A request initiated by the Sponsor Bank on the retail individual investor to authorize blocking of funds in the relevant ASBA Account through the UPI mobile app/web interface (using UPI Mechanism) equivalent to the bid amount (not exceeding UPI Application Limit) and subsequent debit of funds in case of allotment
"UPI Mechanism" or "UPI"	Unified Payments Interface mechanism in accordance with SEBI Master Circular as amended from time to time, to block funds for application value up to UPI Application Limit submitted through intermediaries
Wilful Defaulter	Includes wilful defaulters as defined under Regulation 2(1)(lll) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 which includes a Person or a company categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI and includes a company whose director or promoter is categorized as a wilful defaulter
Working Day	Working day means all days on which commercial banks in Mumbai, are open for business. In respect of announcement or bid/issue period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Further, in respect of the time period between the bid/ issue closing date and the listing of the NCDs on the Stock Exchanges, working day shall mean all trading days of the Stock Exchanges for non-convertible securities, excluding Saturdays, Sundays and bank holidays, as specified by SEBI

Technical and Industry Related Terms and Abbreviations

Term	Description
AE-EME	Advanced Economies – Emerging Market Economies
ALM	Asset Liability Management
AUM	AUM comprises principal outstanding for our advances and investments (excluding high quality liquid assets)
B2B	Business-to-business
CAGR	Compounded Annual Growth Rate
CFS	Container freight station
CoF	Cost of Funds
CRAR	Capital to risk (weighted) assets ratio
DSAs	Direct Selling Agents
EAI	Economic Activity Index
EMEs	Emerging Market Economies
EMI	Equated monthly instalment
Gross Stage 2 %	Gross Stage 2% is calculated using Gross Stage 2 assets as per Financial Statements divided by Closing Gross loan book (excluding other advances of respective period) as per Financial Statements.
Gross Stage 3 %:	Gross Stage 3% is calculated using Gross Stage 3 assets as per Financial Statements divided by Closing Gross loan book (excluding other advances of respective period) as per Financial Statements.
HNI	High Net worth Individual
ICD	Inland container depot

Term	Description
IRACP	Income recognition, asset classification and provisioning
ISPI	The Index of Supply Chain Pressure for India
KYC	Know Your Customer
LAF	Liquidity Adjustment Facility
LAP	Loan Against Property
LTV	Loan-to-Value
MSF	Marginal Standing Facility
MSME	Micro, Small and Medium Enterprises
NBFC-IFCs	Non-Banking Financial Company – Infrastructure Finance Company
NBFC-ND-SI	Non-deposit taking Systemically Important Non-banking Financial Company
NBFC-UL	Non-Banking Financial Company – Upper Layer
Net interest income	Net Interest income (including fee income) is calculated as total income as per financial statements reduced by finance cost as per Financial Statements
Net Stage 2 Assets	Gross Stage 2 Assets less Expected credit loss
Net Stage 3 Assets	Gross Stage 3 Assets less Expected credit loss
NIM	Net interest margin
NPA	Non-Performing Asset
ORM	Operational Risk Management
PIFA	Protecting, Investing, Financing and Advising
PMS	Portfolio Management Services
Public-IFCs	Public - Infrastructure Finance Company
RCU	Risk Control Unit
ROA	Ratio of profit after tax under the financial statements for a period, to the average AUM for the same period.
ROE	Ratio of profit after tax for a period to the average total equity for the same period. Average total equity is calculated as average of monthly opening total equity.
SDF	Standing Deposit Facility
SMA	Special Mention Accounts
SME	Small and Medium Enterprises
SRE	Standard on Review Engagements
STP	Straight-Through Processing
WPI	Wholesale Price Index

Conventional and general terms

Term	Description
"₹" or "Rs." or "INR" or "Rupees"	The lawful currency of the Republic of India
Arbitration Act	Arbitration and Conciliation Act, 1996, as amended
AS	Accounting standards as prescribed by Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended from time to time
AIF	An alternative investment fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 as amended from time to time
AY	Assessment year
BSE	BSE Limited
CSR	Corporate social responsibility
CDSL	Central Depository Services (India) Limited
Companies Act	The Companies Act, 1956, or the Companies Act, 2013, as applicable
Companies Act, 2013	Companies Act, 2013, and rules made thereunder
Consumer Protection Act	Consumer Protection Act, 1986
COVID-19	Pandemic caused due to the worldwide spread of the novel coronavirus disease
Depositories Act	The Depositories Act, 1996
DRR	Debenture redemption reserve
EGM	Extraordinary general meeting
ESOP	Employee Stock Option Plan
FEMA	Foreign Exchange Management Act, 1999
"Fiscal" or "Financial Year" or "FY"	Financial year ending March 31
GDP	Gross domestic product
GoI	Government of India
HUF	Hindu undivided family
IBC	Insolvency and Bankruptcy Code, 2016
IFRS	International financial reporting standards
IFSC	Indian financial system code
Ind AS	Indian Accounting Standards
Indian GAAP	Generally accepted accounting principles in India

Term	Description
IRDAI	Insurance Regulatory and Development Authority of India
ISIN	International securities identification number
IST	Indian standard time
IT Act	Income Tax Act, 1961
ITAT	Income Tax Appellate Tribunal
MCA	Ministry of Corporate Affairs, Government of India
MICR	Magnetic ink character recognition
NACH	National automated clearing house
NBFC-ND-SI Directions	Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016
NBFC-UL	Non-Banking Finance Company – Upper Layer
NEFT	National electronic funds transfer
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
PAN	Permanent account number
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended
RTAs	Registrar and share transfer agents
RTGS	Real time gross settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
SEBI Debenture Trustee Regulations	Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended
SEBI Delisting Regulations	Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
"SEBI LODR Regulations" or "SEBI Listing Regulations"	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
"SEBI NCS Regulations" or "Debt Regulations"	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
SEBI Master Circular	Master Circular no. SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 issued by SEBI and as updated on July 7, 2023, as amended
SEBI Master Circular for Debenture Trustees	Circular no. SEBI/HO/DDHS-PoD1/P/CIR/2023/109 dated March 31, 2023 issued by SEBI and updated as on July 6, 2023, as amended
SEBI RTA Master Circular	SEBI circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023, as amended
TDS	Tax deducted at source
"USD" or "US$"	The legal currency of the United States of America

FORWARD-LOOKING STATEMENTS

Certain statements in this Prospectus that are not statements of historical fact constitute "forward-looking statements". Investors can generally identify forward-looking statements by terminology such as *"aim", "anticipate", "believe", "continue", "could", "estimate", "expect", "intend", "may", "objective", "plan", "potential", "project", "pursue", "shall", "seek", "should", "will", "would",* or other words or phrases of similar import. Similarly, statements that describe strategies, objectives, plans or goals are also forward-looking statements.

All statements regarding expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to business strategy, revenue and profitability, new business and other matters discussed in this Prospectus that are not historical facts. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results and valuations to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results, including financial conditions and results of operations to differ from expectations include, but are not limited to, the following:

1. We require substantial capital for our business and any disruption in our sources of capital or an increase in our average cost of borrowings could have an adverse effect on our business, results of operations and financial condition.
2. We are affected by volatility in interest rates and other market conditions, which could materially and adversely impact our business, prospects, financial condition, results of operations and cash flows.
3. If our customers default in their repayment obligations, our business, results of operations, financial condition and cash flows may be adversely affected.
4. We may not be able to manage the growth of our business effectively or continue to grow our business at a similar rate to what we have experienced in the past.
5. If we are unable to control the level of Stage 3 Assets in our portfolio effectively, it may impact our profitability due to higher provisions.
6. Our inability to meet our obligations, including financial and other covenants under our financing arrangements could adversely affect our business, results of operations and financial condition.

For further discussion of factors that could cause our actual results to differ, see "*Risk Factors*" on page 13 Certain other additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the "*Industry Overview*", "*Our Business*" and "*Outstanding Litigations and Defaults*" on pages 74, 88 and 209 respectively.

The forward-looking statements contained in this Prospectus are based on the beliefs of our management, as well as the assumptions made by and information currently available to our management. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct or will hold good at all times. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of our Company's underlying assumptions prove to be incorrect, our actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

By their nature, certain market risk disclosures are only estimate(s) and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company nor the Lead Managers nor any of their respective Directors and officers, nor any of their respective affiliates have any obligation to update or otherwise revise any statements 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 accordance with the SEBI NCS Regulations, as amended, our Company and the Lead Managers will ensure that investors are informed of material developments between the date of filing this Prospectus with the RoC and the date of receipt of listing and trading permission being obtained from the Stock Exchanges for the NCDs.

CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY PRESENTATION

General

In this Prospectus, unless the context otherwise indicates or implies, references to *"you", "offeree", "purchaser", "subscriber", "recipient", "investors"* and "*potential investor"* are to the prospective investors in this Issue, references to our *"Company"*, the "*Company", "we", "us", "our"* or the *"Issuer"* are to Aditya Birla Finance Limited. Unless stated otherwise, all references to page numbers herein are to the page numbers of this Prospectus.

In this Prospectus, references to *"Rupees", "₹", "Rs.", "INR"* are to the legal currency of India and references to *"USD", "US$"* are to the legal currency of the United States of America. All references herein to the *"U.S."* or the *"United States"* are to the United States of America and its territories and possessions and all references to *"India"* are to the Republic of India and its territories and possessions, and the *"Government"*, the *"Central Government"* or the *"State Government*" are to the Government of India, central or state, as applicable.

Certain figures contained in this Prospectus, including financial information, have been subject to rounding adjustments. Unless set out otherwise, all figures in decimals, including percentage figures, have been rounded off to one decimal point. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Further, any figures sourced from third party industry sources may be rounded off to other than one decimal point to conform to their respective sources. India has decided to adopt the "Convergence of its existing standards with IFRS with some difference" referred to as the "Indian Accounting Standards" or "Ind AS". In terms of a notification released by the MCA, our Company is required to prepare its financial statements in accordance with Ind AS for accounting periods beginning on April 1, 2019.

Unless stated otherwise all references to time in this Prospectus are to Indian standard time.

Presentation of Financial Information

The current financial year of our Company commences on April 1 and ends on March 31 of the next year, so all references to particular "financial year", "fiscal year" and "fiscal" or "FY", unless stated otherwise, are to the 12 months period ended on March 31 of that year.

The Financial Statements in this Prospectus consist of (a) the Audited Financial Statements which have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 (the 'Act') read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Act and the guidelines and directives issued by the Reserve Bank of India (RBI), to the extent applicable; and (b) the Limited Review Financial Results which have been prepared in accordance with the SEBI Listing Regulations, as applicable, applicable accounting standards prescribed by the ICAI and Companies Act, as applicable, and are included in this Prospectus in "*Financial Statements*", beginning on page 290. Further, the Limited Review Financial Results for the quarter ended June 30, 2023 is not indicative of results for a full Financial Year and are not comparable with Audited Financial Statements.

Unless stated otherwise and unless the context requires otherwise, the financial data used in this Prospectus is derived from the respective Audited Financial Statements and the Limited Review Financial Results, as included in this Prospectus.

Our Company prepares its financial statements in lakhs or 1,00,000 and for the purposes of this Prospectus, our Company has presented all numerical and financial information in "crore" units, "million" units, "billion" units or in whole numbers where the numbers have been too small to represent in crores, millions or billions. One crore represents 1,00,00,000, one million represents 1,000,000 and one billion represents 1,000,000,000. Accordingly, any amount below ₹ 5,00,000 has been rounded off to ₹ 0.0 crores in this Prospectus.

Currency and Units of Presentation

All references to:

- "Rupees" or "₹" or "INR" or "Rs." are to Indian Rupee, the official currency of the Republic of India;
- "USD" or "US$" or "$" are to United States Dollar, the official currency of the United States of America.

Exchange Rates

This Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI NCS Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and USD (in Rupees per USD):

Currency	As at			
	June 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1 USD	82.04	82.22	75.81	73.50

Source: RBI reference rate and www.fbil.org.in

Industry and Market Data

Unless stated otherwise, industry and market data used throughout this Prospectus has been obtained from various industry publications and sources, including the Reserve Bank of India Bulletin August 2023 (Volume LXXVII Number 8) and the reports titled '*Non-banking Financial Companies: Well-placed for strong performance in FY2024 as well*' dated July 2023 and '*NBFC-Infrastructure Finance Companies: Earnings profile improves, driven by better asset quality: Entities well-poised for growth*' dated April 2023 (the "**ICRA Reports**").

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but accuracy, completeness and underlying assumptions of such third-party sources are not guaranteed. Although the industry and market data used in this Prospectus is reliable, the data used in these sources may have been re-classified by us for the purposes of presentation however, no material data in connection with the Issue has been omitted. Data from these sources may also not be comparable.

Disclaimer of ICRA

This Prospectus contains data and statistics from the ICRA Reports, which is subject to the following disclaimers:

"*All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable. Although reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies, while publishing or otherwise disseminating other reports may have presented data, analyses and/or opinions that may be inconsistent with the data, analyses and/or opinions in this publication. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents*."

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*", on page 13. Accordingly, investment decisions should not be based solely on such information.

SECTION II: RISK FACTORS

An investment in NCDs involves a certain degree of risk. You should carefully consider all the information contained in this Prospectus, including the risks and uncertainties described below, before making an investment decision in relation to NCDs. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the NCDs.

If any of the following risks or other risks that are not currently known or are now deemed immaterial, actually occur, our business, financial condition and results of operations could suffer, the market price of the NCDs could decline and you may lose all or part of your interest and/or redemption amounts. The risks and uncertainties described in this section are not the only risks that we currently face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations and financial condition.

Unless the context otherwise requires, indicates or implies, "we", "us" or "our" refers to our Company.

This Prospectus contains forward looking statements that involve risk and uncertainties. Our Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of several factors, including the considerations described below and elsewhere in this Prospectus. Unless otherwise stated in the relevant risk factors set forth below, financial or other implications of the risk factors mentioned below are not quantifiable.

To the extent applicable financial information as of and for the Financial Years 2021, 2022 and 2023 used in this section is derived from the Audited Financial Statements and the financial information as of and for the quarter ended June 30, 2023 is derived from the Limited Review Financial Results included in this Prospectus. For further information, see "Financial Statements" on page 290.

INTERNAL RISKS

1. ***We require substantial capital for our business and any disruption in our sources of capital or an increase in our average cost of borrowings could have an adverse effect on our business, results of operations and financial condition.***

   The liquidity and profitability of our business depends, significantly, on our timely access to, and the costs associated with financing. Our financing requirements have historically been met from several sources, including term loans, external commercial borrowings and working capital facilities, proceeds from non-convertible debentures, commercial papers, market linked debentures. As at June 30, 2023 and Financial Years ended 2023, 2022 and 2021, the capital adequacy ratio (Tier I and Tier II) of our Company was 16.0%, 16.4%, 21.8% and 22.7%, respectively. Further, our total borrowing as at June 30, 2023 and as at the Financial Years ended 2023, 2022 and 2021 was ₹75,476.0 crore, ₹70,770.7 crore, ₹45,985.8 crore, and ₹41,215.2 crore, respectively.

   We may require additional capital for our business operations from time to time. The actual amount and timing of our future capital requirements may differ from estimates as a result of, among other things, changes in business plans due to prevailing economic conditions, unanticipated expenses and regulatory changes, including any changes to RBI's monetary policies which are applicable to us or unforeseen delays in our operations. To the extent our capital requirements exceed our available resources, we will be required to seek additional debt or equity capital. Additional debt financing could increase our interest costs and require us to comply with additional restrictive covenants in our financing agreements.

   Our ability to raise funds on favourable terms, at competitive rates and timely manner, depends on various factors, including our current and future results of operations and financial condition, our credit ratings, the regulatory, environmental and policy initiatives in India, macro and micro economic conditions and lack of liquidity in the market. Further, any additional financing that we require on an ongoing basis for our capital requirements may place restrictions on us, which may, *inter alia*, limit our flexibility in planning for, or limit our ability to pursue our growth plans or require us to dedicate a substantial portion of our cash flow from operations to service our debt obligations, or reacting to changes in our business and our industry, either through the imposition of restrictive financial or operational covenants or otherwise.

   We cannot assure you that we will be able to raise financing on acceptable terms in a timely manner or at all. If we are unable to obtain adequate financing in a timely manner and on acceptable terms, our business, results of operations and financial condition may be adversely affected.

2. ***We are affected by volatility in interest rates and other market conditions, which could materially and adversely impact our business, prospects, financial condition, results of operations and cash flows.***

Our results of operations and cash flows are dependent upon the level of our interest income which represented 95.7%, 94.4%, 95.4% and 95.6% of our total income as at June 30, 2023 and Financial Years ended 2023, 2022 and 2021, respectively. Further, the rate of interest that we charge on the loans that we provide impacts the market demand of the loans that we provide.

The carrying amount of fixed interest-bearing AUM in our Company was ₹34,341.2 crore and ₹31,133.7 crore for the quarter ended June 30, 2023 and the Financial Year ended 2023, respectively, which represented 40.0% and 38.7% of total fixed interest-bearing AUM for the respective periods. On the other hand, the carrying amount of floating interest-bearing AUM was ₹51,550.0 crore and ₹49,421.9 crore for the quarter ended June 30, 2023 and the Financial Year ended 2023, respectively, which represented 60.0% and 61.4% of total floating interest-bearing AUM for the respective periods.

Further, our fixed interest-bearing borrowings was ₹32,879.8 crore, ₹31,958.9 crore, ₹25,882.6 crore and ₹26,122.6 crore for the quarter ended June 30, 2023 and Financial Years ended 2023, 2022 and 2021, respectively and our floating interest-bearing borrowings were ₹53,894.5 crore, ₹49,225.3 crore, ₹28,115.1 crore and ₹22,566.6 crore for the quarter ended June 30, 2023 and Financial Years ended 2023, 2022 and 2021, respectively.

Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, domestic and international economic and political conditions, deregulation of the financial sector in India, and other macro and micro economic factors, which have historically resulted in changes in interest rates in India. For instance, between January 2022 and June 2023, the RBI has revised the repo rate from 4.00% to 6.50%, which has led to increase in interest rates by lenders. Fluctuations in interest rates may also adversely affect our operations. In a rising interest rate environment, especially if the rise is sudden or sharp, we could be adversely affected by the decline in the market value of our securities portfolio and other fixed income securities. Further, in a rising interest rate environment there might be decline in the demand of loans from our customers. Further, to the extent our borrowings are linked to market interest rates, we may have to pay interest at a higher rate than companies that borrow only at fixed interest rates. Our failure to pass on increased interest rates on our borrowings to our customers, including pursuant to the measures taken by us for protection against interest rate volatility or our inability to effectively and efficiently manage interest rate variations, may result in decline of our net interest income, which would decrease our return on assets and could adversely affect our business, prospects, financial condition, results of operations and cash flows. While we believe that we adequately hedge our foreign currency exposure, we cannot assure that we will be able to mitigate the losses incurred entirely due to the fluctuations in the interest rate of our external commercial borrowings, and the same may affect our financial condition, results of operations and cash flows.

Further, in a declining interest rate environment, if our cost of funds does not decline simultaneously or to the same extent as the yield on our interest-earning assets, it could lead to a reduction in our net interest income and net interest margin, which may affect profitability and financial condition of our Company.

3. ***If our customers default in their repayment obligations, our business, results of operations, financial condition and cash flows may be adversely affected.***

Our customers may delay and/or default on their repayment obligations due to a variety of reasons, including as a result of their business failure, insolvency, lack of liquidity, government or other regulatory intervention. In addition, our customers may not have credit histories supported by tax returns and other documents that would enable us to assess their creditworthiness, and we may not receive updated information regarding any change in the financial condition of our customers, or may receive inaccurate or incomplete information, as a result of any fraudulent misrepresentation by our customers. Additionally, some customers may intentionally default on their repayment obligations. Historically, customers in our loans business have been adversely affected by economic conditions in varying degrees. Such adverse impact may limit our ability to recover the dues from such customers and the predictability of our cash flows. Increasing credit losses due to financial difficulties of customers in our business in the future could adversely affect our business, financial condition, results of operations and cash flows. Further, we also provide financial services to mid corporate borrowers / clients with limited banking and credit history.

Earning capacity of customers depends on various macro and micro economic factors that affect them from time to time. Further, we may not be able to recover, on a timely basis or at all the full value of the security provided by our customers or amounts which are sufficient to cover the outstanding amounts due under defaulted loans. The value of the security provided to us, may be subject to reduction in value on account of extraneous reasons *inter alia*, prevailing market conditions, general economic and political conditions etc. Consequently, the realizable value of the security for the loans provided by us, when required to be liquidated, may be lower than principal amount outstanding along with interest and other costs recoverable from such customers. We have a greater risk of loan defaults and losses in the event there are

adverse economic conditions which may have a negative effect on the ability of our borrowers to make timely payments of their loans. As a result, we are more vulnerable to customer default risks including delay in repayment of principal or interest on our loans.

As of June 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, our Gross Stage 3 Assets % was 2.8%, 3.1%, 3.6% and 2.9%, respectively, and our Net Stage 3 Assets % was 1.5%, 1.7%, 2.2% and 1.7%, respectively.

We also provide loans to customers who are unrated SME borrowers and mid corporate borrowers / clients where rating is not applicable. Such customers are often considered to be higher credit risk customers due to their increased exposure to fluctuations in cash flows particularly in adverse economic conditions. To the extent we are unable to successfully manage the risks associated with lending to such customers, it may become difficult for us to recover outstanding loan amounts from such customers. We cannot assure you that our risk management controls will be sufficient to prevent future losses on account of customer defaults, which may adversely affect our business, results of operations, financial condition and cash flows.

We have previously faced certain instances of customers defaulting or failing to repay dues in connection with loans or finance provided by us. We have, in certain instances, initiated legal proceedings to recover amounts due from such customers. For further information in relation to litigation, see "*Outstanding Litigations and Defaults*" beginning on page 209.

If we are unable to effectively manage credit appraisal, portfolio monitoring and recovery processes, the proportion of Stage 3 Assets in our loan portfolio could increase or there may be a delay in the recovery of dues, which may, in turn, have an adverse effect on our business, results of operations, financial condition and cash flows.

4. ***We may not be able to manage the growth of our business effectively or continue to grow our business at a similar rate to what we have experienced in the past.***

We have experienced significant growth in our business in recent periods. While our Company's total revenue from operations has grown to ₹8,236.9 crore for the Financial Year 2023 from ₹5,511.5 crore for the Financial Year 2021, representing a CAGR of 22.3%, our Company's profit after tax has grown at a CAGR of 42.2% to ₹1,553.8 crore for the Financial Year 2023 from ₹768.8 crore for the Financial Year 2021. We may not be able to effectively manage this growth or achieve the desired profitability in the expected timeframe or at all and may not be able to reflect improvement in other indicators of financial performance from the expansion.

Our inability to manage our expansion effectively and execute our growth strategy in a timely manner, or within budget estimates could have an adverse effect on our business and results of operations. We will also need to manage relationships with a greater number of customers, service providers, lenders and other parties as we expand.

In order to manage our growth effectively, we must implement and improve our operational systems, processes, procedures and controls in a timely manner. If we fail to implement these systems, processes, procedures and controls in a timely manner, we may not be able to meet our customers' needs, hire and retain new employees or operate our business effectively. Our ability to sustain our rate of growth also depends significantly upon our ability to select and retain key managerial personnel, maintaining effective risk management policies and training managerial personnel to address emerging challenges. Further, a number of external factors beyond our control could also affect our ability to continue to grow our business and loan portfolio, such as demand for small business loans in India, business and domestic economic growth, the RBI's monetary and regulatory policies, RBI Master Directions, inflation, competition and availability of cost-effective debt and equity capital. We cannot assure you that our existing or future management, operational and financial systems, processes, procedures and controls will be adequate to support future operations or establish or develop business relationships beneficial to future operations.

5. ***If we are unable to control the level of Stage 3 Assets in our portfolio effectively, it may impact our profitability due to higher provisions.***

As a NBFC, we are regulated by the RBI and are required to adhere to the prudential norms on income recognition, asset classification and provisioning ("**IRACP**") notified by the RBI from time to time, in addition to the Ind AS accounting and provisioning requirements applicable to our Company in the ordinary course. For instance, on November 12, 2021, the RBI issued a circular titled "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications" ("**November 12 Circular**") with a view to ensuring uniformity in the implementation of IRACP norms across all lending institutions. The November 12 Circular, among other matters, requires borrower accounts to be flagged as overdue by lending institutions as part of their day-end processes for the due date, irrespective of the time of running such processes. Similarly, classification of borrower accounts as special mention accounts ("**SMA**") as well as NPA is required to be undertaken as part of day-end processes for the relevant date, such that the date of SMA/ NPA shall reflect the asset classification status of an account at the day-end of that calendar date.

The November 12 Circular clarifies that the SMA classification requirement for borrower accounts is applicable to all loans, including retail loans, irrespective of size of exposure of the lending institution. Further, the November 12 Circular provides that accounts classified as NPAs may be upgraded to 'standard' only if the entire arrears of interest and principal are paid by the borrower, as opposed to such upgradation being undertaken upon payment of only interest overdues.

On December 14, 2021, the RBI issued a circular titled "Prompt Corrective Action (PCA) Framework for Non-Banking Financial Companies (NBFCs)" ("**PCA Framework Circular**") to enable supervisory intervention and implement 18 remedial measures of NBFCs, including NBFC-NDs, on the basis of tracking certain indicators such as CRAR, Tier I Capital Ratio and Net NPA Ratio. Pursuant to the PCA Framework Circular, the PCA framework for NBFCs has come into effect from October 1, 2022, based on the financial position of NBFCs on or after March 31, 2022.

As of June 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, our Gross Stage 3 Assets amounted to ₹2,418.9 crore, ₹2,507.1 crore, ₹1,956.0 crore and ₹1,422.5 crore, respectively and our Net Stage 3 Assets amounted to ₹1,292.3 crore, ₹1,349.2 crore, ₹1,183.2 crore and ₹832.5 crore, respectively. We cannot assure you that in the future, we will be able to maintain the thresholds prescribed by the RBI under the PCA Framework Circular including on account of certain factors beyond our control, which could have an adverse effect on our business, financial condition and results of operations. Further, we are required to adhere to provisioning requirements pursuant to the Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended ("**RBI Master Directions**").

Further, as of June 30, 2023, March 31, 2023, 2022 and 2021, our provision coverage ratio, which comprises provision for Stage 3 Assets divided by the gross amount of Stage 3 Assets was 46.6%, 46.2%, 39.5% and 41.5%, respectively.

As our loan portfolio grows, our Stage 3 Assets may increase and the current level of our provisions may not adequately cover any such increases. If future regulations require us to increase our provisions for any reason, our profits may be adversely affected. Further, our ability to raise additional capital and debt financing as well as our results of operations, cash flows and financial condition could be adversely affected as a result thereof. The amount of our reported Stage 3 Assets may increase in the future due to the aforementioned factors and other factors beyond our control, and we cannot assure you that we will be able to effectively control or reduce the level of the impaired loans in our total AUM. If we are unable to manage our Stage 3 Assets or adequately recover our loans, our business, financial condition and results of operations will be adversely affected. In addition, our current loan loss provisions may not be adequate to cover an increase in the amount of Stage 3 Assets or any future deterioration in the overall credit quality of our total AUM. If the quality of our loan portfolio deteriorates, we may be required to increase our loan loss provisions. If such provisions are not sufficient to provide adequate cover for loan losses that may occur, this could have an adverse effect on our business, financial condition and results of operations.

Further, various factors that are beyond our control may cause a further increase in the level of Stage 3 Assets and have an adverse impact on the quality of our loan portfolio. These factors include macro-economic factors (including a rise in unemployment, a sharp and sustained rise in interest rates, adverse developments in the Indian economy, movements in global commodity markets and exchange rates) regulatory hurdles and global competition as well as customer specific factors such as wilful default and mismanagement of a customer's operations. If our Stage 3 Assets increase, we will be required to increase our provisions, which would result in our net profit being less than it otherwise would be and would adversely affect our results of operation and financial condition. There can be no assurance that the levels of Stage 3 Assets and losses will not increase in future or will remain at levels that will maintain our profitability, that the credit performance of our customers will be maintained, that our credit and our underwriting analysis, servicing and collection systems and controls will continue to be adequate.

We may also not be successful in our efforts to improve collections and/ or foreclose on existing Stage 3 Assets. In addition, as our loan portfolio matures, we may experience greater defaults in principal and/ or interest repayments. Thus, if we are unable to control or reduce our level of Stage 3 Assets, the overall quality of our loan portfolio may deteriorate, and our results of operations and cash flows may be adversely affected. Moreover, there can be no assurance that there will be no deterioration in our provisioning coverage as a percentage of Stage 3 Assets or otherwise, or that the percentage of Stage 3 Assets that we will be able to recover will be similar to our past experience of recoveries of Stage 3 Assets. In the event of any further deterioration in our Stage 3 Asset portfolio, or if our provisions are insufficient to cover our existing or future levels of Stage 3 Assets, our ability to raise additional capital and debt funds as well as our results of operations, cash flows and financial condition could be adversely affected.

6. ***Our inability to meet our obligations, including financial and other covenants under our financing arrangements could adversely affect our business, results of operations and financial condition.***

As of June 30, 2023, our outstanding total borrowings aggregated to ₹75,476.0 crore. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our business, which depends on the timely repayment by our customers. For details in relation to our outstanding indebtedness and certain

indicative terms of our borrowing facilities, see "*Disclosures on Existing Financial Indebtedness*" on page 125.

Our financing agreements contain several restrictive covenants for undertaking various actions, including:

- entering into any scheme of expansion, merger, de-merger amalgamation, compromise or reconstruction causing an adverse effect except with the prior intimation to the lender;
- restriction on selling, assigning, mortgaging or otherwise disposing of any of the fixed assts charged to the lender without prior consent of the lender;
- restriction on selling or disposing off our undertakings without prior written consent of the lender;
- permitting any change in our constitution or ownership or control, where any such change in ownership or control, directly or indirectly, exceeds 50% of our Company's share capital and/or voting power; and
- making any change to/in our Company's constitutional documents which affects the ability of our Company to perform under the facility documents.

Our failure to meet our obligations under our financing agreements, including *inter alia* creation of security as per terms agreed, default in payment of interest, default in redemption or repayment, default in payment of penal interest wherever applicable could have an adverse effect on our business, results of operations and financial condition. For details in relation to our outstanding indebtedness and certain indicative terms of our borrowing facilities, see "*Disclosures on Existing Financial Indebtedness*" on page 125.

Our future borrowings may also contain similar or more stringent restrictive provisions. If we fail to meet our debt service obligations or covenants provided under the financing agreements, the relevant lenders could declare us to be in default under the terms of our agreements and/ or accelerate the maturity of our obligations. We cannot assure you that, in the event of any such acceleration, we will have sufficient resources to repay the borrowings. The negative covenants as mentioned in this risk factor and in the section "*Disclosures on Existing Financial Indebtedness*" on page 125, and other clause/covenants of a similar nature under the financing arrangements entered into by us with our lenders are in the ordinary course of business and will continue post listing of the NCDs, as is customary for such borrowing arrangements for listed and unlisted companies. Any inability to meet our obligations under such financing arrangements could adversely affect our business, results of operations and financial condition.

Further, the RBI vide its circular DBR.No.BP.BC.43/21.01.003/2016-17 dated December 1, 2016 and circular DBR.No.BP.BC.31/21.01.003/2018-19 dated April 1, 2019, circular no. DBR.No.BP.BC.43/21.01.003/2018-19 dated June 3, 2019, as amended from time to time, and circular no. DOR.CRE.REC.No.77/21.04.172/2021-22 dated January 5, 2022 has amended the regulatory framework governing banks to address concerns arising from divergent regulatory requirements for banks and NBFCs. These circulars restrict a bank's exposure to a single NBFC to 20% of their eligible capital base (tier-I capital). However, based on the risk perception, more stringent exposure limits in respect of certain categories of NBFCs may be considered by the banks. The bank's exposure to a group of connected NBFCs or group of connected counterparties having NBFCs in the group is restricted to 25% of their tier-I capital. Furthermore, RBI has suggested that banks may consider fixing internal limits for their aggregate exposure to all NBFCs combined. This notification limits a bank's exposure to NBFCs which consequently restricts our ability to borrow from banks.

7. ***A portion of our loans are unsecured. If borrowers under unsecured loans default and we are unable to recover such receivables in a timely manner or at all, our financial condition, results of operations and cash flows may be adversely affected.***

We provide unsecured business loan to SMEs for their working capital and business expansion needs and personal loans to individuals, small business owners and micro enterprises for several purposes including education, medical expenses, wedding expenses and debt consolidation. As at June 30, 2023, the AUM of unsecured business loans stood at ₹8,573.8 crore and contributed 10.0% to total AUM of our Company.

Since these loans are unsecured, our ability to realize the amounts due to us would be restricted to standard collection processes and/or initiating legal proceedings for recovery, in the event of default by such customers. We cannot assure you that we would be able to recover such amounts in a timely manner, or at all. Any failure on our part to recover the amounts due to us could have an adverse effect on our results of operations and financial condition. Further, upon the occurrence of an event of default, our ability to realise the amounts due would be restricted to initiating legal proceedings for recovery. There can be no guarantee as to the length of time it could take to conclude such legal proceedings or for the legal proceedings to result in a favourable decision for us. Moreover, since these loans are uncollateralised, there can be no assurance that we will be able to fully recover the outstanding due, or at all, even in

the event of a favourable decision for us. Furthermore, with respect to some of our loans, we do not have any direct control over how the customer actually utilises the loan proceeds. Although our credit appraisal system conducts a due diligence during its underwriting process and exercises caution in its lending, any use of loan proceeds for purposes outside those stated on the loan application form may negatively affect the repayment capacity of the borrowers to repay the loan.

The Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Act, 2002 has strengthened the ability of lenders to recover NPAs by granting lenders greater rights to enforce security and recover amounts owed from secured borrowers. Since the introduction of the Insolvency and Bankruptcy Code, 2016 ("**IBC**"), the IBC has become the main framework under which insolvency proceedings against corporate persons are undertaken. While the IBC does not make any distinction between secured creditors and unsecured creditors during the corporate insolvency resolution process, the liquidation waterfall in case the company has to undergo liquidation depends on whether the creditor is secured or unsecured. It is nonetheless possible for us to take a significant reduction in the amount owed to us both in case of insolvency resolution and liquidation, which could result in increased losses and decline in profits, and adversely affect our financial condition, results of operations and cash flows.

8. ***We operate in a highly regulated industry and are subject to laws and regulations governing the lending and non-banking financial services industry in India. Any changes in laws, rules and regulations applicable to us may adversely affect our business, financial condition, results of operations and cash flows.***

We operate in a highly regulated industry and we have to adhere to various laws, rules and regulations. Our Company has a certificate of registration from the RBI to operate as an NBFC and is regulated by the RBI. Further, our Company is a 'high value debt listed entity' as per the thresholds set out under the SEBI Listing Regulations. As a 'high value debt listed entity', certain provisions of Chapter IV of the SEBI Listing Regulations are applicable to our Company. Accordingly, the required compliance with stipulated regulations of Chapter IV of the SEBI Listing Regulations may cause additional compliance and legal costs for our Company and any non-compliance in relation to this may attract penalties, which may affect our financials adversely. Accordingly, legal and regulatory risks are inherent and substantial in our business As we operate under licenses or registrations obtained from the applicable regulators, we are subject to actions that may be taken by such regulators in the event of any non-compliance with any applicable policies, guidelines, circulars, notifications and regulations issued by the relevant regulator. For a description of the material laws, rules and regulations applicable to us, see "*Regulations and Policies*" on page 251.

The laws and regulations governing the banking and financial services industry in India have become increasingly complex and cover a wide variety of issues, such as interest rates, liquidity, investments, ethical issues, money laundering, consumer grievance redressal mechanism, data protection and privacy. These laws and regulations can be amended, supplemented or changed at any time such that we may be required to restructure our activities and incur additional expenses to comply with such laws and regulations, which could adversely affect our business and our financial performance. In the regular course of our business, we may receive queries, clarifications and observations from the RBI and other statutory or regulatory authorities. Failure to address or satisfactorily address these queries and clarifications in a timely manner or at all may result in us being subject to statutory and/or regulatory actions. Further, responding to these regulatory actions, regardless of their seriousness or ultimate outcome, requires a significant investment of resources and management's time and effort. Moreover, our provisions, defenses, grounds or interpretations against regulatory actions may be inadequate. Given the uncertainties and complexity of many of these regulatory actions, their outcome generally cannot be predicted with any reasonable degree of certainty and may have adverse effects on our operations.

The RBI revised regulatory framework for NBFCs ("**SBR Framework**") on October 22, 2021 which was effective from October 1, 2022 read with the detailed guidelines, circulars, regulations put in place by the RBI from time to time. Pursuant to a press release dated September 30, 2022 by the RBI, our Company has been classified under the "upper layer" category. As a consequence, our Company has put in place a policy approved by the Board for adoption of the enhanced regulatory framework applicable to NBFC-UL which charts out an implementation plan for adhering to the new set of regulations. Further, the Board shall also ensure that the stipulations prescribed for the NBFC-UL are adhered to within a maximum time-period of 24 months from the date of the press release. Accordingly, our Company is required to adhere to additional requirements as have been stipulated by the RBI and will be subject to additional compliances in the future, and any non-compliance in relation to this may attract penalties, which may affect our operations.

The laws and regulations governing the banking and financial services industry in India have become increasingly complex and cover a wide variety of issues, such as interest rates, liquidity, investments, ethical issues, money laundering and privacy. These laws and regulations can be amended, supplemented or changed at any time such that we may be required to redesign our activities and incur additional expenses to comply with such laws and regulations, which could adversely affect our business and our financial performance.

In relation to our digital offerings for loan products, we are subject to Guidelines on Digital Lending issued by the RBI on September 2, 2022, which are applicable to all, *inter alia*, all NBFCs. While our Company has made adequate changes to its processes and products to adhere to the relevant guidelines, there could be difference of interpretation of the guidelines and their applicability between our Company and RBI, which may result into us being subject to regulatory action under the Digital Lending Guidelines.

Our ability to function in the lending and financial services industry will depend on our ability to constantly monitor and promptly react to legislative and regulatory changes. Any change to the existing legal or regulatory framework may require us to allocate additional resources to our business, which may increase our regulatory compliance costs and direct management attention, and consequently affect our business, financial condition, results of operations and cash flows. To the extent that we enter new geographies or new product markets, the complexity of our regulatory environment will increase, potentially increasing the cost of compliance and the risk of noncompliance. Further, if the interpretation of the regulators and authorities varies from our interpretation, we may be subject to penalties and our business could be adversely affected. If we fail to comply with these requirements or are interpreted by the regulators

9. ***There may be litigations pending against our Company, our Promoter and our Directors which, if determined adversely, could affect our business, results of operations and financial condition.***

In the ordinary course of business, we, our Promoter and our Directors may be involved in certain legal proceedings before various courts, tribunals and statutory, regulatory and other judicial authorities in India, and, if decided against us, could adversely affect our reputation, business, results of operations and financial condition. Further, our Company and Directors have also been subject to certain regulatory actions which are outstanding as on the date of this Prospectus. For further information of the material legal proceedings that we, our Promoter and our Directors are subject to, see "*Outstanding Litigations and Defaults*" on page 209. We cannot assure you that the currently outstanding legal proceedings will be decided favourably or that no further liability will arise from these claims in the future. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally.

Further, if any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities.

10. ***Our non-convertible debentures are listed on the Stock Exchanges and we are subject to rules and regulations with respect to such listed non-convertible debentures. If we fail to comply with such rules and regulations, we may be subject to certain penal actions, which may have an adverse effect on our business, results of operations, financial condition and cash flows.***

Our non-convertible debentures are listed on the debt segment of Stock Exchanges. We are required to comply with various applicable rules and regulations, including the applicable SEBI regulations and applicable provisions of the Listing Regulations, in terms of our listed non-convertible debentures. If we fail to comply with such rules and regulations, we may be subject to certain penal actions, including, without limitation, restrictions on the further issuance of securities and the freezing of transfers of securities, which may have an adverse effect on our business, results of operations, financial condition and cash flows. For details of such listed non-convertible securities, see "*Disclosures on Existing Financial Indebtedness*" on page 125.

11. ***We are subject to regulations in relation to minimum capital adequacy requirements and our inability to maintain our capital adequacy ratio could adversely affect our business.***

The RBI Master Directions require NBFCs to comply with a capital to risk (weighted) assets ratio ("**CRAR**"), consisting of Tier I and Tier II capital. Under these requirements, Tier I and Tier II capital should not be less than 15% of the sum of the NBFC's risk-weighted assets on-balance sheet and of risk adjusted value of off-balance sheet items, as applicable. In addition, our Tier I capital, at any point in time, shall not be less than 10%. For details, see "*Regulations and Policies*" on page 251. Additionally, we are categorized as an 'Upper Layer' NBFC under the SBR Framework, and we will be required to maintain a common equity Tier I capital of 9.0% of our risk weighted assets.

As of June 30, 2023, our CRAR was 16.0%. As we continue to grow our loan portfolio and asset base, we will be required to raise additional Tier I and Tier II capital in order to remain in compliance with the applicable CRARs. Further, the RBI may increase its minimum CRAR threshold, which may require us to raise additional capital.

Additionally, pursuant to Section 45-IC of the Reserve Bank of India Act, 1934, every NBFC is required to create a reserve fund and transfer thereto a sum not less than 20% of its net profit every year, as disclosed in the profit and loss account before any dividend is declared. Our special reserve under Section 45-IC of the Reserve Bank of India Act, 1934, had a balance of ₹1,637.4 crore, ₹1,534.3 crore, ₹1,223.5 crore and ₹979.8 crore, as of June 30, 2023, March

31, 2023, March 31, 2022, and March 31, 2021, respectively.

We cannot assure you that we will be able to raise adequate capital in the future on terms favourable to us, or at all, which may adversely affect the growth of our business. Further, the RBI may also in the future require compliance with other prudential norms and standards, which may require us to alter our business and accounting practices or take other actions that could adversely affect our business and operating results.

12. ***Non-compliance with the RBI's observations made pursuant to its periodic inspections or other regulatory compliance requirements by us may have an adverse effect on our business, financial condition or results of operation and could expose us to certain penalties and restrictions.***

We are subject to periodic inspections by the RBI under the Banking Regulation Act and the RBI Act, wherein the RBI inspects our books of accounts and other records for the purpose of verifying the correctness or completeness of any statement, information or particulars furnished to the RBI.

In its past inspection reports, the issues RBI has commented upon have been mainly operational in nature and include observations such as segregation of real estate portfolio based on different characteristics, availability of data for loss given default calculations for real estate and infrastructure portfolios on individual basis, requirement to making asset classification system driven, degree of reliance on short term funding vis-à-vis longer tenor assets, risk categorization of customers, among others. Further, our Company had received a show-cause notice from the RBI for certain operational lapses on reporting of frauds, which was responded to by our Company and no further action was taken in that regard. Our Company has responded and taken necessary actions in relation to such findings and as on the date hereof, there is no observation which remains outstanding.

While we attempt to be in compliance with all regulatory provisions, directions or observations applicable to us, we cannot assure you that the RBI or any other regulatory or statutory authority will not find any deficiencies in future inspections or the RBI will not make similar or other observations in the future. In the event that we are unable to comply with the observations made or fail to address or satisfactorily address these queries and clarifications in a timely manner or at all, we could be subject to regulatory actions and penalties. Imposition of any penalty or adverse finding by the RBI during any future inspection may have an adverse effect on our reputation, business, financial condition, results of operations and cash flows.

13. ***Any failure or significant weakness of our internal controls system could cause operational errors or incidents of fraud, which would adversely affect our profitability and reputation.***

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our internal audit functions make an evaluation of the adequacy and effectiveness of internal controls on an ongoing basis so that business units adhere to our policies, compliance requirements and internal guidelines. While we periodically test and update, as necessary, our internal controls systems, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to guarantee effective internal controls in all circumstances. For instance, there have been a few instances of frauds pursuant to which our Company may have incurred certain losses or created necessary provisions. For details, see "*Outstanding Litigations and Defaults - Details of acts of material frauds committed against the Company in the last three years and in the current financial year, if any, and if so, the action taken by the Company in response*" on page 218. Although, we believe that we have necessary measures in place to identify such frauds and ensure timely remedial actions, however, given the size of our operations, it is possible that errors may repeat or compound before they are discovered and rectified.

Our management information systems and internal control procedures that are designed to monitor our operations and overall compliance may not identify every instance of non-compliance or every suspicious transaction. If internal control weaknesses are identified, our actions may not be sufficient to correct such internal control weakness. Failures or errors in our internal controls systems may lead to transaction errors, pricing errors, inaccurate financial reporting, fraud and failure of critical systems and infrastructure. Such instances may also adversely affect our reputation, business and results of operations. There can also be no assurance that we would be able to prevent frauds in the future or that our existing internal mechanisms to detect or prevent fraud will be sufficient. Any fraud discovered in the future may have an adverse effect on our reputation, business, results of operations and financial condition.

14. ***We require certain statutory and regulatory approvals and licenses for conducting our business. Failure to obtain or renew approvals, licenses, registrations and permits to operate our business in a timely manner, or at all, may adversely affect our business, financial condition, results of operations and cash flows.***

We are required to obtain and maintain certain approvals and licenses from governmental and regulatory authorities, including the RBI for operating our business. For an overview of the applicable regulations and the nature of key

approvals and licenses to be obtained, see "*Regulations and Policies*" on page 251.

We cannot assure you that these approvals would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. There is no assurance that the approvals and licenses that we require will be granted or renewed in a timely manner or at all by the relevant governmental or regulatory authorities. Failure to obtain or renew such approvals and licenses in a timely manner would render our operations non-compliant with applicable laws and may subject us to regulatory action by relevant authorities.

15. ***We rely significantly on our information technology systems for our business and operations and any failure, inadequacy or security breach in such systems or its inability to adapt to rapid technological changes may adversely affect our business, results of operations and reputation.***

We use our interdependent technology platforms to assist with functions such as loan operations and management, financial accounting, business development etc. and our ability to operate and remain competitive will depend in part on our ability to maintain and upgrade our information technology systems on a timely and cost-effective basis. Our business processes including, *inter alia*, customer onboarding, collection of EMIs and customer interaction, have primarily been through digital means and our operations also rely on the secure processing, storage and transmission of confidential and other information in its computer systems and networks. Our Company's financial, accounting or other data processing systems and management information systems or its corporate website may fail to operate adequately or become disabled as a result of events that may be beyond its control, including a disruption of electrical or communications services. While we believe that we have adequate data protection and security measures required to ensure safety of such processes, however, these processes and the data we maintain are susceptible to the prevalent risks as far as technology is concerned.

In addition, our systems are potentially vulnerable to data security breaches, whether by employees, who may have a lack of experience with our newer information technology systems, or others, that may expose sensitive data to unauthorized persons. Data security breaches could lead to the loss of trade secrets or other intellectual property or could lead to the public exposure of personal information (including sensitive financial and personal information) of our customers and employees. Further, we may not detect or prevent all attempts to compromise our systems, including distributed denial-of-service attacks, viruses, malicious software, break-ins, ransomware attacks, phishing attacks, social engineering, fraudulent emails and related payments scams, security breaches or other attacks and similar disruptions that may jeopardize the security of information stored in and transmitted by our systems or that we otherwise maintain.

Further, we may not have the resources or technical sophistication to anticipate or prevent rapidly evolving types of cyberattacks. Any such security breaches or compromises of technology systems could result in institution of legal proceedings against us and potential imposition of penalties, which may have an adverse effect on our business and reputation. We face the threat of fraud and cyberattacks, such as hacking, phishing, trojans and other threats, attempting to exploit our network to disrupt services to customers and/or theft of sensitive internal company data or customer information. This may cause damage to our reputation and adversely impact our business and financial results.

16. ***Our business processes a large amount of data, including personal data, and the improper collection, hosting, use or disclosure of data could harm our reputation and have an adverse effect on our business, financial condition, results of operations and cash flows***

Our business processes a large quantity of personal data and analyses this data to generate user and user group profiles. Our privacy policies concerning the collection, use and disclosure of personal data are consented to by our customers and made accessible for their reference at any point in time. We face risks inherent in handling and protecting a large volume of data, especially user data. In particular, we face several challenges relating to data security and privacy, including but not limited to:

- Protecting the data in and hosted on our system, including against attacks on our system by outside parties, data leakage, fraudulent behaviour or improper use by our employees;
- Addressing concerns, challenges, negative publicity and litigation related to data security and privacy, collection, use and actual or perceived data sharing (including sharing among our own businesses, with business partners, vendors or regulators), and other factors that may arise from our existing businesses or new businesses and new technology; and
- Complying with applicable laws and regulations relating to the collection, use, storage, transfer, disclosure, and security of personal data, including requests from data subjects.

The improper collection, use or disclosure of our user data could result in a loss of customers, business and partner

financial institutions, litigation, regulatory investigations, penalties or actions against us, significant damage to our reputation, and have an adverse effect on our business, financial condition, results of operations and cash flows.

17. ***We may not get the benefits of being a company of the Aditya Birla group in case of any change in control.***

In case of any change of control due to any event such as transfer of shares by our Promoter, preferential allotment to any investor, our ability to leverage the "Aditya Birla Capital" trademark may get affected and the benefits of being an Aditya Birla group company including leveraging of business from other companies of the Aditya Birla group may not be available to us and consequently, could adversely impact our business operations and profitability.

18. ***We operate in a highly competitive industry and our inability to compete effectively in an increasingly competitive industry may adversely affect our business.***

We operate in a highly competitive industry, given the diversity of our business, and the range of products and services that we offer and we face competition from the full spectrum of public sector banks, private sector banks (including foreign banks), NBFCs, financial institutions and entities which provides B2B lending. Consistent with developments over the years, we may also see the entrance of new competitors. Our competitors may have more resources, a wider branch and distribution network, access to cheaper capital, superior technology and may have a better understanding of and relationships with customers in these markets. This may make it easier for competitors to expand and to achieve economies of scale to a greater extent.

We cannot assure you that we will be able to react effectively to market developments or compete effectively with new and existing players in the industries in which we operate. If we are unable to compete effectively, our net interest margin, income and market share may decline, and our business and results of operations may be adversely affected.

19. ***We utilise the services of certain third parties for our business operations. Any deficiency or interruption in the third parties' services could adversely affect our business and reputation***

We utilise third-party service provider platforms for our lending operations which is utilized by our Company for various steps in the lending journey, including customer onboarding, processing and lead generation. Further, we also engage with third-party service providers for ascertaining the creditworthiness of customers, KYC and customer onboarding. Our agreements with them typically do not provide for any exclusivity, and accordingly, they can work with other lenders, including our competitors. There can be no assurance that our direct selling agents will continue to provide a significant number of leads for loans to us in comparison with our competitors, or at all. Additional risks involved with reliance on third parties for significant portion of our revenues may include, but are not limited to, failure to renew one or more material contracts, failure to renegotiate favourable terms with our service providers and vendors, all of which may have a material adverse effect on the business, results of operations, financial condition, cash flows and future prospects of our Company.

In the event any of these third parties were to terminate their contractual relationships with us or fail to provide the agreed services to us for any reason, our business, results of operations and cash flows may be disrupted and we may be held liable legally or suffer reputational damage on account of any deficiency of services on the part of such service providers.

20. ***We may face asset-liability mismatches, which may adversely affect our business, financial condition, results of operations and cash flows.***

Assets and liabilities mismatches, which represent a situation when the financial terms of assets and liabilities do not match, are a key financial parameter. We face potential liquidity risk due to varying periods over which our assets and liabilities mature. We meet a portion of our funding requirements through short-term funding sources, such as by issuing commercial paper, availing short-term and medium term loans from banks, non-convertible debentures, sub-ordinated debt, perpetual debt and inter-corporate deposits. The majority of our loan assets, however, mature over the medium term.

While we aim to diversify our funding sources, and we pay careful attention to the maturity of liabilities while creating financial assets, extending the duration of our financial liabilities as needed, the maturity of our loan assets may not match the maturity of our liabilities. Consequently, our inability to raise further credit facilities or renew our existing facilities in a timely and cost-effective manner or at all, may lead to mismatches in our assets and liabilities. Further, mismatches between our assets and liabilities are compounded in case the assets are restructured and we need to give customers longer tenor loans. Such mismatches could adversely affect our business, financial condition, results of operations and cash flows. Further, while we have maintained healthy ALM profile with positive cumulative gap in up to one year bucket, we cannot assure you that we will always be able to maintain healthy ALM profile. Degradation of our ALM profile will have an impact on our liquidity, cash flows and results of operations. For details of asset

liability management maturity pattern, see "*Other Regulatory and Statutory Disclosures*" on page 220.

21. ***Any non-compliance with mandatory Anti-Money Laundering and Know Your Customer policies could expose us to additional liability and harm our business and reputation.***

In accordance with the requirements applicable to us, we are mandated to comply with anti-money laundering, anti-terrorism laws, KYC and other regulations in India. These laws and regulations require us, among other things, to adopt and enforce anti-money laundering and KYC policies and procedures. In the ordinary course of our operations, we run the following risks: (i) risk of failing to comply with the prescribed KYC procedures; (ii) the consequent risk of fraud and money laundering by fraudulent customers; and (iii) risk of assessment of penalties or imposition of sanctions against us for such compliance failures despite having implemented systems and controls designed to prevent the occurrence of these risks. Although we believe that we have adequate internal policies, processes and systems in place to prevent and detect any anti-money laundering activity and ensure KYC compliance, we cannot assure you that we will be able to fully control instances of any potential or attempted violation by other parties. Any inability on our part to detect such activities fully and on a timely basis, may subject us to regulatory actions including imposition of fines and penalties and adversely affect our business and reputation.

22. ***Our Company's insurance coverage may not adequately protect us against any or all hazards, which may adversely affect our business, results of operations, financial condition and cash flows.***

Our Company's insurance policies may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. We cannot, assure you that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. We cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have obtained sufficient insurance to cover all our losses. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, or at acceptable cost, or at all.

There are many events, other than the ones covered in the insurance policies specified in "*Our Business – Insurance*" on page 106, that could significantly impact our operations, or expose us to third-party liabilities, for which we may not be adequately insured. To the extent that we suffer loss or damage, or successful assertion of one or more large claims against us for events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our business, results of operations, financial condition and cash flows could be adversely affected. For details in relation to our insurance coverage, see "*Our Business – Insurance*" on page 106.

23. ***The trade mark / service mark and logo in connection with the "Aditya Birla Capital" brand which we use is licensed to us and consequently, any termination or non-renewal of such license may adversely affect our goodwill, operations and profitability.***

We operate in a competitive environment, and we believe that our brand recognition is a significant competitive advantage to us. We do not own the trademark / service mark "Aditya Birla Capital" brand and the logo which we use in the course of our business operations and to conduct our operations. The trademark is sub-licensed to us by our Promoter and consequently, any termination or non-renewal of such license may adversely affect our goodwill, operations and profitability. Please see the chapter "*Our Business – Intellectual Property"* on page 107 of this Prospectus, in relation to the trademarks used by our Company.

If the trademark license agreement is terminated, we may need to change our name, trade mark / service mark or the logo. Any such change could require us to incur additional costs and may adversely impact our goodwill, business prospects and results of operations.

While we only use intellectual property pursuant to the sub-license agreement with our Promoter, we may become subject to claims by third parties if we use slogans, names, designs, software or other such subjects in breach of any intellectual property rights registered by such third party. Any legal proceedings pursuant to such claims, or settlements thereunder, may divert management attention and require us to pay financial compensation to such third parties, as well as compel us to change our marketing strategies or brand names of our products and services, which could adversely affect our business, prospects, results of operation and financial condition.

24. ***Our operations could be adversely affected by strikes or demands by our employees or any other kind of disputes with our employees***

As of June 30, 2023, we employed 5,240 personnel across our operations. Although, we have not experienced any material employee unrest in the recent past, however we cannot assure you that we will not experience disruptions in work due to disputes or other problems with our work force, which may adversely affect our ability to continue our business operations. Any employee unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations. Such employee actions are difficult or impossible for us to predict or control and any such event could adversely affect our business, results of operations and financial condition.

Further, we are subject to several labour laws and regulations that change periodically, and we cannot assure you that we will continue to be able to comply with such laws and regulations in the future. Any non-compliance by us in the future may adversely affect our business, financial condition and results of operations.

25. ***Majority of our premises where our branch offices are located are not owned by us. Any termination or failure by us to renew the lease and license agreements in a favourable and timely manner, or at all, could adversely affect our business and results of operations.***

As of June 30, 2023, our Company has 332 branches across India. At present, majority of our branch offices are not owned by us. All such non-owned properties are leased or licensed to us. If the owners of these properties do not renew the agreements under which we occupy the premises or only agree to renew such agreements on terms and conditions that are unacceptable to us, or if the owners of such premises withdraw their consent to our occupancy, our operations may suffer a temporary disruption. We may be unable to locate suitable alternate facilities on favorable terms, or at all, and this may have a material adverse effect on our business, results of operations, financial condition and cash flows.

26. ***Our statutory auditors have highlighted certain matters of emphasis in their audit reports relating to our Audited Financial Statements, which may affect our future financial results***

For the Financial Year ended March 31, 2022, our Previous Joint Statutory Auditors have referred to emphasis of matter in their audit report dated May 11, 2022 for Financial Years 2022, as set out below:

Financial Year 2022:

"*The COVID -19 pandemic continues to spread across the globe and India, which has contributed to a significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The financial results, includes the potential impact of the COVID-19 pandemic on the Company's financial results which are dependent on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether Government mandated or elected by the Company and its subsequent impact on the recoverability's on the Company's assets. The Company has, based on current available information and based on the policy approved by the Board, determined the provision for impairment of financial assets including the additional overlay for uncertainty over the potential macro-economic impact of the pandemic.*

Based on the current indicators of future economic conditions, the Company considers this provision to be adequate and expects to recover the carrying amount of these financial assets. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions"

For the Financial Year 2021, our Previous Statutory Auditors have referred to emphasis of matter in their audit report dated May 13, 2021 for Financial Years 2021, as set out below:

Financial Year 2021:

"***Methodology for estimation of additional expected credit loss provision for COVID-19***

The COVID -19 pandemic continues to spread across the globe and India, which has contributed to a significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The financial results, includes the potential impact of the COVID-19 pandemic on the Company's financial results which are dependent on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the second wave of COVID-19 pandemic and any action to contain its spread

or mitigate its impact whether Government mandated or elected by the Company and its subsequent impact on the recoverability's on the Company's assets. The Company has, based on current available information and based on the policy approved by the Board, determined the provision for impairment of financial assets including the additional overlay for uncertainty over the potential macro - economic impact of the pandemic.

Based on the current indicators of future economic conditions, the Company considers this provision to be adequate and expects to recover the carrying amount of these financial assets. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions."

There can be no assurance that any similar emphasis of matters will not form part of our financial statements for the future fiscal periods, which could subject us to additional liabilities due to which our reputation and financial condition may be adversely affected.

27. ***We have contingent liabilities and our financial condition could be adversely affected if any of these contingent liabilities materialise.***

The following table sets forth our Company's contingent liabilities as per Ind AS 37:

(₹ in crore)

Contingent liabilities	As of March 31, 2023
Disputed Income Tax Liability	40.8
Disputed Service Tax Liability	0.7
Claims against the Company not acknowledged as debts	7.7
Corporate guarantees, Guarantee on Overdraft, Letter of credit and Letter of comfort given by the Company on behalf of the clients	80.1
Total	129.3

Note: Interest and consequential changes, if any arising on settlement of those contingent liabilities are not ascertainable.

We cannot assure you that we will not incur similar or increased levels of contingent liabilities in the future. If any of these contingent liabilities materialise, our financial condition and results of operation may be adversely affected. For further details on our contingent liabilities, see also "*Financial Statements*" on page 290.

28. ***We may experience difficulties in geographically expanding our business and the products offered. We may also face difficulties and incur additional expenses in operating in rural and semi-urban markets, where infrastructure may be limited.***

Our Company has experienced geographical expansion over the past few years. As of June 30, 2023, our Company has 332 branches in multiple cities across India including 150 branches at One ABC Locations. However, our Company's past growth is not indicative of our future performance or potential growth.

We cater to customers in semi-urban, tier-II and tier-III markets, which may have limited infrastructure, particularly for transportation and electricity. At our branches in remote markets, we may face difficulties in conducting operations, such as accessing power facilities, transporting people and equipment, and implementing technology measures. We may also face increased costs in conducting our business and operations in these markets, such as network costs. We cannot make assurances that such costs will not increase in the future as we expand our network in rural and semi-urban markets, which could adversely affect our profitability.

29. ***We have in the past entered into related-party transactions and may continue to do so in the future, which may potentially involve conflicts of interest.***

We have entered into certain transactions with related parties and are likely to continue to do so in the future. Although all such related-party transactions are at arm's length, as required under the Companies Act and SEBI Listing Regulations. We cannot assure you that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favourable terms if such transactions had not been entered into with related parties. Such related-party transactions may potentially involve conflicts of interest which may be detrimental to our interest and we cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, financial condition and results of operations. For further details, see also "*Financial Statements*" on page 290.

30. ***The statistical and industry data in this Prospectus is derived from the RBI Bulletin August 2023 and the ICRA Reports which are not exhaustive and is based on certain assumptions, parameters and conditions.***

The industry and market information contained in this Prospectus includes information that is derived from the *Reserve Bank of India Bulletin - August 2023 (Volume LXXVII Number 8)* and a reports entitled *'Non-banking Financial Companies: Well-placed for strong performance in FY2024 as well' dated July 2023 and 'NBFC-Infrastructure Finance Companies: Earnings profile improves, driven by better asset quality: Entities well-poised for growth' dated April 2023* prepared by an independent third-party research agency, ICRA Limited. The report uses certain methodologies for market sizing and forecasting and may include numbers relating to us that differ from those we record internally. While we believe such information to be true, we cannot assure you that such information is complete or reliable. Given the scope and extent of the reports, disclosures herein are limited to certain excerpts and the reports have not been reproduced in their entirety in this Prospectus. There are no parts, data or information (which may be relevant for the Issue) that have been left out or changed in any manner. Accordingly, investors should read the industry-related disclosure in this Prospectus in this context.

Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Statements from third parties that involve estimates are subject to change, and actual amounts may differ from those included in this Prospectus. While these industry sources and publications may take care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data. Accordingly, investors should not place undue reliance on, or base their investment decision solely on this information.

31. ***Our retail lending business involves transactions with certain relatively high-risk borrowers. Any default from our customer could adversely affect our business, results of operations, financial conditions, and cash flows.***

The products under our retail lending business are primarily provided to individual customers, including such customers that are self-employed or employed in the informal sectors. Although we use a technologically enabled internal proprietary scorecard system, however, to the extent that there is limited financial information available for our focus customer groups and customers do not have any credit history supported by tax returns, bank or credit card statements, statements of previous loan exposures or other related documents, it may be difficult to carry out credit risk analyses on them. As a result, such customers may pose a higher risk of default than customers with greater financial resources and more established credit histories and customers living in urban areas with better access to education, formal employment opportunities and social services. The focus customer group for our retail lending business are customers in Tier 2, Tier 3 and Tier 4 cities as well as other towns in India. Our customers generally have limited sources of income, savings, and credit histories. As a result, our customers potentially present a higher risk of loss in case of a credit default compared to that of borrowers in other asset-backed financing products. Such loss in case of a credit default could adversely affect our business and results of operations.

32. ***Our Company is exposed to operational risks, including employee negligence, petty theft, burglary, embezzlement and fraud by employees, agents, customers or third parties, which could harm our Company's results of operations and financial position.***

Our Company is exposed to many types of operational risks. Operational risks can result from a variety of factors, including failure to obtain proper internal authorizations, improperly documented transactions, failure of operational and information security procedures, computer systems, software or equipment, fraud, inadequate training and employee errors. In addition, some of our Company's transactions expose it to the risk of misappropriation or unauthorized transactions by its employees and fraud by its employees, agents, customers or third parties. Our Company's insurance policies, security systems and measures undertaken to detect and prevent these risks may not be sufficient to prevent or deter such activities in all cases which may adversely affect our Company's operations and profitability. Furthermore, our Company may be subject to regulatory or other proceedings in connection with any unauthorized transaction, fraud or misappropriation by its representatives and employees which could adversely affect its goodwill.

33. ***This Prospectus includes certain unaudited financial information, which has been subjected to limited review, in relation to our Company. Reliance on such information should, accordingly, be limited.***

This Prospectus includes certain unaudited financial information in relation to our Company, for the quarter ended June 30, 2023, in respect of which the Previous Joint Statutory Auditors of our Company have issued their Limited Review Report dated July 31, 2023. As this financial information has been subject only to limited review as required

under regulation 52(2) of SEBI Listing Regulations and as described in 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, and not to an audit. Accordingly, reliance by prospective investors to the Issue on such unaudited financial information shall be limited.

34. ***If we fail to identify, monitor and manage risks and effectively implement our risk management policies, it could have a material adverse effect on our business, financial condition, results of operations and cash flows***

We have devoted resources to develop our risk management policies and procedures and aim to continue to do so in the future. For details, see "*Our Business – Description of our Business – Risk Management*" on page 105. Despite this, our policies and procedures to identify, monitor and manage risks of fraud, money laundering, any other credit, operational or other risks may not be fully effective. Further, some of our methods of managing risks are based upon the use of observed historical market behavior. As a result, these methods may not accurately predict future risk exposures, which could be significantly greater than those indicated by the historical measures. To the extent any of the instruments and strategies we use to hedge or otherwise manage our exposure to market or credit risk are not effective, we may not be able to effectively mitigate our risk exposures in particular market environments or against particular types of risk. If we fail to effectively implement our risk management policies, it could materially adversely affect our business, financial condition, results of operations and cash flows.

35. ***We have included certain Non-GAAP measures related to our operations and financial performance in this Prospectus. Such Non-GAAP measures may vary from any standard methodology that is applicable across the financial services industry and may not be comparable with the financial or operational information of similar nomenclature computed and represented by other companies.***

This Prospectus includes certain non-GAAP measures, including, *inter alia*, net worth, disbursements, AUM, Bad Debts to Loans, Total Debts to Total Assets, etc, for further details, please see "*Our Business - Key Operational and Financial Parameters*" on page 96 which are a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. We consider these non-GAAP measures useful in evaluating our business and financial performances. However, these non-GAAP measures are not alternatives to any measure of performance or liquidity or as an indicator of our operating performance or liquidity. They should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. There are no standard methodologies in the industry for computing such measures, and those non-GAAP measures we included in this Prospectus may not be comparable to similarly titled measures presented by other companies. Other companies may calculate similarly titled measures differently, limiting their usefulness as comparative measures to our data. We encourage investors and others to review our financial information in its entirety and not rely on a single financial measure.

36. ***The objects of the Issue have not been appraised by any bank or financial institution. Further, we have not entered into any definitive agreements to utilise a substantial portion of the net proceeds of the Issue. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control.***

We intend to use the Net Proceeds of the Issue for the purpose of onward lending, financing and for repayment of interest and principal of existing borrowings of our Company and general corporate purposes, as described in "*Objects of the Issue*" on page 55. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to fund any other expenditure or any exigencies arising out of changes in our competitive environment, business conditions, economic conditions, or other factors beyond our control.

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates and current market conditions and have not been appraised by any bank or financial institution or other independent agency. It is subject to amendment due to changes in external circumstances, costs, other financial condition or business strategies. We operate in a highly competitive and dynamic industry and may need to revise our estimates from time to time based on changes in external circumstances or costs, or changes in other financial conditions, business or strategy. This may entail rescheduling, revising or cancelling planned expenditure and funding requirements at our discretion. Any variation in the utilisation of the Net Proceeds or in the terms of the conditions as disclosed in this Prospectus would be subject to certain compliance requirements, including prior shareholders' approval. For details, see "*Objects of the Issue*" on page 55. Additionally, various risks and uncertainties, including those set forth in this "*Risk Factors*" section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth.

37. ***We are dependent on government institutions and agencies to register our collateral/ charge. Our inability to register the collateral for the loans we disburse or create a charge on the assets we finance could adversely affect our business and results of operations.***

As a NBFC, creation of charge on assets that we finance is critical for our operations. For instance, in the loan against property category, we are dependent on the relevant sub-registrar's office to register the property and create a charge on the property. Processes at such sub-registrar's offices are manual and property documentation is yet to be digitized. Further, we are also required to register any charges created with the Central Registry of Securitization Asset Reconstruction and Security Interest of India. If customers whose properties are yet to be registered, default on their obligations, we face a risk of loan losses and our business, financial condition, results of operations and cash flows could be adversely affected.

Risks relating to the Issue and the NCDs

38. ***Credit ratings may not reflect all risks. Any downgrading in credit rating of our NCDs may adversely affect the value of NCDs and thus our ability to raise further debts.***

The NCDs proposed to be issued pursuant to this Issue have been rated IND AAA Outlook Stable by India Ratings & Research Private Limited for an amount of up to ₹5,000 crores by way of its letter dated August 30, 2023 and rated [ICRA]AAA (Stable) by ICRA Limited for an amount of up to ₹5,000 crores by way of its letter dated July 28, 2023 (and revalidation letter dated August 25, 2023). Credit rating may not reflect the potential impact of all risks related to structure, market, additional factors discussed here, and other factors that may affect the value of the NCDs.

The rating provided by ICRA and India Ratings may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions.

Please refer to page 291 and 292 of this Prospectus for rating letters and rationale for the above rating.

39. ***Changes in interest rate may affect the price of our NCDs. Any increase in rate of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the price of our NCDs.***

All securities where a fixed rate of interest is offered, such as our NCDs, are subject to price risk. 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 our NCDs.

40. ***Security on our NCDs may rank pari passu with our Company's secured indebtedness in the future.***

Substantially, all of our Company's current assets represented by the receivables are being used to secure our Company's debt. As of June 30, 2023, our Company's secured borrowings was ₹63,815.3 crore. The security on our NCDs is not exclusive as of the date of this Prospectus, and the terms of the NCDs do not prevent our Company from incurring additional debt subject to maintenance of minimum-security cover.

41. ***You may not be able to recover, on a timely basis or at all, the full value of the outstanding amounts and/or the interest accrued thereon in connection with the NCDs. Failure or delay to recover the expected value from a sale or disposition of the assets charged as security in connection with the NCDs could expose you to a potential loss.***

Our ability to pay interest accrued on the NCDs 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 NCDs and/or the interest accrued thereon in a timely manner or at all. Although our Company will create appropriate security in favour of the Debenture Trustee for the NCD holders on the assets adequate to ensure at least 100% security cover for the NCDs at the time of allotment of NCDs, which shall be free from any encumbrances, any decrease in assets provided as security in future might result in Company not meeting the security cover stipulated as per the respective term sheet. This can adversely affect ability of our Company to meet its payment obligations. Further, the realisable value of the assets charged as security, when liquidated, may be lower than the outstanding principal and/or interest accrued thereon in connection with the NCDs.

While the debenture is secured against a charge to the tune of at least 100% of the principal and unpaid interest amount in favour of debenture trustee, and it is the duty of the debenture trustee to monitor that the security is maintained,

however, the possibility of recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

A failure or delay to recover the expected value from a sale or disposition of the assets charged as security in connection with the NCDs could expose you to a potential loss.

42. ***There may be no active market for the NCDs on the retail debt market/capital market segment of the Stock Exchanges. As a result, the liquidity and market prices of the NCDs may fail to develop and may accordingly be adversely affected.***

There can be no assurance that an active market for the NCDs will develop. If an active market for the NCDs fails to develop or be sustained, the liquidity and market prices of the NCDs may be adversely affected. The market price of the NCDs would depend on various factors inter alia including (i) the interest rate on similar securities available in the market and the general interest rate scenario in the country, (ii) the market for listed debt securities, (iii) general economic conditions, and (iv) our financial performance, growth prospects and results of operations. The aforementioned factors may adversely affect the liquidity and market price of the NCDs, which may trade at a discount to the price at which you purchase the NCDs and/or be relatively illiquid.

43. ***The rights over the security provided will not be granted directly to holders of the NCDs.***

The rights over the security securing the obligations of our Company under the NCDs and the Trust Deed will not be granted directly to the NCD holders but will be granted only in favour of the Debenture Trustee. Consequently, NCD holders will not have direct security and will not be entitled to take enforcement action in respect of the security for the NCDs, except through the Debenture Trustee.

44. ***Payments to be made on the NCDs will be subordinated to certain tax and other liabilities preferred by law. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the NCDs.***

The NCDs 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 NCDs only after all of those liabilities that rank senior to these NCDs have been paid as per section 327 of the Companies Act, 2013. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the NCDs.

45. ***There may be a delay in making refund/ unblocking of funds to Applicants.***

We cannot assure you that the monies refundable to you, on account of (i) withdrawal of your applications, (ii) our failure to receive minimum subscription in connection with the Base Issue, (iii) withdrawal of the Issue, or (iv) failure to obtain the final approval from the BSE and NSE for listing of the NCDs, will be refunded to you in a timely manner. We, however, shall refund / unblock such monies, with the interest due and payable thereon (in case of any delays) as prescribed under applicable statutory and/or regulatory provisions.

46. ***Trading of the NCDs may be limited by temporary exchange closures, broker defaults, settlement delays, strikes by brokerage firm employees and disputes***

The Stock Exchanges have experienced temporary exchange closures, broker defaults, settlement delays and strikes by brokerage firm employees. In addition, the governing bodies of the Stock Exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, from time to time, disputes have occurred between listed companies and Stock Exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment.

47. ***The Issuer being a NBFC is not required to maintain a debenture redemption reserve ("DRR").***

We are a registered NBFC in terms of the NBFC-ND-SI Directions. Pursuant to the amendment to the Companies (Share Capital and Debentures) Rules, 2014 read with Rule 16 of the SEBI NCS Regulations, any non-banking finance company registered with Reserve Bank of India under section 450IA of the RBI Act, 1934 that intends to issue debentures to the public are no longer required to create a DRR for the purpose of redemption of the NCDs. Hence, investors shall not have the benefit of reserve funds to cover the re-payment of the principal and interest on the NCDs.

48. ***There is no assurance that the NCDs issued pursuant to the Issue will be listed on Stock Exchanges in a timely manner or at all.***

In accordance with Indian law and practice, permission for listing and trading of the NCDs issued pursuant to the Issue will not be granted until after the NCDs have been issued and allotted. Approval for listing and trading will require all relevant documents to be submitted and carrying out necessary procedures with the Stock Exchanges. There could be a failure or delay in listing the NCDs on the Stock Exchanges for reasons unforeseen. If permission to deal in and for an official quotation of the NCDs is not granted by the Stock Exchanges, our Company will forthwith repay, with interest, all monies received from the Applicants in accordance with prevailing law in this context, and pursuant to this Prospectus. There is no assurance that the NCDs issued pursuant to the Issue will be listed on Stock Exchanges in a timely manner, or at all.

49. ***Legal investment considerations may restrict certain investments***.

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its own legal adviser to determine whether and to what extent (i) the NCDs are legal investments for it, (ii) the NCDs can be used as collateral for various types of borrowings; and (iii) other restrictions apply to its purchase or pledge of the NCDs.

50. ***The Security may be insufficient to redeem the NCDs.***

The NCDs to be issued pursuant to the Issue will be secured by creating a pari-passu charge over the Receivables of our Company, created in favour of the Debenture Trustee, to the extent of 1.00 times of the amount outstanding towards principal and interest payable on NCDs. In the event that our Company is unable to meet its payment and other obligations towards investors under the terms of the NCDs, the Debenture Trustee may enforce the Security in respect of the NCDs as per the terms of the Debenture Trust Deed, and other related documents. The Debenture Holder(s)' recovery in relation to the NCDs will be subject to (i) the market value of the security, (ii) finding willing buyers for the security at a price sufficient to repay the amount payable to Debenture Holder(s)' under the NCDs. The value realized from the enforcement of the transaction security may be insufficient to redeem the NCDs.

There may be fluctuations in the market values of the assets over which security has been provided by our Company, which could affect our Company's liquidity and reduce our Company's ability to enforce the security in terms of the Debenture Trust Deed, and consequently affect our Company's result of operations and financial condition. Our Company may not accurately identify changes in the value of assets over which security has been provided caused by changes in market prices, and our Company's assessments, assumptions or estimates may prove inaccurate.

EXTERNAL RISKS

Risks Relating to India

51. ***Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

The Indian economy and capital markets are influenced by economic, political and market conditions in India and globally. We are incorporated in India, and all of our assets and employees are located in India. As a result, the performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be adversely affected by central or state political instability or regional conflicts, a general rise in interest rates, inflation, global instability and economic slowdown elsewhere in the world or otherwise. The following external risks may have an adverse impact on our business and results of operations, should any of them materialise:

- increase in interest rates may adversely affect our access to capital and increase our borrowing costs, which may constrain our ability to grow our business and operate profitably;
- political instability, resulting from a change in governmental or economic and fiscal policies, may adversely affect economic conditions in India. In recent years, India has implemented various economic and political reforms. Reforms in relation to land acquisition policies and trade barriers have led to increased incidents of social unrest in India over which we have no control;
- change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular;
- civil unrest, acts of violence, terrorist attacks, regional conflicts or situations or war;

- India has experienced epidemics, and natural calamities such as earthquakes, tsunamis, floods, and drought in recent years;

- other significant regulatory or economic developments in or affecting India or its financial services sectors; and

- contagious diseases such as the COVID-19 pandemic, the pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine. Future outbreaks of COVID-19, avian or swine influenza or a similar contagious disease could adversely affect the Indian economy and economic activity in the region.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition. Our performance and the growth of our business depend on the overall performance of the Indian economy as well as the economies of the regional markets in which we operate.

52. ***If the rate of inflation in India increases, our financial condition and results of operations may be adversely affected.***

Inflation rates could be volatile, and we may face high inflation in the future as India has experienced consistently high inflation, which has increased interest rates and increased costs to our business, including finance costs as well as costs of salaries and other expenses relevant to our business. Further, high inflation leading to higher interest rates may also lead to a slowdown in the economy and adversely impact credit growth. Consequently, we may also be affected and fall short of business growth and profitability.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our operating expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition.
While the Government of India through the RBI has previously initiated economic measures to combat high inflation rates, it is unclear whether these measures will remain in effect, and there can be no assurance that Indian inflation levels will not rise in the future. As a result, high inflation in India could have a material adverse effect on our financial condition and results of operations.

53. ***Changing laws, rules and regulations and legal uncertainties, including tax laws and regulations, may adversely affect our business, results of operation and prospects and could lead to new compliance requirements that are uncertain.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example:

- The Government of India announced the Union Budget for Financial Year 2023 ("**Budget 2023**"), pursuant to which the Finance Bill 2023 has proposed various amendments. The Finance Bill 2023 has received assent from the President of India on March 31, 2023 and has been enacted as the Finance Act 2023. We have not fully determined the impact of these recent and proposed laws and regulations on our business. We cannot predict whether any amendments proposed by the Finance Act, 2023 will have an adverse effect on our business, financial condition and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

- On September 2, 2022, the RBI issued the 'Guidelines on Digital Lending' following the 'Recommendations of the Working Group on Digital Lending – Implementation' (the "**Recommendations**") issued by the RBI on August 10, 2022. Our Company is engaged in digital lending within the meaning of the Guidelines on Digital Lending. On June 8, 2023, the RBI issued the 'Guidelines on Default Loss Guarantee' ("**DLG Guidelines**") in Digital Lending. The DLG Guidelines is applicable to our Company. Failure to comply with the obligations in a timely manner may lead to imposition of penalties, and/or other regulatory action being taken by the RBI against us, which may adversely affect our business operations.

- In India, the Supreme Court, in a judgment delivered on 24 August 2017, has held that the right to privacy is a fundamental right. Following this judgment, the Government of India on August 11, 2023 enacted the Digital Personal Data Protection Act, 2023 ("**Act**") on personal data protection for implementing

organizational and technical measures in processing personal data and laid down norms for cross-border transfer of personal data and to ensure the accountability of entities processing personal data. Failure to comply with the obligations in a timely manner under the Act may lead to imposition of penalties, and/or other regulatory action against us, which may adversely affect our Company and may impact our processes.

Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the application, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our businesses in the future.

54. ***Any volatility in exchange rates may lead to a decline in India's foreign exchange reserves and may affect liquidity and interest rates in the Indian economy, which could adversely impact us.***

Foreign inflows into India have remained extremely volatile responding to concerns about the domestic macroeconomic landscape and changes in the global risk environment. The widening current account deficit has been attributed largely to the surge in gold and oil imports. Further, increased volatility in foreign flows may also affect monetary policy decision making.

55. ***Any downgrading of India's debt rating by an international rating agency could have a negative impact on our business.***

India's sovereign debt rating could be downgraded due to several factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, all which are outside our control. Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional external financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business and future financial performance and our ability to obtain financing for capital expenditures.

56. ***We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could in turn adversely affect our business.***

The Competition Act, 2002, as amended (the "**Competition Act**") was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition ("**AAEC**") in certain markets in India and has mandated the Competition Commission of India (the "**CCI**") to separate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an AAEC is deemed void and attracts substantial penalties.

Further, any agreement among competitors which directly or indirectly involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of customers in the relevant market is presumed to have an appreciable adverse effect on competition in the relevant market in India and shall be void. Further, the Competition Act prohibits abuse of dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty of the contravention and liable to be punished.

On March 4, 2011, the Government notified and brought into force the combination regulation (merger control) provisions under the Competition Act which came into effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

Further, on April 3, 2023, the Government notified Competition (Amendment) Act, 2023 which has *inter alia*, proposed the introduction of deal value thresholds for assessing whether a merger or acquisition qualifies as a "combination", expedited merger review timelines, codification of the lowest standard of "control" and enhanced penalties for providing false information or a failure to provide material information.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. The impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. However, if we pursue an acquisition driven growth strategy, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, any enforcement proceedings initiated by the CCI, any adverse publicity that may be generated due to scrutiny or prosecution by the CCI, or any prohibition or substantial penalties levied under the Competition Act, which would adversely affect our business, results of operations, cash flows and prospects.

57. ***India's existing credit information infrastructure may cause increased risks of loan defaults.***

Our business is located in India. India's existing credit information infrastructure may pose problems and difficulties in running a robust credit check on our borrowers. We may also face difficulties in the due diligence process relating to our customers or to any security or collateral we take in relation to our loans. We may not be able to run comprehensive searches relating to the security or collateral we take in relation to our loans and there are no assurances that any searches we undertake will be accurate or reliable. Hence, our overall credit analysis could be less robust as compared to similar transactions in more developed economies. Any inability to undertake a comprehensive due diligence or credit check might result in an increase in our Stage 3 Assets and we may have to increase our provisions correspondingly. Any of the foregoing may have a material adverse effect on our business, financial condition, result of operations and cash flows.

58. ***Our ability to raise foreign debt capital may be constrained by Indian law.***

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

59. ***Investors may have difficulty in enforcing foreign judgments against us or our management.***

We are a limited liability company incorporated under the laws of India. Our directors and executive officers are residents of India. All of our assets are located in India. As a result, it may be difficult for investors to effect service of process upon us or such persons in India or to enforce judgments obtained against us or such parties outside India.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, including the United Kingdom, Singapore, UAE, and Hong Kong. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the Code of Civil Procedure, 1908, as amended ("**Civil Procedure Code**"). The United States has not been notified as a reciprocating territory.

In order to be enforceable, a judgment obtained in a jurisdiction which India recognizes as a reciprocating territory must meet certain requirements of the Civil Procedure Code. Section 13 of the Civil Procedure Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated on except (i) where the judgment has not been pronounced by a court of competent jurisdiction, (ii) where the judgment has not been given on the merits of the case, (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable, (iv) where the proceedings in which the judgment was obtained were opposed to natural justice, (v) where the judgment has been obtained by fraud or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Procedure Code, a court in India shall, on the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record; such presumption may be displaced by proving want of jurisdiction. The Civil Procedure Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, or other charges of a like nature or in respect of a fine or other penalty and does not provide for the enforcement of arbitration awards even if such awards are enforceable as a decree or judgment. A foreign judgment rendered by a superior court (as defined under the Civil Procedure Code) in any jurisdiction outside India which the Government of India has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a competent court in India. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not

be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court.

However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States or other such jurisdiction within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis as a foreign court if an action is brought in India. Moreover, it is unlikely that an Indian court will award damages to the extent awarded in a final judgment rendered outside India if it believes that the amount of damages awarded were excessive or inconsistent with public policy in India. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable. Such amount may also be subject to income tax in accordance with applicable law.

Consequently, it may not be possible to enforce in an Indian court any judgment obtained in a foreign court, or effect service of process outside of India, against Indian companies, entities, their directors and executive officers and any other parties resident in India. Additionally, there is no assurance that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner.

SECTION III: INTRODUCTION

GENERAL INFORMATION

Our Company was incorporated as 'Town Finance & Investments Private Limited' as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated August 28, 1991 issued by the Additional Registrar of Companies, Maharashtra. Subsequently, our Company was converted from a private limited company into a public limited company and the name of our Company was changed to 'Town Finance & Investments Limited' pursuant to a fresh certificate of incorporation dated March 17, 1994 issued by the Registrar of Companies, Maharashtra at Mumbai. Subsequently, the name of our Company was changed to 'BGFL Finance & Investments Limited' pursuant to a fresh certificate of incorporation dated April 27, 1995 issued by the Registrar of Companies, Maharashtra at Mumbai. Subsequently, the name of our Company was changed to 'Birla Global Asset Finance Company Limited' pursuant to a fresh certificate of incorporation dated March 14, 2001 issued by the Registrar of Companies, Maharashtra at Mumbai.

Subsequently, the name of our Company was changed to 'Birla Global Finance Company Limited' pursuant to a fresh certificate of incorporation dated July 21, 2006 issued by the Deputy Registrar of Companies, Maharashtra at Mumbai. Subsequently, the name of our Company was changed to 'Aditya Birla Finance Limited' pursuant to a fresh certificate of incorporation dated December 21, 2009 issued by the Registrar of Companies, Maharashtra at Mumbai. On March 30, 2011, a certificate of registration of Company Law Board for the change of state was issued by the Deputy Registrar of Companies, Gujarat at Ahmedabad ("**RoC**") consequent to which the state of our Registered Office was changed from Maharashtra to Gujarat.

Registered Office
Indian Rayon Compound
Veraval – 362 266,
Gujarat, India

Corporate Office
One World Centre, Tower 1
18th Floor, 841, Jupiter Mills Compound
Senapati Bapat Marg, Elphinstone Road
Mumbai 400 013, Maharashtra, India

Contact Number: 022 4356 7100
Email: abfl.dm@adityabirlacapital.com
Website: www.adityabirlafinance.com

For details regarding changes to our Registered Office, see "*History and Certain Corporate Matters*" on page 108.

Registration

Corporate Identity Number: U65990GJ1991PLC064603

Our Company obtained a certificate of registration bearing number 13.01163 dated February 12, 1999 issued by the RBI to carry on the business of non-banking financial institution without accepting public deposits under Section 45IA of the RBI Act, 1934. Subsequent to the change of name of our Company from 'BGFL Finance & Investments Limited' to 'Birla Global Finance Company Limited' a fresh certificate of registration bearing number 13.01163 was issued by the RBI. On the change of registered office from Maharashtra to Gujarat, our Company has obtained a fresh certificate of registration bearing number N-01.00500 dated August 9, 2011 issued by the RBI to carry on the business of non-banking financial institution without accepting public deposits under Section 45IA of the RBI Act, 1934.

Permanent Account Number ("PAN"): AABCB5769M

Legal Entity Identifier: 335800IJ54OQJYVFAH31

Liability of the members of the Company: Limited by shares

Chief Financial Officer

Pradeep Agrawal
One World Centre, Tower 1
18th Floor, 841, Jupiter Mills Compound
Senapati Bapat Marg, Elphinstone Road
Mumbai 400 013, Maharashtra, India
Tel: 022 4356 7000
Email: pradeep.agrawal@adityabirlacapital.com

Compliance Officer for the Issue and Company Secretary

Ankur Shah
R-Tech Park, 10th Floor
Nirlon Complex, Off Western Express Highway,
Goregaon East, Mumbai – 400 063
Maharashtra, India
Tel: 022 6225 7615
Email: ankur.shah@adityabirlacapital.com

Lead Managers

Trust Investment Advisors Private Limited
109/110, Balarama, Bandra Kurla
Complex Bandra (East)
Mumbai – 400 051
Maharashtra, India
Tel: +91 22 4084 5000
Fax: +91 22 4084 5066
Email: projectaarambh.trust@trustgroup.in
Investor Grievance Email:
customercare@trustgroup.in
Website: www.trustgroup.in
Contact Person: Ms. Hani Jalan
Compliance Officer: Brijmohan Bohra
SEBI Registration Number: INM000011120
CIN: U67190MH2006PTC162464

A. K. Capital Services Limited*
603, 6th Floor, Windsor, Off CST Road
Kalina, Santacruz East
Mumbai 400 098
Maharashtra, India
Tel: +91 22 6754 6500
Fax: +91 22 6610 0594
Email: abfl.ncd2023@akgroup.co.in
Investor Grievance Email: investor.grievance@akgroup.co.in
Website: www.akgroup.co.in
Contact Person: Aanchal Wagle/ Chaitali Chopdekar
Compliance Officer: Tejas Davda
SEBI Registration No: INM000010411
CIN: L74899MH1993PLC274881

JM Financial Limited#
7th Floor, Cnergy
Appasaheb Marathe Marg
Prabhadevi, Mumbai - 400 025
Maharashtra, India
Tel: +91 22 6630 3030
Fax: +91 22 6630 3330
Email: abfl.ncd2023@jmfl.com
Investor Grievance Email: grievance.ibd@jmfl.com
Website: www.jmfl.com
Contact Person: Prachee Dhuri
Compliance Officer: Sunny Shah
SEBI Registration Number: INM000010361
CIN: L67120MH1986PLC038784

Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited) #
8th Floor, Wing A, Building No 3
Inspire BKC, G Block
Bandra Kurla Complex, Bandra East
Mumbai – 400 051, Maharashtra, India
Tel: +91 22 4009 4400
Fax: NA
Email: abfl.ncds@nuvama.com
Investor Grievance Email: customerservice.mb@nuvama.com
Website: www.nuvama.com
Contact Person: Saili Dave
Compliance Officer: Bhavana Kapadia
SEBI Registration Number: INM000013004
CIN: U67110MH1993PLC344634

** A.K. Capital Services Limited is deemed to be our associate as per the SEBI Merchant Bankers Regulations. Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the SEBI Merchant Bankers Regulations, A.K. Capital Services Limited would be involved only in marketing of the Issue and as per Regulation 25 (3) of SEBI NCS Regulations shall not issue a due diligence certificate.*

 # Pursuant to the amendment agreement to the Issue Agreement dated September 16, 2023, JM Financial Limited and Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited) were appointed as Lead Managers to the Issue subsequent to the filing of the Draft Prospectus for public comments. The appointment was authorised by the Finance Committee by way of its resolution dated September 16, 2023 and such appointment was intimated to the general public by way of the Addendum.

Debenture Trustee

Vistra ITCL (India) Limited

The IL&FS Financial Centre, 7th floor, Plot C-22, G-Block

Bandra Kurla Complex, Bandra (E), Mumbai – 400 051
Tel: +91 22 2659333
Fax: + 91 22 2653297
Email: itclcomplianceofficer@vistra.com
Investor Grievance Email: itclcomplianceofficer@vistra.com
Website: www.vistraitcl.com
Contact Person: Jatin Chonani – Compliance Officer
SEBI Registration No.: IND000000578

Vistra ITCL (India) Limited has, pursuant to Regulation 8 of SEBI NCS Regulations, by its letters dated September 5, 2023 and September 21, 2023, has given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in this Prospectus and in all the subsequent periodical communications sent to the holders of the NCDs issued pursuant to this Issue. Please see "*Annexure D*" of this Prospectus.

All the rights and remedies of the Debenture Holders under this Issue shall vest in and shall be exercised by the appointed Debenture Trustee for this Issue without having it referred to the NCD Holders. All investors under this Issue are deemed to have irrevocably given their authority and consent to the Debenture Trustee so appointed by our Company for this Issue to act as their trustee and for doing such acts, deeds, matters, and things in respect of or relating to the Debenture Holders as the Debenture Trustee may in his absolute direction deem necessary or require to be done in the interest of Debenture Holders and signing such documents to carry out their duty in such capacity. Any payment by our Company to the NCD Holders/Debenture Trustee, as the case may be, shall, from the time of making such payment, completely and irrevocably discharge our Company *pro tanto* from any liability to the NCD Holders. For details on the terms of the Debenture Trust Deed see, "*Issue Related Information*" beginning on page 156.

Registrar to the Issue

Link Intime India Private Limited
Address: C-101, 1st Floor, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra
Tel: +91 810 811 4949
Fax: +91-022-49186060
Email: abfl.ncd@linkintime.co.in
Investor Grievance Email: abfl.ncd@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Sumeet Deshpande
Compliance Officer: BN Ramakrishnan
SEBI Registration No.: INR000004058
CIN: U67190MH1999PTC118368

Link Intime India Private Limited has by its letter dated September 21, 2023 given its consent for its appointment as Registrar to the Issue and for its name to be included in this Prospectus, and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Issue.

Applicants or prospective investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer of our Company in case of any pre-Issue or post-Issue related problems, such as non-receipt of Allotment Advice, demat credit, transfers, etc.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, Application Form number, address of the Applicant, Permanent Account Number, number of NCDs applied for, amount paid on Application, Depository Participant ("**DP**") name and client identification number, and the collection centre of the Members of the Consortium where the Application was submitted and ASBA Account number (for Bidders other than retail individual investors bidding through the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of retail individual investors bidding through the UPI mechanism. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (i) the relevant Designated Branch of the SCSB where the Application Form was submitted by the Applicant, or (ii) the concerned Member of the Consortium and the relevant Designated Branch of the SCSB in the event of an Application submitted by an Applicant at any of the Syndicate ASBA Centres, giving full details such as name, address of Applicant, Application Form number, number of NCDs applied for and amount blocked on Application.

All grievances related to the UPI process may be addressed to the Stock Exchanges, which shall be responsible for addressing investor grievances arising from applications submitted online through the App based/ web interface platform of stock exchanges or through their Trading Members. The intermediaries shall be responsible for addressing any investor grievances arising from the applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

All grievances arising out of Applications for the NCDs made through the Online Stock Exchange Mechanism (app based/wed interface platform) of the Stock Exchanges, or through Trading Members, may be addressed directly to the Stock Exchanges, with a copy to the Registrar to the Issue.

Statutory Auditor

Name of the Auditor	Address	Date of Appointment
MSKA & Associates, Chartered Accountants **Tel:** +91 22 6238 0519 **Firm registration no.:** 105047W **Email:** swapnilkale@mska.in **Peer review certificate no.:** 013267 **Contact Person:** Swapnil Kale	602, Floor 6, Raheja Titanium Western Express Highway Geetanjali Railway Colony Ram Nagar, Goregaon (E) Mumbai 400 063 Maharashtra, India	August 16, 2023
Singhi & Co., Chartered Accountants **Tel:** 022 6662 5537/38 **Firm registration no.:** 302049E **Email:** amithundia@singhico.com **Peer review certificate no.:** 014484 **Contact Person:** Amit Hundia	B2 402B, Marathon Innova Off Ganpatrao Kadam Marg Lower Parel, Opposite Peninsula Corporate Park, Mumbai 400 013 Maharashtra, India	December 16, 2021

Change in Statutory Auditors for preceding three financial years and current financial year as on date of this Prospectus:

Name of the Auditor	Address	Date of Appointment	Date of cessation if applicable	Date of resignation if applicable
MSKA & Associates, Chartered Accountants	602, Floor 6, Raheja Titanium, Western Express Highway, Geetanjali Railway Colony, Ram Nagar, Goregaon (E), Mumbai 400 063, Maharashtra, India	August 16, 2023	NA	NA
Deloitte Haskins & Sells LLP, Chartered Accountants	One International Center, Tower 3, 32nd Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai – 400 013, Maharashtra, India	July 10, 2020	August 16, 2023	August 16, 2023*
Singhi & Co., Chartered Accountants	B2 402B, Marathon Innova, Off Ganpatrao Kadam Marg, Lower Parel, Opposite Peninsula Corporate Park, Mumbai 400 013, Maharashtra, India	December 16, 2021	NA	NA

* *Pursuant to circular issued by RBI on Appointment of Statutory Auditors for NBFC's vide circular no. RBI/2021-22/25 Ref.No.DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021, Deloitte Haskins & Sells LLP, Chartered Accountants had completed a term of three years and subsequently MSKA & Associates, Chartered Accountants were appointed as the Joint Statutory Auditors.*

Credit Rating Agencies

India Ratings & Research Private Limited
Wockhardt Tower,
West Wing, Level 4, BKC, Bandra
(East) Mumbai 400 051
Maharashtra, India
Ph no: 022-40001700
Fax no: 022-40001701
Contact person: Jinay Gala
Email ID: jinay.gala@indiaratings.co.in
Website: www.indiaratings.co.in
SEBI Registration No.: IN/CRA/002/1999

ICRA Limited
1802, 18th Floor, Tower 3,
Indiabulls Finance Centre, Senapati Bapat Marg,
Elphinstone Road, Mumbai
Maharashtra, India
Ph no: 022-6179 6300
Fax no: 022-2433 1390
Contact person: Neha Parikh
Email ID: neha.parikh@icraindia.com
Website: www.icra.in
SEBI Registration No.: IN/CRA/008/2015

Credit Rating, Rationale, Revalidated Letter and Press Release

The NCDs proposed to be issued pursuant to this Issue have been rated IND AAA Outlook Stable by India Ratings & Research Private Limited for an amount of up to ₹5,000 crores by way of its letter dated August 30, 2023 and rated [ICRA]AAA (Stable) by ICRA Limited for an amount of up to ₹5,000 crores by way of its letter dated July 28, 2023 (and revalidation letter dated August 25, 2023). Ratings issued by India Ratings & Research Private Limited and ICRA Limited are valid as on the date of this Prospectus and will continue to be valid for the life of the instrument unless withdrawn or reviewed. Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk. The rating provided by India Ratings & Research Private Limited and ICRA Limited may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. For the rationale, revalidated letters and press release for these ratings, see "*Annexure B*" and "*Annexure C*" of this Prospectus, beginning on page 291 and 292 respectively.

Disclaimer clause of India Ratings

Users of IRRPL 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.

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. The Rating Agency shall neither construed to be nor acting under the capacity or nature of an 'expert' as defined under Section 2(38) of the Companies Act, 2013. 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 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.

Disclaimer clause of ICRA

All information contained in the press release has been obtained by ICRA from sources believed by it to be accurate and reliable. Although reasonable care has been taken to ensure that the information therein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. All information contained therein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of the press release or its contents. Also, ICRA may provide other permissible services to the Company at arms-length basis.

Legal Counsel to the Issue

Cyril Amarchand Mangaldas
5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg
Mumbai 400013
Maharashtra, India
Tel: +91 22 2496 4455

Banker(s) to our Company

HDFC BANK
We understand your world

HDFC Bank Limited
Address: 4th Floor, Tower B, Peninsula Busines Park
Ganpatrao Kadam Marg, Lower Parel

ICICI Bank

ICICI Bank Limited
Address: ICICI Bank, Capital Market Division
5th Floor, 163 HT Pareskh Marg, Backbay Reclamation
Churchgate, Mumbai 400 020, Maharashtra, India

Mumbai 400 013, Maharashtra, India
Contact Person: Narendrasingh Rajput
Tel: 022-33958155/ 9426792001
Email: Narendrasingh.Rajput@hdfcbank.com
Website: www.hdfcbank.com
SEBI Registration No.: INBI00000063
CIN: L65920MH1994PLC080618

Contact Person: Mr. Nikhil Shetty
Tel: 022-40087812
Email: nikhil.shetty@icicibank.com
Website: www.icicibank.com
SEBI Registration No.: INBI00000004
CIN.: L65190GJ1994PLC021012

IndusInd Bank Limited
Address: IndusInd Bank Limited, 4th Floor
PNA House, Street No. 17, Plot No. 57
MIDC, Andheri (East), Mumbai 400093
Contact Person: Kaushik Chatterjee
Tel: 022-61069318
Email: Chatterjee.kaushik@indusind.com
Website: www.indusind.com
SEBI Registration No.: INBI00000002
CIN: L65191PN1994PLC076333

Banker to the Issue

Public Issue Account Bank, Refund Bank and Sponsor Bank

IndusInd Bank Limited
Address: IndusInd Bank Limited, 4th Floor
PNA House, Street No. 17, Plot No. 57
MIDC, Andheri (East), Mumbai 400093
Tel: 022-61069318
Email: chatterjee.kaushik@indusind.com
Website: www.indusind.com
Contact Person: Kaushik Chatterjee
SEBI Registration No.: INBI00000002
CIN: L65191PN1994PLC076333

Consortium Members

A.K. Stockmart Private Limited
Address: 601- 602, 6th Floor, Windsor, Off CST Road, Kalina, Santacruz (East), Mumbai 400 098
Tel: +91 22 6754 6500
Fax: +91 22 6610 0594
Email: ashit.raja@akgroup.co.in/ ranjit.dutta@akgroup.co.in
Investor Grievance Email:
investor.grievance@akgroup.co.in
Website: www.akstockmart.com
Contact Person: Ashit Raja/ Ranjit Dutta
SEBI Registration No.: INZ000240830
CIN: U67120MH2006PTC158932

JM Financial Services Limited
Address: Ground Floor, 2, 3 & 4, Kamanwala Chambers, Sir P.M. Road, Fort, Mumbai 400 001, Maharashtra, India
Tel: +91 22 6136 3400
Fax: Nil
e-mail: tn.kumar@jmfl.com/ sona.verghese@jmfl.com
Investor Grievance e-mail: ig.distribution@jmfl.com
Website: www.jmfinancialservices.in
Contact Person: T N Kumar/ Sona Verghese
SEBI Registration Number: INZ000195834
CIN: U67120MH1998PLC115415

Nuvama Wealth and Investment Limited (*formerly known as Edelweiss Broking Limited*)
Address: 2nd Floor, Office No. 201-203, Zodiac Plaza, Xavier College Road, Off C G Road, Ahmedabad – 380 009
Tel: +91 22 4009 4400

Trust Financial Consultancy Services Private Limited
Address: 1101, Naman Centre, 'G' Block, C-31
Bandra Kurla Complex, Bandra (East), Mumbai – 400051, Maharashtra, India
Tel: + 91 22 4084 5000

Fax: N.A.
e-mail: amit.dalvi@nuvama.com / prakash.boricha@nuvama.com
Investor Grievance e-mail: helpdesk@nuvama.in
Website: www.nuvamawealth.com
Contact Person: Amit Dalvi / Prakash Boricha
SEBI Registration Number: INZ000005231
CIN: U65100GJ2008PLC077462

Fax: + 91 22 4084 5066
e-mail: pranav.inamdar@trustgroup.in; projectaarambh.trust@trustgroup.in
Investor Grievance e-mail: grievances@trustgroup.in
Website: www.trustgroup.in
Contact Person: Pranav Inamdar
SEBI Registration Number: INZ000238639
CIN: U67120MH2002PTC135942

Trust Securities Services Private Limited
Address: 1202, Naman Centre, G Block C-31, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 Maharashtra, India
Tel: + 91 22 2656 7536
Fax: + 91 22 2656 6598
e-mail: parth.maniar@trustgroup.in; projectaarambh.trust@trustgroup.in
Investor Grievance e-mail: tssgrievances@trustgroup.in
Website: https://trustsecurities.in/
Contact Person: Parth Maniar
SEBI Registration Number: INZ000158031
CIN: U65929MH2016PTC287266

Impersonation

As a matter of abundant precaution, attention of the investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, relating to punishment for fictitious applications. Section 38(1) of the Companies Act, 2013 provides that:

"Any person who -

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing 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 to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹10,00,000 or 1.00% of the turnover of our Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹10,00,000 or 1.00% of the turnover of our Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹50,00,000 or with both.

Minimum subscription

In terms of the SEBI NCS Regulations for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size in this case being ₹750 crores. If our Company does not receive the minimum subscription of 75% of the Base Issue Size being ₹750 crores, prior to the Issue Closing Date, the entire Application Amount shall be unblocked in the relevant ASBA Accounts of the Applicants within eight Working Days from the Issue Closing Date. In the event there is delay in unblocking of funds, our Company shall be liable to pay interest at the rate of 15 % per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. Our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard included in the SEBI Master Circular.

Underwriting

This Issue will not be underwritten.

Recovery Expense Fund

A fund created by our Company with the Designated Stock Exchange for an amount equal to 0.01% of the issue size, subject to a maximum of deposit of ₹2,500,000 at the time of making the application for listing of NCDs, created in the manner as specified by SEBI in the SEBI Master Circular for Debenture Trustees and Regulation 11 of SEBI NCS Regulations. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.

Arrangers to the Issue

There are no arrangers to the Issue.

Guarantor to the Issue

There are no guarantors to the Issue.

Designated Intermediaries

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA and UPI Mechanism process is provided on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 respectively as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms and UPI Mechanism through app/web interface from the Designated Intermediaries, refer to the above-mentioned links.

In relation to Applications submitted to a member of the Consortium, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the members of the Syndicate is available on the website of the SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes), or at such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Member of the Consortium at Specified Locations, see the website of the SEBI (http://www.sebi.gov.in/ sebiweb/other/OtherAction.do?doRecognised =yes) or any such other website as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to ASBA Applications submitted to the Members of the Consortium or the Trading Members of the Stock Exchanges only in the Specified Cities (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat), the list of branches of the SCSBs at the Specified Cities named by the respective SCSBs to receive deposits of ASBA Applications from such Members of the Syndicate or the Trading Members of the Stock Exchanges is provided on (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=45) or at such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting ASBA Applications from Members of the Syndicate or the Trading Members of the Stock Exchanges only in the Specified Cities, see http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes , as updated from time to time or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers / RTAs / CDPs

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and Master Circular No. SEBI/HO/MIRSD/POD-1/CIR/2023/70 dated May 17, 2023 and the ASBA Circular, applicants can submit ASBA Forms in the Issue using the stock broker network of the Stock Exchanges, *i.e.*, through the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com.

In relation to Applications submitted to the Registered Brokers at the Broker Centres, the list of branches of the SCSBs at the Broker Centres named by the respective SCSBs to receive deposits of the ASBA Forms from the Registered Brokers is available on the website of the SEBI at www.sebi.gov.in and updated from time to time. For further details, see "*Issue Procedure*" on page 179.

Utilisation of Issue proceeds

For details on utilisation of Issue proceeds, see "*Objects of the Issue*" on page 55.

Issue Programme*

ISSUE OPENS ON	Wednesday, September 27, 2023
ISSUE CLOSES ON	Thursday, October 12, 2023
PAY IN DATE	Application Date. The entire Application Amount is payable on Application.
DEEMED DATE OF ALLOTMENT	The date on which the Board of Directors or Finance Committee authorised by the Board approves the Allotment of the NCDs for the Issue or such date as may be determined by the Board of Directors/ Finance Committee authorised by the Board thereof and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.

**Note:*

(1) This Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the period indicated above, except that this Issue may close on such earlier date or extended date (subject to a minimum period of three Working Days and a maximum period of ten Working Days from the date of opening of the Issue and subject to not exceeding thirty days from filing this Prospectus with ROC) as may be decided by the Board of Directors of our Company or Finance Committee subject to compliance with Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of this Issue our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement for opening of this Issue has been given on or before such earlier or initial date of Issue closure. Application Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges, on Working Days during the Issue Period. On the Issue Closing Date, the Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time) and uploaded until 5:00 p.m. or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. (Indian Standard Time) on one Working Day after the Issue Closing Date. For further details please refer to the chapter titled "Issue Related Information" on page 156 of this Prospectus.

(2) Application Forms for the Issue will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges, during the Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday), (i) by the Consortium or the Trading Members of the Stock Exchanges, as the case maybe, at the centres mentioned in Application Form through the ASBA mode, (ii) directly by the Designated Branches of the SCSBs or (iii) by the centres of the Consortium, sub-brokers or the Trading Members of the Stock Exchanges, as the case maybe, only at the selected cities. Additionally, an Investor may also submit the Application Form through the app or web interface of the Stock Exchanges. It is clarified that the Applications not uploaded in the Stock Exchanges platform would be rejected.

(3) Due to limitation of time available for uploading the Applications on the Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Issue Closing Date and, no later than 3.00 p.m. (Indian Standard Time) on the Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Application Forms will only be accepted on Working Days during the Issue Period. Neither our Company, nor the Lead Managers or Trading Members of the Stock Exchanges are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that, within each category of investors the Basis of Allotment under the Issue will be on a date priority basis except from the day of oversubscription and thereafter, if any, where the Allotment will be proportionate.

Responsibilities of the Lead Managers:

The following table sets forth the inter-se allocation of responsibility of various activities to be undertaken by the Lead Managers:

S. No.	Activities	Responsibility*	Coordinator*
1.	Due diligence of Issuer's operations/ management/ business plans/ legal etc and drafting the Draft Prospectus, Prospectus (together "**Issue Documents**")	Trust Investments, JMFL, Nuvama	Trust Investments
2.	Co-ordination with Auditors on Comfort Letter and co-ordination with lawyers for legal opinion.	Trust Investments, JMFL, Nuvama	Trust Investments
3.	Structuring of various issuance options with relative components and formalities etc.	Trust Investments, JMFL, Nuvama	Trust Investments
4.	Appointment of other intermediaries viz., Registrar(s), Printers, Debenture Trustee, Consortium Members, Advertising Agency and Bankers to the Issue	Trust Investments, JMFL, Nuvama	Trust Investments
5.	Drafting and design of the statutory advertisement	Trust Investments, JMFL, Nuvama	JMFL
6.	Preparation and Finalization of Application form	Trust Investments, JMFL, Nuvama	JMFL
7.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in (5) above including corporate advertisement, brochure, etc.	Trust Investments, JMFL, Nuvama	JMFL
8.	Preparation of road show presentation, FAQs	Trust Investments, JMFL, Nuvama	JMFL
9.	Individual / HUF marketing strategy which will cover, inter alia: § Finalize collection centers § Follow-up on distribution of publicity and Issue material including form, Prospectus and deciding on the quantum of the Issue material	All LMs	Trust Investments and AK Capital
10.	Institutional and Non-institutional marketing strategy which will cover, inter alia: • Finalize media, marketing and public relation strategy and publicity budget	All LMs	Trust Investments

S. No.	Activities	Responsibility*	Coordinator*
	• Finalize the list and division of investors for one on one meetings • Finalize centers for holding conferences for brokers, etc.		and AK Capital
11.	Coordination with the stock exchange for the bidding software	Trust Investments, JMFL, Nuvama	JMFL
12.	Coordination for security creation by way of execution of Debenture Trust Deed/ Deed of Hypothecation	Trust Investments, JMFL Nuvama	JMFL
13.	Post-issue activities including - • Co-ordination with Bankers to the Issue for management of management of Public Issue Account and Refund Account, and timely submission of application forms/ data to RTA and daily collection figures under different categories. • Co-ordination with the Registrars and the Bankers to the Issue for timely submission of certificate, finalization of basis of allotment and allotment of bonds.	Trust Investments, JMFL, Nuvama	Nuvama
14.	Co-ordination with the Registrar for dispatch of allotment and refund advices, dispatch of debenture certificates and credit of bonds.	Trust Investments, JMFL, Nuvama	Nuvama
15.	Finalization of draft of other stationery items like refund order, allotment & refund advice, etc	Trust Investments, JMFL, Nuvama	Nuvama
16.	Coordination for generation of ISINs and Corporate action for dematerialized credit /delivery of securities;	Trust Investments, JMFL, Nuvama	Nuvama
17.	Coordination with Registrar & Stock Exchanges for completion of listing and trading.	Trust Investments, JMFL, Nuvama	Nuvama
18.	Redressal of investor grievances in relation to post issue activities	Trust Investments, JMFL, Nuvama	Nuvama

** A.K. Capital Services Limited is deemed to be our associate as per the SEBI Merchant Bankers Regulations. Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the SEBI Merchant Bankers Regulations, A.K. Capital Services Limited would be involved only in marketing of the Issue and as per Regulation 25 (3) of SEBI NCS Regulations shall not issue a due diligence certificate.*

CAPITAL STRUCTURE

Details of share capital

The following table lays down details of our authorised, issued, subscribed and paid-up share capital and securities premium account as on June 30, 2023:

(In ₹, except for share data)

Particulars	Amount in (₹)
AUTHORISED SHARE CAPITAL	
127,00,00,000 Equity Shares of face value of ₹10 each	12,70,00,00,000
1,00,00,000 8% compulsorily convertible cumulative preference shares of ₹10 each	10,00,00,000
100,00,00,000 preference shares of face value of ₹10 each	10,00,00,00,000
TOTAL	**22,80,00,00,000**
ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL*	
66,21,00,822 Equity Shares of face value of ₹10 each	6,62,10,08,220
TOTAL	**6,62,10,08,220**
Securities Premium Account^	**36,37,38,29,358**

Note: There will be no change in the capital structure and securities premium account due to the issue and allotment of the NCDs.

1. **Details of change in authorised share capital of our company for the preceding three financial years and current financial year as on the date of this Prospectus:**

   There has been no change in authorised share capital of our company for the preceding three financial years and current financial year as on the date of this Prospectus.

2. **Equity Share capital history of our Company for the preceding three financial years and current financial year as on the date of this Prospectus:**

   There has been no change to the issued and paid-up Equity Share capital of our Company for the preceding three financial years and current financial year as on the date of this Prospectus.

3. **Preference Share capital:**

   Our Company does not have any preference shares outstanding as on the date of this Prospectus.

4. **Shareholding pattern of our Company as on the last quarter end**

Shareholding pattern of our Company, as on June 30, 2023, is set forth below.

Category (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. Of Shares Underlying Outstanding convertible securities (X)	No. of Shares Underlying Outstanding Warrants (Xi)	No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	Sub-categorization of shares		
								No of Voting (XIV) Rights			Total as a % of (A+B+C)										Shareholding (No. of shares) under		
								Class eg: X	Class eg:y	Total						No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		Sub-category (i)	Sub-category (ii)	Sub-category (iii)
(A)	Promoter & Promoter Group	1	66,21,00,772	-	-	66,21,00,772	100.00	-	-	-	-	-	-	-	-	-	-	-	-	66,21,00,772			
(B)	Public	14	50	-	-	50	-	-	-	-	-	-	-	-	-	-	-	-		24	-	-	-
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			-	-		
(C1)	**Shares underlying DRs**	-	-	-	-	-		-	-	-	-	-	-	-		-	-			-			
(C2)	**Shares held by Employee Trusts**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			-			
	Total	15 (50 shares held by 14 nominee shareholders)	66,21,00,822			66,21,00,822	100.00	-	-	-	-	-	-	-	-	-	-	-	-	66,21,00,796	-	-	-

Shareholding pattern of our Promoter and Promoter Group, as on June 30, 2023, is set forth below.

Sr.	Category & Name of the Shareholders (I)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. Of Shares Underlying Outstanding convertible securities (X)	No. of Shares Underlying Outstanding Warrants (Xi)	No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	Sub-categorization of shares		
								No of Voting Rights (XIV)			Total as a % of Total Voting rights										Shareholding (No. of shares) under		
								Class eg: X	Class eg:y	Total						No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		Sub-category (i)	Sub-category (ii)	Sub-category (iii)
1)	**Indian**																						
a)	Individuals/Hindu undivided Family	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
c)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
d)	Any Other (Body Corporate)	1	66,21,00,772	-	-	66,21,00,772	100.00	-	-	-	-	-	-	-	-	-	-	-	-	66,21,00,772			
Sub-Total (A)(1)		1	66,21,00,772	-	-	66,21,00,772	100.00	-	-	-	-	-	-	-	-	-	-	-	-	66,21,00,772			
2)	**Foreign**																						
a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
(d)	Foreign Portfolio Investor	-	-		-	-	-	-	-	-	-	-	-	-	-	-				-			
e)	Any Other (specify)	-	-		-	-	-	-	-	-	-	-	-	-	-	-				-			
Sub-Total (A)(2)		-	-		-	-	-	-	-	-	-	-	-	-	-	-				-			
Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)		1	66,21,00,772		-	66,21,00,772	100.00	-	-	-	-	-	-	-	-	-				66,21,00,772			

Shareholding pattern of public Shareholders, as on June 30, 2023, is set forth below.

Sr.	Category & Name of the Shareholders (I)	PAN (III)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	Sub-categorization of shares		
									No of Voting (XIV) Rights			Total as a % of Total Voting rights								Shareholding (No. of shares) under		
									Class eg: X	Class eg: y	Total				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		Sub-category (i)	Sub-category (ii)	Sub-category (iii)
(1)	**Institutions (Domestic)**																					
a)	Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			-	-	-	-
(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			-	-	-	-
(d)	Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			-	-	-	-
f)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			-	-	-	-
(g)	Asset reconstruction companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			-	-	-	-
h)	Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			-	-	-	-
i)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			-	-	-	-
(j)	Other Financial Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			-	-	-	-
(k)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			-	-	-	-
Sub-Total (B)(1)			-	-	-	-	-	-	-	-	-	-	-	-	-	-			-	-	-	-
(2)	**Institutions (Foreign)**																					
(a)	Foreign Direct Investment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-
b)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			-	-	-	-
c)	Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			-	-	-	-

Sr.	Category & Name of the Shareholders (I)	PAN (II)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	Sub-categorization of shares		
									No of Voting (XIV) Rights			Total as a % of Total Voting rights								Shareholding (No. of shares) under		
									Class eg: X	Class eg: y	Total				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		Sub-category (i)	Sub-category (ii)	Sub-category (iii)
d)	Foreign Portfolio Investors Category I	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			-	-	-	-
(e)	Foreign Portfolio Investors Category II	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			-	-	-	-
f)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			-	-	-	-
	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			-	-	-	-
Sub-Total (B)(2)			-	-	-	-	-	-	-	-	-	-	-	-	-	-			-	-	-	-
(3)	**Central Government / State Government(s)**																					
a)	Central Government / President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-
(b)	State Government / Governor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			-	-	-	-
	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	-	-	-	-	-	-	-				-	-	-		-			-			
Sub-Total (B)(3)			-	-	-	-	-	-				-	-	-		-			-			
4)	**Non-institutions**		-	-	-	-	-	-				-	-	-		-			-			
a)	Associate companies / Subsidiaries	-	-	-	-	-	-	-				-	-	-		-			-			

Sr.	Category & Name of the Shareholders (I)	PAN (II)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	Sub-categorization of shares		
									No of Voting (XIV) Rights			Total as a % of Total Voting rights								Shareholding (No. of shares) under		
									Class eg: X	Class eg: y	Total				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		Sub-category (i)	Sub-category (ii)	Sub-category (iii)
b)	Directors and their relatives (excluding independent directors and nominee directors)	-	-	-	-	-	-	-				-	-	-		-			-			
c)	Key Managerial Personnel	-	-	-	-	-	-	-				-	-	-		-			-			
d)	Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)	-	-	-	-	-	-	-				-	-	-		-			-			
e)	Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'	-	-	-	-	-	-	-				-	-	-		-			-			
f)	Investor Education and Protection Fund (IEPF)	-	-	-	-	-	-	-				-	-	-		-			-			
g)	Resident Individuals holding	-	14	50	-	-	50	-				-	-	-		-			24			

Sr.	Category & Name of the Shareholders (I)	PAN (III)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	Sub-categorization of shares		
									No of Voting (XIV) Rights			Total as a % of Total Voting rights								Shareholding (No. of shares) under		
									Class eg: X	Class eg: y	Total				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		Sub-category (i)	Sub-category (ii)	Sub-category (iii)
	nominal share capital up to Rs. 2 lakhs																					
h)	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	-	-	-	-	-	-	-				-	-	-		-			-			
(i)	Non Resident Indians (NRIs)	-	-	-	-	-	-	-				-	-	-		-			-			
j)	Foreign Nationals	-	-	-	-	-	-	-				-	-	-	-	-			-			
(k)	Foreign Companies	-	-	-	-	-	-	-				-	-	-		-			-			
(l)	Bodies Corporate	-	-	-	-	-	-	-				-	-	-		-			-			
(m)	Any Other (specify)	-	-	-	-	-	-	-				-	-	-		-			-			
Sub-Total (B)(4)			**14**	**50**	**-**	**-**	**50**	**0.00**				**-**	**-**	**-**		**-**			**24**			
Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)+(B)(4)		**-**	**14**	**50**	**-**	**-**	**50**	**0.00**	--	-	-	-	-	-		-			**24**			

Shareholding pattern of non-Promoter non-public Shareholders, as on June 30, 2023, is set forth below.

Sr.	Category & Name of the Shareholders (I)	PAN	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	Sub-categorization of shares		
									No of Voting (XIV) Rights			Total as a % of Total Voting rights								Shareholding (No. of shares) under		
									Class eg: X		Total				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		Sub-category (i)	Sub-category (ii)	Sub-category (iii)
	Custodian/DR Holder - Name of DR Holders (If Available)		-	-	-	-		-					-	-		-	-		-			-
	Employee Benefit Trust / Employee Welfare Trust under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021		-	-	-	-		-					-	-		-			-			
Total Non- Promoter Non-Public Shareholding (C)= (C)(1)+(C)(2)			-	-	-	-		-					-	-		-			-			
Total (A+B+C2)		-	15 (50 shares held by 14 nominee shareholders)	66,21,00,822	-	-		100.0					-	-		-			66,21,00,796			
Total (A+B+C)			15 (50 shares held by 14 nominee shareholders)	66,21,00,822	-	-		100.0					-	-		-	-	-	66,21,00,796			

5. **List of top ten holders of Equity Shares as on June 30, 2023**

Sr. No	Name of the Shareholder	Total number of Equity Shares	Number of Equity Shares held in dematerialized form	Total shareholding as a % of total number of Equity Shares
1.	Aditya Birla Capital Limited	66,21,00,772	66,21,00,772	100
2.	Manoj Shah*	10	-	Negligible
3.	Murlidhar Raut*	10	-	Negligible
4.	Pinky Mehta*	4	4	Negligible
5.	Vijay Deshwal*	4	4	Negligible
6.	Subhro Bhaduri*	4	4	Negligible
7.	Anunay Shrivastava*	4	4	Negligible
8.	Mukesh Malik*	4	4	Negligible
9.	Lalit Vermani*	4	4	Negligible
10.	Other shareholders#	6	-	Negligible
	Total	**66,21,00,822**	**66,21,00,796**	**100**

** Nominees of Aditya Birla Capital Limited.*
 # Includes other nominees of Aditya Birla Capital Limited, namely, Deepak Tripathi, Goverdhan Gupta, Bhadresh Khichi, Dinesh Jain, Gopal Pamnani and RC Sharma, who hold one Equity Share each.

6. **Shareholding of the Promoter and Promoter Group in our Company as on June 30, 2023**

Sr. No	Name of the Promoter/ Promoter Group	Total number of Equity Shares	Number of Equity Shares held in dematerialized form	Total shareholding as a % of total number of Equity Shares
1.	Aditya Birla Capital Limited	66,21,00,822*	66,21,00,796*	100

** 50 Equity Shares are held by nominees of Aditya Birla Capital Limited. For details, see " – List of top ten holders of Equity Shares as on June 30, 2023*" on page 53.

7. **Details of the Directors' shareholding in our Company, as on June 30, 2023:**

As on June 30, 2023, except as stated below, none of the Directors hold any Equity Shares, qualification shares or any outstanding options in our Company:

Name of the Director	ESOP granted
Rakesh Singh	2,84,742

8. **Statement of the aggregate number of securities of our Company and our Subsidiaries purchased or sold by our Promoter, Promoter Group, our Directors and the directors of our Promoter and/or their relatives within six months immediately preceding the date of filing of this Prospectus.**

Our Promoter, Promoter Group, Directors and/ or their relatives have not purchased or sold securities of our Company within six months immediately preceding the date of filing of this Prospectus.

9. **Statement of capitalization (Debt to Equity Ratio) of our Company as on March 31, 2023:**

(*₹ in crore, except Debt/Equity ratio*)

Particulars	Pre-Issue as at March 31, 2023	Post-Issue (as adjusted for the Issue)*
Debt		
Debt Securities & Subordinated Liabilities	25,984.8	27,984.8
Borrowings (Other than Debt Securities)	44,786.0.	44,786.0
Total Debt (A)	**70,770.8**	**72,770.8**
Equity		
Equity Share Capital	662.1	662.1
Other Equity	10,764.1	10,764.1
Total Equity (B)	**11,426.2**	**11,426.2**
Debt/ Equity (C= A/B)	**6.2**	**6.4**

** The debt-equity ratio post Issue in indicative on account of the assumed inflow of ₹2,000 Crores from the proposed Issue. The actual debt-equity ratio post the Issue would depend on the actual position of debt and equity on the Deemed Date of Allotment.*

10. **Details of shareholding of our Promoter in our Company's subsidiaries**

As on the date of this Prospectus, our Company does not have any subsidiary.

11. **Debt securities issued at a premium or a discount**

Except as set out in *"Disclosures on Existing Financial Indebtedness*" on page 125 of this Prospectus, our Company has not issued debt securities at a premium or discount.

12. **Details of any acquisition or amalgamation with any entity in the preceding one year**

Our Company has not made any acquisition or amalgamation with any entity in the preceding one year prior to the date of this Prospectus.

13. **Details of any reorganization or reconstruction in the preceding one year**

Our Company has not made any reorganisation or reconstruction in the preceding one year prior to the date of this Prospectus.

14. **Details of shareholding of Directors in subsidiaries, associates and joint ventures as of the date of this Prospectus**

As of the date of this Prospectus, our Company has no subsidiaries, associates and joint ventures, and accordingly, our Directors do not have any shareholding in subsidiaries, associates and joint ventures.

15. **Details of change in the promoter holding in our Company during the preceding financial year beyond the threshold prescribed by the RBI from time to time**

There has been no change in the promoter holding in our Company during the preceding financial year beyond 26%.

16. None of the Equity Shares held by the Promoter and Promoter Group in our Company are pledged or encumbered otherwise by our Promoter and Promoter Group.

17. **Employee Stock Option Plans**

As of June 30, 2023, our Company has one employee stock option scheme, namely, Aditya Birla Finance Limited Employee Stock Option Scheme 2022 ("**ABFL Scheme 2022**"). Our Company implemented the ABFL Scheme 2022 pursuant to a special resolution dated October 4, 2022 for the benefit of such employees, as prescribed therein.

Under ABFL Scheme 2022, our Company can grant such number of employee stock options which will be exercisable into not more than 25,57,812 equity shares of ₹10 each (being 0.39% of the paid-up Equity Share Capital as on September 30, 2022 or such number as may be adjusted in terms of the ABFL Scheme 2022). The ABFL Scheme 2022 shall be operated and administered by the Nomination and Remuneration Committee. The options granted shall vest on the eligible employees, as determined in accordance with ABFL Scheme 2022.

Please refer below for the details of ABFL Scheme 2022 as on June 30, 2023:

Sr. No	Particulars	Number
1.	Stock Options granted	21,88,875
2.	Stock Options vested	Nil
3.	Stock Options exercised	Nil
4.	Stock Options cancelled	89,786
5.	Total number of shares arising out of exercise of stock options	Nil
6.	Stock Options Lapsed	Nil
7.	Exercise price (in Rupees)	283.2

OBJECTS OF THE ISSUE

Issue proceeds

Our Company has filed this Prospectus for a public issue of secured, rated, listed, redeemable, non-convertible debentures of face value of ₹1,000 each ("**NCDs**") for an amount up to ₹1,000 crores ("**Base Issue Size**") with an option to retain oversubscription up to ₹1,000 crores ("**Green Shoe Option**"), aggregating up to 2,00,00,000 NCDs for an aggregate amount of up to ₹2,000 crores ("**Issue Size**" or "**Issue Limit**").

The Issue is being made pursuant to the provisions of the SEBI NCS Regulations and the Companies Act and the rules made there under. Our Company proposes to utilize the proceeds raised through the Issue, after deducting the Issue related expenses to the extent payable by our Company ("**Net Proceeds**") towards funding the objects listed under this section.

The details of the proceeds of the Issue are summarized below:

Particulars	Estimated amount (in ₹ crores)
Gross proceeds of the Issue	2,000.00
Less: Issue related expenses*	10.75
Net Proceeds	1,989.25

* *The above Issue related expenses are indicative and are subject to change depending on the actual level of subscription to the Issue, the number of allottees, market conditions and other relevant factors.*

Requirement of Funds and Utilization of Net Proceeds

The following table details the objects of the Issue (collectively, referred to herein as the "**Objects**") and the amount proposed to be financed from the Net Proceeds:

S. No.	Objects of the Issue	Percentage of amount proposed to be financed from Net Proceeds
1.	Onward lending, financing and for repayment of interest and principal of existing borrowings of our Company#	At least 75%
2.	General corporate purposes*	Maximum up to 25%
Total		**100%**

* *The Net Proceeds will be first utilized towards the Objects mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the amount raised and allotted in the Issue, in compliance with the SEBI NCS Regulations.*

\# *Our Company shall not utilise the proceeds of this Issue towards payment of prepayment penalty, if any.*

The main objects clause of the Memorandum of Association of our Company permits our Company to undertake its existing activities as well as the activities for which the funds are being raised through this Issue.

Issue related expenses

The expenses for this Issue include, *inter alia*, lead management fees and selling commission to the Lead Managers, Consortium Members and intermediaries as provided for in the SEBI Master Circular, fees payable to debenture trustees, the Registrar to the Issue, SCSBs' commission/ fees, printing and distribution expenses, legal fees, advertisement expenses, 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 for this Issue is as follows:

Particulars*	Amount (In Rs. crores)#	As a percentage of the Issue proceeds (in %)	As a percentage of the total expenses of the Issue (in %)
Legal Counsel Fee, Auditor Fees, Registrar to the Issue, Debenture Trustees, regulatory bodies, rating agencies etc and payment towards stamp duty	0.75	0.04	7.0
Lead Manager Fee, Selling and Brokerage Commission, SCSB Processing Fee, UPI processing fees to Sponsor Banks and any other fees, commission or payments under whatever nomenclature	9.35	0.47	87.0
Advertising, printing and stationery costs	0.40	0.02	3.7
Other miscellaneous expenses	0.25	0.01	2.3
Total	**10.75**	**0.54**	**100.0**

* *Assuming the Issue is fully subscribed and our Company retains oversubscription.*

\# *The Issue expenses are exclusive of all taxes.*

Notes:
The expenses specified above are estimates and may vary from the actual expenses payable/paid by the Company.

The above expenses are indicative and are subject to change depending on the actual level of subscription to the Issue and the number of Allottees, market conditions and other relevant factors.

Our Company shall pay processing fees to the SCSBs for ASBA forms procured by Lead Managers/ Consortium Member/ Trading Members and submitted to the SCSBs for blocking the Application Amount of the applicant, at the rate of ₹ 10 per Application Form procured (inclusive of GST and other applicable taxes). However, it is clarified that in case of ASBA Application Forms procured directly by the SCSBs, the relevant SCSBs shall not be entitled to any ASBA processing fee. Further, our Company shall pay the Sponsor Bank ₹ 1 for every valid Application that is blocked. The payment will be made on the basis of valid invoices within such timelines mutually agreed to/prescribed by our Company with the Designated Intermediaries/Sponsor Bank.

Funding plan

Our Company confirms that for the purpose of this Issue, funding plan will not be applicable.

Summary of the project appraisal report

Our Company confirms that for the purpose of this Issue, summary of the project appraisal report will not be applicable.

Schedule of implementation of the project

Our Company confirms that for the purpose of this Issue, schedule of implementation of the project will not be applicable.

Monitoring and reporting of utilisation of funds

There is no requirement for appointment of a monitoring agency in terms of the SEBI NCS Regulations. The Audit Committee of our Company shall monitor the utilisation of the proceeds of the Issue. Our Company will disclose in our Company's financial statements for the relevant Financial Year commencing from Fiscal 2024, the utilisation of the proceeds of the Issue under a separate head along with details, if any, in relation to all such proceeds of the Issue that have not been utilised thereby also indicating investments, if any, of such unutilized proceeds of the Issue. Our Company shall utilize the proceeds of the Issue only upon the execution of the documents for creation of security and receipt of final listing and trading approval from the Stock Exchanges. Our Company, in accordance with the timeline prescribed in SEBI Listing Regulations, shall submit to the stock exchanges, a statement indicating the utilization of issue proceeds of non-convertible securities, which shall be continued to be given till such time the issue proceeds have been fully utilised or the purpose for which these proceeds were raised has been achieved.

Interim use of proceeds

The management of our Company, in accordance with the policies formulated by it from time to time, will have the flexibility in deploying the proceeds received from the Issue. Pending utilisation of the proceeds out of the Issue for the purposes described above, our Company intends to temporarily invest funds in high quality interest/ non- interest bearing liquid instruments including money market mutual funds, deposits with banks, current account of banks or temporarily deploy the funds in investment grade interest bearing securities as may be approved by our Board of Directors or a committee thereof. Such investment would be in accordance with the investment policy of our Company approved by our Board of Directors or any committee thereof from time to time.

Variation in terms of contract or objects in this Prospectus

Our Company shall not, in terms of Section 27 of the Companies Act, at any time, vary the terms of the objects for which this Prospectus is issued, except as may be prescribed under the applicable laws and specifically under Section 27 of the Companies Act. Further, in accordance with the SEBI Listing Regulations, in case of any material deviation in the use of proceeds as compared to the objects of the issue, the same shall be indicated in the format as specified by SEBI from time to time.

Other confirmations

No part of the proceeds from the Issue will be paid by us as consideration to our Promoter, the Directors, Key Managerial Personnel, members of our Senior Management or companies promoted by our Promoter, except in ordinary course of business.

No part of the proceeds from the Issue will be utilized for buying, trading or otherwise dealing in equity shares of any listed company. Further our Company undertakes that Issue proceeds from NCDs allotted to banks shall not be used for any purpose, which may be in contravention of the RBI guidelines including those relating to classification as capital market exposure or any other sectors that are prohibited under the RBI Regulations.

Our Company confirms that it will not use the proceeds from the Issue, directly or indirectly, for the purchase of any business or in the purchase of any interest in any business whereby our Company shall become entitled to an interest in either the capital or profit or losses or both in such business exceeding 50% thereof, the purchase or acquisition of any immovable property (direct or indirect) or acquisition of securities of any other body corporate.

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.

Benefit / interest accruing to our Promoter/Directors out of the object of the Issue

Neither our Promoter nor our Directors are interested in the Objects of this Issue.

Utilisation of the proceeds of the Issue

a. All monies received out of the Issue shall be credited/transferred to a separate bank account maintained with Public Issue Account as referred to in Section 40 of the Companies Act, 2013.
b. Details of all monies utilised out of Issue referred to in sub-item (a) shall be disclosed and continued to be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies had been utilised.
c. Details of all unutilised monies out of issue of NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our balance sheet indicating the form in which such unutilised monies have been invested.
d. The details of all utilized and unutilised monies out of the monies collected in the previous issue made by way of public offer shall be disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the purpose for which such monies have been utilized, and the securities or other forms of financial assets in which such unutilized monies have been invested.
e. We shall utilize the Issue proceeds only upon execution of the Debenture Trust Deed(s) as stated in this Prospectus, creation of security, receipt of the listing and trading approval from the Stock Exchanges and on receipt of the minimum subscription of 75% of the Base Issue Size being ₹750 crores.
f. The Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, inter alia by way of a lease, of any immovable property or in the purchase of any business or in the purchase of an interest in any business.
g. The Issue Proceeds shall be utilized in compliance with various guidelines, regulations and clarifications issued by RBI, SEBI or any other statutory authority from time to time.

STATEMENT OF POSSIBLE TAX BENEFITS

Ref No: K-309/2023/06-01511
To,
The Board of Directors,
Aditya Birla Finance Limited
One World Centre, Tower 1, 18th Floor
841, Jupiter Mills Compound
Senapati Bapat Marg
Elphinstone Road
Mumbai 400 013
Maharashtra, India

Proposed public issue by Aditya Birla Finance Limited (the "Company") of secured, rated, listed, redeemable, non-convertible debentures of face value of ₹1,000/- each ("NCDs") aggregating up to ₹2,000 crore (the "Issue")

Sub: Statement of Possible Tax Benefits Available to The Debentures Holders of the Company under the Applicable Laws in India

We, Mukund M Chitale & Co, are an independent firm of chartered accountants in relation to the Company and its group. This certificate is issued in accordance with the terms of our engagement letter dated August 28, 2023.

We have been requested by the Company to confirm that the enclosed Annexure, prepared by the Company, provides the tax provisions and possible tax benefits, if any, available to the potential debenture holders ("**Investors**") subscribing in the NCDs of Company in the annexure (hereinafter referred to as "**Statement of Tax Benefits**" or the **"Statement"**) under the Income-tax Act,1961(read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2023 (hereinafter referred to as the "**IT Act**") in connection with the Issue., i.e. applicable for the financial year **2023-24** relevant to the assessment year **2024-25** respectively, presently in force in India. Several of these benefits are dependent on the Company or its debenture holders fulfilling the conditions prescribed under the relevant provisions of the IT Act. Hence, the ability of the Company and / or its debenture holders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its debenture holders may or may not choose to fulfil

Management's Responsibility for the Statement

The preparation and presentation of the details mentioned in this certificate is the responsibility of the management of the Company. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the details mentioned in this certificate, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Practitioner's Responsibility

Our responsibility is to examine whether the Statement prepared by the Company, is in accordance with applicable provision of the IT Act. For this purpose, we have read the Statement and evaluated with reference to the provisions of the IT Act to confirm that statements made are correct in all material respect.

We have conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)" ("Guidance Note") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

Inherent Limitations

We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information. The benefits discussed in the enclosed Statement are not exhaustive. Several of these benefits are dependent on the Investors fulfilling the conditions prescribed under the relevant tax laws. Therefore, the ability of Investors to derive the tax benefits is dependent on fulfilling such conditions

Conclusion

In our opinion, the enclosed Statement (**Annexure 1)** prepared by the Company materially covers all the provisions of the IT Act with respect to taxability for debenture holders of the Company as at the date of our report

While the benefits discussed in the enclosed statement are not exhaustive, and the preparation of the contents stated is the responsibility of the Company's management.. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a suitable for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue. Neither are we suggesting nor advising the investor to invest money based on this Statement.

We do not express any opinion or provide any assurance as to whether:

a. The company or its debenture holders will continue to obtain these benefits in future;

b. The conditions prescribed for availing the benefits have been / would be met with; and

c. The revenue authorities/courts will concur with the views expressed herein.

The contents of the enclosed statements are based on information, explanation and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.

This certificate is issued solely for the purpose of the Issue and can be used, in full or part, for inclusion in the Issue Documents, and for the submission of this certificate as may be necessary, to any regulatory / statutory authority including SEBI and the Registrar of Companies, Gujarat at Ahmedabad, stock exchanges, any other authority as may be required and/or for the records to be maintained by the lead managers appointed in connection with the Issue (the "**Lead Managers**") and in accordance with applicable law, and for the purpose of any defense the Lead Managers may wish to advance in any claim or proceeding in connection with the contents of the Issue Documents.

We undertake to update you in writing if any changes in the above-mentioned information brought to our notice by the management of the Company in writing until the NCDs issued by the Company pursuant to the Issue commence trading on the stock exchanges. In the absence of any communication from us till the NCDs commence trading on the stock exchanges, you may assume that there is no change in respect of the matters covered in this certificate. All the capitalised terms used herein but not defined shall have the same meaning ascribed to such term in the Issue Documents.

Restriction of Use:

This certificate is issued at the request of the Company for the purpose of inclusion in the prospectus and any other material used in connection with the Issue, (together, the "**Issue Documents**"), in connections with its proposed Issue and should not be used by anyone else or for any other purpose. This certificate may be relied on by Lead Managers, namely Trust Investment Advisors Private Limited, A.K. Capital Services Limited, JM Financial Limited and Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited) and their affiliates and legal counsel in relation to the Issue.

Yours Sincerely,

For Mukund M Chitale & Co,
Chartered Accountants
Firm Registration Number: 106655W

(V.A. Chougule)
Partner

Membership Number: 132680
UDIN: 23132680BGYVON8411

Date: September 16, 2023
Place: Mumbai

Annexure A

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE DEBENTURE HOLDERS

The information provided below sets out the possible tax benefits available to the subscribers of secured, rated, listed, redeemable non-convertible debentures ("NCDs") of an Indian company in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposing of the NCDs under the current tax laws presently in force in India. Several of these benefits are dependent on the subscribers fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the subscribers to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business imperatives a subscriber faces, may or may not choose to fulfill.

The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Subscribers are advised to consult their own tax consultant with respect to the tax implications of an investment in the NCDs, particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

THE SUBSCRIBERS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING THE NCDs IN YOUR PARTICULAR SITUATION.

POSSIBLE TAX BENEFITS AVAILABLE TO THE DEBENTURE HOLDERS UNDER THE INCOME TAX ACT, 1961, ("the IT ACT") PRESENTLY IN FORCE IN INDIA ON ACQUISITION OF THE NCDs.

1. The basis of charge of Indian income-tax would depend upon the residential status of the debenture holder during a tax year. The Indian tax year runs from April 1 until March 31.

2. If the debenture holder is an Indian tax resident, he is liable to income-tax in India on his worldwide income, subject to certain tax exemptions, which are provided under the IT Act.

3. A debenture holder, who is treated as a non-resident for Indian income-tax purposes, is generally subject to tax in India only on his India-sourced income (i.e., income which accrues or arises or deemed to accrue or arise in India) and income received by such persons in India. Since the NCDs would be issued by an Indian company, any income in respect of the NCDs and/or gains arising to the non-resident debenture holder on transfer would generally be regarded as India-sourced income and would accordingly be taxable in India under the IT Act.

4. In case of non-resident debenture holders, the tax rates and the consequent taxation, mentioned in this part shall be further subject to any benefits available under the Double Taxation Avoidance Agreement ("DTAA" or "tax treaty"), if any, between India and the country of residence of the non-resident, subject to satisfying the relevant conditions including but not limited to:

   - conditions (if any) present in the said DTAA read with the relevant provisions of the Multilateral Instrument ("MLI") as ratified by India with the respective country of which the said debenture holder is a tax resident;
   - non-applicability of General Anti-Avoidance Rule ("GAAR"); and
   - providing and maintaining necessary information and documents as prescribed under the IT Act read with applicable rules, circulars and/or notifications.

5. All references to NCDs hereinafter refer to secured, rated, listed, redeemable, non-convertible debentures unless stated otherwise.

6. **Determination of head of income for the purpose of taxability**

   The returns received by the investors from the NCDs in the form of interest and/or gains or loss on transfer of the NCD, may be characterized under the following broad heads of income for the purposes of taxation under the IT Act:

   - Profits and gains from business or profession ("PGBP");

   - Income from capital gains ("CG"); and

   - Income from other sources ("IFOS")

If the NCDs are held as 'Stock-in-trade', interest income as well as gain or loss on its transfer will be taxable under the head PGBP, whereas, if the NCD are held as 'Investments', then the interest income will be taxable under the head IFOS and any gain or loss on its transfer will be assessed to tax under the head CG.

For determining the appropriate head of income (as mentioned above) vis-à-vis the interest income or gains earned on/ from the NCD, it will be pertinent to analyse whether the NCDs are held as 'Investments' i.e., capital asset or as 'Stock-in- trade'. The conclusion can vary based on the facts of each investor's case (taking into account factors such as the volume of purchases and sales, ratio between purchases and sales, the period of holding, whether the intention is to earn a profit from sale or to earn interest etc.).

The Central Board of Direct Taxes ("CBDT") has clarified in Circular No. 6/2016 dated February 29, 2016 that income arising from transfer of listed shares and securities, which are held for more than 12 months would be taxed as "Capital Gains" unless the Assessee itself treats these as its stock-in-trade and income arising from transfer thereof as its business income.

Further, as per section 2(14) of the IT Act, 'capital asset' includes, *inter alia*, securities held by a Foreign Institutional Investor ("FII") [now known as Foreign Portfolio Investor] which has invested in such securities in accordance with the regulations made under Securities and Exchange Board of India Act, 1992 ("SEBI"). Accordingly, such securities, held by an FII, will be characterized as 'capital asset' and classification as 'Stock-in- trade' shall not apply.

The investors may obtain specific advice from their tax advisors regarding the tax treatment of their investments.

7. **Taxation of Interest and Gain/Loss on transfer of NCDs**

A. ***RESIDENT DEBENTURE HOLDERS:***

1. **In respect of Interest on NCDs**

Interest on NCDs received by the NCD holders would be subject to income tax at the normal rates of tax in accordance with and subject to the provisions of the IT Act. Interest will be assessed to income tax on an accrual basis or receipt basis depending on the method of accounting regularly employed by the debenture holder under section 145 of the IT Act.

1.1 **Taxable under the head PBBP**

As discussed above, depending on the particular facts of each case, the NCDs may, in certain cases, be regarded to be in the nature of 'Stock-in-trade' and, accordingly, the interest on NCDs should be considered to be in the nature of business income and hence, chargeable to tax under the head PGBP.

1.2 **Taxable under the head IFOS**

Where the NCDs are held as investments by the debenture holders, then the interest income would be taxable under the head IFOS.

Section 57(i) grants deduction of any reasonable sum paid by way of commission or remuneration paid to a banker or any other person for the purpose of realizing dividend or interest on securities on behalf of the Assessee. Further, under clause (iii) of section 57, deduction is allowable for any other expenditure (not being in the nature of capital expenditure) laid out or expended wholly and exclusively for the purpose of making or earning the income.

2. **In respect of Withholding taxes**

2.1 Interest on NCDs received by its holder would be subject to deduction of tax at source ("TDS") at the rate of 10% at the time of credit or payment, whichever is earlier as per the provisions of section 193 of the IT Act.

2.2 Prior to Finance Act 2023, section 193 provided for no TDS in case of any interest payable on any security issued by a company, where such security was in dematerialized form and listed on a recognized stock exchange in India. However, the said relaxation has been omitted by Finance Act 2023 with effect from April 1, 2023. Accordingly, TDS at the rate of 10% would now be deductible on listed NCDs.

2.3 Section 193 further provides for non-deduction of tax at source in certain cases. Section 193 *inter alia* provides for no TDS where the aggregate amount of interest paid or likely to be paid during the financial year to an individual or HUF, being a resident, does not exceed ₹5,000 and such interest is paid by an account payee cheque.

2.4 No deduction of tax is required in case of resident individuals or resident Hindu Undivided Family ("HUF") if self- declaration in Form no. 15G/15H is furnished as per section 197A(1A)/(1C).

2.5 Further, as per section 196, no deduction of tax shall be made by any person from any sums payable to –

(i) the Government, or

(ii) the Reserve Bank of India, or

(iii) a corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income-tax on its income, or

(iv) a Mutual Fund specified under clause (23D) of section 10

2.6 Further, section 197A(1E) provides no deduction of tax shall be made from any payment to any person for, or on behalf of, the New Pension System Trust referred to in clause (44) of section 10.

2.7 Section 206AA provides for a higher withholding rate in case of any person, who being entitled to receive any sum/ income on which TDS is deductible under Chapter XVIIB (deductee), fails to furnish his Permanent Account Number to the person responsible for deducting such TDS. The withholding tax rates in case of such person shall be higher of the following:

(i) at the rate specified in the relevant provision of the IT Act; or

(ii) at the rate or rates in force; or

(iii) at the rate of 20%.

2.8 Section 206AB provides for a higher withholding rate in case of any person (other than (a) a non-resident who does not have a permanent establishment in India or (b) a person who is not required to furnish the return of income for the assessment year relevant to the concerned previous year and is notified by the Central Government in the Official Gazette in this behalf) who has not filed the return of income for assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted, for which the time limit for furnishing the return of income under sub-section (1) of section 139 has expired and the aggregate of tax deducted at source and tax collected at source in his case is rupees fifty thousand or more in the said previous year. The withholding tax rates in case of such person shall be higher of the following:

(i) at twice the rate specified in the relevant provision of the IT Act; or

(ii) at twice the rate or rates in force; or

(iii) at the rate of 5%.

Further, where the provisions of section 206AA of the IT Act are applicable to such person, tax shall be deducted at higher of the rates provided in section 206AB and in section 206AA of the IT Act.

3. **In respect of Capital Gains arising from transfer of NCDs**

3.1 As discussed above, based on the particular facts of each case, the NCD may, in certain cases, be regarded to be held as 'Investments' in which case the gains or loss from the transfer of such NCD should be chargeable to tax under the head CG.

3.2 As per section 2(29AA) read with section. 2(42A) of the IT Act, a capital asset shall be treated as a long-term capital asset ("LTCA"), if the same is held for more than 36 months immediately preceding the date of its transfer. However, in case of a listed security, the same shall be treated as a LTCA, if it is held for more than 12 months immediately preceding the date of its transfer.

3.3 As per section 112 of the IT Act, Long Term Capital Gain ("LTCG") arising on transfer of the NCDs would be subject to tax at the rate of 20% (plus applicable surcharge and education cess). However, the amount of such tax shall be limited to 10% (plus applicable surcharge and education cess) without indexation, in case of listed NCDs.

3.4 As per the third proviso to section 48 of the IT Act, the benefit of indexation on the cost of acquisition of a LTCA under second proviso of section 48 of the IT Act, is not available in case of bonds and debenture, except capital indexed bonds and sovereign gold bonds.

3.5 Short Term Capital Gains ("STCG") arising from transfer of the NCDs would be taxable as per the normal slab rates (Plus, applicable surcharge and education cess), subject to applicability of concessional tax regime.

3.6 Further, no deduction under Chapter VI-A would be allowed in computing LTCG subject to tax under section 112 of the IT Act. Also, the capital gains will be computed by deducting expenditure incurred in connection with such transfer and cost of acquisition of the NCDs from the sale consideration accrued to the respective NCD holder.

3.7 Under section 54F of the IT Act and subject to the conditions and to the extent provided therein, LTCG arising in the hands of the NCD holder, being an Individual or Hindu Undivided Family, on transfer of the NCDs would be exempt from tax, if the net consideration from such transfer is utilized, for purchase within a period of 1 year before or 2 years after the date on which the transfer took place, or for construction within a period of 3 years after the date of such transfer, of one residential house in India ("new asset").

However, the said exemption shall not be available, if the debenture holder:

a) Owns more than one residential house, other than the new asset, on the date of transfer of the NCDs; or
b) Purchases any residential house, other than the new asset, within a period of 1 year after the date of transfer of the NCDs; or
c) Constructs any residential house, other than the new asset, within a period of 3 years after the date of transfer of the NCDs; and
d) The income from such residential house, other than the one residential house owned on the date of transfer of the NCDs is chargeable under the head 'Income from house property'.

Where the cost of new asset exceeds Rs. 10 crores, the amount exceeding Rs. 10 crores shall not be taken into account for the purpose of section 54F (1). That is to say, the maximum deduction permissible under section 54F is restricted to Rs. 10 crores.

Further, if the new asset is transferred within a period of three years from the date of its purchase or construction, the amount of capital gains for which the exemption was availed earlier would be taxed as LTCG in the year in which such residential house is transferred.

3.8 As per the seventh proviso to section 48 of the IT Act, no deduction of amount paid on account of STT will be allowed in computing the income chargeable to tax as Capital Gains.

3.9 A new section 50AA has been inserted by Finance Act 2023 for computation of capital gains in case of inter alia Market Linked Debentures ("MLDs") so as to tax the income from the same as short term capital gains irrespective of their period of holding. The NCDs under consideration are not MLDs and thus, the said section would not be applicable.

4. **In respect of Business Income arising from transfer of NCDs**

4.1 As discussed above, depending on the particular facts of each case, the NCDs may, in certain cases, be regarded to be in the nature of 'Stock-in-trade' and, accordingly, the gains from the transfer of such NCD should be considered to be in the nature of business income and hence, chargeable to tax under the head PGBP.

4.2 In such a scenario, the gains from the business of investing in the NCD may be chargeable to tax on a 'net' basis (i.e.net of allowable deductions for expenses/allowances under Chapter IV – Part D of the IT Act).

4.3 In terms of section 36(1)(xv) of the IT Act, the STT paid by the investor in respect of the taxable securities transactions entered into in the course of his business would be eligible for deduction from the amount of income chargeable under the head PGBP, if the income arising from taxable securities' transaction is included in such income.

5. **In respect of Set off and carry forward of the losses**

5.1 As per section 70 of the IT Act, Short Term Capital Loss ("STCL") computed for the given year is allowed to be set off against STCG as well as LTCG computed for the said year. The balance loss, which is not set off, is allowed

to be carried forward for subsequent eight assessment years, for being set off against subsequent years' STCG as well as LTCG, in terms of section 74 of the IT Act.

5.2 Long Term Capital Loss computed for a given year is allowed to be set off only against the LTCG, in terms of section 70 of the IT Act. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years for being set off only against subsequent years' LTCG, in terms of section 74 of the IT Act.

5.3 As per section 70 of the IT Act, business loss from one source (other than loss on speculation business) for a given year is allowed to be set off against business income from another source. Further, as per section 71 of the IT Act, business loss (other than loss on speculation business) for a given year is allowed to be set-off against income from other heads (except Salaries).

Balance business loss (other than loss on speculation business), which is not set-off is allowed to be carried forward for subsequent eight assessment years for being set off only against subsequent years' non-speculative business income, as per section 72.

6. In case, where total income of any individual, HUF, Association of Person ("AOP") (except in case of an AOP having only companies as its members), Body of Individuals ("BOI"), Artificial Juridical Person ("AJP") includes any income *inter alia* by way of capital gains under sections 111A, 112 and 112A, the rate of surcharge on the amount of income- tax computed in respect of such income shall not exceed 15%. The applicable rates of surcharge are tabulated hereunder:

Total Income	Income other than Capital gains covered u/s 111A, 112 and 112A	Capital gains covered u/s 111A, 112 and 112A
Upto ₹50 lakh	Nil	Nil
Income exceeds ₹ 50 lakhs but does not exceed ₹1 crore	10%	10%
Income exceeds ₹1 crore but does not exceed ₹2 crore	15%	15%
Income exceeds ₹2 crore but does not exceed ₹5 crores	25%	15%
Income exceeds ₹5 crores	37%#	15%

 # In case of any individual, HUF, AOP (other than a co-operative society), BOI, Artificial Juridical Person, Finance Act, 2023 has made section 115BAC as the default tax regime w.e.f. AY 2024-25. Under this regime the highest rate of surcharge is restricted to 25%. There is an option to opt out of section 115BAC, in which case, the highest rate of surcharge rate shall be 37%.

B. ***NON-RESIDENT DEBENTURE HOLDERS OTHER THAN FOREIGN INSTITUTIONAL INVESTOR ("FII"):***

1. **<u>In respect of Interest on NCDs</u>**

Interest on NCDs received by the NCD holders would be subject to income tax at the normal rates of tax in accordance with and subject to the provisions of the IT Act. Interest will be assessed to income tax on accrual basis or receipt basis depending on the method of accounting regularly employed by the debenture holder under section 145 of the IT Act.

1.1 **<u>Taxable under the head PBBP</u>**

As discussed above, depending on the particular facts of each case, the NCDs may, in certain cases, be regarded to be in the nature of 'Stock-in-trade' and, accordingly, the interest on NCDs should be considered to be in the nature of business income and hence, chargeable to tax under the head PGBP.

1.2 **<u>Taxable under the head IFOS</u>**

Where the NCDs are held as investments by the debenture holders, then the interest income would be taxable under the head IFOS.

Section 57(i) grants deduction of any reasonable sum paid by way of commission or remuneration paid to a banker or any other person for the purpose of realizing dividend or interest on securities on behalf of the Assessee. Further, under clause (iii) of section 57, deduction is allowable for any other expenditure (not being in the nature

of capital expenditure) laid out or expended wholly and exclusively for the purpose of making or earning the income.

2. **In respect of Withholding taxes**

2.1 Interest on the NCDs received by its holder would be subject to withholding tax at source at the time of credit or payment, whichever is earlier as per the provisions of section 195 of the IT Act. The applicable income-tax rate for deduction of tax at source has been provided in Part II of First Schedule to Finance Act, 2023.

2.2 However, no/lower income-tax shall be deductible if the holder of the NCDs obtains a certificate under sections 195(3) or 197(1) from the Assessing Officer for no deduction of tax at source or lower deduction at source and that certificate is furnished to the Company before the prescribed date of closure of books of account of the Company for payment of debenture interest.

2.3 The Company would be under an obligation to deduct tax at source under section 195 at applicable rates in force. In the absence of PAN of the debenture holder, tax would be deductible at higher of, the applicable rate or 20% as per section 206AA of the IT Act. The provisions of section 206AA will, however not apply if the non-resident debenture holder provides to the payer the following details as listed in Rule 37BC:

a) name, e-mail id, contact number;
b) address in the country or specified territory outside India of which the debenture holder is a resident;
c) Tax Residency Certificate and Form 10F filed electronically;
d) Tax Identification Number/ Unique Identification Number of the debenture holder.

2.4 Section 206AB provides for a higher withholding rate in case of any person (other than (a) a non-resident who does not have a permanent establishment in India or (b) a person who is not required to furnish the return of income for the assessment year relevant to the concerned previous year and is notified by the Central Government in the Official Gazette in this behalf) who has not filed the return of income for assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted, for which the time limit for furnishing the return of income under sub-section (1) of section 139 has expired and the aggregate of tax deducted at source and tax collected at source in his case is rupees fifty thousand or more in the said previous year. The withholding tax rates in case of such person shall be higher of the following:

a) at twice the rate specified in the relevant provision of the IT Act; or

b) at twice the rate or rates in force; or

c) at the rate of 5%.

Further, where the provisions of section 206AA of the IT Act are applicable to such person, tax shall be deducted at higher of the rates provided in section 206AB and in section 206AA of the IT Act.

3. **In respect of Capital Gains from transfer of NCDs**

3.1 As discussed above, based on the particular facts of each case, the NCD may, in certain cases, be regarded to be held as 'Investments' in which case the gains or loss from the transfer of such NCD should be chargeable to tax under the head CG.

3.2 As per section 2(29AA) read with section 2(42A) of the IT Act, a capital asset shall be treated as a long-term capital asset (LTCA), if the same is held for more than 36 months immediately preceding the date of its transfer. However, in case of a listed security, the same shall be treated as a LTCA, if it is held for more than 12 months immediately preceding the date of its transfer.

3.3 Under the first proviso to Section 48 of the IT Act, in case of a non-resident investor, while computing the capital gains arising from transfer of the NCDs acquired in convertible foreign exchange (as per exchange control regulations), protection is provided from fluctuations in the value of rupee in terms of foreign currency in which the original investment was made. The capital gains/loss in such a case is computed by converting the cost of acquisition, sale consideration and expenditure incurred wholly and exclusively in connection with such transfer into the same foreign currency which was utilized for the purchase of the NCDs.

3.4 As per section 112 of the IT Act, Long Term Capital Gain (LTCG) arising on transfer of the NCDs would be subject to tax at the rate of 20% (plus applicable surcharge and education cess). However, the amount of such

tax shall, be limited to 10% (plus applicable surcharge and education cess) without indexation, at the option of the debenture holder if the NCDs are listed.

3.5 As per the third proviso to section 48 of the IT Act, the benefit of indexation on the cost of acquisition of a LTCA under second proviso of section 48 of the IT Act, is not available in case of bonds and debenture, except capital indexed bonds and sovereign gold bonds.

3.6 Short Term Capital Gains (STCG) arising from transfer of the NCDs would be taxable as per the slab rates provided under Finance Act, 2023 (plus applicable surcharge and education cess), subject to applicability of concessional tax regime.

3.7 Further, no deduction under Chapter VI-A would be allowed in computing LTCG subject to tax under section 112 of the IT Act. Also, the capital gains will be computed by deducting expenditure incurred in connection with such transfer and cost of acquisition of the NCDs from the sale consideration accrued to the respective NCD holder.

3.8 Under section 54F of the IT Act and subject to the conditions and to the extent provided therein, LTCG arising in the hands of the debenture holder, being an Individual or Hindu Undivided Family, on transfer of the debentures would be exempt from tax, if the net consideration from such transfer is utilized, for purchase within a period of 1 year before or 2 years after the date on which the transfer took place, or for construction within a period of 3 years after the date of such transfer, of one residential house in India (new asset).

However, the said exemption shall not be available, if the debenture holder:

a) Owns more than one residential house, other than the new asset, on the date of transfer of the NCDs; or

b) Purchases any residential house, other than the new asset, within a period of 1 year after the date of transfer of the NCDs; or

c) Constructs any residential house, other than the new asset, within a period of 3 years after the date of transfer of the NCDs; and

d) The income from such residential house, other than the one residential house owned on the date of transfer of the NCDs is chargeable under the head 'Income from house property'.

Where the cost of new asset exceeds Rs. 10 crores, the amount exceeding Rs. 10 crores shall not be taken into account for the purpose of section 54F (1). That is to say, the maximum deduction permissible under section 54F is restricted to Rs. 10 crores.

Further, if the new asset is transferred within a period of three years from the date of its purchase or construction, the amount of capital gains for which the exemption was availed earlier would be taxed as LTCG in the year in which such residential house is transferred.

3.9 As per the seventh proviso to section 48 of the IT Act, no deduction of amount paid on account of STT will be allowed in computing the income chargeable to tax as Capital Gains.

3.10 A new section 50AA has been inserted by Finance Act 2023 for computation of capital gains in case of *inter alia* Market Linked Debentures (MLDs) so as to tax the income from the same as short term capital gains irrespective of their period of holding. The NCDs under consideration are not MLDs and thus, the said section would not be applicable.

4. **<u>In respect of Business Income from transfer of NCDs</u>**

4.1 As discussed above, depending on the particular facts of each case, the NCDs may, in certain cases, be regarded to be in the nature of 'Stock-in-trade' and, accordingly, the gains from the transfer of such NCD should be considered to be in the nature of business income and hence, chargeable to tax under the head PGBP.

In such a scenario, the gains from the business of investing in the NCD may be chargeable to tax on a 'net' basis (i.e.net of allowable deductions for expenses/allowances under Chapter IV – Part D of the IT Act).

4.2 In terms of section 36(1)(xv) of the IT Act, the STT paid by the investor in respect of the taxable securities transactions entered into in the course of his business would be eligible for deduction from the amount of income chargeable under the head PGBP, if the income arising from taxable securities transaction is included in such income.

5. **<u>In respect of Set off and carry forward of Losses</u>**

5.1 As per section 70 of the IT Act, Short Term Capital Loss computed for the given year is allowed to be set off against STCG as well as LTCG computed for the said year. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years, for being set off against subsequent years' STCG as well as LTCG, in terms of section 74 of the IT Act.

5.2 Long Term Capital Loss computed for a given year is allowed to be set off only against the LTCG, in terms of section 70 of the IT Act. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years for being set off only against subsequent years' LTCG, in terms of section 74 of the IT Act.

5.3 As per section 70 of the IT Act, business loss from one source (other than loss on speculation business) for a given year is allowed to be set off against business income from another source. Further, as per section 71 of the IT Act, business loss (other than loss on speculation business) for a given year is allowed to be set-off against income from other heads (except Salaries).

5.4 Balance business loss (other than loss on speculation business), which is not set-off is allowed to be carried forward for subsequent eight assessment years for being set off only against subsequent years' non-speculative business income, as per section 72.

6. Where the NCDs have been subscribed in convertible foreign exchange, Non-Resident Indians ("NRI"), i.e., an individual being a citizen of India or person of Indian origin who is not a resident, have the option of being governed by the provisions of Chapter XII-A of the IT Act, which *inter alia* entitles them to the following benefits:

(i) Under section 115E of the IT Act, interest on NCDs shall be taxable in the hands of NRI at the rate of 20% (plus applicable surcharge and health & education cess) and the LTCG arising to the NRI shall be taxable at the rate of 10 % (plus applicable surcharge and health & education cess). While computing the LTCG, the benefit of indexation of cost would not be available.

(ii) Under section 115F of the IT Act, LTCG arising to an NRI from the transfer of the debentures subscribed to in convertible foreign exchange shall be exempt from income-tax, if the net consideration is reinvested in specified assets or in any saving certificates referred to in section 10(4B) of the IT Act, within six months of the date of transfer. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets or saving certificate are transferred or converted into money within three years from the date of their acquisition.

(iii) Under section 115G of the IT Act, it shall not be necessary for an NRI to furnish his return of income under section 139(1) of the IT Act if his total income chargeable under the IT Act consists of only investment income or LTCG or both; arising out of assets acquired, purchased or subscribed in convertible foreign exchange and tax deductible at source has been deducted thereon as per the provisions of Chapter XVII-B of the IT Act.

(iv) In accordance with the provisions of Section 115H of the IT Act, where an NRI becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer along with his return of income for that year under Section 139 of the IT Act to the effect that the provisions of Chapter XII-A of the IT Act shall continue to apply to him in relation to such investment income derived from the specified assets (which includes debentures issued by an Indian company which is not a private company) for that year and subsequent assessment years until such assets are transferred or converted into money.

(v) As per provisions of Section 115-I of the IT Act, an NRI may elect not to be governed by provisions of Chapter XII-A and compute his total income as per other provisions of the IT Act.

7. The provisions of section 115JB of the IT Act do not apply to a foreign company if it is a resident of a country with which India has entered into a DTAA under section 90/90A of the IT Act and the Assessee does not have a Permanent Establishment in India or such company is a resident of a country with which India does not have such agreement and the Assessee is not required to seek registration under any law for the time being in force, relating to companies.

Further, section 115JB expressly provides that the amount of income from (i) capital gains arising on transactions in securities; or (ii) interest, dividend, royalty or fees for technical services chargeable to tax at the rates specified in Chapter XII, accruing or arising to a foreign company shall not be liable to MAT if such income is credited to the profit and loss account and the income-tax payable in accordance with the other provisions of the IT Act, is less than the rate specified in section 115JB. The expenditures, if any, debited to the profit and loss account, corresponding to such income (which is to be excluded from the MAT liability) shall also be added back to the book profit for the purpose of computation of MAT.

8. In case, where total income of any individual, HUF, AOP (except in case of an AOP having only companies as its members), BOI, Artificial Juridical Person includes any income *inter alia* by way of capital gains under sections 111A,112 and 112A, the rate of surcharge on the amount of income-tax computed in respect of such income shall not exceed 15%. The applicable rates of surcharge are tabulated hereunder:

Total Income	Income other than Capital gains covered u/s 111A, 112 and 112A	Capital gains covered u/s 111A, 112 and 112A
Upto ₹50 lakh	Nil	Nil
Income exceeds ₹ 50 lakhs but does not exceed ₹1 crore	10%	10%
Income exceeds ₹1 crore but does not exceed ₹2 crore	15%	15%
Income exceeds ₹2 crore but does not exceed ₹5 crores	25%	15%
Income exceeds ₹5 crores	37%#	15%

 # In case of any individual, HUF, AOP (other than a co-operative society), BOI, Artificial Juridical Person, Finance Act, 2023 has made section 115BAC as the default tax regime w.e.f. AY 2024-25. Under this regime the highest rate of surcharge is restricted to 25%. There is an option to opt out of section 115BAC, in which case, the surcharge rate of 37% would be applicable.

9. As per section 90(2) of the IT Act, the provisions of the IT Act would prevail over the provisions of the DTAA entered between India and the country of residence of the non-resident, if any, to the extent they are more beneficial to the non-resident. Thus, a non-resident can opt to be governed by the provisions of the IT Act or the applicable tax treaty (read with MLI, if applicable), whichever is more beneficial. The treaty and MLI provide for various anti-abuse provisions (*viz.* beneficial ownership, Limitation on Benefit, Principal Purpose Test, etc.) which have to be examined for claiming tax treaty benefit. In order to avail treaty benefit, the non-resident will also have to furnish a Tax Residency Certificate of his being a resident in a country outside India, along with Form No. 10F as prescribed under section 90(5) of the IT Act. Further, vide Notification No. 03/2022 dated 16 July 2022, the Directorate of Income Tax (Systems) has added Form 10F to the prescribed list of forms to be furnished electronically. Also, vide Circular dated December 12, 2022 read with Circular Dated March 28, 2023, CBDT has relaxed the requirement of electronic filing of Form 10F till September 30, 2023 in case of non-resident taxpayers who are not having PAN and are not required to obtain PAN as per relevant provisions of IT Act read with Income-tax rules, 1962.

C. ***NON-RESIDENT DEBENTURE HOLDERS – FIIs:***

1. **<u>In respect of Interest on NCDs</u>**

1.1 Section 115AD (1) provides for taxation of income of *inter alia* FIIs/FPIs from securities or capital gains arising from their transfer. The rate of income-tax prescribed for income in respect of securities *inter alia* debentures is 20% (plus applicable surcharge and education cess).

1.2 The computation of income has to be in accordance with section 115AD and other applicable provisions of the IT Act. FII/FPI debenture holders may avail tax treaty benefit (if any), subject to satisfaction of certain conditions.

2. **<u>In respect of Capital Gains from transfer of NCDs</u>**

2.1 As per section 2(29AA) read with section 2(42A) of the IT Act, a capital asset shall be treated as a long-term capital asset (LTCA), if the same is held for more than 36 months immediately preceding the date of its transfer. However, in case of a listed security, the same shall be treated as a LTCA, if it is held for more than 12 months immediately preceding the date of its transfer.

2.2 Capital gains taxable under section 115AD would be computed without giving effect to the first and second proviso to section 48. In other words, adjustment in respect of foreign exchange fluctuation and benefit of indexation would not be allowed while computing the Capital Gains. The rate of income-tax prescribed under the said section on capital gains income is as under:

(i) Short Term Capital Gains (other than gains covered under section 111A) – 30%
(ii) Long Term Capital Gains – 10%

2.3 Further, no deduction under Chapter VI-A would be allowed in computing LTCG subject to tax under section 115AD of the IT Act. Also, the capital gains will be computed by deducting expenditure incurred in connection with such transfer and cost of acquisition of the NCDs from the sale consideration accrued to the respective NCD holder.

2.4 As per the seventh proviso to section 48 of the IT Act, no deduction of amount paid on account of STT will be allowed in computing the income chargeable to tax as Capital Gains.

2.5 A new section 50AA has been inserted by Finance Act 2023 for computation of capital gains in case of *inter alia* Market Linked Debentures (MLDs) so as to tax the income from the same as short term capital gains irrespective of their period of holding. The NCDs under consideration are not MLDs and thus, the said section would not be applicable.

3. **In respect of Withholding taxes**

3.1 Interest on NCDs received by its holder would be subject to withholding tax at source at the time of credit or payment, whichever is earlier as per the provisions of section 196D of the IT Act. The applicable income-tax rate would be 20% (plus applicable surcharge and education cess) as provided under section 196D of the IT Act, subject to treaty benefit entitlement.

3.2 In the absence of PAN of the debenture holder, tax would be deductible at higher of, the applicable rate or 20% as per section 206AA of the IT Act. The provisions of section 206AA will, however not apply if the non-resident debenture holder provides to the payer the following details as listed in Rule 37BC:

(i) name, e-mail id, contact number;
(ii) address in the country or specified territory outside India of which the debenture holder is a resident;
(iii) Tax Residency Certificate and form 10F to be filed electronically
(iv) Tax Identification Number/ Unique Identification Number of the debenture holder.

3.3 Section 206AB provides for a higher withholding rate in case of any person (other than (a) a non-resident who does not have a permanent establishment in India or (b) a person who is not required to furnish the return of income for the assessment year relevant to the concerned previous year and is notified by the Central Government in the Official Gazette in this behalf) who has not filed the return of income for assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted, for which the time limit for furnishing the return of income under sub-section (1) of section 139 has expired and the aggregate of tax deducted at source and tax collected at source in his case is rupees fifty thousand or more in the said previous year. The withholding tax rates in case of such person shall be higher of the following:

(i) at twice the rate specified in the relevant provision of the IT Act; or

(ii) at twice the rate or rates in force; or

(iii) at the rate of 5%.

Further, where the provisions of section 206AA of the IT Act are applicable to such person, tax shall be deducted at higher of the rates provided in section 206AB and in section 206AA of the IT Act.

3.4 As per section 196D (2) of the IT Act, tax is not required to be deducted at source from any income, by way of Capital Gains arising to a FII from the transfer of securities referred to in section 115AD of the IT Act.

4. **In respect of Set off and carry forward of losses**

4.1 As per section 70 of the IT Act, Short Term Capital Loss computed for the given year is allowed to be set off against STCG as well as LTCG computed for the said year. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years, for being set off against subsequent years' STCG as well as LTCG, in terms of section 74 of the IT Act.

4.2 Long Term Capital Loss computed for a given year is allowed to be set off only against the LTCG, in terms of section 70 of the IT Act. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years for being set off only against subsequent years' LTCG, in terms of section 74 of the IT Act.

5. The provisions of section 115JB of the IT Act do not apply to a foreign company if it is a resident of a country with which India has entered into a DTAA under section 90/90A of the IT Act and the Assessee does not have a Permanent Establishment in India or such company is a resident of a country with which India does not have such agreement and the Assessee is not required to seek registration under any law for the time being in force, relating to companies.

Further, section 115JB expressly provides that the amount of income from (i) capital gains arising on transactions in securities; or (ii) interest, dividend, royalty or fees for technical services chargeable to tax at the rates specified

in Chapter XII, accruing or arising to a foreign company shall not be liable to MAT if such income is credited to the profit and loss account and the income-tax payable in accordance with the other provisions of the Income-tax Act, is less than the rate specified in section 115JB. The expenditures, if any, debited to the profit and loss account, corresponding to such income (which is to be excluded from the MAT liability) shall also be added back to the book profit for the purpose of computation of MAT.

6. In case, where total income of any individual, AOP (except in case of an AOP having only companies as its members), BOI, Artificial Juridical Person includes any income *inter alia* by way of capital gains referred under section 115AD(1)(b), the rate of surcharge on the amount of income-tax computed in respect of such income shall not exceed 15%. The applicable rates of surcharge are tabulated hereunder:

Total Income	Income other than Capital gains referred u/s 115AD(1)(b)	Capital gains covered referred u/s 115AD(1)(b)
Upto ₹50 lakh	Nil	Nil
Income exceeds ₹50 lakhs but does not exceed ₹1 crore	10%	10%
Income exceeds ₹1 crore but does not exceed ₹2 crore	15%	15%
Income exceeds ₹2 crore but does not exceed ₹5 crores	25%	15%
Income exceeds ₹5 crores	37%#	15%

 # In case of any individual, HUF, AOP (other than a co-operative society), BOI, Artificial Juridical Person, Finance Act, 2023 has made section 115BAC as the default tax regime w.e.f. AY 2024-25. Under this regime the highest rate of surcharge is restricted to 25%. There is an option to opt out of section 115BAC, in which case, the surcharge rate of 37% would be applicable. In case of FIIs/FPIs, the applicability of section 115BAC needs to be evaluated.

7. As per section 90(2) of the IT Act, the provisions of the IT Act would prevail over the provisions of the DTAA entered between India and the country of residence of the non-resident, if any, to the extent they are more beneficial to the non-resident. Thus, a non-resident can opt to be governed by the provisions of the IT Act or the applicable tax treaty (read with MLI, if applicable), whichever is more beneficial. The treaty and MLI provide for various anti-abuse provisions (*viz.* beneficial ownership, Limitation on Benefit, Principal Purpose Test, etc.) which have to be examined for claiming treaty benefit. In order to avail treaty benefit, the non-resident will also have to furnish a Tax Residency Certificate of his being a resident in a country outside India, along with Form No. 10F as prescribed under section 90(5) of the IT Act. Further, vide Notification No. 03/2022 dated 16 July 2022, the Directorate of Income Tax (Systems) has added Form 10F to the prescribed list of forms to be furnished electronically. Also, vide Circular dated December 12,2022 read with Circular dated March 28, 2023, CBDT has relaxed the requirement of electronicc filing of Form 10F till September 30, 2023 in case of non-resident taxpayers who are not having PAN and are not required to obtain PAN as per relevant provisions of IT Act read with Income-tax rules, 1962.

D. ***Category III Alternative Investment Fund located in International Financial Services Centre & Investment Division of an Offshore Banking Unit:***

1. W.e.f. FY 2020-21, the provisions of section 115AD are extended to a 'specified fund' defined under clause (e) of the Explanation to clause (4D) of section 10. 'Specified fund' is defined to mean a fund established or incorporated in India in the form of a trust or a company or a limited liability partnership or a body corporate, –

   (i) which has been granted a certificate of registration as a Category III Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012 made under the SEBI Act, 1992 or regulated under the IFSC (Fund Management) Regulations, 2022 made under the IFSC Authority Act, 2019;

   (ii) which is located in any International Financial Services Centre; and

   (iii) of which all the units are held by non-residents other than unit held by a sponsor or manager;

   Finance Act, 2021 has w.e.f. FY 2021-22 further amended the definition of specified fund to also mean an investment division of an offshore banking unit, which has been—

   (i) granted a certificate of registration as a Category I FPI under the SEBI (FPI), Regulations, 2019 made under the SEBI Act, 1992 which has commenced its operations on or before the 31st day of March, 2024; and

   (ii) fulfils such conditions including maintenance of separate accounts for its investment division, as may be prescribed.

2. The rate of income-tax prescribed under section 115AD(1) on various streams of income is as under:

(i) Income in respect of securities *inter alia* debentures – 10%
(ii) Short Term Capital Gains covered under section 111A – 15%
(iii) Other Short Term Capital Gains – 30%
(iv) Long Term Capital Gains – 10%

The computation of income has to be in accordance with section 115AD and other applicable provisions of the IT Act.

3. The Finance Act, 2021 has further inserted a new sub-section (1B) w.e.f. FY 2021-22 which states that notwithstanding anything contained in section 115AD(1), in case of investment division of an offshore banking unit, the provisions of this section shall apply to the extent of income that is attributable to the investment division of such banking units.

   The provisions of section 115AD shall apply only to the extent of income that is attributable to units held by non-resident (not being a permanent establishment of a non-resident in India) calculated in the prescribed manner. Further, as per section 115JEE, the provisions of Alternate Minimum Tax shall not apply to such specified funds.

4. Section 196D(1A) provides for deduction of tax on any income in respect of securities referred to in section 115AD(1)(a) at the rate of 10% (plus applicable surcharge and education cess). Provided that no deduction shall be made in respect of an income exempt under section 10(4D). In the absence of PAN, TDS rate would be increased to 20% as per section 206AA.

E. ***Investment Funds – Category I or Category II Alternative Investment Fund ("AIF"):***

1. Under section 10(23FBA) of the IT Act, any income of an Investment Fund, other than the income chargeable under the head "Profits and gains of business or profession" would be exempt from income tax. For this purpose, an "Investment Fund" means a fund registered as Category I or Category II Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternate Investment Fund) Regulations, 2012 or regulated under the IFSC (Fund Management) Regulations, 2022 made under the IFSC Authority Act, 2019.

   As per section 115UB(1) of the IT Act, any income accruing/arising/received by a person from his investment in Investment Fund would be taxable in the hands of the person making an investment in the same manner as if it were the income accruing/arising/received by such person had the investments been made directly in the venture capital undertaking.

2. In case, the Fund incurs any losses, only the business losses would be eligible to be carried forward and set-off by the Fund at the Fund level. The prescribed conditions laid down under the IT Act for carry forward and set off of losses should be applicable to the Fund in this regard.

3. Losses other than business loss shall be allowed to be carried forward and set-off by the Unit holders while computing the total tax liability, provided that the units of the Fund are held for a period of more than 12 months. Further, such loss cannot be carried forward at Fund level even if the loss is not passed onto the Investors on account of non - fulfilment of condition of holding the units for at least 12 months. The eligible period for carry forward of losses would depend on the nature of loss.

4. Section 115UB of the IT Act further provides that:

   (i) Income paid or credited by Fund shall be deemed to be of the same nature and in the same proportion in the hands of the Investors as it had been received by or had accrued or arisen to Fund.

   (ii) Income accruing or arising to, or received by, Fund, during a particular financial year, if not paid or credited to the Investors shall be deemed to be credited to the account of the Investors on the last day of the financial year in the same proportion in which such Investors would have been entitled to receive the income, had it been paid in the same financial year.

5. As per section 10(23FBB) read with section 115UB of the IT Act, any business income, accruing or arising to or received by Investors of the Fund, shall be exempt in the hands of the Investors and taxed in the hands of the Fund at the rates specified in the Finance Act of the relevant year where the Investment Fund is a company or a firm and at maximum marginal rate in any other case.

   Income received by Fund which is exempt in its hand under section 10(23FBA) would not be subjected to any withholding tax by virtue of section 197A(1F) read with Notification No.51/2015/SO1703(E) dated June 25, 2015.

6. Further, as per section 194LBB of the IT Act, where any income, other than that proportion of income which is of the same nature as income referred to in section 10(23FBB) of the IT Act, is payable to a unit holder in respect of units of an Investment Fund, the person responsible for making the payment shall, at the time of credit of such income to the account of payee or at the time of payment thereof in cash or by issue of a cheque or draft or by any other mode, whichever is earlier, deduct income-tax thereon:

   (i) at the rate of 10% where the payee is a resident; and

   (ii) at the rates in force where the payee is a non-resident.

F. ***Mutual Funds:***

Under section 10(23D) of the IT Act, any income of mutual funds registered under SEBI or Regulations made thereunder or mutual funds set up by public sector banks or public financial institutions or mutual funds authorized by the Reserve Bank of India and subject to the conditions specified therein, is exempt from tax subject to such conditions as the Central Government may by notification in the Official Gazette, specify in this behalf.

G. ***Provident Fund and Pension Fund:***

Under section 10(25) of the IT Act, any income received by trustees on behalf of a recognized provident fund or a recognized superannuation fund is exempt from tax.

H. ***Multi-lateral and Bilateral development Financial Institutions:***

Generally, multilateral and bilateral development financial institutions may be exempt from taxation in India on the capital gains arising on the sale of NCDs of the bank depending on the applicable Statute and Acts passed in India. For e.g., World Bank, IBRD, IFC, etc. In case, they are not specifically exempt from tax then the provisions as applicable for capital gains to a non-resident FII, as they may be registered as FII, may apply to these institutions.

I. ***Withholding taxes on Purchase of Goods***

As per section 194Q of the IT Act, any sum payable by a buyer for purchase of goods of the value exceeding Rs. 50 Lakhs shall be liable to withhold tax at the rate of 0.1 percent.

Buyer means a person whose total sales, turnover or gross receipts from the business carried on by him exceeds Rs. 10 crores in the financial year immediately preceding the financial year in which the purchase is carried out. Further, TDS shall not be applicable where: -

   (i) Tax is deductible under any of the provisions of the IT Act; or

   (ii) Tax is collectible under the provisions of section 206C of the IT Act other than a transaction to which section 206C(1H) of the IT Act applies.

The CBDT has issued Circular No 13 of 2021 dated June 30, 2021 laying down guidelines under section 194Q of the IT Act. It inter alia provides that TDS under section 194Q of the IT Act shall not apply to transaction in securities and commodities which are traded through recognized stock exchanges or cleared and settled by the recognized clearing corporation (including exchanges or corporation located in IFSC).

Given that the Circular does not provide clarity in respect of shares/ securities traded off-market, it is advisable that the subscribers obtain specific advice from their tax advisors regarding applicability of these provisions.

Further, the CBDT has also inter alia clarified that the section 194Q of the IT Act shall not apply to a non-resident buyer, whose purchase of goods from a seller, resident in India, is not effectively connected with the permanent establishment of such non-resident in India.

For this purpose, 'permanent establishment' shall mean to include a fixed place of business through which the business of the enterprise is wholly or partly carried on.

J. Documents required in cases of lower/ non-deduction of TDS due to exemption available

Sl. No.	Class of Investors	Relevant Section which grants TDS exemption	Documents to be taken on record from Investors
1	Resident Individual or resident HUF	Claiming non-deduction or lower deduction of tax at source under section 193 of the IT Act,	Form No.15G with PAN / Form No.15H with PAN / Certificate issued u/s 197(1) has to be filed with the Company. However, in case of NCD Holders claiming non-deduction or lower deduction of tax at source, as the case may be, the NCD Holder should furnish either (a) a declaration (in duplicate) in the prescribed form i.e. (i) Form 15H which can be given by individuals who are of the age of 60 years or more (ii) Form 15G which can be given by all applicants (other than companies, and firms), or (iii) a certificate, from the Assessing Officer which can be obtained by all applicants (including companies and firms) by making an application in the prescribed form i.e. Form No.13.
2	Life insurance Corporation of India	Clause vi of Proviso to Section 193	Copy of Registration certificate
3	a. General Insurance Corporation of India, b. companies formed under section 16(1) of General Insurance Business Act, 1972 and c. any company in which GIC has full beneficial interest (100% shareholding)	Clause vii of Proviso to Section 193	a. Copy of Registration certificate b. Copy of shareholding pattern
4	Any Insurer (like SBI Life Insurance, Max Life Insurance etc.)	Clause viii of Proviso to Section 193	Copy of Registration certificate issued by IRDA
5	Mutual Funds	Section 196(iv) read with Section 10(23D)	Copy of Registration certificate issued by SEBI / RBI and notification issued by Central Government
6	Government, RBI and corporation established under Central / State Act whose income is exempt from tax	Section 196(i),(ii) and (iii)	In case of Corporation, Declaration that their income is exempt from tax with applicable provisions
7	Recognized Provident Funds, Recognized Gratuity Funds, Approved Superannuation Funds,Employees' State Insurance Fund etc.	Section 10(25) and 10(25A) and CBDT Circular - 18/2017	Copy of Registration and Recognition certificate issued by relevant statutory authorities and income-tax authorities and Declaration from the funds that their income is exempt u/s 10(25) and 10(25A)
8	New Pension System Trust	Section 10(44) read with Section 196(iii) and CBDT Circular - 18/2017	Relevant Registration certificate issued to NPS Trust under section Indian Trusts Act, 1882
9	Other entities like Local authority, Regimental Funds, IRDA etc.	Section 10(20) etc. read with CBDT Circular - 18/2017	Declaration that they fall within the relevant income-tax section and eligible for income-tax exemption on their income
10	Alternative Investment Funds (Category I and II)	Section 197A(1F)	Copy of Registration certificate issued by SEBI

SECTION IV: ABOUT THE ISSUER AND INDUSTRY OVERVIEW

INDUSTRY OVERVIEW

*All the information contained in this section is derived from the various sources like Reserve Bank of India Bulletin - August 2023 (Volume LXXVII Number 8) ("**RBI Bulletin August 2023**") and the reports entitled 'Non-banking Financial Companies: Well-placed for strong performance in FY2024 as well' dated July 2023 and 'NBFC-Infrastructure Finance Companies: Earnings profile improves, driven by better asset quality: Entities well-poised for growth' dated April 2023 ("**ICRA Reports**") in an "as is where is basis". Neither we, nor any other person connected with the Issue has independently verified this third party and industry related information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. This section contains industry related data and statistics taken from the above mentioned reports.*

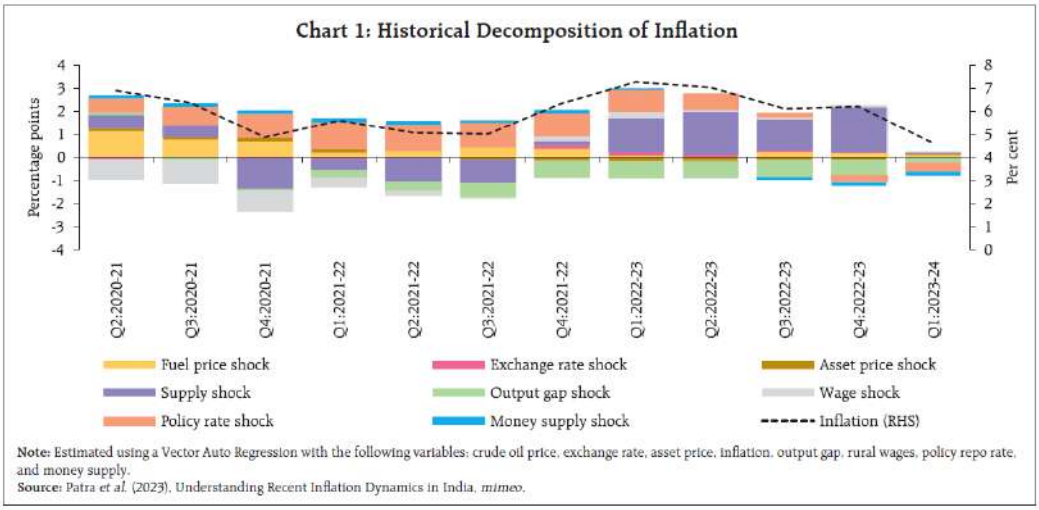
The data included in this section includes excerpts from the RBI Bulletin August 2023 and ICRA Reports may have been re-ordered by us for the purposes of presentation. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

Global Economy

With industrial production and trade weakening, the global recovery is slowing after a robust first quarter performance. In this stressed global environment, the Indian economy is gathering momentum in the second quarter of 2023-24. Domestic drivers such as private consumption and fixed investment are offsetting the drag from the contraction in exports. The uptick in inflation in its June reading mutated in July, with the unprecedented shock to tomato prices spilling over to prices of other vegetables. While core inflation witnessed a moderation, headline inflation is expected to average well above 6 per cent in the second quarter.

Meanwhile, countries deadlocked in debt distress are making progress in negotiating financial support with the IMF and are pulling back from the brink of default. The upheavals in commodity markets have also separated the fortunes of exporters and importers, and terms of trade have swung both ways. Taken together, however, there is a rising narrative about EMEs' economic resilience. Although financial markets continue to play on the AE-EME dichotomy while chasing returns or bolting from risk, there is a view gathering currency that the EME label should be retired.

The IMF estimates that global headline inflation may yield by close to 2 percentage points in 2023 from a year ago, but this is predicated on declining international commodity prices which is now imperilled. Core inflation is expected to ease by 0.5 percentage points, but about half of the economies are expected to see no decline in core inflation in 2023. Overall, inflation is projected to remain above target in 2023 in 96 per cent of economies with inflation targets.

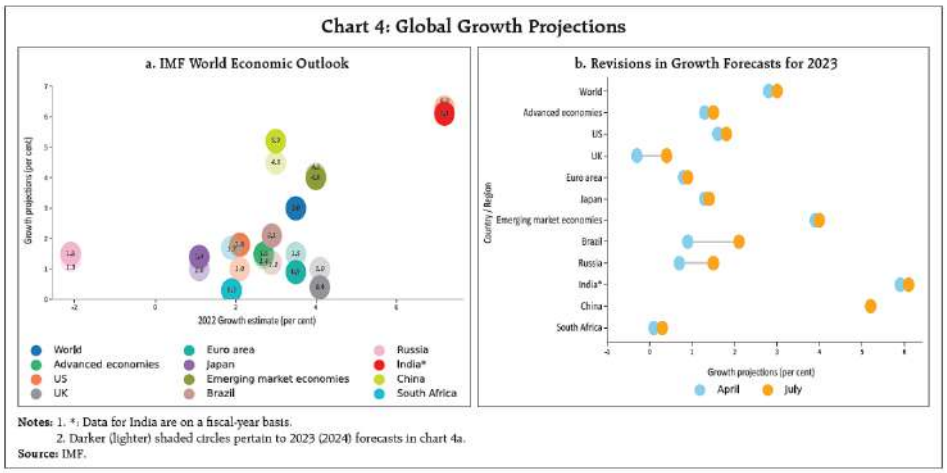


(Source: RBI Bulletin, August 2023)

Inflation fell from its peak of 7.3 per cent in Q1:2022-23 to 4.6 per cent in Q1:2023-24. This 270 basis points (bps) decline in inflation was mainly due to the waning of supply shocks. The impact of monetary policy actions is gathering potency, accounting for around 130 bps of the decline of inflation. The contributions of other factors more or less offset each other

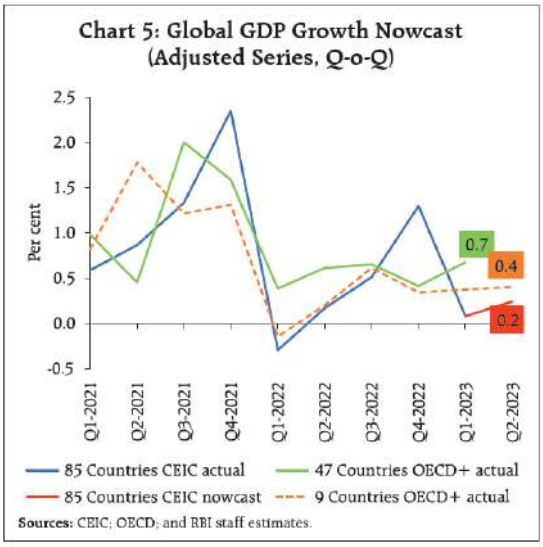
Global growth was restrained by lacklustre activity in manufacturing and trade in Q2:2023 although the performance of the services sector remained resilient. The cumulative effects of monetary policy tightening are beginning to show up in credit and

labour market conditions across advanced economies (AEs). Recession probabilities for the US rose to their highest in June 2023 since 2021. In its July 2023 update of the World Economic Outlook (WEO), the International Monetary Fund (IMF) revised its global growth forecast for 2023 marginally upwards to 3.0 per cent from its April projection of 2.8 per cent.



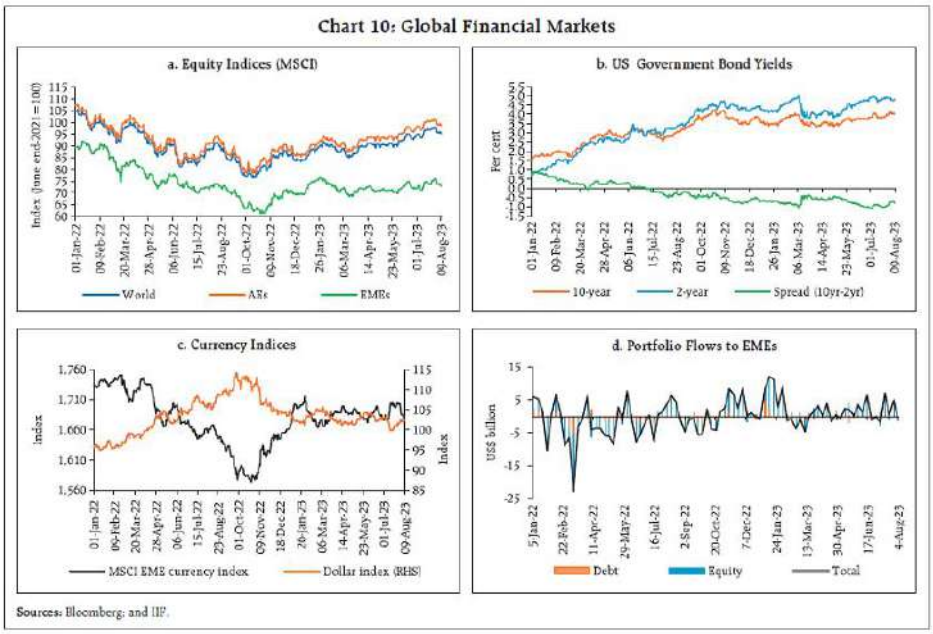
(Source: RBI Bulletin, August 2023)

Incoming data across geographies point towards a mixed picture. GDP growth in the US, the UK and the Euro area accelerated in Q2:2023, although in the case of the latter, Germany's economy stagnated and Italy unexpectedly experienced a contraction. In China, GDP growth decelerated sharply in Q2 as pent up demand waned after the rebound in late 2022. Our model-based nowcast for global GDP growth points towards a positive momentum in Q2:2023



(Source: RBI Bulletin, August 2023

Global equity indices edged up in July with gains across AEs and EMEs as investors priced in improving prospects of a soft landing due to lower than expected inflation prints. Bond yields hardened following the policy rate hike by the US Federal Reserve and a hawkish policy stance. Yield curve inversion in the US has continued for a year now.



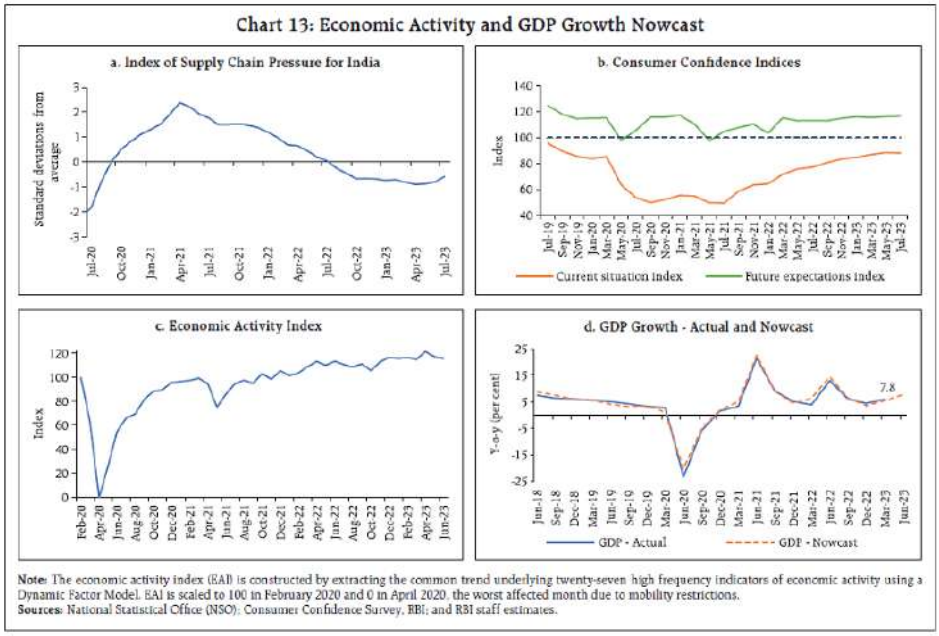
(Source: RBI Bulletin, August 2023)

<u>Indian Economy</u>

In this stressed global environment, the Indian economy appears poised to regain momentum (on a quarter-on-quarter basis) in the second quarter of 2023-24 after a dip that typically characterises the first quarter. High frequency indicators for July discussed in later sections provide the foundations for our view that this pick-up in momentum should counterbalance unfavourable base effects. The indicators are mostly in the green (Table 1), i.e., in acceleration, that is being driven by domestic drivers such as private consumption and fixed investment, offsetting the drag from the contraction in exports. In a reflection of consumer demand conditions, sales of daily essentials and groceries recorded a sequential recovery in July, with an uptick in rural areas. Home care and packaged food have also gained upside. In urban areas, the revenue growth of fast moving consumer goods (FMCG) has been boosted by digital demand and sales through e commerce.

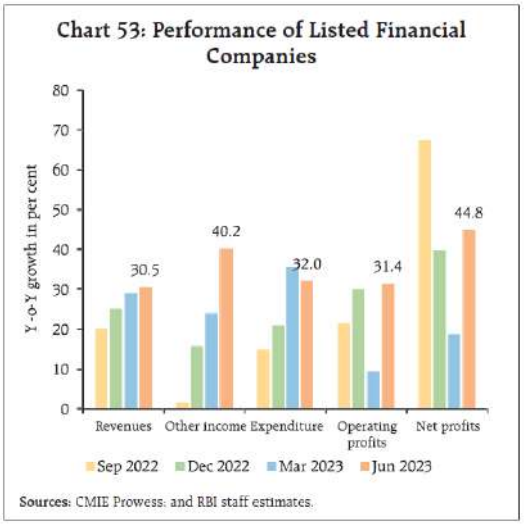
During July 16 to August 11, 2023 liquidity conditions remained largely comfortable, with the average total absorption under the Liquidity Adjustment Facility (LAF) at `2.0 lakh crore (`1.6 lakh crore during June 16 - July 15). The surplus was moderated by tax payments and GST related outflows. Of the total average surplus liquidity, the placement of funds under the standing deposit facility (SDF) averaged `1.2 lakh crore during July 16-August 11, 2023 while the remaining was mopped up through variable rate reverse repo (VRRR) operations. With liquidity conditions remaining easy, average recourse to the marginal standing facility (MSF) was lower at `0.05 lakh crore during July 16-August 11, 2023 (`0.16 lakh crore during June 16 - July 15). Consequently, net absorptions under the LAF increased to `1.8 lakh crore during July 16 – August 11, 2023 from `1.3 lakh crore during June 16-July 15, 2023.

In its July 2023 update referred to earlier, the IMF revised India's growth upwards to 6.1 per cent for 2023-24. We maintain our view13 that this projection may be surprised on the upside even with this upgrade. The index of supply chain pressure for India (ISPI), remains below its historical average, supporting growth impulses (Chart 13a). As alluded above, business sentiments remain positive about robust demand conditions (Annex 1). Over the year ahead, consumer confidence remains strong Our economic activity index (EAI) nowcasts GDP growth for Q1:2023-24 at 7.8 per cent.



(Source: RBI Bulletin, August 2023)

Banking and financial sector companies registered an impressive performance for another successive quarter. Robust demand conditions led to an acceleration in top-line growth. Equity markets scaled new highs in the second half of July 2023, aided by robust Q1:2023-24 corporate earnings and positive global cues. In early August 2023, equity markets registered some correction on general risk-off sentiment emanating from the sovereign rating downgrade of the US by Fitch and weak economic data releases from China and Europe. Closing at 65,323 on August 11, 2023 the BSE Sensex declined by 1.8 per cent in August so far, following gains of 2.8 per cent in July 2023.

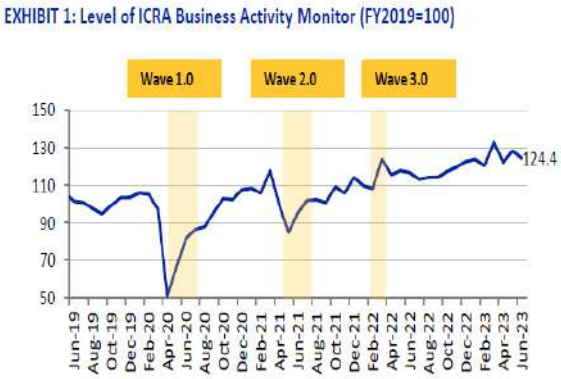


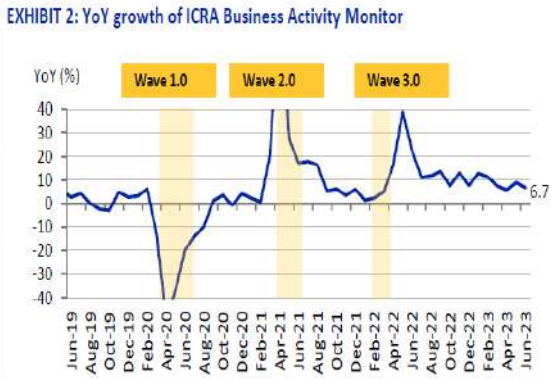
(Source: RBI Bulletin, August 2023)

Macroeconomic Trends and Underlying Growth Drivers

YoY growth in ICRA Business Activity Monitor eased to 6.7% in June 2023 amid continued weakness in external demand

The momentum in economic activity moderated in June 2023, with the YoY growth in the ICRA Business Activity Monitor easing to 6.7% (+22.4% in June 2022) from 8.9% in May 2023 (+38.9% in May 2022). The slowdown was broad-based with as many as 10 of the 16 constituent indicators reporting a deterioration in their YoY performance in June 2023 vis-à-vis May 2023.





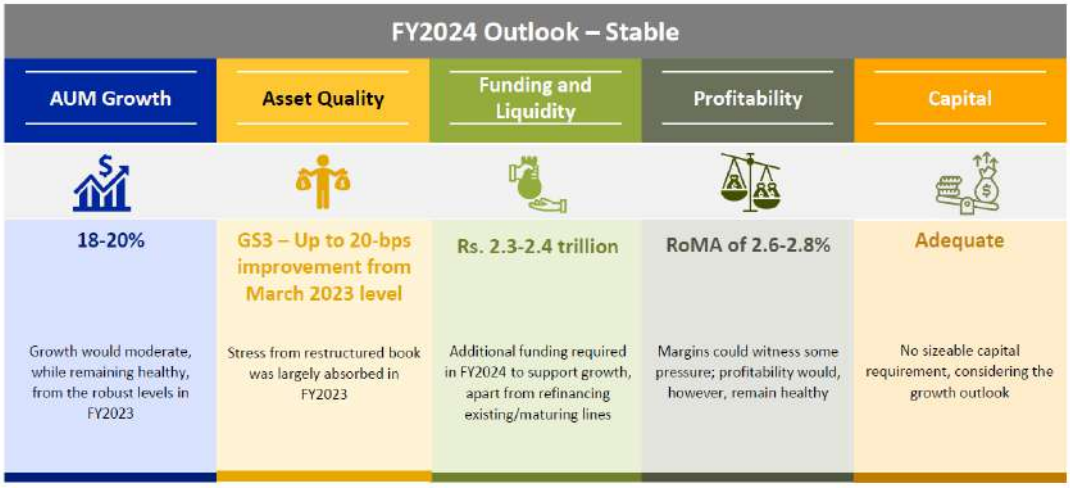
(ICRA Industry Report dated July 2023)

The sustained weakness in external demand continued to act as a drag on economic activity, with the contraction in India's non-oil exports widening to 13.5% YoY (steepest decline in eight months) in June 2023 from 4.8% in May 2023. This also led to a slowdown in cargo traffic at major ports (to a 16-month low of 0.4% in June 2023) and is likely to have affected rail freight traffic (-1.9% in June 2023; first contraction in 34 months), reflecting a YoY decline in container traffic at both ends. Additionally, the performance of auto production deteriorated in June 2023, with the output of two-wheelers (2Ws) partly impacted by the large decline in such exports.

(ICRA Industry Report dated July 2023)

<u>Non-Banking Financial Companies</u>

Retail Sector Outlook:



(ICRA Industry Report dated July 2023)

ICRA has revised the growth outlook for the retail loans of NBFCs (NBFC-Retail; *excluding HFCs)* to 18-20% from its previous forecast of 12-14%. NBFC-Retail AUM, as of March 2023, stood at ~Rs. 14.0 trillion, up 26% YoY. ICRA expects NBFC-IFCs to grow by 9-11% in FY2023 and 10-12% in FY2024 with the growth supported by the GoI's thrust on the infrastructure sector.

The unsecured loan segment, consisting of personal & consumption loans, unsecured small enterprise loans and microfinance loans, which drove growth in the last fiscal, would continue to support growth in the current fiscal. This segment is expected to expand by 26-28% in FY2024. Secured NBFC-Retail AUM, consisting of vehicle finance, gold loans and secured business loans, etc, is forecasted to grow by 14-16%. The overall sector would grow about 13-15% in the current fiscal vis-à-vis the 16% growth witnessed in FY2023.The overall sector's incremental funding requirement (over and above the refinancing of existing/maturing debt) is estimated at Rs. 4.7-5.0 trillion. Expansion in overall bank credit, the healthy market issuance trend and strong securitisation demand shall ensure adequate fund availability for the sector.

NBFCs (excluding HFCs) have wound down provisions over the last two years. Incremental provision required for loan growth and loan losses would keep credit costs range-bound vis-à-vis the previous fiscal, even as the asset quality is set to stablise.

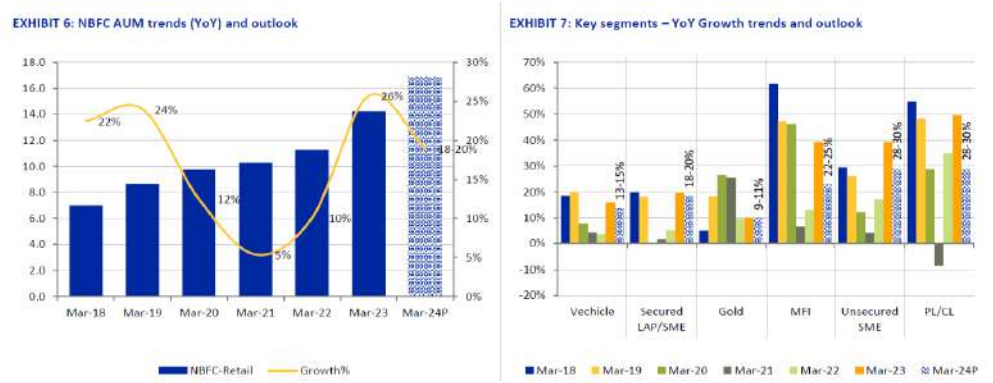
The cost of funds (CoF) for entities is, however, expected go up by 60-80 basis points (bps) in the current fiscal. Coupled with the fact that most NBFCs have a fixed rate loan book, entities are expected to face some pressure on margins in FY2024. This, along with higher operating costs, would impact the net profitability, which would moderate by up to 20 bps vis-à-vis the last fiscal. The capital profile shall remain adequate for meeting the growth targets. Some entities, with tighter capital positions, would raise capital. This would, however, be driven by the new regulatory requirements (leverage guidelines, etc.) if any. More entities shall raise capital in the next fiscal if strong growth continues.

The overall infrastructure credit growth (including banks and non-banks) slowed down in FY2022 and in the first two quarters of FY2023. The trend, however, reversed in Q3FY2023 and infrastructure credit registered an annualised growth of 6% in 9MFY2023. Within this, the NBFC-IFCs grew by 9% while the banking sector growth was modest at 3%.
(ICRA Industry Report dated July 2023)

Key risk to our Estimates

(ICRA Industry Report dated July 2023)

Growth| Trend & outlook –NBFC-Retail

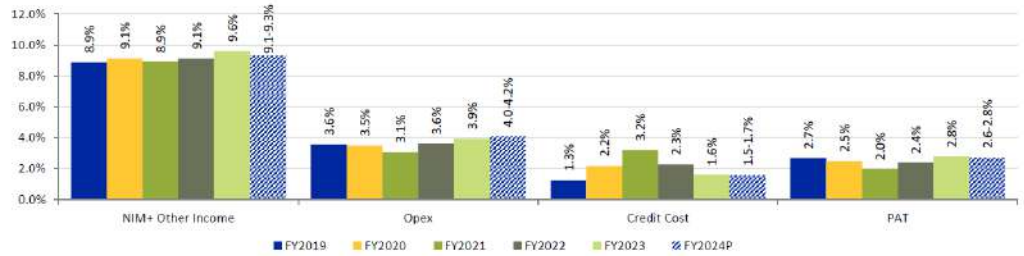


(ICRA Industry Report dated July 2023)

Earnings| NBFC profitability trend and outlook

The fixed rate of assets and increasing CoF would affect the spreads in FY2024. Further, higher portfolio growth, as projected, will result in an increase in the leverage. The combined effect of these two factors shall result in the compression of the net interest margin (NIM) in FY2024, though the same shall normalise almost to the long-term average. Operating costs shall witness some uptick with the increase in the share of smaller ticket and unsecured loans and other growth-related operating costs. Further, credit costs shall remain range-bound at the FY2023 level or increase slightly with credit/provisions costs normalising almost to the steady-state level. Entities benefited from the excess provisions created during the pandemic years, which helped them keep the credit costs under control in the last fiscal.

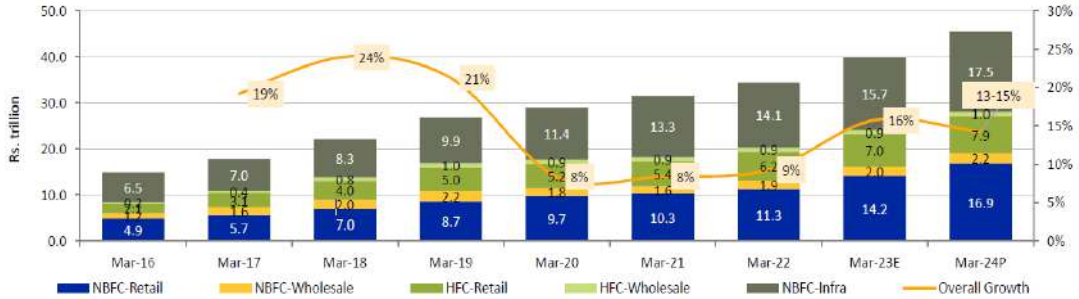
EXHIBIT 27: Key earnings parameters



(ICRA Industry Report dated July 2023)

AUM| Overall sector to expand by 13-15% in FY2024

EXHIBIT 4: AUM growth trends and outlook



(ICRA Industry Report dated July 2023)

NBFC-Retail AUM expanded by about 26% in FY2023,while HFCs (excluding HDFC) grew by ~10%. NBFC-Infra exposures expanded by about 12% while other wholesale exposures grew by a moderate 7% even on a low base. Thus, the overall sectoral growth of 16% in FY2023 was largely driven by the NBFC-Retail segment.

NBFC-Retail AUM is expected to grow by about 18-20% in FY2024, while HFCs and NBFC-Infra are estimated to grow by 12-14% and 10-12%, respectively, resulting in an overall healthy sectoral expansion of 13-15% for the fiscal.

(ICRA Industry Report dated July 2023)

EXHIBIT 5: Retail exposures of NBFCs & HFCs

(ICRA Industry Report dated July 2023)

The sector's (NBFC+HFC) retail exposure is expected to expand by about 16-18% in FY2024 to Rs. 25 trillion, which would push up its share to ~55% by March 2024. As the sector moves towards the retailisation of its exposures and as NBFC-Infra and other wholesale exposures would grow at a much moderate pace, their share in the overall pie shall decline.

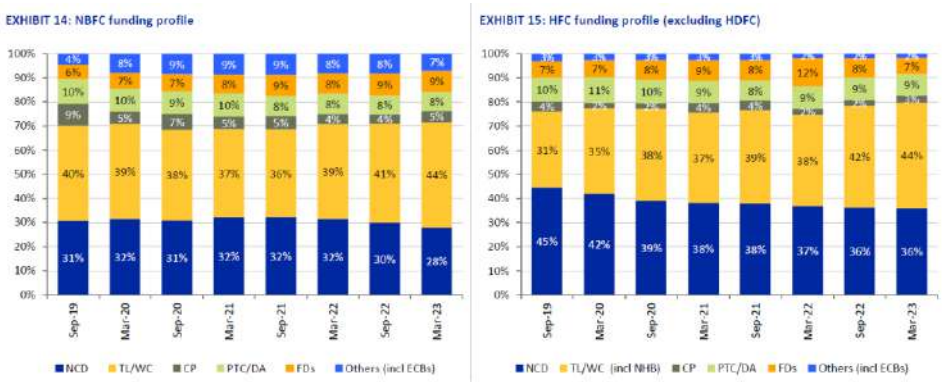
Unsecured loans, i.e. microfinance, small and medium-sized enterprise (SME) loans and personal consumption finance, are expected to grow at a stronger pace vis-à-vis the overall NBFC retail assets growth. Thus, this segment's share in overall retail exposures would expand to 26% by March 2024 from 24% in March 2023 (16% in March 2019). Unsecured loans grew at a compound annual growth rate (CAGR) of 27% during the 5-year period ended March 2023 compared to 11% for secured loans.

(ICRA Industry Report dated July 2023)

Funding

Focus on long-term funding, especially from banks

Share of bank loans has improved with focus shifting increasingly to bank funding; share of short-term funding remains limited



(ICRA Industry Report dated July 2023)

Bank credit and incremental funding requirement

Adequate funding should be available from banks for meeting the sectoral growth requirements

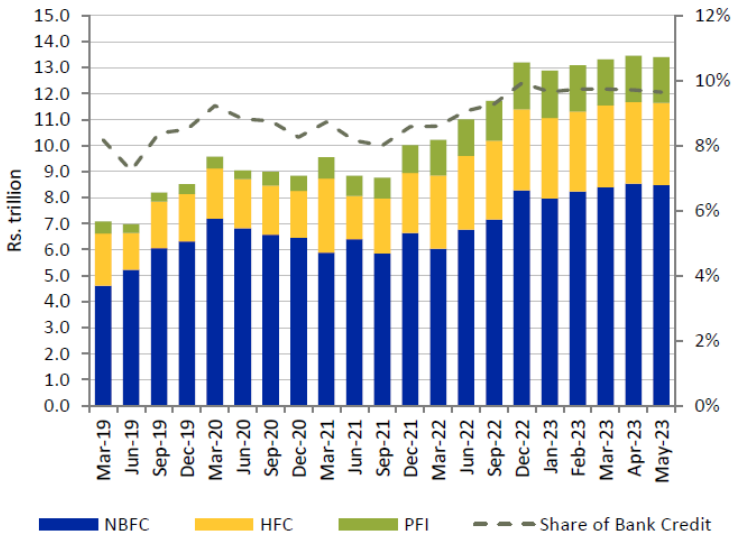
EXHIBIT 17: Incremental funding sources – FY2024

Incremental Funding Requirement – FY2024	
NBFCs (excluding infra)	Rs. 2.4 - 2.5 trillion
HFCs	Rs. 0.9 - 1.0 trillion
NBFC-Infra	Rs. 1.4 -1.5 trillion
Total	Rs. 4.7 -5.0 trillion

(ICRA Industry Report dated July 2023)

Bank credit to the sector peaked to 9.9% of the total bank credit in December 2022 and moderated to 9.6-9.7% in the subsequent five months. Bank credit is expected to grow by 12.1-13.2% in FY2024, assuming credit to NBFCs remains at 9.7-9.9%. Banks can extend Rs. 1.6-1.9 trillion of additional credit to the sector. Further, the merger of HDFC Limited should free up additional limits. Banks account for about 40-45% of the overall funding profile of NBFCs and HFCs (excluding Infra) and about 25-30% of NBFC-Infra. Thus, funding from banks to the sector should remain adequate for meeting the sectoral growth plans. Further, funding from capital markets and the expectation of strong securitisation volumes from the current fiscal shall support fund availability for the sector.

EXHIBIT 16: Bank credit to NBFCs



(ICRA Industry Report dated July 2023)

Market rates cooled down in Q1 FY2024

Market rates witnessed some cooling in Q1; bank rates have gone up but remain below the pre-pandemic level

EXHIBIT 18: Bank weighted average lending rate (WALR)

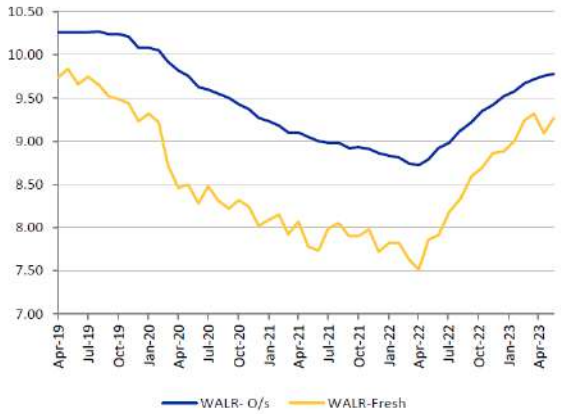
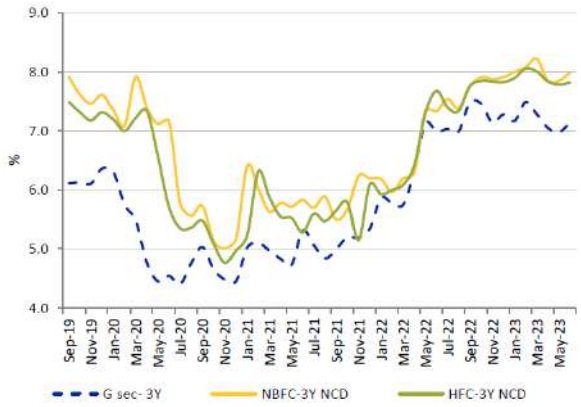


EXHIBIT 19: 3Y Yield trend



(ICRA Industry Report dated July 2023)

Short-term yields witnessed higher reduction

The relatively benign liquidity position led to the cooling off in the shorter-term market rates in Q1 FY2024

EXHIBIT 20: NBFC – Debt yield trend

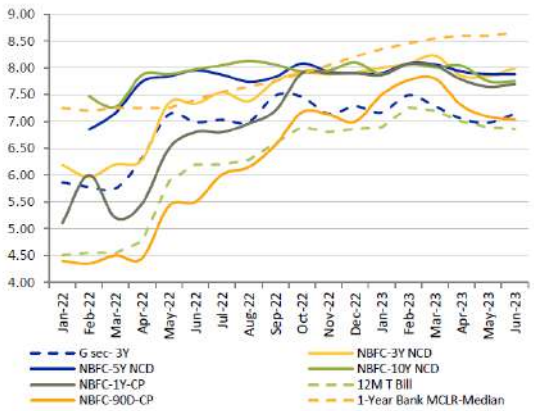
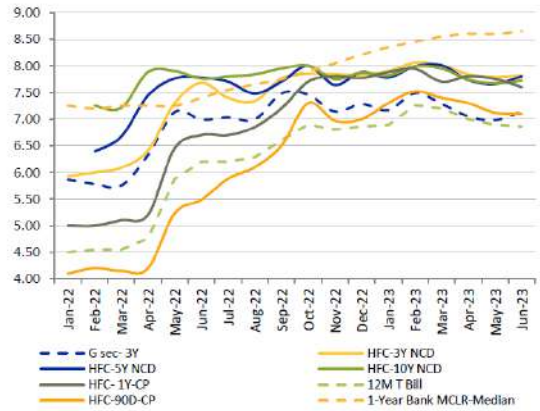


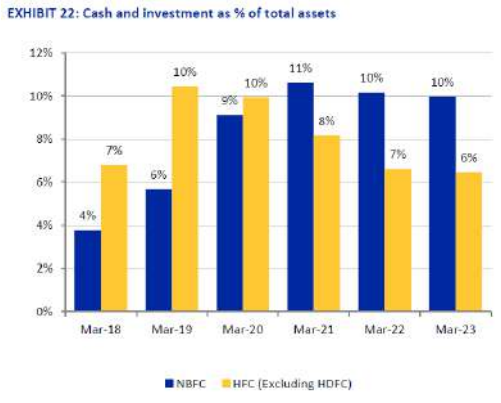
EXHIBIT 21: HFC – Debt yield trend

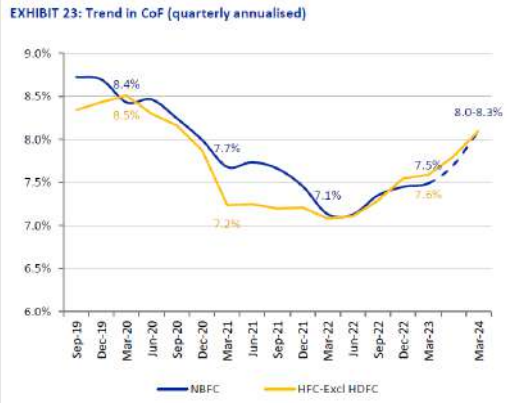


(ICRA Industry Report dated July 2023)

CoF set to increase; liquidity held by entities would moderate

NBFCs' on-balance sheet liquidity remains elevated, while HFCs witnessed some moderation; full impact of the increase in systemic rates would be visible in FY2024; 60-80 bps increase expected in the weighted average CoF.

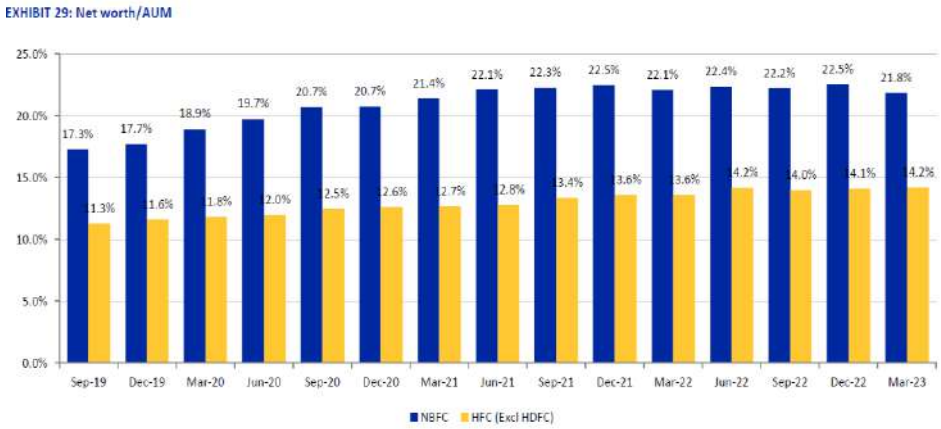




(ICRA Industry Report dated July 2023)

<u>Capitalisation | Adequate capital profile</u>

Capital profile is adequate for near-to-medium-term growth



(ICRA Industry Report dated July 2023)

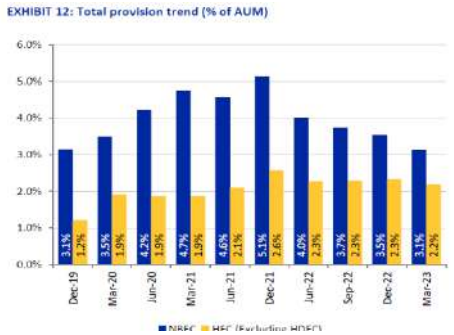
<u>Asset Quality</u>

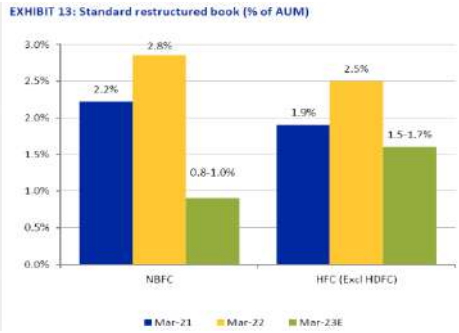
Gross stage 3 would continue to improve

(ICRA Industry Report dated July 2023)

Provisions and structured book

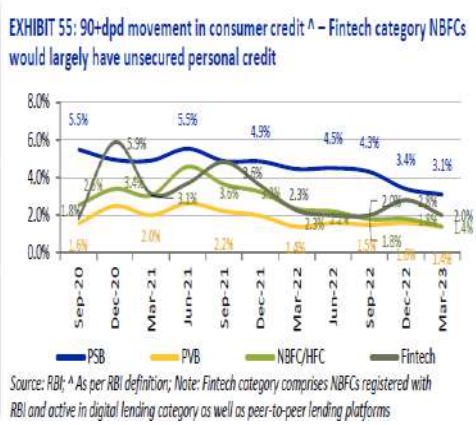
Provision buffers moderate to pre-pandemic level as asset quality headwinds have decreased; restructured book of HFCs is seasoned and slippages are expected to be very low.





(ICRA Industry Report dated July 2023)

<u>Personal finance</u>

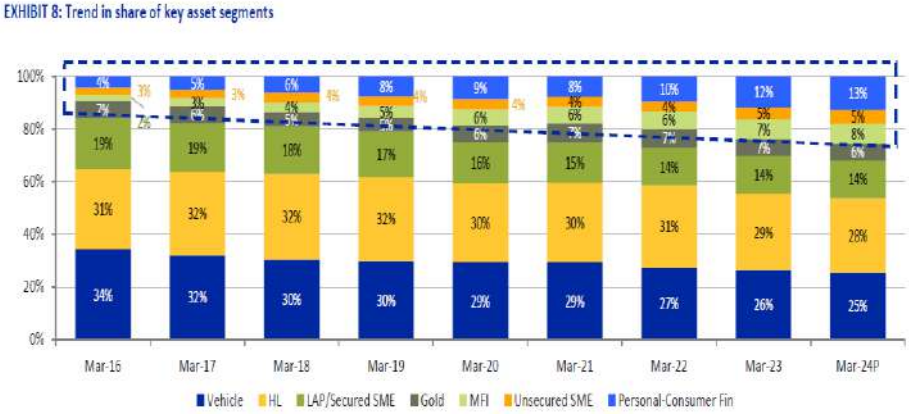


(ICRA Industry Report dated July 2023)

<u>Unsecured Loans</u>

Share of unsecured loans to touch ~26% of NBFC retail loans by March 2024

Overall unsecured loans are expected to grow 26-28% in FY2024, which shall push up their share to around 23% by March 2024 from ~16% in March 2020.



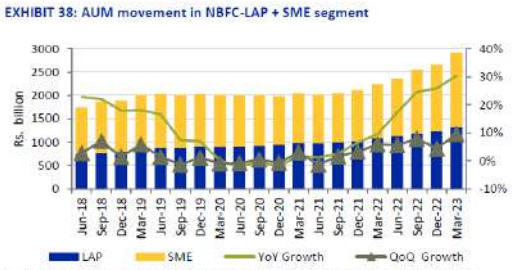
(ICRA Industry Report dated July 2023)

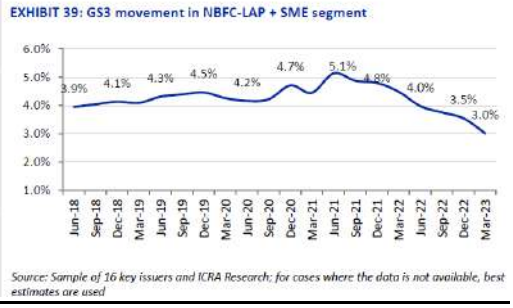
Unsecured loans, albeit on a lower base, grew at a CAGR of about 27% during the 5-year period ended March 2023, while secured loans grew at a CAGR of ~11%. Unsecured loans outstanding (o/s) shrunk during the Covid-19 pandemic period. Excluding microfinance, unsecured loans shrunk by about 4% vis-à-vis the 1% contraction witnessed in the overall unsecured book in FY2021.

The unsecured loan book growth is likely to be lower than the high level seen in the last fiscal but shall continue exceeding the secured loan book growth with its share expected to touch 26% in March 2024.
(ICRA Industry Report dated July 2023)

LAP and SME Finance

With domestic business activity picking up steadily, credit flow to this segment accelerated as NBFCs started lending robustly to meet the pent-up demand. The AUM stood at Rs. 2.9 trillion as of March 2023, growing by about 30% YoY in FY2023. Previously, the segmental AUM had remained range-bound for eight quarters as NBFCs had maintained a cautious stance as this was one of the highly impacted segments during the pandemic. ICRA expects the AUM to grow at a healthy 19-21% in FY2024, somewhat slowing down from the growth surge witnessed in FY2023. Overdues continued to decline steadily over the quarters, supported by traction on resolution/recovery of delinquent assets. Further, most of the entities recognised credit losses and wrote off the pandemic-related hard delinquencies during the year, especially in the case of unsecured SME loans. Coupled with the healthy AUM growth, delinquencies were significantly lower than the long-term average levels by March 2023.





(ICRA Industry Report dated July 2023)

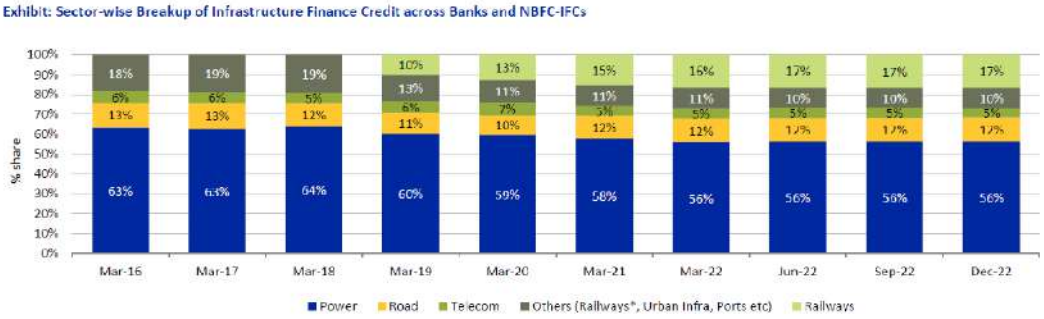
Project Finance

Infrastructure Sector

The overall infrastructure credit growth (including banks and non-banks) slowed down in FY2022 and in the first two quarters of FY2023. The trend, however, reversed in Q3FY2023 and infrastructure credit registered an annualised growth of 6% in 9MFY2023. Within this, the NBFC-IFCs grew by 9% while the banking sector growth was modest at 3%. ICRA expects NBFC-IFCs to grow by 9-11% in FY2023 and 10-12% in FY2024 with the growth supported by the GoI's thrust on the infrastructure sector. The increase in capital expenditure (capex) on infrastructure by 37% in the Union Budget for FY2023-24 augers well for growth. The asset quality of NBFC-IFCs has improved in the last few years. NBFC-IFCs have demonstrated a healthy profitability trajectory.
(ICRA Industry Report dated April 2023)

Power sector remains dominant in overall portfolio mix

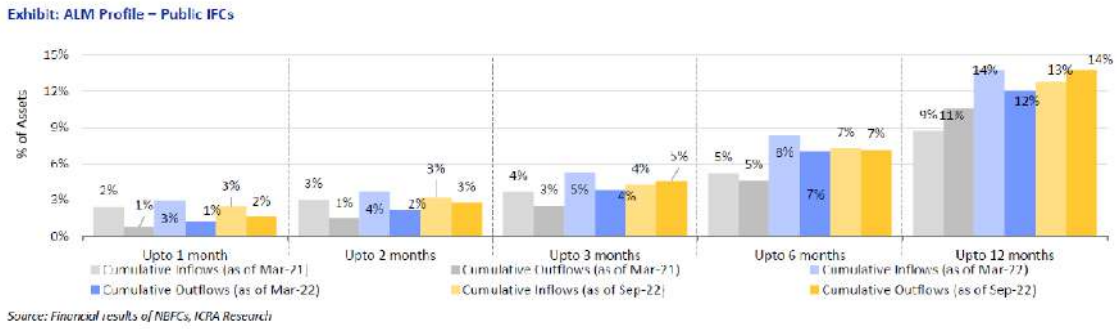
Exposure to the power sector (including the renewable and transmission segments) continues to dominate the overall portfolio mix of banks and IFCs. Other substantial exposures remained to the railways (17%), road (12%) and telecommunications (5%) sectors as on December 31, 2022.



(ICRA Industry Report dated April 2023)

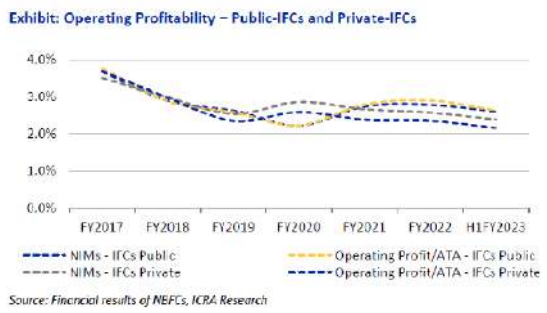
ALMs improve with lower reliance on short-term borrowings and raising of longer-tenor borrowings

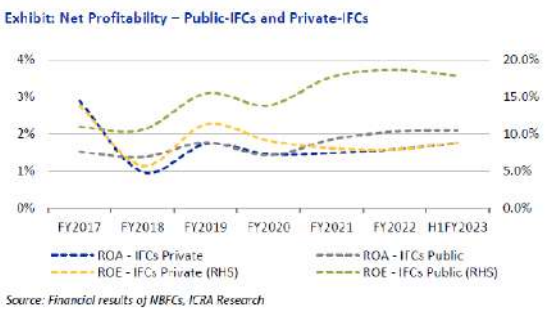
The asset-liability mismatches (ALMs) of many IFCs have improved in recent times as reliance on short-term funds has reduced. Moreover, higher on-balance sheet liquidity is being maintained like the broader NBFC sector.



(ICRA Industry Report dated April 2023)

Notwithstanding some moderation in NIMs due to the unfavourable systemic rate, decline in operating expenses and controlled credit costs owing to the steady decline in NPAs as a proportion of the loan book, Public-IFCs, on an aggregate basis, achieved a RoA of 2.1% in H1FY2023 compared to 2.1% in FY2022 and the six-year average of 1.7%.





(ICRA Industry Report dated April 2023)

Indian Power Sector

The all-India electricity demand increased by 10.7% YoY in 10MFY2023, because of the severe heat wave in North & Central India and a favourable base. However, challenges remain for the thermal segment due to the weak financial position of the discoms, tighter emission norms and shortfall in coal supply. The project pipeline in the power transmission segment remains strong.
(ICRA Industry Report dated April 2023

Renewables

ICRA's outlook for the renewable energy (RE) sector remains Stable, led by strong policy support from the GoI, high tariff competitiveness despite the recent uptick and sustainability initiatives by large commercial & industrial (C&I) customers. Capacity addition is likely to rebound to ~20GW in FY2024 from ~14GW estimated for FY2023. The wind segment continues to see modest execution, with only 5.7GW commissioned so far out of the 17.7GW awarded by the Central nodal agencies and state discoms. On the other hand, the hybrid segment witnessed the first set of projects being commissioned in FY2023, with 2.4GW commissioned in the year so far.

Solar bid tariff increased over the past six months with a quoted tariff of Rs. 2.5 per unit or higher against the less than Rs. 2.4 per unit tariff seen till June 2022, owing to the cost pressure arising from elevated module prices and hardening interest rates. The capacity under tendering by the various Central nodal agencies and state utilities stood at ~24GW as of March 2023, indicating an improved pipeline compared to the situation as of December 2022.

As per the data from PRAAPTI portal, the over dues to renewable power generating companies declined to Rs.25.1 billion as on March 20, 2023 from Rs.206.8 billion as of June 2022. This excludes the dues converted into instalments by these discoms.

Apart from clearing past dues through instalments, the discoms have been regular in making payments for the on-going bills raised post June 2022 with most of them clearing the dues within 90-120 days. While this is a positive step for the IPPs, the sustainability of timely payments is linked to the improvement in the financial profiles of the discoms.
(ICRA Industry Report dated April 2023)

Roads & Port logistics

Toll collections growth is expected to moderate to 6-9% in FY2024 due to the softening in the WPI after the stellar growth witnessed in FY2023.

The container volumes at the Indian ports witnessed a subdued growth of ~3% in 11MFY2023. For FY2024, the overall container volumes are expected to grow in the range of 4-6%. Container freight station (CFS) volumes are expected to be in line with the expectations for container trends in Indian ports. The long-term outlook for the container segment remains favourable. However, consolidation in the CFS /inland container depot (ICD) and CTO segments is expected during the growth phase.
(ICRA Industry Report dated April 2023)

OUR BUSINESS

Unless otherwise indicated or unless the context otherwise requires or in respect of certain operational data, the financial information for the Fiscal 2023, 2022 and 2021 included herein is derived from our Audited Financial Statements as included in this Prospectus. The financial information as at and for the quarter ended June 30, 2023 is derived from the Limited Review Financial Results as at and for the quarter ended June 30, 2023. Accordingly, you should read the following discussion in conjunction with our Audited Financial Statements and the Limited Review Financial Results. We publish our Financial Statements in Indian Rupees. Our Financial Year commences on April 1 and ends on March 31 of the subsequent year, and references to a particular Financial Year are for the 12 months ended March 31 of that year.

Some of the information contained in the following discussion, including information with respect to our strengths and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 10 for a discussion of the risks and uncertainties related to such statements and also "Risk Factors" on page 13 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

In this section, unless the context otherwise requires, references to "we", "us", "our", "the Company" or "our Company" refer to Aditya Birla Finance Limited. Also, see "Risk Factors - We have included certain Non-GAAP measures related to our operations and financial performance in this Prospectus. Such Non-GAAP measures may vary from any standard methodology that is applicable across the financial services industry and may not be comparable with the financial or operational information of similar nomenclature computed and represented by other companies." on page 27.

*The industry-related information contained in this section is derived from the Reserve Bank of India Bulletin - August 2023 (Volume LXXVII Number 8) ("**RBI Bulletin August 2023**") and the reports titled "'Non-banking Financial Companies: Well-placed for strong performance in FY2024 as well' dated July 2023 and 'NBFC-Infrastructure Finance Companies: Earnings profile improves, driven by better asset quality: Entities well-poised for growth' dated April 2023 by ICRA (the "**ICRA Reports**"). For further details and risks in relation to commissioned reports, see "Risk Factors - The statistical and industry data in this Prospectus is derived from the RBI Bulletin August 2023 and the ICRA Reports which are not exhaustive and is based on certain assumptions, parameters and conditions." on page 26.*

Overview

We are registered with the RBI as a non-deposit taking systemically important non-banking financial company ("**NBFC-ND-SI**"). Our Company was incorporated in 1991 and obtained a certificate of registration in 2011 to carry on the business of non-banking financial institution without accepting public deposits under Section 45IA of the RBI Act, 1934. We have been categorized as an 'Upper Layer' NBFC under the scale based regulatory framework for NBFCs introduced by the RBI, with effect from September 30, 2022. We offer end-to-end lending, financing and wealth services to retail, HNI, ultra HNI, micro, small and medium enterprises ("**MSME**"), small and medium enterprises ("**SME**") and corporate customers. As of June 30, 2023, we had total loans outstanding of ₹85,778.5 crore. We had 332 branches and 59,14,504 customers as of June 30, 2023.

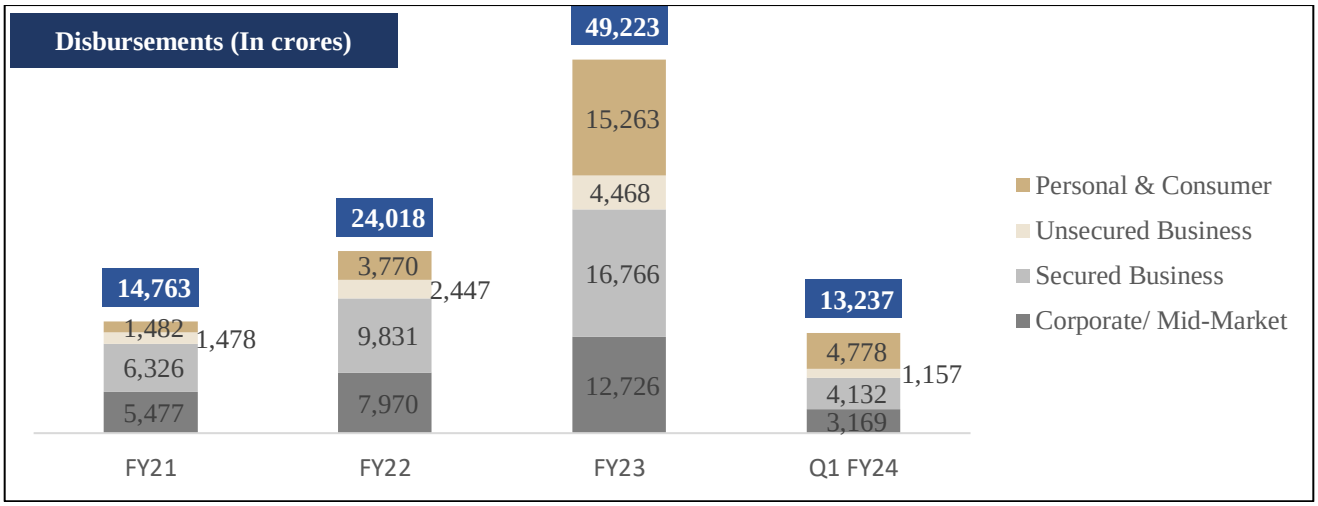
Our product offerings under the four categories are as follows:

	Corporate/mid-market category	Secured business category	Unsecured business category	Personal and consumer category
Products	Capital expenditure/working capital funding	Loans against property	Business loans	Personal loans
	Structured finance	Working capital loans	Supply chain finance	Consumer loans
	Developer financing	Lease Rental Discounting	Business to business digital platform (*Udyog* Plus)	Check-out financing
	Project finance	Loans against securities	Business overdraft	Credit card
Targeted Customers	Corporates across various sectors	Busines owners and self-employed professionals engaged in small/mid-sized businesses	SMEs and MSMEs	Individuals, small business owners, micro enterprises

Our Company caters to the varied needs of diverse set of customers ranging across retail, HNI, ultra HNI, MSMEs, SME, corporate customers. The portfolio is well diversified across various sectors and products. Our Company offers customized solutions in areas of personal and business loans, corporate finance, mortgages, personal loans, business loans, check-out financing, loan against property, term loans, working capital loans, loans against securities, project loans and wealth services.

The AUM of the Company stood at ₹85,891.2 crore as on June 30, 2023. The number of customers of the Company has grown from 2,12,787 as at March 31, 2021 to 59,14,504 as at June 30, 2023. The Company continues its focus on growing higher

margin MSME and Retail lending. Loans to Retail, SME and HNI categories grew to ~67% of the portfolio in the Financial Year ended 2023 through focused expansion in the such categories with a year-on-year growth of 57%. A representation of the disbursements has been set out below:

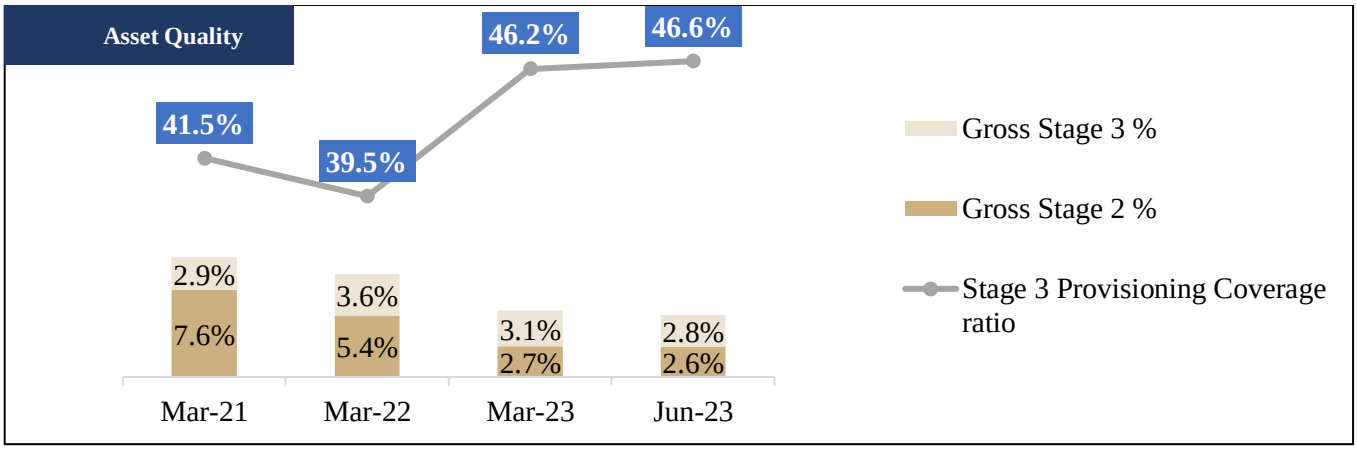


Financial performance

As at June 30, 2023, our loan book stood at ₹85,778.5 crore. As at June 30, 2023, our net interest income (including fee income)* was ₹1,433.0 crore with our net interest margin at 7.0%. While our revenue from operations has increased at an year-on-year growth of 5.0% from₹ 5,511.5 crores for the Financial Year ended 2021 to ₹5,784.9 crores for the Financial Year ended 2022 and at an year-on-year growth of 42.4% to ₹8,236.9 crores for the Financial Year ended 2023, our profit after tax increased at year-on-year growth of 44.2% from ₹768.8 crores for the Financial Year ended 2021 to ₹1,108.3 crores for the Financial Year ended 2022 and at an year-on-year growth of 40.2% to ₹1,553.8 crores. Our loan book grew from ₹48,618.3 crores as at March 31, 2021 to ₹80,452.3 crore, as at March 31, 2023 at a CAGR of 28.6%.

** Net Interest income (including fee income) is calculated as total income as per financial statements reduced by finance cost as per financial statements.*

As of June 30, 2023, while our asset quality with Net Stage 2 and Net Stage 3 Assets vis-à-vis total loan assets stands at 4.1%, we have maintained a healthy provisioning coverage ratio of 46.6%, as at June 30, 2023.

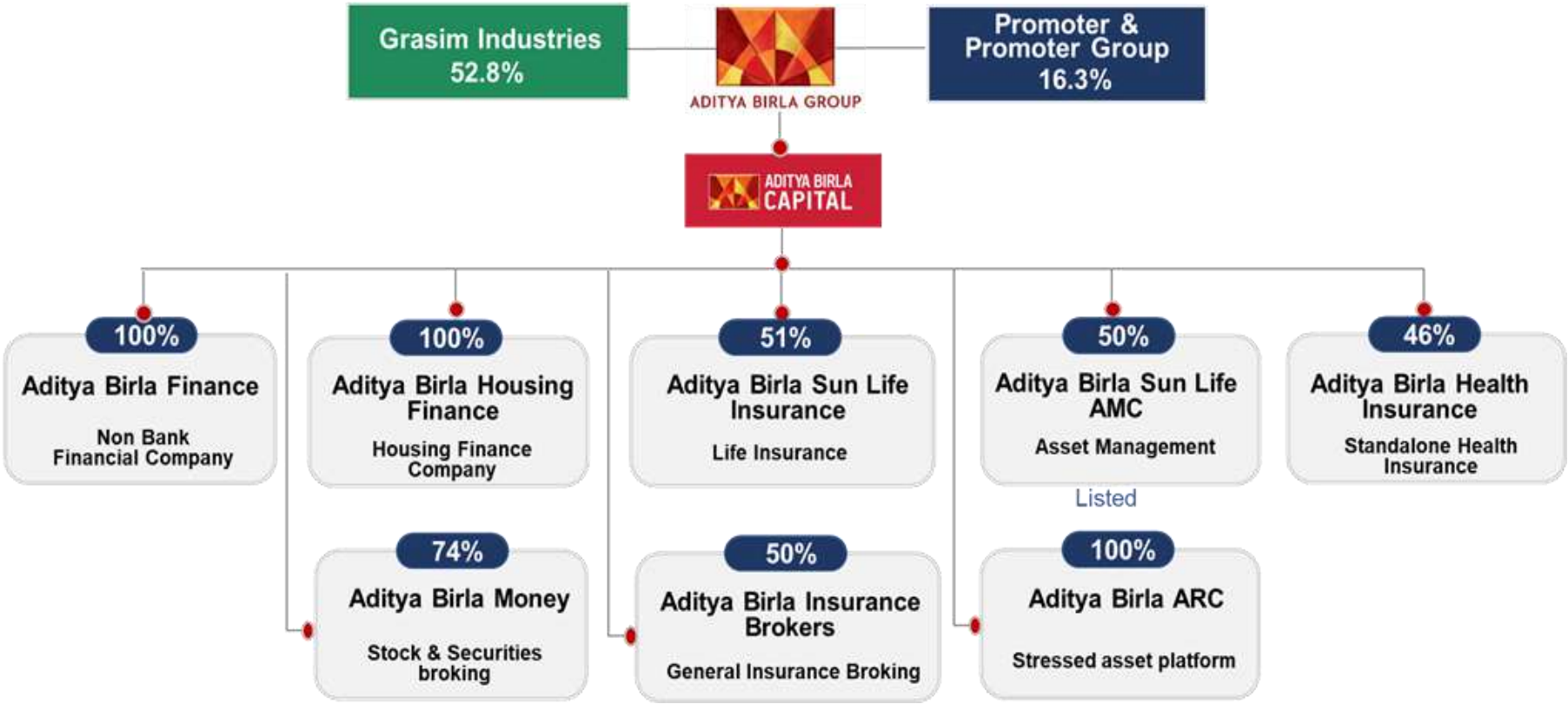


Notes:
1. Gross Stage 3 %: Gross Stage 3% is calculated using Gross Stage 3 assets as per Financial Statements divided by Closing Gross loan book (excluding other advances of respective period) as per Financial Statements.
2. Gross Stage 2 %- Gross Stage 2% is calculated using Gross Stage 2 assets as per Financial Statements divided by Closing Gross loan book (excluding other advances of respective period) as per Financial Statements.
3. Stage 3 Provisioning coverage ratio:- Stage 3 Provisioning coverage ratio is calculated using Provision on Stage 3 loans as per Financial statements divided by Gross Stage 3 assets as per Financial statements.

Credit Ratings

Our long-term credit rating of AAA (Stable) has been reaffirmed by ICRA in February 2023. Further, we also have a long-term credit rating of AAA (Stable) by India Ratings, perpetual debt credit rating of AA+ (Stable) by ICRA and AA+ (Stable) by India Ratings (Stable), short-term credit rating of A1+ by ICRA and commercial paper rating of A1+ India Ratings.

OUR CORPORATE STRUCTURE



Note: Shareholding as of June 30, 2023.

OUR STRENGTHS

Marquee Parentage with a Trusted and Well-Respected Brand along with the experienced promoter

The Aditya Birla group is widely recognized as one of the largest and most respected business houses in India, and we derive significant advantages from the strong parentage and brand equity generated by the "Aditya Birla" brand. The Aditya Birla group's businesses include metals and mining, cement, carbon black, textiles, garments, chemicals, paints and mobile telecommunications, besides financial services. The brand equity associated with the "Aditya Birla" brand provides us with a distinct competitive edge and instills confidence and trust among our stakeholders, including customers, partners, and investors. Moreover, strong brand recognition helps generate avenues for collaboration and strategic partnerships, enabling us to leverage the extensive network and resources within our ecosystem.

In addition to the brand advantage derived from the "Aditya Birla" brand, our strong parentage affords us access to experienced personnel (and our ability to attract and retain such talent), industry best practices, robust governance processes, and marketing leverage. These invaluable resources, combined with the brand equity of the "Aditya Birla" and "Aditya Birla Capital" brands empower us to drive growth, innovation, and excellence in our business.

Aditya Birla Capital Limited ("**ABCL**"), our holding company and the promoter, holds 100% of our total issued and paid-up Equity Share capital, as on the date hereof. ABCL has 1,295 branches across its businesses as at March 31, 2023, out of which, 584 are co-located branches across 155 locations ("**One ABC Locations**"). The One ABC Locations have branches of two or more subsidiaries located at the same location and provide personalized assistance to our customers, helping them achieve their financial goals and helping us leverage potential cross-selling opportunities across the product suite.

One of the Leading Financial Services Provider

We have been categorized as an 'Upper Layer' NBFC under the scale based regulatory framework for NBFCs introduced by the RBI, with effect from September 30, 2022 and have one of the market-leading position among the non-banking financial companies in India. Our AUM grew by 46.0% year-on-year to ₹80,555.5 crore, as of March 31, 2023, backed by robust growth in loans to retail, SME and corporate customers. Our Company has grown in the personal loans category at a CAGR of ~44% for the period of Financial Year 2018 to Financial Year 2022.

The AUM of our Company stood at ₹85,891.2 crore as on June 30, 2023. Our AUM grew from ₹48,688.6 crore as at March 31, 2021 to ₹55,180.0 crore as at March 31, 2022 with a year-on-year growth of 13.3% and grew to ₹80,555.5 crore as at March 31, 2023 with a year-on-year growth of 46.0%. The number of customers of the Company has grown from 2,12,787 as at March 31, 2021 to 59,14,504 as at June 30, 2023. Further, the total disbursements by our Company as at the March 31, 2023 stood at ₹49,223.2 crore with a year-on-year growth of 104.9% for the Financial Year ended 2023 and 62.7% for the Financial Year ended 2022.

Comprehensive Solutions across our Financial Services and Products

We offer a diverse range of lending solutions such as business and personal loans, consumer loans, corporate finance, working capital loans, loan against shares, supply chain finance, project finance and structured finance. Over the last few years we have increased the portion of higher yielding retail loans in our loan book by enhancing our product profile not only in traditional products like personal loans, business loans and LAP, but we have also launched niche products like 'Buy Now Pay Later', 'Checkout Financing' and 'Education Loans'.

The table below sets forth certain information regarding our product composition as of the dates indicated:

Product	Number of customers as of			
	March 31, 2021	March 31, 2022	March 31, 2023	June 30, 2023
Personal and consumer loans	177,949	3,568,633	5,594,019	5,813,064
Unsecured business loans	26,652	44,105	78,788	82,642
Secured business loans	7,803	11,332	18,129	18,314
Corporate / mid-market	383	400	463	484
Total	**212,787**	**3,624,470**	**5,691,399**	**5,914,504**

The following table sets out our AUM as at and for the years indicated below:

AUM	As at and for			
	Financial Year 2021	Financial Year 2022	Financial Year 2023	Quarter ended June 30, 2023
	(*in ₹crore*)			
Consumer loan	629.5	1,202.8	3,275.5	4,140.8
Personal loan	2,035.2	4,005.5	12,166.3	13,552.0

AUM	As at and for			
	Financial Year 2021	Financial Year 2022	Financial Year 2023	Quarter ended June 30, 2023
	(*in ₹crore*)			
Personal and consumer (A)	**2,664.7**	**5,208.4**	**15,441.8**	**17,692.8**
Business loan	2,714.1	3,896.8	6,405.8	6,799.9
Supply chain	1,393.7	1,451.8	2,002.8	1,774.0
Unsecured business (B)	**4,107.9**	**5,348.6**	**8,408.6**	**8,573.8**
Loan against shares	2,762.0	3,650.6	3,996.1	4,258.9
Term loan/working capital demand loan	7,064.2	7,419.8	9,154.3	9,289.1
Lease rental discounting	2,729.0	2,624.5	2,431.9	2,209.2
Loan against property	8,477.9	10,733.5	16,362.0	17,430.6
Secured business (C)	**21,033.1**	**24,428.5**	**31,944.4**	**33,187.8**
Term loan/working capital demand loan	9,903.1	9,706.9	12,897.6	14,244.5
Structured finance	906.5	1,939.8	1,325.2	1,204.1
Construction finance	2,491.5	3,173.6	4,244.1	4,086.5
Project finance	7,581.9	5,374.3	6,293.7	6,901.6
Corporate / mid-market (D)	**20,883.0**	**20,194.6**	**24,760.7**	**26,436.8**
Total (A+B+C+D)	**48,688.6**	**55,180.0**	**80,555.5**	**85,891.2**

This diversified portfolio of products ensures that we are able to target all demographic sectors and insulates it from fluctuations in specific areas. It also enables us to cross-sell our products. We believe that this diversified suite of products and services and proven track record of performance places us uniquely to achieve scale with flexibility and benefits our operations significantly.

Robust Risk Management Processes

We are required to manage the risks efficiently and effectively considering the nature of our business, and we have robust mechanisms in place to manage risk. Our risk management framework lays down our core principles in identifying, measuring, assessing, and managing the key risks. Our target customers vary from large corporates to medium and small enterprises to high-net-worth individuals and mass market retail individual customers. We monitor concentration risks in our client groups, integrate sector expertise across our various product categories of our business and maintain oversight over event risks. Further, our operations and decisions are guided by our environment, social and governance-empowered sustainability framework, which will continue to enable us to succeed in building an equitable world for all stakeholders. Through a conscious and collaborative approach, we embrace diversity and empower individuals with opportunities to achieve their aspirations and meet their needs.

We have well-established risk management framework designed to identify, assess, monitor and mitigate risks inherent in the businesses. The risk management framework enables effective risk management through a corporate governance structure including committees, corporate policy, internal controls and reporting measures. We conduct verification procedures including analysis of financial information, document verification and background checks, as applicable. Our assessment of institutional borrowers encompasses analysis of their business viability, credit history, reputation and experience of their promoters and management, among others. The identification, measurement, mitigation, pricing and monitoring of risks remains a key focus area for us.

We facilitate a comprehensive assessment of risks through effective underwriting procedures and have a robust risk-based pricing framework incorporating factors such as customer assessment criteria, loan tenor and quality of collateral. Further, we ensure regular monitoring of risk through creation of a unique client ID, early warning mechanism, system-based covenants and post disbursal monitoring with escalation protocols and a credit audit framework. We also leverage AI to enhance our risk-based collections calling strategy. By utilizing AI algorithms and predictive analytics, we can identify and prioritize high-risk accounts for collections efforts. Our AI-driven approach enables us to streamline the collections process, improve efficiency, and ultimately minimize credit risk. Our provision coverage ratio for each of the loan category offered by us is also set forth below:

Category-wise Asset Quality	Stage 3 provisioning coverage ratio as of			
	March 31, 2021	March 31, 2022	March 31, 2023	June 30, 2023
Personal and consumer loans	60.0%	65.5%	85.6%	78.1%
Unsecured business loans	29.8%	26.2%	36.6%	43.3%
Secured business loans	33.6%	37.0%	39.8%	37.3%
Corporate/mid-market loans	43.2%	41.8%	43.7%	43.6%
Provision on stage 3 loans (In ₹ crores)	**590.0**	**772.9**	**1,157.9**	**1,126.6**
Stage 3 provisioning coverage ratio	**41.5%**	**39.5%**	**46.2%**	**46.6%**

Experienced Management Team with Industry Expertise

Our key management personnel and senior management teams comprise of qualified and experienced professionals. We believe

that the vision and leadership of our management team has contributed to our consistent and positive performance in the past and will drive our strategic direction in the future.

We are guided by our Promoter, Aditya Birla Capital Limited and its senior management team for their support and expertise in the non-banking finance industry. We also have a highly experienced leadership team across our categories and initiatives. Their deep knowledge and expertise enable us to effectively navigate the complexities of our industry. Our management team is led by our Managing Director and Chief Executive Officer, Rakesh Singh, who has over 25 years of experience in financial services industry and has consistently demonstrated strong leadership, delivering revenue growth and profitability. We believe that our management team's wealth of experience is a valuable competitive advantage, empowering us to implement our business strategies and adapt to evolving customer preferences, as well as changes in the business, economic, and regulatory landscape.

Continued Investments in Technology and Data Science to Serve Our Customers More Effectively

We believe that technology and automation are essential to our business and it has leveraged the same for an efficient and effective system across its business lines. We have continuously invested in IT platforms to enable seamless on-boarding and servicing of our customers. Given the changing technological landscape including data protection and privacy laws, we have also developed digitised mode of acquiring and servicing customers.

As we continue to expand our geographic reach and scale of operations, we intend to further develop and invest in technology to support our growth, improve the quality of our services and achieve superior turnaround time in our operations. As part of our ongoing commitment to leveraging technology to enhance customer service, we aim to undertake various initiatives that harness the power of data, digital solutions, and technology to serve our customers more effectively. Recently, in March 2023, we successfully launched Udyog Plus, our comprehensive digital platform tailored for the MSME ecosystem. Udyog Plus offers a paperless digital journey for business loans using traditional and alternate data sources with value added services for MSMEs to manage and grow their businesses. This platform has been integrated with both government and private e-commerce websites, enabling credit facilities for sellers operating on these platforms.

We leverage our technological infrastructure for customer acquisition, customer services, process automation and collections, as set forth below:

Customer Acquisition	Customer Servicing	Process Automation	Collections
During the quarter ended June 30, 2023, 99% of our customers were onboarded digitally.	During the quarter ended June 30, 2023, 98% of the EMIs were collected digitally.	We have witnessed a significant penetration in electronic national automated clearing and personal loans.	We leverage artificial intelligence for risk-based collections calling.
Our loan origination system and loan management system use facial recognition, bureau integration and e-contract facilities for KYC procedures.	Our inbound contact center calls are handled by voice IVR bots.	During the quarter ended June 30, 2023, 89% of our interactions with our customers happened digitally.	We leverage machine learning for low-risk cheque dishonor cases calling.
	We have enabled self-service channels with STP for better service journey of our customers.	We utilize an email bot to respond to customer emails.	We have activated our repayment hub with multiple digital payment channels for EMI collections.

Maintaining high asset quality with high growth

Our low NPAs are reflective of our efficient risk management approach and our intensive usage of technology for onboarding of our customers. Pursuant to stringent framework by the RBI in the form of Master Circular - Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances, we are required to identify non-performing assets and make provisions for the same in accordance with the requirements prescribed therein. Our robust risk management model has however, aided us in maintaining a relatively low level of Stage 3 NPAs and we have been able to ensure a high-quality book across all categories.

Set forth below are the details of stages of loan assets in our business.

Particular	As of June 30, 2023	
	Amount (₹ in crore)*	% of total loan assets*
Stage 1	81,093.5	94.6%
— Stage 2	2,266.1	2.6%
— Stage 3	2,418.9	2.8%
Stages 2 and 3	**4,685.0**	**5.4%**

** Represents gross carrying amount of loans.*

Particulars	As of March 31, 2021		As of March 31, 2022		As of March 31, 2023	
	*(₹ in crore)**	*% of total loan assets**	*(₹ in crore)**	*% of total loan assets**	*(₹ in crore)**	*% of total loan assets**
Stage 1	43,536.7	89.5%	49,770.3	91.0%	75,757.8	94.2%
— Stage 2	3,659.1	7.6%	2,955.8	5.4%	2,187.4	2.7%
— Stage 3	1,422.5	2.9%	1,956.0	3.6%	2,507.1	3.1%
Stages 2 and 3	**5,081.6**	**10.5%**	**4,911.8**	**9.0%**	**4,694.5**	**5.8%**

** Represents gross carrying amount of loans.*

We have processes in place to conduct regular monitoring including through its early warning stress model and in-depth analysis of cash flow and needs of the borrower. A lower cost of borrowing enables business verticals to be competitive in the lending space and bid for high quality assets. We leverage existing as well as new relationships with lenders to enhance its limits and borrow at competitive rates. This enables us to remain profitable while being selective in its lending.

Ability to maintain net interest margins

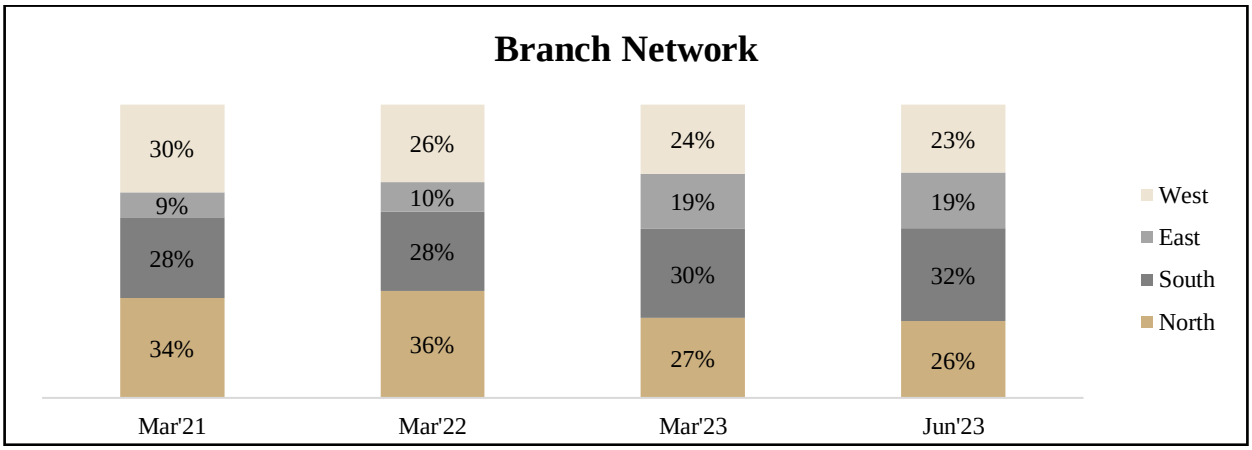
We ensure that not only our interest rates are competitive as per the industry standards, but also that the cost of the borrowings we avail are among the lowest as prevailing in the market. For details, see "*Disclosures on the existing financial indebtedness*" on page 125.

A significant component of our revenue from operations is the interest income we receive from the loans we disburse. Our interest income represented 95.7%, 94.4%, 95.4% and 95.6% of our total income for the quarter ended June 30, 2023 and for the Financial years ended 2023, 2022 and 2021. Further, our net interest margins represent the difference between the interest rates that we charge our customers or that we receive on our investments and the rates payable on our borrowings. As at June 30, 2023, our net interest income (including fee)* was ₹1,433.0 crores with our net interest margin at 7.0%.

** Net Interest income (including fee income) is calculated as total income as per financial statements reduced by finance cost as per Financial Statements.*

Pan India presence with strong direct sourcing

As at June 30, 2023, we have a geographical footprint across the nation with 332 branches spread across 297 cities with a focused expansion in Tier III and Tier IV cities. We believe that with its depth and breadth of product and service portfolio, we have been able to deepen our presence across its retail and corporate customers. The 'ABC One Branch' strategy enables our Company to add to its presence organically at a lower cost. Additionally, our Company is also expanding its distribution channels and sourcing increasingly from Direct & Digital Ecosystems.



OUR STRATEGIES

The primary elements of our business strategy are to continue to grow our existing loan book and AUM, expand our presence physically and digitally across the nation, leveraging our debt and improving our net interest margin. Our specific growth strategies are as follows:

Continued Product Innovation and New Product Launches

Sustainable growth and maintaining a high return on assets remain key objectives for our lending businesses in the medium term, and we continue to focus on prudent lending practices, risk management, and operational efficiency to achieve these goals.

We expect to develop our customer base for these products by continuing to tap into fast-growing retail, MSME and SME

sectors. We aim to develop differentiated solutions for MSMEs and further enhance our Udyog Plus program to attract new customers while tapping into the extensive resources of the "Aditya Birla group" ecosystem. In March 2023, we successfully launched Udyog Plus, our comprehensive digital platform tailored for the MSME ecosystem. Udyog Plus offers a paperless digital journey for business loans using traditional and alternate data sources with value added services for MSMEs to manage and grow their businesses. This platform has been integrated with both government and private e-commerce websites, enabling credit facilities for sellers operating on these platforms.

We believe in innovating and investing in technology to assist us to provide a superior client experience, attain greater operational and management efficiencies and productivity as well as ensure asset quality, which will, in turn, drive growth in AUM and profitability. We intend to strategically invest our resources for leveraging technology for efficient operations as we scale up to ensure increased effectiveness of our operations. We intend to increase efficiency in our business operations to improve the overall client experience through increasing use of technology. We intend to continue strengthening and increasing the user-friendliness of our existing technology, while maintaining expenses at current levels.

Leveraging Our Integrated Ecosystem for Synergies and Cross-selling Opportunities

We believe that our large and varied base of individual and corporate customers provides significant growth opportunities from increased cross-selling and up-selling. We are focused on providing a holistic customer experience through our "One ABC – One P&L" approach that revolves around three pillars, "One Customer", "One Experience", and "One team" as illustrated below:

- *One Customer*: By adopting the "One Customer" approach, we strive to develop a deeper understanding of our customers' profiles and offer them customized solutions tailored for their needs. Our objective is to maximize the total life-cycle value of our relationship with our customers and our One ABC platform aims to serve existing customers, acquire new customers and act as a one stop-platform to deliver our protecting, investing, financing and advising ("**PIFA**") solutions to our customers.

- *One Experience*: Enhancing customer experience is paramount to us. We are dedicated to delivering a seamless user experience across all channels. Our omni-channel architecture across our branches and our digital channels enables our customers to interact with us through their preferred mode in a flexible and convenient manner.

- *One Team*: Collaboration and synergy are central to our operations. We emphasize on delivering our products and services as "One Team" to leverage cross-selling opportunities and provide comprehensive solutions to our customers. By fostering a culture of teamwork and cooperation, we maximize our ability to deliver value to our customers.

We aim to further expand and increase the presence of our One ABC Locations. By fostering collaboration across different product categories, we aim to optimize resources, enhance customer experience, and unlock additional growth opportunities. To effectively foster cross-selling opportunities, we have introduced dedicated customer service managers at our One ABC Locations. These managers are equipped with the expertise and knowledge to provide personalized assistance and support, ensuring that our customers have access to a range of relevant products and services that meet their needs.

We intend to leverage our access to customers of our several businesses for selling complementary products. For example, we leverage the strength of our customer ecosystem to drive cross-selling initiatives. We actively promote personal loan top ups and cross-sell opportunities by offering a range of wealth services to both existing customers and our broader customer base. By extending our offerings beyond lending, we provide our customers with the convenience and benefits of a comprehensive financial ecosystem. We are also able to provide them with a holistic suite of products and services, thereby not only enhancing customer satisfaction but also strengthening our position as a comprehensive financial solutions provider. We plan on acquiring new customers through online sourcing and credit appraisal as well introducing mobile/tab based on-boarding of customers.

Expansion of our branch network and physical presence

Throughout our businesses, we undertake communication across television, print, radio and digital and social media channels in order to increase the reach of our products, we aim to further expand the reach of our distribution network to maximize our market penetration and better serve our customers. Our branch count stood at 332 branches as of June 30, 2023, and we expect a significant portion of our geographic expansion to include new branches in tier III and tier IV cities. We have also opened One ABC Locations branches of our Company and shall continue to open such branches. As of June 30, 2023, our Company has 150 branches at One ABC Locations. Through One ABC Locations, we intend to cross-sell and mobilize resources available for other businesses for the business of our Company.

We are constantly gaining experience from our existing branches and customers to analyse the requirement of new branches in the unexplored cities in India. Further, we constantly aim to emphasize on the technology to understand the reliance of customers on our digital interface such as our website and mobile application in a particular city, in order to reduce our costs associated with the branches.

Continued focus on risk management and governance framework

Our robust risk management processes enable us to maintain a healthy portfolio in accordance with its risk appetite. Our regular monitoring of risks and its governance frameworks such as risk-based pricing framework, credit policies and procedures and exceptional approval matrices as well as our online monitoring tool enhances our supervision and control over our risk exposure. As our business continues to grow and in light of regulatory policies aimed at reducing NPAs, we will continue to undertake self-evaluation, improve risk management processes and adopt best practices in line with global standards and applicable regulatory standards of the RBI.

Further diversify borrowing mix and reduce cost of funds

We believe that we have been able to access a wide range of lenders due to our good corporate governance, stable credit ratings, conservative risk management policies, strategic liability management and transparent communication. We intend to continue to diversify our funding sources, identify new sources and pools of capital and implement robust ALM policies with the aim of further optimizing our borrowing costs and help expand our net interest margin. We believe we have the ability to access borrowings at a competitive cost due to our stable credit history, credit ratings, conservative risk management policies and brand equity. Since our inception, we have onboarded a range of mutual funds, public sector banks, small finance banks, private banks, insurance corporates and NBFCs to diversify our lending profile, thereby de-risking our Company from an over dependence on any single fund source category. Diversification of our sources of funding in recent periods has contributed to an overall reduction in our average cost of borrowings in recent fiscal periods and has allowed us to maintain sufficient interest margins and achieve our liquidity goals, as well as maintain funding stability.

We have also diversified our funding sources to ensure that our debt capital requirements are met at optimal costs. Further, we intend to expand and diversify our lender base.

We seek to reduce our average cost of long-term borrowings through improved credit ratings and by diversifying our borrowing profile.

KEY OPERATIONAL AND FINANCIAL PARAMETERS

(₹ in crore, unless otherwise stated)

Particulars	As at and for the quarter ended June 30, 2023
PROFIT AND LOSS	
Revenue from operations	2,832.5
Other Income	8.5
Total Income	2,841.0
Total Expenses	2,150.3
Net Profit after tax	515.7
Other Comprehensive income	(8.3)
Total Comprehensive Income	507.3
Earnings per equity share (Basic)	7.8
Earnings per equity share (Diluted)	7.8
Interest Income	2,719.5
Interest Expense (Finance Cost)	1,408.0
Impairment on Financial Instruments	305.5
Bad debts to Loans	NA
Capital Adequacy Ratio (%)	16.0%

(₹ in crore, unless otherwise stated)

Particulars	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2023
BALANCE SHEET			
Assets			
Property, Plant and Equipment	14.7	18.8	51.3
Financial Assets	49,981.6	56,060.3	83,128.5
Non-financial Assets excluding property, plant and equipment	758.9	890.1	943.0
Total Assets	50,755.2	56,969.2	84,122.8
Liabilities			
Financial Liabilities			
-Derivative financial instruments	30.6	78.0	13.7
-Trade Payables	111.7	242.2	697.6
-Debt Securities	16,578.8	15,781.3	23,534.9
-Borrowings (other than Debt Securities)	22,454.6	27,717.2	44,786.0

Particulars	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2023
-Subordinated liabilities	2,181.8	2,487.3	2,449.9
-Other financial liabilities (includes lease liabilities)	413.8	599.2	885.7
Non - Financial Liabilities			
-Current tax liabilities (net)	14.7	15.1	136.6
-Provisions	80.6	104.2	64.6
-Deferred tax liabilities (net)	-	-	-
-Other non - financial liabilities	50.6	84.2	127.7
Equity (Equity Share capital and Other Equity)	8,837.9	9,860.4	11,426.2
Total Equity and Liabilities	50,755.2	56,969.2	84,122.8
PROFIT AND LOSS			
Revenue from operations	5,511.5	5,784.9	8,236.9
Other Income	16.4	12.0	30.8
Total Income	5,528.0	5,796.9	8,267.7
Total Expenses	4,496.6	4,309.8	6,177.5
Net Profit after tax	768.8	1,108.3	1,553.8
Other Comprehensive income	(9.1)	23.5	7.2
Total Comprehensive Income	759.7	1,131.8	1,561.0
Earnings per equity share (Basic)	11.6	16.7	23.5
Earnings per equity share (Diluted)	11.6	16.7	23.5
Cash Flow			
Net cash from / (used in) operating activities	(1,023.9)	(5,003.0)	(23,037.4)
Net cash from / (used in) investing activities	2,623.4	(900.6)	(1,869.8)
Net cash from / (used in) financing activities	(1,908.9)	4,988.3	24,699.2
Net increase/(decrease) in cash and cash equivalents	(309.4)	(915.3)	(208.1)
Cash and cash equivalents as per Cash Flow Statement as at end of Year	1,511.0	595.7	387.6
Additional Information			
Net worth[(1)]	8,965.9	9,968.9	11,530.7
Cash and cash equivalents	1,511.0	595.7	387.6
Loans	48,618.3	54,682.1	80,452.3
Loans (Principal Amount)	48,088.0	53,946.0	79,324.0
Total Debts to Total Assets[(2)]	0.8	0.8	0.8
Interest Income	5,283.4	5,531.3	7,806.0
Interest Expense (Finance Cost)	3,019.9	2,709.1	3,857.2
Impairment on Financial Instruments	681.8	653.5	903.5
Bad Debts to Loans	NA	NA	NA
% Gross Stage 3 Loans on Loans (Principal Amount)	2.7%	3.2%	2.6%
% Net Stage 3 Loans on Loans (Principal Amount)[(3)]	1.5%	1.8%	1.3%
Capital Adequacy Ratio (%)	22.7%	21.8%	16.4%
Tier I Capital Adequacy Ratio (%)	18.4%	18.1%	13.9%
Tier II Capital Adequacy Ratio (%)	4.3%	3.7%	2.5%

Notes:

1. *Net worth: Total Equity (-) Other Comprehensive Income (-) Capital Reserves.*
2. *Total debts to total assets is calculated as sum of Debt securities, borrowings (other than debt securities) and Subordinated liabilities divided by total assets.*
3. *Net Stage 3 Loans on Loans is Gross Stage 3 (Principal) less Expected Credit Loss.*

DESCRIPTION OF OUR BUSINESS

We provide services including lending, financing and wealth services including personal loans, consumer loans, checkout financing and credit cards. In the past, we have also broadened our portfolio towards small ticket loans including Buy-Now Pay-Later, checkout financing, education loans and merchant loans. The contribution from the small ticket loans and the customized ecosystem products has grown considerably in the preceding two years. The Company has created a unique online financing platform with lead acquisition, assessment and servicing performed end-to end through an All-Digital Loan Origination System.

Our Product offerings and portfolio

We offer our customers a diverse and well-balanced range of products and services broadly bifurcated into four product

categories.

	Corporate/mid-market category	Secured business category	Unsecured business category	Personal and consumer category
Products	Capital expenditure/working capital funding	Loans against property	Business loans	Personal loans
	Structured finance	Working capital loans	Supply chain finance	Consumer loans
	Developer financing	Lease Rental Discounting	Business to business digital platform (*Udyog* Plus)	Check-out financing
	Project finance	Loans against securities	Business overdraft	Credit card
Customers (as at June 30, 2023)	484	18,314	82,642	58,13,064
Average ticket size* (as of June 30, 2023) (In ₹)	54.6 crore	1.8 crore	0.1 crore	30,000
Geographic presence	Top 6-7 cities in India	Semi-urban areas/SME clusters	Semi-urban areas	Semi-urban areas
Sourcing	Direct selling	DSAs and direct selling	DSAs, digital means and through other Aditya Birla group companies	DSAs, direct selling, digital means and through other Aditya Birla group companies

**Average ticket size has been derived basis Closing AUM to active customers and represents an approximate figure.*

A. Personal and Consumer Category

Our Company caters to individuals/small business owners/micro enterprise categories with focus on emerging income category. This product category in line with our focus on moving to a granular AUM. Our Company has grown in the personal loans category at a CAGR of ~44% for the period of Financial Year 2018 to Financial Year 2022. The business grew strongly in Financial Year 2023 and closed the Financial Year 2023 with an AUM of ₹15,441.8 crore, recording a growth of 196.5%. As at June 30, 2023, AUM of personal and consumer loans catgory stood at ₹17,692.8 crore, contributing 20.6% to total AUM of our Company.

Under the personal and consumer category, we provide the following products and services:

- *Personal loans*: We provide unsecured and secured personal loans for several purposes including education, medical expenses, wedding expenses and debt consolidation.

- *Consumer loans / Check out financing*: We provide consumer loans by check-out financing through digital partnerships that allows consumers to finance their purchases at the point of sale. Our check-out financing services provide our customers the facility to avail financing during the check-out process, either at the point of sale, or through a 'buy now pay later' mechanism.

- *Credit card*: We offer credit card services in collaboration with a prominent public sector bank to individuals, along with usage benefits pursuant to our collaboration with multiple brands.

B. Unsecured Business Category

With the Indian economy expected to emerge as one of the leading economies in the world, a major impetus is being given to the SME sector which acts as the backbone of the economy. Our Company reaches out to this sector largely through relationship managers. Digital lending has further enhanced our Company's capability to offer unique lending solutions to customers of strategic alliance partners. Keeping up with the rapidly evolving digital solutions, our Company has been able to create a vast range of lending offerings for its partner platforms and their captive customer base. Further, we have developed a plug and play ecosystem which allows faster integration across partner journeys with improved customer experience, significant cost savings, consistency in the credit approval process and real-time loan disbursals. This offering not only provides an extended outreach but an opportunity to assess and service customers using alternate data and machine learning models. Our company also caters to the demand arising out of working capital requirements through its solutions like vendor financing and channel financing.

As on March 31, 2023, this category achieved a closing portfolio of ₹8,408.6 crore from ₹5,348.6 crore as on March 31, 2022 registering a growth of 57.2% year on year. As at June 30, 2023, the AUM of unsecured business loans category stood at ₹8,573.8 crore, contributing 10.0% to the total AUM of our Company.

Under the unsecured business category, we provide the following products and services:

- *Business loans*: We offer unsecured business loans primarily for working capital and business expansion needs.

- *Supply chain finance:* We offer supply chain financing solutions across anchor-backed and open market product programmes. We provide vendor finance and channel financing solutions to MSMEs (manufacturers, dealers and retailers) thereby enabling working capital support for business growth and expansion.

- *Business-to-business digital platform*: Udyog Plus is our business-to-business digital platform for MSME ecosystem. It assists in cash flow backed lending by using traditional and alternate data sources along with value-added services for MSMEs to manage and grow their business.

- *Business overdraft*: We offer business overdraft facilities to MSMEs so that they can map their internal cashflows with the short-term borrowings and manage their day-to-day operations seamlessly.

C. Secured Business Category

This category caters to business owners and self-employed professionals engaged in small/mid-sized businesses. Our Company offers funding against financial securities to meet needs of this client category to expand and grow by starting new operations, entering new markets and introducing new products or increasing stake in their companies through warrants conversion, subscribing to rights issues, equity infusion in other businesses etc. Our Company provides solutions in the form of loan against property ("**LAP**"), working capital loans, loan against securities, micro-LAP etc. to allow this category to raise funds promptly. We cater to the needs of this category by financing their requirements through solutions like term loans, working capital facilities, capex funding requirements through our diversified product solutions. We also offer products like lease rental discounting to enable clients to finance business expansion and asset creation by monetizing and unlocking value of their property with rent from lessees becoming the source of repayment. Our Company is active in SME industry-micro market cluster locations and has also launched Udyog Plus for servicing our MSME customers. For details, see " – *Description of our Business – Udyog Plus – MSME Platform*" on page 100. The platform enables simplified processes and better TATs to enhance its presence in B2B digital platforms that are emerging marketplaces for merchant ecosystems.

During March 31, 2023, this category's book increased by 30.8% during the year to reach ₹31,944.4 crore from ₹24,428.5 crore as on March 31, 2022. This category contributed 39.7% to total AUM of the Company for Financial Year 2023. As at June 30, 2023, the AUM of secured business category stood at ₹33,187.8 crore, contributing 38.6% to total AUM of our Company.

Under the secured business category, we provide the following products and services:

- *Loan against property*: We offer loans against property which enables the borrower to meet their funding requirements by obtaining a loan against their owned property.

- *Lease rental discounting*: We offer lease rental discounting that monetizes the value in a property for the borrower, with rent from lessees occupying the underlying property being the source of repayment.

- *Working capital loan*: We offer working capital loans to suit an array of short-term business requirements of companies in SME and mid corporate categories.

- *Loan against securities*: We provide loans against securities which can be availed against shares, mutual funds, bonds, insurance policies and PMS units.

D. Corporate and Mid-Market Category

We serve pedigreed corporate groups across sectors such as renewable energy, roads and transport, pharmaceuticals, FMCG, automotive, education, specialty chemicals etc. Our Company caters to these categories with term-loans, project finance, as well as customized products such as structured finance. We also cater to mid-corporate companies in focus sectors seeking customized solutions to meet their long-term working capital requirements, short-term business loans, acquisition finance and other funding requirements, apart from conventional balance sheet loans to operating companies. In select markets, we also provide developer finance to category A/A+ developers and in construction finance, we deal with some of the top category developers having a significant track record.

The corporate and mid-market category closed Financial Year 2023 with AUM of ₹24,760.7 crore, registering a growth of 23.0% over Financial Year 2022. As at June 30, 2023, the AUM of corporate / mid-market category stood at ₹26,436.8 crore, contributing 30.8% to total AUM of our Company.

Under the corporate and mid-market category, we provide the following products and services:

- *Capital expenditure/working capital funding:* We provide capital expenditure and working capital loans to corporates.

- *Structured finance*: We offer comprehensive financing solutions to operating businesses to refinance existing debt, top-up working capital funding and fund growth capital expenditure. These solutions are generally offered to borrowers in growth sectors.

- *Construction Finance / Developer financing*: We provide loans to real estate developers to help address the financial requirements for development of real estate projects.

- *Project finance*: We provide underwritten solutions for mid-sized projects and joint co-underwriting transactions with other project finance banks and institutions for the larger projects to capitalize on the opportunities in the infrastructure and manufacturing sectors.

- *Debt capital markets*: Our debt capital markets desk encompasses trading and investment in listed and unlisted corporate bonds.

- *Line of credit*: Our line of credit service is an arrangement between us and the customer that establishes a maximum loan balance that we permit the customer to access or maintain, that they may draw upon, provided that the amount does not exceed the specified limit.

E. Udyog Plus – MSME Platform

We launched Udyog Plus, an innovative one-stop business platform for MSMEs in March 2023. Udyog Plus, a unique and differentiated one-stop business platform for MSME customers, offers a wealth of useful features and tools to help MSMEs seamlessly achieve their larger business goals. It offers a paperless journey for business loans and loan disbursement of up to ₹10 lakhs.

F. *Wealth Services*

We provide a wide range of products and services across different asset categories to assist clients in building, managing, and preserving their wealth. Our dedicated wealth services team benefits from an open-source approach to product and fundamental research, which allows us to help clients address their investing biases and provide valuable insights to enhance their investment decision-making process. We have a team of committed relationship managers and investment counsellors who cater to the investment requirements of various clients, including retail clients, high-net-worth and ultra-high-net-worth individuals, family offices and corporate treasuries.

G. *Proprietary Investments*

We have established a dedicated fixed income desk to undertake proprietary investments in the fixed income market. Investments are primarily made in non-convertible debentures in the primary and secondary markets. We also generate fee-based income by providing a variety of customized fixed income solutions to our clients for provision of wealth services.

Our key operational performance metrics

The table below sets forth certain key operating performance metrics for our business as at and for the periods indicated.

Particulars	**As at and for the quarter ended June 30, 2023**
	(₹ in crore, unless otherwise stated)
Total AUM	85,891.2
- Unsecured business loans	8,573.8
- Secured business loans	33,187.8
- Personal and consumer loans	17,692.8
- Corporate/mid-market loans	26,436.8
Total AUM[(12)]	85,891.2
- Y-o-y growth (%)	48.5%
Total AUM for business loans	41,761.6
- Y-o-y growth (%)	36.6%
AUM for Unsecured business loans	8,573.8
- Y-o-y growth (%)	52.8%
AUM for Secured business loans	33,187.8
- Y-o-y growth (%)	33.0%
AUM for personal and consumer loans	17,692.8
- Y-o-y growth (%)	148.4%
AUM for corporate/mid-market loans	26,436.8
- Y-o-y growth (%)	31.2%

Particulars	As at and for the quarter ended June 30, 2023
	(₹ in crore, unless otherwise stated)
AUM for retail, SME and HNI loans	57,518.0
- % of AUM (%)	67.0%
- Y-o-y growth (%)	56.0%
Total disbursements	13,236.6
- Y-o-y growth (%)	64.7%
Total Disbursements for business loans	5,289.3
- Y-o-y growth (%)	38.8%
Disbursements for Unsecured business loans	1,157.0
- Y-o-y growth (%)	18.1%
Disbursements for Secured business loans	4,132.3
- Y-o-y growth (%)	46.0%
Disbursements for personal and consumer loans	4,777.8
- Y-o-y growth (%)	103.2%
Disbursements for corporate/mid-market loans	3,169.5
- Y-o-y growth (%)	68.8%
Disbursements for retail, SME and HNI loans	9,837.1
- Y-o-y growth (%)	67.5%
Secured loan portfolio (%)	63.1%
Change in gross stage 2 and gross stage 3 assets (y-o-y) (basis points)	(345)
Active customers	59,14,504
- Y-o-y growth (%)	24.0%
Total branches (Nos.)	332
Branches opened in the Financial Year	9

Particulars	As at and for the		
	Financial Year 2021	Financial Year 2022	Financial Year 2023
	(₹ in crore, unless otherwise stated)		
Total AUM	48,688.6	55,180.0	80,555.5
- Unsecured business loans	4,107.9	5,348.6	8,408.6
- Secured business loans	21,033.1	24,428.5	31,944.4
- Personal and consumer loans	2,664.7	5,208.4	15,441.8
- Corporate/mid-market loans	20,883.0	20,194.6	24,760.7
Total AUM	48,688.6	55,180.0	80,555.5
- Y-o-y growth (%)	3.5%	13.3%	46.0%
Total AUM for business loans	25,141.0	29,777.0	40,353.0
- Y-o-y growth (%)	16.8%	18.4%	35.5%
AUM for Unsecured business loans	4,107.9	5,348.6	8,408.6
- Y-o-y growth (%)	17.6%	30.2%	57.2%
AUM for Secured business loans	21,033.1	24,428.5	31,944.4
- Y-o-y growth (%)	16.6%	16.1%	30.8%
AUM for personal and consumer loans	2,664.7	5,208.4	15,441.8
- Y-o-y growth (%)	9.9%	95.5%	196.5%
AUM for corporate/mid-market loans	20,883.0	20,194.6	24,760.7
- Y-o-y growth (%)	(9.6)%	(3.3)%	22.6%
AUM for Retail, SME and HNI loans	27,500.0	34,433.2	53,964.4
- % of AUM (%)	56.5%	62.4%	67.0%
- Y-o-y growth (%)	16.6%	25.2%	56.7%
Total disbursements	14,762.5	24,017.9	49,223.2
- Y-o-y growth (%)	3.3%	62.7%	104.9%
Total Disbursements for business loans	7,803.2	12,278.0	21,234.1
- Y-o-y growth (%)	3.8%	57.3%	72.9%
Disbursements for Unsecured business loans	1,477.7	2,446.9	4,467.7
- Y-o-y growth (%)	(9.7)%	65.6%	82.6%
Disbursements for Secured business loans	6,325.5	9,831.1	16,766.4
- Y-o-y growth (%)	7.6%	55.4%	70.5%
Disbursements for personal and consumer loans	1,482.1	3,769.8	15,262.7
- Y-o-y growth (%)	4.0%	154.4%	304.9%
Disbursements for corporate/mid-market loans	5,477.2	7,970.1	12,726.5
- Y-o-y growth (%)	2.3%	45.5%	59.7%
Disbursements for Retail, SME and HNI loans	9,105.9	15,695.7	35,379.9
- Y-o-y growth (%)	9.0%	72.4%	125.4%
Secured loan portfolio (%)	81.5%	75.2%	63.7%
Change in gross stage 2 and gross stage 3 assets (y-o-y) (basis points)	396	(147)	(315)

Particulars	As at and for the		
	Financial Year 2021	Financial Year 2022	Financial Year 2023
	(₹ in crore, unless otherwise stated)		
Active customers	2,12,787	36,24,470	56,91,399
- Y-o-y growth (%)	4.7%	1603.3%	57.0%
Total branches (Nos.)	94	159	323
Branches opened in the Financial Year	26	65	164

Our operations

Our lending operations can be categorized by stage of origination, credit underwriting, loan disbursement, collections and recovery.

- *Stage of Origination*: We approach potential customers through multiple channels such as channel partners, referral partners, digital mediums and relationship managers, among others. The process of origination involves three major stages of lead generation, lead management and lead conversion. Upon the receipt of a customer request, our business teams perform an initial check on customer credentials and respond to specific queries and requirements. A customer application file is created and submitted to our credit team to perform mandatory checks.

- *Credit Underwriting*: We employ a rigorous loan underwriting and risk assessment process that adheres to our product policies and takes into account all relevant regulatory guidelines and circulars. Our credit analysis and decision-making procedures involve evaluating the ability of individuals or entities to meet their financial obligations and assigning a risk rating based on an examination of their repayment history and creditworthiness using scorecards. We utilize digital data and customer transaction information to assist in our credit decision making. Our underwriting process encompasses document collection and submission, thorough review and mandatory checks conducted by Company's risk team, credit evaluation and financial assessment, personal discussions with customers, and the creation of a comprehensive case assessment memorandum by Company's credit team. Based on these evaluations, we determine whether to approve or reject a loan application. Throughout these processes, we conduct multiple background checks on customers to assess their borrower profile and financial status, as well as to verify the authenticity of the data provided, thus mitigating the risk of fraudulent submissions. We also engage legal and technical professionals from our panel of lawyers and valuers to obtain reports that verify property titles and assess collateral valuations. To determine customer eligibility for loans, we conduct a detailed analysis of cash flow and financials, perform risk assessments for specific loan types, and carry out external verification checks when necessary. Our technological infrastructure enables us to use Straight-Through Processing (STP) to enhance efficiency and turnaround time, while behavior-based predictive modeling assists us in promoting our products effectively.

  Through business rule engine tools we host policy rules, score cards and business algorithms to analyze our customers' profile. This assists us in calculating eligibility through score cards and other pre-defined acceptability criteria through which we are able to ascertain the eligibility of the customer for underwriting.

- *Loan Disbursement*: Our loan disbursement process entails several steps to ensure accuracy and efficiency. Firstly, a disbursement docket is prepared, which includes all necessary documents. These documents, along with collateral documents, are then carefully examined by Company's credit team to ensure their quality and to identify any discrepancies. Upon receipt of the disbursement docket and collateral documents, Company's operations team conducts a thorough quality check. Once the quality check is completed without any issues, beneficiary details are uploaded into our systems and sent for authorization. After verifying the payment details, we proceed with the disbursement by electronic means or by issuing a cheque or demand draft to the customer within the specified turnaround time. Upon receiving the acknowledgement from the customer, the loan transitions from our loan origination system to our loan management system and we send a welcome kit to our customers along with relevant loan documents.

- *Collections and Recovery*: We have a robust collections and recovery system to increase the efficiency of our collections activities. We classify delinquent accounts as early stage, mid stage, late stage and high-risk stage. Through these stages, we seek to protect our relationship with our customers, protect our overall exposure and limit our losses. In the early stage of delinquency, the relationship manager directly manages overdue collection activities with month-end updates being shared with the collections and risk teams. For corporate finance, SME and institutional clients, the relationship managers manage the cases till the declaration of the account as an NPA, post which, the collections team takes over the operations. The relationship managers, however, during this time are supported by the collections team through follow-ups and collection of payments. During this time, the relationship manager conducts joint visits with the collections team as part of the handover activity. The collections team then handles the account and liaises with Company's legal team. The collections team also works with the business team when required, irrespective of the stage of delinquency. If a customer does not adhere to the repayment schedule, a defined process is followed to ensure regular payments which involves reminding the customer by sending him a notice or by making personal visits or the repossession of security, if required. For retail customers, the collections team steps in right from day one of a payment being overdue. We have set up a call center to manage the early delinquent cases and have empaneled third party agencies for collection of overdue monies. For early and

mid-delinquency cases, we remind customers to make payments through written communications, telephonic reminders and personal visits. If the customer does not respond after such reminders, we arrange for another visit to the customer and consider initiating legal proceedings, as appropriate.

Distribution

As of June 30, 2023, we had 332 branches servicing our business. We also focus on leveraging digital channels including our website, mobile application and Udyog Plus to increase our customer base.

Digital processes

We leverage our technological infrastructure for customer acquisition, customer services, process automation and collections, as set forth below:

Customer Acquisition	Customer Servicing	Process Automation	Collections
During the quarter ended June 30, 2023, 99% of our customers were onboarded digitally.	During the quarter ended June 30, 2023, 98% of the EMIs were collected digitally.	We have witnessed a significant penetration in electronic national automated clearing and personal loans.	We leverage artificial intelligence for risk-based collections calling.
Our loan origination system and loan management system use facial recognition, bureau integration and e-contract facilities for KYC procedures.	Our inbound contact center calls are handled by voice IVR bots.	During the quarter ended June 2023, 89% of our interactions with our customers happened digitally.	We leverage machine learning for low-risk cheque dishonour cases calling.
	We have enabled self-service channels with STP for better service journey of our customers.	We utilize an email bot to respond to customer emails.	We have activated our repayment hub with multiple digital payment channels for EMI collections.

Further, we employ analytics in our operations, sourcing, underwriting, and collections. Set forth below is a brief summary of use of analytics in our operations:

Sourcing	Underwriting	Collections
For new to business customers, we create scorecards and apply risk based differential pricing.	Analytical tools help us in identifying credit worthy customers, and in generating custom multiple application scorecards.	Analytical tools help us in root cause identification (for instance, inability to pay) and its solutions.
For existing customers, analytical tools help in arranging for pre-approved loans and assist in cross-selling of mutual funds and insurance products to our customers.	Analytical tools help us in offering appropriate credit line through calculation of fixed obligation to income ratio for income estimation and obligation.	Analytical tools help us in preparing base for collection by improvising our sourcing strategy through incorporation of collection feedback.
For such customers who were previously associated with us, analytical tools assist in cross-selling of loans and re-engagement through competitive pricing.	We are able to employ risk-based pricing and optimize field verification through digital process.	We can customize our collection process by using multiple collection scorecards and preparing customized base for different channels.
For new products, we use technology to customize deals and products, and employ behavioral scorecard analytics.	Analytical tools help us in setting-up an early-stage warning system	We can track agency performance and rank the collection agencies based on recent and historical target achievement data.

Asset quality and classification

We strive to maintain our asset quality by adhering to credit evaluation standards, interacting with customers directly and regularly and through a robust risk management model. We have implemented processes to conduct regular monitoring of loans, including through an early warning system, and in-depth analysis of customer cash flows.

Particulars	As of June 30, 2023	
	*(₹ in crore)**	*% of total loan assets**
Stage 1	**81,093.5**	**94.6%**
— Stage 2	2,266.1	2.6%
— Stage 3	2,418.9	2.8%
Stages 2 and 3	**4,685.0**	**5.4%**
Total loan assets*	**85,778.5**	**100.0%**
Provision on stage 3 loans	1,126.6	-
Stage 3 provisioning coverage ratio	-	**46.6%**

** Represents gross carrying amount of loans.*

Particulars	As of March 31, 2021		As of March 31, 2022		As of March 31, 2023	
	*(₹ in crore)**	*% of total loan assets**	*(₹ in crore)**	*% of total loan assets**	*(₹ in crore)**	*% of total loan assets**
Stage 1	43,536.7	89.5%	49,770.3	91.0%	75,757.8	94.2%
— Stage 2	3,659.1	7.6%	2,955.8	5.4%	2,187.4	2.7%
— Stage 3	1,422.5	2.9%	1,956.0	3.6%	2,507.1	3.1%
Stages 2 and 3	5,081.6	10.5%	4,911.8	9.0%	4,694.5	5.8%
Total loan assets*	**48,618.3**	**100.0%**	**54,682.1**	**100.0%**	**80,452.3**	**100.0%**
Provision on stage 3 loans	**590.0**	**-**	**772.9**	**-**	**1,157.9**	**-**
Stage 3 provisioning coverage ratio	**—**	**41.5%**	**—**	**39.5%**	**—**	**46.2%**

** Represents gross carrying amount of loans.*

Category-wise asset quality	Stage 3 provisioning coverage ratio as of June 30, 2023
Personal and consumer loans	78.1%
Unsecured business loans	43.3%
Secured business loans	37.3%
Corporate/mid-market loans	43.6%
Provision on stage 3 loans (*₹ in crore*)	**1,126.6**

Category-wise Asset Quality	Stage 3 provisioning coverage ratio as of		
	Financial Year ended 2021	Financial Year ended 2022	Financial Year ended 2023
Personal and consumer loans	60.0%	65.5%	85.6%
Unsecured business loans	29.8%	26.2%	36.6%
Secured business loans	33.6%	37.0%	39.8%
Corporate/mid-market loans	43.2%	41.8%	43.7%
Provision on stage 3 loans (*₹ in crore*)	**590.0**	**772.9**	**1157.9**
Stage 3 provisioning coverage ratio	**41.5%**	**39.5%**	**46.2%**

Treasury Operations

Our treasury operations help us meet our funding requirements and manage short-term surpluses. Our fund requirements are predominantly sourced through term loans, non-convertible debentures, commercial papers, external commercial borrowings, cash credit facilities, working capital demand loans, inter-corporate borrowings and repo borrowings. As of June 30, 2023, our borrowings comprised the following:

Instruments	Outstanding Borrowings (*₹ in crores*)	% of Outstanding Borrowings*
Term loans from banks	39,960.1	53.4%
Non-convertible debentures (including subordinated liability)	19,147.0	25.6%
Commercial paper	7,285.5	9.7%
Cash credit facilities and working capital demand loans from banks	4,747.9	6.3%
External commercial borrowings	2,324.1	3.1%
Inter-corporate borrowings and collateralised borrowing and lending obligation against government securities	1,373.3	1.8%

**Excluding book overdraft*

The table below sets forth the breakdown of our loan assets and liabilities in terms of fixed and floating interest rate bases as of June 30, 2023:

	Assets	Liabilities
Fixed	40.0%	37.9%
Floating	60.0%	62.1%

Note: Short term borrowings have been considered part of floating rate borrowings.

We believe that through our treasury operations, we maintain our ability to repay borrowings as they mature and obtain new borrowings at competitive rates. Our treasury department undertakes liquidity management by seeking to maintain an optimum level of liquidity and complying with the RBI's requirements for asset and liability management.

Capital Adequacy Ratio

We believe in maintaining capital adequacy at an optimum level so as to sustain the growth of our lending book and cover our asset side risk. In accordance with applicable RBI norms, our Company is required to maintain a minimum capital ratio

consisting of Tier I and Tier II capital of not less than 15.0% of our aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet items and under the Scale Based Regulatory Framework, common equity tier 1 capital of 9.0% of its risk weighted assets.

Details of our capital adequacy ratio, for the dates specified, are set out below:

Particulars	As of June 30, 2023
Risk weighted assets (₹ in crores)	85,473.1
CRAR %	16.0%

Particulars	As of		
	March 31, 2021	March 31, 2022	March 31, 2023
Risk weighted assets (₹ in crores)	47,099.4	53,607.5	79,964.1
Tier I capital (₹ in crores)	8,678.9	9,687.3	11,132.2
Tier II capital (₹ in crores)	2,013.4	1,980.9	1,966.8
CRAR %	22.7%	21.8%	16.4%
CRAR Tier I capital %	18.4%	18.1%	13.9%
CRAR Tier II capital %	4.3%	3.7%	2.5%

Risk Management

Our risk management strategy is based on a clear understanding of the various risks we face and is focused on developing and maintaining a robust credit portfolio within our risk appetite, and in accordance with the regulatory framework. While we are exposed to various types of risks, the most significant ones include credit risk, market risk (including liquidity risk and interest rate risk), and operational risk. We prioritize the measurement, monitoring, and management of these risks. We employ disciplined risk assessment, measurement, and mitigation procedures, accompanied by continuous monitoring. Our policies and procedures in this regard are regularly benchmarked against the best market practices.

As a well-diversified NBFC operating across different categories such as retail, SME, mid-corporate, large corporate, and infrastructure finance, including renewable energy financing, we have specific policies and processes in place for risk assessment. These policies differ for each product, such as personal loans, business loans, buy now pay later, and loan against property for retail lending, as well as corporate loan products like term loans, working capital loans, loan against financial securities, and project loans. We also have policies in place to address other areas, including those related to money laundering, asset liability management, fraud risk, whistleblower complaints, operational risks, information security, business continuity planning, expected credit loss framework, and internal capital adequacy assessment process.

Credit risk management encompasses credit policies, portfolio diversification, appraisal and approval processes, internal ratings, post-sanction monitoring, operational control, fraud control, collection processes, and remedial management procedures. We have defined programs for each product that outline differentiated customer base, underwriting standards, security structures, and more to ensure consistency in credit patterns. Proposals undergo approval at different levels based on defined delegations of authority, and post-sanction monitoring is overseen by the management and the Risk Management Committee of our Company. We have established a robust collection infrastructure, including dedicated collection teams for specific categories, which is integral to our lending business.

Operational risk is the risk of loss arising from system failure, human error, fraud, or external events. While the ultimate responsibility for operational risk management lies with the Board of our Company, we have delegated this responsibility to the Risk Management Committee ("**RMC**") of our Company. An independent Operational Risk Management Committee ("**ORMC**") provides oversight and updates to the RMC. The ORMC is supported by an independent ORM Function, responsible for designing and implementing the Operational Risk Management ("**ORM**") framework and processes. The ORM Function facilitates proactive identification and management of risks through ongoing review of systems and controls, risk and control self-assessment, timely reporting and analysis of operational loss events, monitoring of key risk indicators, and issue and action management. We work closely with all business and support functions to ensure the implementation of ORM processes, and we prioritize ongoing ORM training and awareness to foster a strong risk culture.

To mitigate fraud risks, we have a dedicated Risk Control Unit ("**RCU**"). The RCU reviews cases entered into the system and conducts various fraud control management activities such as document sampling, property visits, verification of stock statements, vendor and customer profile checks, and more. We have several committees at different management levels, including the Operational Risk Management Committee of our Company, Asset Liability Management Committee of our Company, and different forums for Portfolio Monitoring, Fraud Control and Collections, each responsible for ensuring robust risk management throughout the organization.

Credit Ratings

Our Company's current credit ratings are as follows:

Facility	ICRA	Rated Amount (in ₹ crore)	India Rating	Rated Amount (in ₹ crore)	CARE	Rated Amount (in ₹ crore)
Commercial paper	ICRA A1+	15,000	IND A1+	15,000	NA	—
Non-convertible debentures	ICRA AAA Stable	28,686.4	IND AAA (Stable)	30,906.6	NA	—
Subordinate debt	ICRA AAA Stable	2,500	IND AAA (Stable)	2,150	CARE AAA, (Stable)	195
Market linked debentures	NA	NA	IND PP-MLD AAA Stable	1,523.3	NA	—
Bank lines	ICRA A1+ / ICRA AAA Stable	50,000	IND AAA (Stable)	50,000	NA	—
Perpetual debt	ICRA AA+ Stable	700	IND AA+ (Stable)	700	NA	—
NCD - Public issue	ICRA AAA Stable	5,000	IND AAA (Stable)	5,000	NA	—
NCD - Unsecured	ICRA AAA Stable	1,500	NA	—	NA	—

Insurance

We maintain insurance policies that are customary for companies operating in our industry. Our principal types of coverage policies include the following (i) Group Mediclaim Policy, (ii) Group Personal Accident Policy, (iii) Group Term Life Plan, (iv) Package Policy – Office, (v) Directors & Office Liability policy, and (vi) IT Assets insurance policy.

Information Technology

Our Company relies on information technology as a strategic tool for our business operations to improve our overall productivity and efficiency. We operate through a fully operational website and a mobile application. Further, we also have a digital platform for MSME onboarding i.e. Udyog Plus. For details, see " – *Udyog Plus – MSME Platform*" on page 100, allowing us to effectively manage our business and providing us decision-making and operational support.

Our comprehensive digital platform tailored for the MSME ecosystem, offers a paperless digital journey for business loans using traditional and alternate data sources with value added services for MSMEs to manage and grow their businesses. This platform has been integrated with both government and private e-commerce websites, enabling credit facilities for sellers operating on these platforms.

Employees

As of June 30, 2023, we had 5,240 employees. We recruit after conducting reference checks and our new employees undergo training. We strive to maintain a work environment that fosters professionalism, integrity, excellence and cooperation among our employees.

In the Financial Year 2023, our Company introduced the "Celebrate Motherhood" programme, aligned with our purpose of providing support to women employees who are expecting to be a mother. The programme includes "Stay in Touch" and "Return-To- Work" elements, enabling seamless integration of personal and professional commitments.

Awards

Over the years, our Company has won several awards, including:

- '*Winner - Financial Inclusion & Future of Financial Services in India – Vision 2030'* in the *lending* category and *large NBFC* class at the ASSOCHAM 17th Annual Summit and Awards, Banking and Financial Sector Lending Companies, 2022;
- '*Excellence in Personal Loan Journey*' award at Lentra Digital Lending Transformation Global Summit 2022; and
- '*Best Corporate in healthcare category*' for the CSR project SCALE Rajasthan (public private partnership model) at 7th National CSR E-Summit, 2020.

Intellectual Property

We use the "Aditya Birla Capital" trademark, under the terms of a trademark license agreement executed between our Company and another member of the Aditya Birla group. Such license has been granted to us on a royalty free, non-exclusive and non-assignable basis for a perpetual term.

Competition

The NBFC industry in India is highly competitive. We face competition from domestic and international banks as well as other HFCs and non-banking finance companies. We generally compete with our competitors on the basis of the range of product offerings, interest rates and fees and customer service, as well as for suitably skilled personnel. Our primary competitors include Bajaj Finance Limited, IIFL Finance Limited, Cholamandalam Investment and Finance Company, and L&T Finance Holdings Limited.

Properties

Our Company's registered office is situated at Indian Rayon Compound, Veraval, Gujarat – 362 266 and our corporate office is situated at One World Centre, Tower 1, 18th Floor, Jupiter Mill Compound, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013, Maharashtra, India. As of June 30, 2023, we have 332 branches most of which are leased by us.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief background of our Company

Our Company was incorporated as 'Town Finance & Investments Private Limited' as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated August 28, 1991 issued by the Additional Registrar of Companies, Maharashtra. Subsequently, our Company was converted from a private limited company into a public limited company and the name of our Company was changed to 'Town Finance & Investments Limited' pursuant to a fresh certificate of incorporation dated March 17, 1994 issued by the Registrar of Companies, Maharashtra at Mumbai. Subsequently, the name of our Company was changed to 'BGFL Finance & Investments Limited' pursuant to a fresh certificate of incorporation dated April 27, 1995 issued by the Registrar of Companies, Maharashtra at Mumbai. Subsequently, the name of our Company was changed to 'Birla Global Asset Finance Company Limited' pursuant to a fresh certificate of incorporation dated March 14, 2001 issued by the Registrar of Companies, Maharashtra at Mumbai.

Subsequently, the name of our Company was changed to 'Birla Global Finance Company Limited' pursuant to a fresh certificate of incorporation dated July 21, 2006 issued by the Deputy Registrar of Companies, Maharashtra at Mumbai. Subsequently, the name of our Company was changed to 'Aditya Birla Finance Limited' pursuant to a fresh certificate of incorporation dated December 21, 2009 issued by the Registrar of Companies, Maharashtra at Mumbai. On March 30, 2011, a certificate of registration of Company Law Board for the change of state was issued by the Deputy Registrar of Companies, Gujarat at Ahmedabad ("**RoC**") consequent to which the state of our Registered Office was changed from Maharashtra to Gujarat.

Our Company obtained a certificate of registration bearing number 13.01163 dated February 12, 1999 issued by the RBI to carry on the business of non-banking financial institution without accepting public deposits under Section 45IA of the RBI Act, 1934. Subsequent to the change of name of our Company from 'BGFL Finance & Investments Limited' to 'Birla Global Finance Company Limited' a fresh certificate of registration bearing number 13.01163 was issued by the RBI. Our Company has obtained a fresh certificate of registration bearing number N-01.00500 dated August 9, 2011 issued by the RBI to carry on the business of non-banking financial institution without accepting public deposits under Section 45IA of the RBI Act, 1934.

Registered Office and changes to Registered Office

Our Registered Office is located at Indian Rayon Compound, Veraval – 362 266, Gujarat, India. Except as set forth below, there has not been any change to the Registered Office since incorporation.

Effective date of change	Details of change in the address of the Registered Office	Reasons for change in the address of the Registered Office
March 15, 2011	From Apeejay 2nd Floor, Shahid Bhagat Singh Road, Mumbai 400 001, Maharashtra, India to Indian Rayon Compound, Veraval – 362 266, Gujarat, India	Administrative convenience

Corporate Office

The Corporate Office of our Company is located at One World Centre, Tower 1, 18th Floor, 841, Jupiter Mills Compound, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013, Maharashtra, India.

Main objects of our Company

The main object of our Company as contained in our Memorandum of Association is as follows:

- *To finance industrial enterprises and to lend and advance money to such persons, firms or Companies and upon such terms and subject to such conditions as may seem expedient.*

- *To carry on the business of an Investment Company and for that purpose to invest in, acquire, underwrite, subscribe for hold shares bonds stocks securities, debenture stocks issued or guaranteed by any Company constituted and carrying on business in India or elsewhere and Government, state dominions, sovereign, Central or Provincial commissioners, Port Trust, Public Body or authority, supreme, municipal, local or otherwise whether in India or elsewhere and to invest in land and building and other property of any tenure.*

- *To promote industrial finance by way of advances, deposits or lend money, securities, and properties to or with any company, body corporate, firm, person or association whether falling under the same management or otherwise, with or without security and on such terms as may be determined from time to time; and to carry on and undertake the business of finance, Investment and trading hire-purchase, leasing and to finance lease of all kinds, purchasing, selling, hiring, or letting on hire all kinds of plant and machinery and equipment that the Company may think fit and to assist in financing of all and every kind of description of hire purchase or deferred payment or similar transactions and to subsidise, finance or assist in subsidising or financing the sale and maintenance of any goods, articles, or machinery, equipment, ships, aircraft, automobiles, computers and all consumer, commercial and industrial items and*

to lease or otherwise deal with any of them in any manner whatsoever including resale thereof regardless of whether the property purchased and leased be new and / or used.

- *To act as financial consultants, management consultants, lead managers, issue advisors, Registrars and Transfer Agents, Brokers, Underwriters, Promoters, Dealers, Agents and to carry on the business of share broking and general brokers and service providers for shares, debentures, debenture-stocks, bonds, units, obligations, securities, commodities and commodity derivatives, bullion currencies, trading, hedging and to provide a complete range of personal financial services like investment planning, estate planning, tax planning, consultancy / counselling service in various fields, general administrative, commercial, financial, legal, economic, labour, industrial, public relations, scientific, technical, direct and indirect taxation and other levies, statistical, accountancy, quality control, data processing, management information systems.*

- *To provide and to deal in all kinds of financial documents like commercial paper, bills of exchange, hundis, I.O.U.'s, promissory notes, and other negotiable Instruments and securities including Bill discounting, etc.*

- *To carry on the business of issuance and operation of various card products such as credit cards, prepaid cards, smart cards, charge cards, stores value cards, any other payments products such as travellers cheques – domestic / international, gift vouchers, etc., of any form and kind and by whatever name called for use in India or any other country outside India and development of such business in India either on its own or in collaboration / partnership / association with other organizations – Indian or international, in compliance with the applicable regulations and subject to requisite regulatory approvals as may be required from time to time and to provide all services incidental thereto including but not limited to servicing thereby collecting, billing, insuring, guaranteeing, underwriting, entering into agreements (either individually or as a member) with merchant establishments (incorporated or not), managing and carrying out all actions as necessary or appropriate in connection therewith including payment products, loyalty and/ or similar programs, swipe / point of sale machines, other terminals / peripherals or accessories including pin cards, authorization systems and software for the same.*

- *To carry on the business of selling, distribution, marketing as a Corporate Insurance agent and brokers, of all kinds of insurance products of various companies in various fields of insurance such as life, pension and employee benefit, health, fire, marine, cargo, marine hull, aviation, oil and energy, engineering, accident, liability, motor vehicles, transit & other products of non-life insurance business and to carry on the business of insurance, re-insurance and risk management either directly or as an insurance agent, insurance broker or otherwise and provide advisory and consultancy services relating to insurance business.*

Key events, milestones and achievements

The table below sets forth the key events, milestones and achievements in the history of our Company:

Year	Particulars
1991	Foray in NBFC business – Engaged in Capital Market & Corporate Finance category
2009	BGFCL renamed as Aditya Birla Finance Limited
2011	Diversified its portfolio by foray in Mortgages & Infrastructure Finance category
2013	India Ratings & Research assigns long term rating of AA+
2014	CARE upgrades long term rating to AA+
2015	Foray into unsecured lending
2017	Loan book reached ₹25,000 crores
2018	• Long term rating upgrade to AAA by ICRA and CARE • Foray into digital lending
2019	Loan Book reached ₹50,000 crores
2020	Increased focus towards Retail + SME + HNI – Mix crossed 50%
2022	• Received '*Excellence in Personal Loan journey'* Award at Digital Lending Summit • Classified by RBI as NBFC-UL
2023	• Branch count crossed 300 • Launch of Udyog Plus – Business platform for MSME customers • Highest profit after tax in a quarter, i.e., greater than ₹500 crores • Received the certificate of registration from IRDAI to act as corporate agent (composite)

Material agreements

As of the date of this Prospectus, our Company has not entered into any material agreements.

Holding Company

As at the date of this Prospectus, Aditya Birla Capital Limited is the holding company of our Company.

Our subsidiaries, joint ventures and associate companies

As at the date of this Prospectus, our Company has no subsidiaries, joint ventures or associate companies.

Acquisition or Amalgamation in the preceding one year

Our Company has not made any acquisition or amalgamation in the preceding one year prior, preceding the date of this Prospectus.

Reorganization or Reconstruction undertaken by our Company in the preceding one year

There have been no reorganization or reconstruction undertaken by our Company in the preceding one year, preceding the date of this Prospectus.

OUR MANAGEMENT

Board of Directors

The general supervision, direction and management of our Company, its operations, affairs and business are vested in the Board, which exercises its power subject to the Memorandum and Articles of Association of our Company and the requirements of the applicable laws.

The Articles of Association of our Company require us to have not less than three Directors and not more than fifteen Directors. The general superintendence, direction and management of our affairs and business are vested in our Board of Directors. The composition of the Board is in conformity with Section 149 of the Companies Act, 2013 and is governed by the Articles of Association of our Company, the relevant directions issued by the RBI, and the SEBI Listing Regulations.

As of the date of this Prospectus, we have five Directors on our Board of Directors including one Managing Director and Chief Executive Officer, one woman Non-executive Director, three Independent Directors.

The following table sets forth details regarding the Board as on the date of this Prospectus:

S. No.	Name, Designation, Nationality and DIN	Age	Address	Date of Appointment	Details of other Directorship
1.	**Rakesh Singh** ***Designation*:** Managing Director and Chief Executive Officer **Nationality:** Indian **DIN:** 07006067	56	C-3501, 35th Floor, Lodha Bellissimo, N.M Joshi Marg, Lower Parel, Mumbai 400 011	July 23, 2019	Nil
2.	**Vishakha Mulye** ***Designation*:** Non-Executive Director **Nationality:** Indian **DIN:** 00203578	54	A-303 Atria, Akruti Niharika Complex, Andheri East, Mumbai 400 069	October 21, 2022	• Aditya Birla ARC Limited • Aditya Birla Capital Foundation • Aditya Birla Health Insurance Co. Limited • Aditya Birla Housing Finance Limited • Aditya Birla Management Corporation Private Limited • Aditya Birla Sun Life AMC Limited • Aditya Birla Sun Life Insurance Company Limited • NPCI International Payments Limited
3.	**Subhash Chandra Bhargava** ***Designation*:** Independent Director **Nationality:** Indian **DIN:** 00020021	78	3302, Tower 5, Crescent Bay, Jerbal Wadia Road, Bhoiwada, Mumbai 400 012	January 25, 2019	• ABRel Century Energy Limited • Aditya Birla Capital Limited • Aditya Birla Renewables Energy Limited • Aditya Birla Renewables Solar Limited • Aditya Birla Renewables Subsidiary Limited • Aditya Birla Sun Life Pension Management Limited • A. K. Capital Services Limited • OTC Exchange of India

S. No.	Name, Designation, Nationality and DIN	Age	Address	Date of Appointment	Details of other Directorship
					• Palace Solar Energy Private Limited
4.	**Nagesh Pinge** ***Designation*:** Independent Director **Nationality:** India **DIN:** 00062900	64	B-403, Rajkamal CHS, Subhash Road, Near Parle Mahila Sangh School, Vile Parle East, Mumbai 400 057	March 9, 2023	• Aditya Birla Sun Life Insurance Company Limited • Arvind Fashions Limited • Automobile Corporation of Goa Limited • Goa Carbon Limited • Hero Housing Finance Limited • Inventia Healthcare Limited • Multi Commodity Exchange Clearing Corporation Limited • Utkarsh Small Finance Bank Limited • Whiteoak Capital Trustee Limited
5.	**Rajat Jain** ***Designation*:** Independent Director **Nationality:** Indian **DIN:** 00046053	60	B6/806, Sahara Grace, MG Road, Gurgaon 122 002	March 9, 2023	• Droom Technology Limited • Fino Payments Bank Limited • Kaleidoscope Events Private Limited • Mahindra Holidays and Resorts India Limited • Padup Ventures Private Limited • Sanderson Solutions International (India) Private Limited

Profile of Directors

Rakesh Singh is the Chief Executive Office of our Company since July 2011 and the Managing Director and Chief Executive Officer of our Company since 2019. He holds a masters of arts from University of Lucknow, advance management program and leadership and corporate accountability – India programme from Harvard Business School and executive program in business management from Indian Institute of Management, Calcutta. He has more than 25 years of experience in the financial services industry across banking and non-banking financial institutions. He was previously associated with Standard Chartered Bank for over 14 years. His last role with Standard Chartered Bank was as General Manager, SME.

Vishakha Mulye is the Non-Executive Director of our Company. She is the Chief Executive Officer of Aditya Birla Capital Limited. She has previously served as the executive director and group chief financial officer and treasury management of ICICI Bank Limited, managing director and chief executive officer of ICICI Venture Funds Management Company Limited and executive director of ICICI Lombard General Insurance Company Limited. She has been a member of the Aspen Global Leadership Network. She has been listed as one of Fortune India's 50 Most Powerful Women in Business, 2021 and 2022 and Business Today's Most Powerful Women in Business. She was conferred with an award for Excellence in Finance in a Large Corporate, at the India CFO Award, 2006 and the GR8! Women Award, 2012 and has also been honoured with the Lokmat Mukta Sanman, 2019. She is a qualified chartered accountant.

Subhash Chandra Bhargava is the Independent Director of our Company. He was the executive director of the investment department of Life Insurance Corporation of India. He has previously served on the boards of companies including Mahindra Two Wheelers Limited, Mahindra Trucks and Buses Limited (*now amalgamated*), UTI Asset Management Company Limited, UTI Retirement Solutions Limited and Escorts Kubota Limited. He is presently the chairman of A K Capital Services Limited and OTC Exchange of India, and serves on the board of several companies, including ABCL and Aditya Birla Renewables Energy Limited. He holds a bachelor's degree in commerce from the University of Delhi and is a qualified chartered accountant.

Nagesh Pinge is the Independent Director of our Company. He holds a bachelors of commerce and bachelors of law from University of Mumbai, and is also a chartered accountant. He retired from Tata Motors Limited in November 2016 as "Vice President (Internal Audit)". Prior to that he was Chief Executive - Internal Audit of Reliance Retail Limited and President (internal Audit) of JSW Energy Limited. He has authored a technical guidance note on "Risk based Internal Audit in Banks" being published by the Institute of Chartered Accountants of India.

Rajat Jain is the Independent Director of our Company. He holds a bachelors in technology from Indian Institute of Technology, Delhi and a post graduate diploma from Indian Institute of Management, Ahmedabad. He is a Founder and Director of Pad Up Ventures Private Limited. He is now a non-executive director on several boards and advisory boards including Fino Payments Bank Limited, Droom Technologies Limited, Intelligent Resource Services Private Limited, among others. He is a Trustee on the Braj Foundation and an Advisor to the E&H Foundation.

Relationship between our Directors

None of our Directors are related to each other.

Remuneration and terms of employment of our Directors

Managing Director and Chief Executive Officer

Rakesh Singh was appointed for a period of 5 years with effect from July 23, 2019 as the Managing Director and CEO of the Company pursuant to the approval of the Board dated July 23, 2019, and approval of the shareholders dated July 10, 2020.

The details of remuneration payable to Rakesh Singh pursuant to the approval of the board dated July 23, 2019, and approval of the shareholders dated July 10, 2020, and further revised pursuant to the approval of the board dated July 31, 2023 and approval of the shareholders dated August 16, 2023, effective from July 1, 2023:

Remuneration:

1. **Fixed salary**: ₹5.03 crores per annum;
2. **Variable pay**: ₹4.30 crores per annum;
3. Long-term Incentive Compensation including employee stock option, restricted stock units, stock appreciation rights, phantom restricted stock units as per the scheme applicable to the executive directors and/or senior executives of the Company and/or its subsidiaries and/or any other incentive applicable to senior executives of the Company/Aditya Birla Group/ Aditya Birla Capital Group, in such manner and with such provisions as may be decided by the Board, considering the above;

Perquisites:

1. **Medical expenses reimbursement**: Reimbursement of all expenses incurred for self and family at actuals (including domiciliary and medical expenses and insurance premium for medical and hospitalization policy as applicable), as per Company policy;
2. **Leave travel expenses**: Leave Travel Expenses for self and family in accordance with the policy of the Company;
3. **Club fees**: Fees of One Corporate Club in India (including admission and annual membership fee);
4. **Cars**: Two cars for use of Company's business;
5. Reimbursement of entertainment, travelling and all other expenses incurred for the business of the Company as per policy of the Company. Travelling expenses of spouse accompanying on any official overseas or inland trip will be governed as per the rules of the Company;
6. **Leave and encashment of leave**: As per policy of the Company;
7. **Personal accident insurance premium**: As per policy of the Company;
8. Contribution towards provident fund and superannuation fund or annuity fund, national pension scheme as per policy of the Company;
9. **Gratuity and /or contribution to the gratuity fund of the Company**: As per the policy of the Company;
10. **Other Allowances/benefits, perquisites**: Any other allowances, benefits and perquisites as per the Rules applicable to the Senior Executives of the Company and / or which may become applicable in the future and/ or any other allowance, perquisites as the Board from time to time decide;
11. Any other one time/ periodic retirement allowances/ benefits as may be decided by the Board at the time of retirement.

In case the executive is elevated to the next higher level of the Company during the tenure of appointment, the allowances, perquisites and benefits applicable to the level, will also apply to the executive.

Non-Executive Director

Vishakha Mulye was appointed with effect from October 21, 2022 as the additional director (non-executive non-independent) of the Company by a circular resolution of the Board dated October 15, 2022. She was appointed as the Non-executive Director of our Company with effect from October 21, 2022, pursuant to the shareholders meeting held on November 7, 2022 and is liable to retire by rotation.

Remuneration of our Directors

No remuneration is paid to the Non-Executive Director of our Company. However, the Independent Directors of our Company are entitled to receive a sitting fee of ₹100,000 for attending each meeting of our Board, a sitting fee of ₹75,000 for attending each meeting of the audit committee and a sitting fee of ₹50,000 for attending each meeting of any other committee.

The following table sets forth the remuneration (including sitting fees, commission and perquisites) paid by our Company since Financial Year 2021 to the date of this Prospectus to our Directors:

Name of Director	Type of Remuneration Received/ Payable[#]
For Financial Year 2021	
Rakesh Singh[*]	Remuneration of ₹11.9 crores
Darius Kakalia	Sitting fee of ₹0.1 crores
Jitender Balakrishnan	Sitting fee of ₹0.0 crores
Ashwani Puri	Sitting fee of ₹0.1 crores
Alka Bharucha	Sitting fee of ₹0.0 crores
Baldev Raj Gupta	Sitting fee of ₹0.0 crores
Subhash Chandra Bhargava	Sitting fee of ₹0.0 crores
For Financial Year 2022	
Rakesh Singh[*]	Remuneration of ₹8.7 crores
Darius Kakalia	Sitting fee of ₹0.2 crores
Jitender Balakrishnan	Sitting fee of ₹0.1 crores
Ashwani Puri	Sitting fee of ₹0.1 crores
Alka Bharucha	Sitting fee of ₹0.1 crores
Baldev Raj Gupta	Sitting fee of ₹0.0 crores
Subhash Chandra Bhargava	Sitting fee of ₹0.1 crores
For Financial Year 2023	
Rakesh Singh[*]	Remuneration of ₹14.2 crores
Darius Kakalia	Sitting fee of ₹0.2 crores
Jitender Balakrishnan	Sitting fee of ₹0.1 crores
Ashwani Puri	Sitting fee of ₹0.1 crores
Alka Bharucha	Sitting fee of ₹0.1 crores
Subhash Chandra Bhargava	Sitting fee of ₹0.1 crores
Nagesh Pinge	Sitting fee of ₹0.0 crores
Rajat Jain	Sitting fee of ₹0.0 crores
For the period from April 1, 2023 till the date of this Prospectus	
Rakesh Singh	Remuneration of ₹5.9 crores
Subhash Chandra Bhargava	Sitting fee of ₹0.1 crores
Nagesh Pinge	Sitting fee of ₹0.0 crores
Rajat Jain	Sitting fee of ₹0.0 crores
Alka Bharucha	Sitting fee of ₹0.1 crores

[*] *Managerial remuneration excludes provision for gratuity, pension and the compensated absences, since it is provided on actuarial basis for the Company as a whole and includes director sitting fees. The above numbers are in the nature of short term employee benefits as per Ind AS 24.*
 # The amount ₹0.0 crores represents amount below ₹5,00,000.

Remuneration payable or paid to Directors by Subsidiaries and associate company of our Company

We do not have any subsidiaries or associate company.

Other confirmations

No Director of our Company is a director or is otherwise associated in any manner with, any company that appears in the list of the vanishing companies as maintained by the Ministry of Corporate Affairs. Further, none of our Directors have been categorized as Wilful Defaulters.

We also confirm that none of our Directors is restrained or prohibited or debarred from accessing the securities market or dealing in securities by SEBI. Further, none of our Directors is a promoter or director of another company which is debarred from accessing the securities market or dealing in securities by SEBI. No Director in our Company is, or was, a director of any listed company, which has been or was compulsorily delisted from any recognised stock exchange within a period of ten years

preceding the date of this Prospectus, in accordance with Chapter V of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.

No Director of our Company is a fugitive economic offender, as defined in the SEBI NCS Regulations.

We confirm that the Permanent Account Number of each of the Directors of the Company has been submitted to the Stock Exchanges at the time of filing the Draft Prospectus.

Borrowing powers of our Board of Directors

Pursuant to a resolution passed by our Board dated November 5, 2022 and Shareholders at the EGM held on November 7, 2022, our Board has been authorised to borrow any sum or sums of monies, which together with the monies already borrowed (apart from temporary loans obtained or to be obtained in the ordinary course of business), in excess of our Company's aggregate paid-up capital and free reserves, provided that the total amount which may be so borrowed and outstanding shall not exceed a sum of ₹ 100,000 crores.

The aggregate value of the NCDs offered under this Prospectus, together with the existing borrowings of the Company, is within the approved borrowing limits as abovementioned.

Interest of our Directors

Our Managing Director and CEO may be deemed to be interested to the extent of remuneration paid by our Company as well as to the extent of reimbursement of expenses payable to them. Our Non-Executive Director may be deemed to be interested to the extent of sitting fees, if any, payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other reimbursement of expenses and/or to the extent of their shareholding and profit linked incentives payable to them.

Our Directors may be deemed to be interested to the extent, including of consideration received/paid or any loans or advances provided to any body corporate, including companies, firms, and trusts, in which they are interested as directors, members, partners or trustees. For details, see the related party transactions appearing in Note 48 of 2021 Audited Financial Statements, Note 47 of 2022 Audited Financial Statements, and Note 47 of 2023 Audited Financial Statements of "*Financial Statements*" beginning on page 290.

Except as disclosed in "-*Details of other Directorships*" above, none of our Directors have an interest in any venture that is involved in any activities similar to those conducted by our Company.

Except as stated in this section, "- *Interest of our Directors*", none of our Directors are interested in their capacity as a member of any firm or company and no sums have been paid or are proposed to be paid to any Director or to such firm of company in which he is interested, by any person, in cash or shares or otherwise, either to induce them or to help them qualify as a director or for services rendered by him or by such firm or company, in connection with the promotion or formation of our Company.

Our Directors have no interest in any immovable property acquired in the preceding two years of filing this Prospectus or proposed to be acquired by our Company nor do they have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company. No benefit/interest will accrue to our Promoter/Directors out of the proceeds of the Issue.

None of our Directors are interested in the promotion of our Company.

None of our Directors have taken any loan from our Company. Further, our Company has not availed any loans from the Directors which are currently outstanding.

Shareholding of our Directors in our Company

None of our Directors hold any Equity Shares as on the date of this Prospectus.

Shareholdings of Directors in Subsidiaries and associate companies, including details of qualification shares held by Directors as on the date of Prospectus

Our Company does not have any subsidiaries or associate companies as defined under Companies Act, 2013, as of the date of this Prospectus.

Debentures/Subordinated Debt holding of our Directors

As on the date of this Prospectus, none of our Directors hold debentures or subordinated debt issued by our Company.

Changes in our Directors of our Company during the preceding three financial years and current financial year

The changes in our Board of Directors of our Company in the preceding three financial years and current financial year are as follows:

Name, Designation and DIN	Date of Appointment/re-appointment	Date if Cessation, if applicable	Date of Resignation, if applicable	Remarks
Bishwanath Puranmalka **Designation:** Director **DIN:** 00007432	-	-	January 14, 2021	Resignation
Baldev Raj Gupta **Designation:** Independent Director **DIN:** 00020066	-	-	July 27, 2021	Expiry of Term
Kamlesh Rao **Designation:** Non-Executive Director **DIN:** 07665616	August 16, 2021[1]	-		Appointment
Ajay Srinivasan **Designation:** Director **DIN:** 00121181	-	-	August 3, 2022	Resignation
Vishakha Mulye **Designation:** Non-Executive Director **DIN:** 00203578	October 21, 2022[2]	-	-	Appointment
Nagesh Pinge **Designation:** Independent Director **DIN:** 00062900	March 9, 2023[3]	-	-	Appointment
Rajat Jain **Designation:** Independent Director **DIN:** 00046053	March 9, 2023[4]	-	-	Appointment
Ashwani Puri **Designation:** Independent Director **DIN:** 00160662	-	-	March 8, 2023	Expiry of Term
Darius Kakalia **Designation:** Independent Director **DIN:** 00029159	-	-	March 8, 2023	Expiry of Term
Jitender Balakrishnan **Designation:** Independent Director **DIN:** 00028320	-	-	March 8, 2023	Expiry of Term
Alka Bharucha **Designation:** Independent Director **DIN:** 00114067	-	-	August 27, 2023	Expiry of Term
Kamlesh Rao **Designation:** Non-Executive Director **DIN:** 07665616	-	-	August 29, 2023	Resignation

1. *Appointed pursuant to Board Resolution dated February 4, 2021 and Regularized pursuant to a resolution passed by our Shareholders on August 16, 2021.*
2. *Appointed pursuant to Board Resolution dated October 15, 2022 and Regularized pursuant to a resolution passed by our Shareholders on November 7, 2022. She was appointed with effect from October 21, 2022.*
3. *Appointed pursuant to Board Resolution dated January 31, 2023 and Regularized pursuant to a special resolution passed by our Shareholders on March 3, 2023. He was appointed with effect from March 9, 2023.*
4. *Appointed pursuant to Board Resolution dated January 31, 2023 and Regularized pursuant to a special resolution passed by our Shareholders on March 3, 2023. He was appointed with effect from March 9, 2023.*

Appointment of any relatives of Directors to an Office or place of profit of Company, subsidiaries or associates companies during the preceding three financial years and as on date of this Prospectus.

None of our Directors' relatives have been appointed to an office or place of profit of our Company. Further, our Company does not have any subsidiary or associate company.

Key Managerial Personnel of our Company

The details of our Key Managerial Personnel, as on the date of this Prospectus, are set out below:

(a) Rakesh Singh (*Managing Director and Chief Executive Officer*)

(b) Pradeep Agrawal (*Chief Financial Officer*)

(c) Ankur Shah (*Company Secretary*)

(d) Tushar Shah *(CEO-Project and Structured Finance Group)*

Senior Management of our Company

Senior Management of our Company comprises of such members as defined under Regulation 2(1)(iia) of the SEBI NCS Regulations.

Relationship with other Key Managerial Personnel and members of our Senior Management

None of our Key Managerial Personnel and members of our Senior Management are related to each other.

Interests of Key Managerial Personnel and members of our Senior Management

Except to the extent of their remuneration or extent of their shareholding or/and benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business, the Key Managerial Personnel and members of the Senior Management of the Company do not have any interest in the Company.

Our Directors, Key Managerial Personnel or members of the Senior Management have no financial or other material interest in the Issue**.**

Related Party Transactions

For details in relation to the related party transactions entered by our Company during the preceding three financial years and current financial year with regard to loans made or, guarantees given or securities provided, as per the requirements specified under the Companies Act, refer to the Financial Year 2023, 2022 and 2021 under chapter "*Financial Statements*" beginning on page 290 and for June 30, 2023, please see, chapter "*Related Party Transactions*" on page 155.

Payment or Benefit to Officers of our Company

Nil.

Shareholding of our Company's Key Managerial Personnel and members of our Senior Management

None of our Key Managerial Personnel and members of our Senior Management hold any Equity shares in our Company as on the date of this Prospectus.

Corporate Governance

Our Company has in place processes and systems whereby it complies with the requirements to the corporate governance provided in SEBI Listing Regulations (to the extent applicable to a company which has listed debt securities) and the applicable RBI Guidelines. The corporate governance framework is based on an effective independent Board, separation of the supervisory role of the Board from the executive management team and constitution of the committees of the Board, as required under applicable law. The Board of our Company is constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations (to the extent applicable). The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

Details of statutory committees of the Board of Directors

Our Company has constituted the following committees, as required under applicable laws:

Audit Committee

The members of the Audit Committee are:

Name of the Member	Designation in the Committee	Nature of Directorship
Nagesh Pinge	Chairman	Independent Director
Rajat Jain	Member	Independent Director
Subhash Chandra Bhargava	Member	Independent Director
Vishakha Mulye	Member	Non-Executive Director

The Audit Committee was constituted by the Board of Directors at their meeting held on April 9, 2001 and was last reconstituted on July 31, 2023 with effect from August 28, 2023. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and the Listing Regulations.

The terms of reference of our Audit Committee includes the following:

a. The recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

b. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

c. Review and monitor the auditor's independence and performance and effectiveness of audit process;

d. Approval or any subsequent modification of transactions of the Company with related parties;

e. Scrutiny of inter-corporate loans and investments, if any;

f. Reviewing the utilization of loans and/or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments, if any;

g. Valuation of undertakings or assets of the company, wherever it is necessary;

h. Evaluation of internal financial controls and risk management systems; and

i. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc, on the listed entity and its shareholders.

Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

Name of the Member	Designation in the Committee	Nature of Directorship
Subhash Chandra Bhargava	Chairman	Independent Director
Nagesh Pinge	Member	Independent Director
Vishakha Mulye	Member	Non-Executive Director

The Nomination and Remuneration Committee was constituted by the Board of Directors at their meeting held on October 10, 2002 and was last reconstituted on July 31, 2023 with effect from August 28, 2023. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and the Listing Regulations.

The terms of reference of the Nomination and Remuneration Committee include the following:

A. Executive Remuneration:

1. Recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;

2. Ensure the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and Senior Managers of the quality required to run the Company successfully;

3. Ensure the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

4. Ensure the remuneration provided to directors and Senior Managers includes a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals; and

5. Recommend to the Board, all remuneration, in whatever form, payable to senior management. For the purpose of this charter, senior management shall mean Officers of the Company as defined by the Board of Directors of the Company from time to time in compliance with the SEBI Listing Regulations and/or other regulatory/statutory requirements as may be applicable to the Company.

B. Executive Talent:

1. Formulate appropriate policies and institute processes which enable the identification of individuals who are qualified to become Directors and who may be appointed in senior management and recommend to the Board of Directors their appointment and removal from time to time;

2. Review and implement succession and development plans for Managing Director, Executive Directors, CEO and Senior Managers;

3. Devise a policy on Board diversity;

4. Formulate the criteria for determining qualifications, positive attributes and independence of directors;

5. Decide whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;

6. Appointment of Independent Director: For every appointment of an Independent Director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

   i. Use the services of an external agencies, if required;

   ii. Consider candidates from a wide range of backgrounds, having due regard to diversity; and

   iii. Consider the time commitments of the candidates.

7. Formulate, supervise and monitor the process of issuance/grant/vesting/cancellation/ of Employee Stock Options and such other instruments as may be decided to be granted to the eligible grantees under the respective Employees Stock Options Scheme(s), from time to time, as per the provisions of the applicable laws.

C. Board Performance and Rewards:

1. Establish evaluation criteria and conduct the process of performance evaluation of each Director in a structured manner;

2. Establish evaluation criteria of Board and Board Committees; and

3. Review and make recommendations to the Board with respect to any incentive-based compensation and equity-based plans that are subject to Board or shareholder approval (including broad-based plans).

D. Disclosures:

1. The Committee shall review and discuss with management the disclosures required to be included in the Directors report, as specified in the Act and Rules thereunder; and

2. Scrutinize the declarations received under 'Fit and Proper' criteria for proposed/existing directors based on the information provided in the signed declaration and to decide on the acceptance or otherwise of the directors, where considered necessary.

Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

Name of the Member	Designation in the Committee	Nature of Directorship
Subhash Chandra Bhargava	Chairman	Independent Director
Vishakha Mulye	Member	Non-Executive Director
Rakesh Singh	Member	Managing Director and CEO

The Stakeholders' Relationship Committee was constituted by the Board of Directors at their meeting held on January 25, 2019 and was last reconstituted on January 31, 2023 with effect from March 9, 2023. The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and the Listing Regulations

The terms of reference of the Stakeholders' Relationship Committee are as follows:

a. Monitoring and resolving the grievances of the security holders of the Company received from the shareholders, debenture holders of the Company, other security holders, the Securities and Exchange Board of India (SEBI), the Stock Exchanges, the Ministry of Corporate Affairs – Registrar of Companies etc. including complaints related to transfer/transmission of

shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc., and the action taken by the Company for redressal of the same;

b. Review of measures taken for effective exercise of voting rights by security holders;

c. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent;

d. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the security holders of the Company, as applicable;

e. Review the results of any investigation/audit conducted by any statutory authority with respect to the securities of the Company;

f. To approve requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialization, rematerialisation etc., of shares, debentures and other securities;

g. In addition to the powers already delegated by the board of Directors to the officers of the Company, to authorize the officers of the Company to approve the requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialization, rematerialisation etc, of shares, debentures and other securities;

h. To approve and ratify the action taken by the authorized officers of the Company in compliance of the requests received from the shareholders / investors for issue of duplicate/ replacement/ consolidation/ sub-division, dematerialization, rematerialisation and other purposes for the shares, debentures and other securities of the company;

i. To monitor and expedite the status and process of dematerialisation and rematerialisation of shares, debentures and other securities of the Company;

j. To give directions for monitoring the stock of blank stationery and for printing of stationery required by the secretarial department of the Company from time to time for issuance of share certificates, debenture certificates, allotment letters, dividend warrants, pay orders, cheques and other related stationery, if any;

k. To carry out/perform such other responsibilities, acts, deeds, and things as may be delegated to the Committee and as maybe entrusted by the Board of Directors/arising out of statutory provisions from time to time.

Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:

Name of the Member	Designation in the Committee	Nature of Directorship
Rajat Jain	Chairman	Independent Director
Vishakha Mulye	Member	Non-Executive Director
Rakesh Singh	Member	Managing Director and CEO

The Corporate Social Responsibility Committee was first constituted by a meeting of the Board of Directors held on December 30, 2014 and was last reconstituted on July 31, 2023 with effect from August 28, 2023.

The terms and reference of the Corporate Social Responsibility Committee include the following:

a. Formulation of CSR Policy indicating the activities to be undertaken by the Company as per regulatory requirements and recommend the same to the Board;

b. Recommending to the board the annual action plan and the amount to be spent on CSR activities;

c. Review, approve and recommend to the Board of Directors, the CSR projects/programs to be undertaken by the Company either directly or through Aditya Birla Capital Foundation (ABCF) or through implementation partners as deemed suitable, during the financial year and specify modalities for its execution and implementation schedules for the same, in terms of the CSR Policy of the Company;

d. Monitoring the implementation of the CSR Policy;

e. Monitoring and reporting mechanism for the projects or programmes;

f. Details of need and impact assessment, if any, for the projects undertaken by the company;

g. Reviewing implementation of the action plan; and

h. Such other responsibilities as may be entrusted by the Board of Directors arising out of statutory requirements from time to time.

Risk Management Committee

The members of the Risk Management Committee are:

Name of the Member	Designation in the Committee	Position
Subhash Chandra Bhargava	Chairman	Independent Director
Nagesh Pinge	Member	Independent Director
Vishakha Mulye	Member	Non-Executive Director
Rakesh Singh	Member	Managing Director and CEO
Deep Pal Singh	Member	Chief Risk Officer
Ajay Singh	Member	Head-Wholesale Risk

The Risk Management Committee was constituted by the Board of Directors at their meeting held on July 25, 2008 and was last reconstituted on July 31, 2023.

The terms and reference of the Risk Management Committee include the following:

a. Overall responsibility to monitor and approve the risk management framework;

b. Ensure proper identification of the risk associated with cyber security;

c. Assist the Board in determining the measures that can be adopted to mitigate the risk;

d. Ensure that appropriate measures are being taken to achieve prudent balance between risk and reward in both ongoing and new business activities and continuously aim to add value to the Company's stakeholder by growing business that supports inclusive growth;

e. Assist the Board in creating long-term stakeholder value by implementing a business strategy that considers every dimension of ethical, social, environmental, cultural, and economic spheres;

f. The committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;

g. To formulate a detailed risk management policy which shall include:

   i. A framework for identification of internal and external risks faced by the entity including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the committee;

   ii. Measures for risk mitigation including systems and processes for internal control of identified risks; and

   iii. Business continuity plan.

h. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate all risks that the Company is exposed to, including credit, operational risk, liquidity risk etc;

i. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

j. To periodically review the significant outsourcing arrangements and vendor / service provider performance;

k. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

l. To keep the Board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

m. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

n. To call a meeting with CRO without the presence of Managing Director & Chief Executive Officer, if the CRO is reporting to the Managing Director & Chief Executive Officer; and

o. To carry-out/ perform such other responsibilities, acts, deeds, and things as may be delegated to the Committee and as maybe entrusted by the Board of Directors/ arising out of statutory provisions from time to time.

p. The Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

OUR PROMOTER

Our Promoter is Aditya Birla Capital Limited.

As of June 30, 2023, our Promoter (along with its nominees) collectively holds 66,21,00,822 Equity Shares equivalent to 100.00% of the paid-up Equity Share capital of our Company.

Aditya Birla Capital Limited

Registered office: Indian Rayon Compound, Veraval – 362 266, Gujarat, India

Date of Incorporation: October 15, 2007

Corporate Identification Number: L67120GJ2007PLC058890

PAN: AAGCA5936J

Profile:

Aditya Birla Capital Limited was originally incorporated as 'Aditya Birla Financial Services Private Limited' on October 15, 2007 as a private limited company under the Companies Act, 1956 with the Registrar of Companies, Maharashtra at Mumbai. Subsequently, it was converted into a public limited company and consequently a fresh certificate of incorporation was issued on December 4, 2014 by the Registrar of Companies, Gujarat at Ahmedabad ("**RoC**"). Thereafter, its name was changed from Aditya Birla Financial Services Limited to Aditya Birla Capital Limited and subsequently, a fresh certificate of incorporation was issued on June 21, 2017 by the RoC.

Special achievements: NA

The following table sets forth details of the directors of Aditya Birla Capital Limited as on the date of this Prospectus:

S. No.	Name	Designation
1.	Kumar Mangalam Birla	Chairman and Non-Executive Director
2.	Sushil Agarwal	Non-Executive Director
3.	Romesh Sobti	Non-Executive Director (Investor Nominee Director)
4.	Puranam Hayagreeva Ravikumar	Independent Director
5.	Subhash Chandra Bhargava	Independent Director
6.	Arun Kumar Adhikari	Independent Director
7.	Vijayalakshmi Rajaram Iyer	Independent Director

Ventures of our Promoter

Our Promoter is a diversified financial services group and operates in a number of businesses that include non-banking finance, housing finance, life insurance, standalone health insurance, asset management, stock and securities.

For further details on any other ventures of our Promoter, refer to "*Our Corporate Structure*" appearing under section "*Our Business*" on page 88 of this Prospectus.

Common pursuits of our Promoter

Our Promoter is not engaged in businesses similar to ours as on date of this Prospectus.

Interest of our Promoter in our Company

Our Promoter is interested in our Company to the extent it has promoted our Company and to the extent of its shareholding in our Company and other distributions in respect of the Equity Shares held by them. For further details, see "*Capital Structure*" on page 45, and as disclosed under "*Related Party Transactions*" sections under "*Financial Statements*" beginning on page 290. As on the date of this Prospectus, our Promoter does not have interests in our Company.

Our Promoter does not have any interest in any property acquired by our Company within two years preceding the date of filing of this Prospectus or any property proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery.

Our Promoter does not propose to subscribe to this Issue.

Our Promoter has no financial or other material interest in the Issue.

Other understanding and confirmations

Our Company confirms that the Permanent Account Number and bank account number of the Promoter have been submitted to the Stock Exchanges at the time of filing this Prospectus.

Our Promoter has confirmed that neither it nor its directors, have been identified as Wilful Defaulters by the RBI or any other governmental authority and is not a Promoter of any such company which has been identified as a Wilful Defaulter by the RBI or any other governmental authority or which has been in default of payment of interest or repayment of principal amount in respect of debt securities issued by it to the public, if any, for a period of more than six months. Further, no members of our Promoter Group have been identified as Wilful Defaulters.

Our Promoter has not been found to be non-compliant with any securities law. Our Promoter was not a promoter of any company which was compulsorily delisted within a period of ten years preceding the date of this Prospectus, in accordance with Chapter V of the SEBI Delisting Regulations.

Our Promoter and members of our Promoter Group are not restrained or debarred or prohibited from accessing the capital markets or restrained or debarred or prohibited from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchanges in India or abroad and are not promoters, directors or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

No benefit or interest will accrue to our Promoter out of the objects of the Issue.

Payment of benefits to our Promoter during the preceding three years

Other than as disclosed under "*Financial Statements*" beginning on page 290, our Company has not made payment of any benefit to our Promoter during the preceding three years preceding the date of this Prospectus.

Details of Equity Shares allotted to our Promoter during the preceding three Fiscal Years

Our Promoter has not been allotted any Equity Shares of our Company during the preceding three Fiscal Years.

SECTION V: FINANCIAL INFORMATION

DISCLOSURES ON EXISTING FINANCIAL INDEBTEDNESS

The outstanding borrowings of the Company (as per Ind AS) as on June 30, 2023 is as follows:

Sr. No.	Nature of borrowings	Amount (in ₹ Crore)	Percentage
1.	Secured borrowings	63,815.3	84.6
2.	Unsecured borrowings	11,660.7	15.4
Total		75,476.0	100.0

DETAILS OF BORROWINGS OF THE COMPANY, AS ON JUNE 30, 2023

(a) Details of secured outstanding secured term loan facilities, as on June 30, 2023:

Our Company's total principal amount outstanding for secured term loans from banks and financial institutions as on June 30, 2023 is ₹ 39,915.3 crores (Indian Rupees Thirty Nine Thousand Nine Hundred and Fifteen Decimal Three Crores) and the total amount outstanding for secured term loans from banks and financial institutions as on June 30, 2023 (as per IND AS) is ₹ 39,960.1 crores (Indian Rupees Thirty Nine Thousand Nine Hundred and Sixty Decimal One Crores). The details of the borrowings are set out below:

Sr. No.	Name of Lender	Type of Facility	Amount Sanctioned (₹ crore)	Principal Amount Outstanding (₹ crore)	Final Maturity Date	Repayment schedule	Security	Credit Rating, if applicable	Asset Classification
1.	Bank of Bahrain & Kuwait B.S.C.	Term Loan	78.0	78.0	January 27, 2026	Bullet Repayment	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
2.	Bank of Baroda	Term Loan	300.0	300.0	August 18, 2023	5 equal annual installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	200.0	200.0	October 31, 2023	20 equal quarterly installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	444.4	444.4	June 19, 2025	18 quarterly installments, 6 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	800.0	800.0	December 24, 2026	5 equal annual installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	1,600.0	1,600.0	June 30, 2027	5 equal annual installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	2,000.0	2,000.0	September 29, 2027	5 equal annual installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard

Sr. No.	Name of Lender	Type of Facility	Amount Sanctioned (₹ crore)	Principal Amount Outstanding (₹ crore)	Final Maturity Date	Repayment schedule	Security	Credit Rating, if applicable	Asset Classification
		Term Loan	1,000.0	500.0	June 30, 2028	5 equal annual installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
3.	Bank of India	Term Loan	112.2	112.2	December 31, 2024	8 equal half yearly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	224.6	224.6	March 26, 2025	8 equal half yearly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	499.9	499.9	December 31, 2026	6 equal half yearly installments, 24 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	699.5	699.5	June 28, 2028	6 equal half yearly installments, 24 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
4.	Bank of Maharashtra	Term Loan	250.1	250.1	September 28, 2026	12 equal quarterly installments, 24 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
5.	Canara Bank	Term Loan	93.7	93.7	September 27, 2024	16 equal quarterly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	112.5	112.5	October 23, 2024	16 equal quarterly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	750.0	750.0	March 10, 2028	9 equal half yearly installments, 6 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	2,000.0	2,000.0	April 28, 2028	10 equal half yearly installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
6.	Central Bank of India	Term Loan	111.1	111.1	December 31, 2025	18 equal quarterly installments, 6 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	91.6	91.6	March 31, 2026	18 equal quarterly installments, 6 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	99.9	99.9	April 30, 2026	18 equal quarterly installments, 6 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	174.9	174.9	September 30, 2026	8 equal half yearly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard

Sr. No.	Name of Lender	Type of Facility	Amount Sanctioned (₹ crore)	Principal Amount Outstanding (₹ crore)	Final Maturity Date	Repayment schedule	Security	Credit Rating, if applicable	Asset Classification
		Term Loan	150.1	150.1	February 28, 2027	8 equal half yearly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	150.1	150.1	March 30, 2027	8 equal half yearly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
7.	DBS Bank India Ltd.	Term Loan	300.0	300.0	February 26, 2024	Bullet repayment	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
8.	Deutsche Bank AG	Term Loan	55.3	55.3	December 20, 2024	36 monthly installments, 12 months moratorium	Exclusive charge on specific assets	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	49.9	49.9	December 20, 2024	46 monthly installments, 7 months moratorium	Exclusive charge on specific assets	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	62.0	62.0	December 20, 2024	41 monthly installments, 5 months moratorium	Exclusive charge on specific assets	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	111.6	111.6	September 20, 2025	48 monthly installments	Exclusive charge on specific assets	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
9.	Emirates NBD Bank (P.J.S.C)	Term Loan	33.3	33.3	March 26, 2024	6 equal half yearly installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	150.0	150.0	19-Apr-26	6 equal half yearly installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
10.	HDFC Bank Ltd.	Term Loan	62.5	62.5	July 31, 2023	8 equal half yearly installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	33.3	33.3	December 31, 2023	12 equal quarterly installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	50.0	50.0	January 14, 2024	12 equal quarterly installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	75.0	75.0	January 29, 2024	12 equal quarterly installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	37.5	37.5	March 26, 2024	12 equal quarterly installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard

Sr. No.	Name of Lender	Type of Facility	Amount Sanctioned (₹ crore)	Principal Amount Outstanding (₹ crore)	Final Maturity Date	Repayment schedule	Security	Credit Rating, if applicable	Asset Classification
		Term Loan	61.3	61.3	August 20, 2024	12 equal quarterly installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	291.6	291.6	January 28, 2025	12 equal quarterly installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	291.6	291.6	March 15, 2025	12 equal quarterly installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	375.0	375.0	July 21, 2025	12 equal quarterly installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	166.6	166.6	November 21, 2025	12 equal quarterly installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	916.6	916.6	January 27, 2026	12 equal quarterly installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	504.2	504.2	March 03, 2026	12 equal quarterly installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
11.	ICICI Bank Ltd.	Term Loan	750.0	750.0	February 28, 2026	5 equal half yearly installments, 18 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	250.0	250.0	December 22, 2026	6 half yearly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	750.0	750.0	December 29, 2026	6 half yearly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	2,000.0	500.0	March 29, 2027	6 half yearly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
12.	IDBI Bank Ltd.	Term Loan	250.0	250.0	March 31, 2027	Two equal annual installments payable on 48th & 60th month	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	250.0	250.0	March 23, 2028	Two equal annual installments payable on 48th & 60th month	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
13.	Indian Bank	Term Loan	150.0	150.0	March 30, 2026	8 equal half yearly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard

Sr. No.	Name of Lender	Type of Facility	Amount Sanctioned (₹ crore)	Principal Amount Outstanding (₹ crore)	Final Maturity Date	Repayment schedule	Security	Credit Rating, if applicable	Asset Classification
		Term Loan	437.5	437.5	July 28, 2026	8 equal half yearly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	300.0	300.0	March 23, 2027	8 equal half yearly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	444.4	444.4	June 22, 2027	18 equal quarterly installments, 6 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	500.0	500.0	September 26, 2027	8 equal half yearly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	500.0	500.0	October 25, 2027	8 equal half yearly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	250.0	250.0	December 26, 2027	8 equal half yearly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	750.0	750.0	March 2, 2028	8 equal half yearly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
14.	Indusind Bank Ltd.	Term Loan	200.0	200.0	August 26, 2024	3 equal half yearly installments payable on 30th, 36th & 42nd month	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	200.0	200.0	September 30, 2024	3 equal half yearly installments payable on 30th, 36th & 42nd month	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	300.0	300.0	August 7, 2025	3 equal half yearly installments payable on 30th, 36th & 42nd month	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
15.	Karnataka Bank Ltd.	Term Loan	150.0	150.0	September 24, 2024	4 equal half yearly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
16.	Kotak Mahindra Bank Ltd.	Term Loan	150.0	150.0	September 23, 2025	4 equal annual installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
17.	MUFG Bank Ltd.	Term Loan	110.0	110.0	March 26, 2024	Bullet repayment	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	160.00	160.0	September 30, 2024	Bullet repayment	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard

Sr. No.	Name of Lender	Type of Facility	Amount Sanctioned (₹ crore)	Principal Amount Outstanding (₹ crore)	Final Maturity Date	Repayment schedule	Security	Credit Rating, if applicable	Asset Classification
		Term Loan	400.00	400.0	March 30, 2026	Bullet repayment	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
18.	Punjab & Sind Bank	Term Loan	500.0	500.0	December 30, 2025	4 equal half yearly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
19.	Punjab National Bank	Term Loan	124.5	124.5	December 27, 2023	Bullet Repayment	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	124.3	124.3	December 26, 2024	4 equal annual installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	349.7	349.7	March 27, 2025	2 equal annual installments payable on 48th & 60th month	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	999.7	999.7	March 31, 2026	6 equal half yearly installments, 24 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	199.9	199.9	June 29, 2027	5 equal annual installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	249.9	249.9	July 28, 2027	5 equal annual installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	1,999.6	1,999.6	September 30, 2027	9 equal half yearly installments, 6 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	1,499.6	1,499.6	March 20, 2028	9 equal half yearly installments, 6 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
20.	SIDBI	Term Loan	155.5	155.5	December 10, 2024	19 equal quarterly installments, 5 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	74.0	74.0	February 10, 2025	19 equal quarterly installments, 5 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	175.0	175.0	September 10, 2026	10 equal half yearly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	350.0	350.0	December 10, 2026	10 equal half yearly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard

Sr. No.	Name of Lender	Type of Facility	Amount Sanctioned (₹ crore)	Principal Amount Outstanding (₹ crore)	Final Maturity Date	Repayment schedule	Security	Credit Rating, if applicable	Asset Classification
		Term Loan	450.0	450.0	September 10, 2027	10 equal half yearly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	450.0	450.0	November 10, 2027	10 equal half yearly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	1,500.0	1,500.0	December 10, 2027	18 equal quarterly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	700.0	700.0	June 10, 2028	10 equal half yearly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	750.0	750.0	December 10, 2028	9 equal half yearly installments, 18 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
21.	South Indian Bank Ltd.	Term Loan	250.0	250.0	September 28, 2027	2 equal annual installments payable on 48th & 60th month	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
22.	State Bank of India	Term Loan	2,000.0	2,000.0	March 31, 2027	4 equal annual installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
23.	The Jammu And Kashmir Bank Ltd.	Term Loan	400.0	400.0	February 18, 2028	Two equal yearly installments payable on 48th & 60th month	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
24.	The Karur Vyasa Bank Ltd.	Term Loan	83.3	83.3	December 31, 2025	6 equal half yearly installments, 6 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
25.	UCO Bank	Term Loan	119.9	119.9	December 24, 2025	5 equal annual installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	119.9	119.9	March 30, 2026	5 equal annual installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	500.0	500.0	June 26, 2028	5 equal annual installments	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
26.	Union Bank of India	Term Loan	468.7	468.7	March 31, 2027	16 equal quarterly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	500.0	500.0	April 30, 2027	16 equal quarterly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard

Sr. No.	Name of Lender	Type of Facility	Amount Sanctioned (₹ crore)	Principal Amount Outstanding (₹ crore)	Final Maturity Date	Repayment schedule	Security	Credit Rating, if applicable	Asset Classification
		Term Loan	1000.0	1000.0	September 30, 2027	16 equal quarterly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
		Term Loan	1,000.0	1,000.0	January 31, 2028	8 equal half yearly installments, 12 months moratorium	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard

[*] *Note:*

(i) This table only captures details relating to scheduled repayments. Under the financing documents other amounts such as default penal or additional interest or premium may also be payable on the occurrence of (or absence of) certain events, such prepayment, as also other costs, fees, indemnity payments and reimbursements may also be payable in terms of the financing documents.

(ii) Interest rates are typically floating and linked to benchmark agreed with the creditors (such as 3 months / 6 months / 12 months MCLR, RBI repo rate, lender's prime lending rate etc.).

(b) Details of secured external commercial borrowings:

Our Company's total principal amount outstanding for external commercial borrowings as on June 30, 2023 is ₹ 2,341.1 Crores (Indian Rupees Two Thousand Three Hundred and Forty One Decimal One Crores) and the total amount outstanding for external commercial borrowings as on June 30, 2023 (as per IND AS) is ₹ 2,324.1 Crores (Indian Rupees Two Thousand Three Hundred and Twenty Four Decimal One Crores). The details of the borrowings are set out below:

Sr. No.	Lenders Name	Type of Facility	Amount Sanctioned (₹ crore)	Principal Amount Outstanding (₹ crore)	Maturity Date	Repayment schedule	Security	Credit Rating, if applicable	Asset Classification
1.	International Finance Corporation	External Commercial Borrowing	1,000.0	1,000.0	October 1, 2025	7 Years, Bullet Repayment	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
2.	Sumitomo Mitsui Banking Corporation, Singapore	External Commercial Borrowing	275.7	275.7	February 13 2026	3 Years, Bullet Repayment	Pari-passu charge on receivables of the Company through Security Trustee	NA	Standard
3.	Sumitomo Mitsui Banking Corporation, Singapore	External Commercial Borrowing	244.1	244.1	March 23 2026	3 Years, Bullet Repayment	Pari-passu charge on receivables of the Company through Security Trustee	NA	Standard
4.	Export Development Corporation	External Commercial Borrowing	411.6	411.6	March 23, 2026	3 Years, Bullet Repayment	Pari-passu charge on receivables of the Company through Security Trustee	NA	Standard
5.	Export Development Corporation	External Commercial Borrowing	409.7	409.7	April 24, 2026	3 Years, Bullet Repayment	Pari-passu charge on receivables of the Company through Security Trustee	NA	Standard

(c) Details of secured cash credit, working capital demand loans, overdraft facilities and short term loans:

Our Company's total principal amount outstanding for cash credit, working capital demand loans and overdraft facilities as on June 30, 2023 amounts to ₹ 4,747.9 Crores (Indian Rupees Four Thousand Seven Hundred and Forty Seven Decimal Nine Crores) and the total amount outstanding for cash credit, working capital demand loans and overdraft facilities as on June 30, 2023 (as per IND AS) amounts to ₹ 4,747.9 Crores (Indian Rupees Four Thousand Seven Hundred and Forty Seven Decimal Nine Crores). The details of the borrowings are set out below:

Sr. No.	Name of Lender	Type Of Facility	Amount Sanctioned (₹ crore)	Principal Amount Outstanding (₹ crore)	Maturity Date	Repayment Schedule	Security	Credit Rating, if applicable	Asset Classification
1	Axis Bank	Working Capital Demand Loan	200.0	-	-	Repayable on demand	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
2	Bank of America	Short Term Loan	600.0	360.0	July 28, 2023	Repayable on demand	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
3	Bank of Baroda	Working Capital Demand Loan	300.0	300.0	July 4, 2023	Repayable on demand	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
4	DCB Bank	Working Capital Demand Loan	75.0	-	-	Repayable on demand	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
5	Deutsche Bank AG	Short Term Loan	1,000.0	1,000.0	April 26, 2024	Repayable on demand	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
6	HDFC Bank Ltd.	Cash Credit/ Working Capital Demand Loan	500.0	73.2	-	Repayable on demand	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
7	Indian Bank	Working Capital Demand Loan	350.0	350.0	July 14, 2023	Repayable on demand	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
8	IndusInd Bank Ltd.	Cash Credit/ Working Capital Demand Loan	300.0	200.0	August 25, 2023	Repayable on demand	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
9	Karnataka Bank Ltd.	Cash Credit/ Working Capital Demand Loan	50.0	-	-	Repayable on demand	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
10	Kotak Mahindra Bank Ltd.	Cash Credit/ Working Capital Demand Loan	250.0	100.0	July 20, 2023	Repayable on demand	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
11	Mizuho Bank Ltd.	Short Term Loan	175.0	175.0	July 7, 2023	Repayable on demand	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
12	MUFG Bank Ltd.	Short Term Loan	160.0	160.0	July 7, 2023	Repayable on demand	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
13	Punjab & Sind Bank	Working Capital Demand Loan	75.0	75.0	July 7, 2023	Repayable on demand	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
14	Punjab National Bank	Working Capital Demand Loan	275.0	274.9	August 21, 2023	Repayable on demand	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
15	Qatar National Bank	Working Capital Demand Loan	45.0	-	-	Repayable on demand	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
16	Standard Chartered Bank	Cash Credit/ Working Capital Demand Loan	125.0	-	-	Repayable on demand	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
17	State Bank of India	Working Capital Demand Loan	630.0	630.0	August 28, 2023	Repayable on demand	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard

Sr. No.	Name of Lender	Type Of Facility	Amount Sanctioned (₹ crore)	Principal Amount Outstanding (₹ crore)	Maturity Date	Repayment Schedule	Security	Credit Rating, if applicable	Asset Classification
18	State Bank of India	Cash Credit/ Working Capital Demand Loan	420.0	250.0	September 26, 2023	Repayable on demand	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
19	Union Bank of India	Line of Credit/Short Term Loan	800.0	799.8	July 26, 2023	Repayable on demand	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard
20	United Overseas Bank	Working Capital Demand Loan	70.0	-	-	Repayable on demand	Pari-passu charge on receivables of the Company through Security Trustee	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard

***Note: Interest rates are typically floating and linked to benchmark agreed with the creditors*.

(d) Details of unsecured loan facilities:

Our Company's total principal amount outstanding for unsecured loan facilities as on June 30, 2023 amounts to ₹ 0.0 (Zero Crores) Crores and the total amount outstanding for unsecured loan facilities as on June 30, 2023 (as per IND AS) amounts to ₹ 0.0 (Zero Crores) Crores. The details of the borrowings are set out below:

Sr. No.	Name of lender	Type of Facility	Amount Sanctioned (in ₹ Crore)	Principal Amount outstanding (as on June 30, 2023) (in ₹ Crore)	Repayment Date / Schedule	Security	Credit Rating, if applicable	Asset Classification
1.	DCB Bank	Working Capital Demand Loan	50.0	-	Repayable on demand	Unsecured	ICRA - AAA (Stable)/ A1+, India Ratings - AAA (Stable)	Standard

For details of our Company's principal outstanding for other unsecured borrowings, please refer to Paragraph (e)(ii) (*Details of unsecured non convertible securities (sub-debt) as on June 30, 2023*), Paragraph (e)(iii) (*Details of unsecured perpetual non-convertible securities as on June 30, 2023*), Paragraph (e)(iv) (*Details of unsecured partly paid non convertible securities as on June 30, 2023*), Paragraph (f) (*Details of outstanding commercial papers as on June 30, 2023*), Paragraph (k) (*Details of inter corporate loans as on June 30, 2023*) under the section *"Disclosures on Existing Financial Indebtedness"* on page 125.

(e) Details of outstanding non-convertible securities as on June 30, 2023:

The total principal amount of outstanding secured non-convertible securities issued by our Company as on June 30, 2023 is ₹ 15,969.5 Crores (Indian Rupees Fifteen Thousand Nine Hundred and Sixty Nine Decimal Five Crores) and the total outstanding amount as on June 30, 2023 (as per IND AS) is ₹ 16,490.2 Crores (Indian Rupees Sixteen Thousand Four Hundred and Ninety Decimal Two Crores), the details of which are set forth below:

(i) <u>Details of Outstanding Secured non-convertible debentures as on June 30, 2023:</u>

Sr. No.	Series of non-convertible debentures	ISIN	Tenor (in days)	Coupon / XIRR	Principal Outstanding Amount (₹ in Cr)	Date of Allotment	Redemption/ Maturity Date	Credit Rating	Secured / Unsecured	Security
1.	8.77% Secured Redeemable Non	INE860H07B	3,651	8.77% p.a.	15	October 19,	October 17, 2025	'IND AAA Stable' from	Secured	Same as above

Sr. No.	Series of non-convertible debentures	ISIN	Tenor (in days)	Coupon / XIRR	Principal Outstanding Amount (₹ in Cr)	Date of Allotment	Redemption/ Maturity Date	Credit Rating	Secured / Unsecured	Security
	Convertible Debenture Series ABFL NCD Q1 FY 2015-16.	X1				2015		India Ratings & [ICRA] AAA (Stable) from ICRA.		
2.	8.71% Secured Redeemable Non Convertible Debenture Series ABFL NCD S1 FY 2015-16.	INE860H07BZ6	3,650	8.71% p.a.	500	November 3, 2015	50% on November 01, 2024 & 50% on October 31, 2025	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
3.	8.85% Secured Redeemable Non Convertible Debenture Series ABFL NCD W3 FY 2015-16.	INE860H07CL4	3,653	8.85% p.a.	10	February 23, 2016	February 23, 2026	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
4.	8.90% Secured Redeemable Non Convertible Debenture Series ABFL NCD X1 FY 2015-16.	INE860H07CM2	3,649	8.90% p.a.	10	March 9, 2016	March 6, 2026	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
5.	8.90% Secured Redeemable Non Convertible Debenture Series ABFL NCD Z3 FY 2015-16.	INE860H07CS9	3,651	8.90% p.a.	5	March 21, 2016	March 20, 2026	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
6.	8% XIRR Secured Rated Listed Redeemable Non Convertible Debentures Series ABFL NCD C1 FY 2017-18.	INE860H07FD4	3,650	Zero Coupon (8.00% on XIRR basis)	5	June 13, 2017	June 11, 2027	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
7.	8.90% Secured Rated Listed Redeemable Non Convertible Debentures Series ABFL NCD C4 FY 2018-19.	INE860H07FT0	2,557	8.90% p.a.	51	June 26, 2018	June 26, 2025	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
8.	8.90% Secured Rated Listed Redeemable Non Convertible Debentures Series ABFL NCD D2 FY 2018-19.	INE860H07FV6	1,826	8.90% p.a.	15	July 27, 2018	July 27, 2023	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
9.	8.90% Secured Rated Listed Redeemable Non Convertible Debentures Series ABFL NCD D2 FY 2018-19.	INE860H07FV6	1,689	8.90% p.a.	145	December 11, 2018	July 27, 2023	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
10.	9.15% Secured Rated Listed Redeemable Non Convertible Debentures Series ABFL NCD I 1 FY 2018-19.	INE860H07GL5	1,826	9.15% p.a.	70	December 21, 2018	December 21, 2023	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
11.	9.15% Secured Rated Listed Redeemable Non Convertible Debentures Series ABFL NCD I 2 FY 2018-19.	INE860H07GM3	3,653	9.15% p.a.	15	December 21, 2018	December 21, 2028	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
12.	9.15% Secured Rated Listed Redeemable Non Convertible Debentures Series ABFL NCD I 1 FY 2018-19.	INE860H07GL5	1,820	9.15% p.a.	81	December 27, 2018	December 21, 2023	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above

Sr. No.	Series of non-convertible debentures	ISIN	Tenor (in days)	Coupon / XIRR	Principal Outstanding Amount (₹ in Cr)	Date of Allotment	Redemption/ Maturity Date	Credit Rating	Secured / Unsecured	Security
13.	9.15 Secured Rated Listed Redeemable Non Convertible Debentures Series ABFL NCD I 2 FY 2018-19.	INE860H07GM3	3,647	9.15% p.a.	69	December 27, 2018	December 21, 2028	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
14.	9.15% Secured Rated Listed Redeemable Non Convertible Debentures Series ABFL NCD I 1 FY 2018-19.	INE860H07GL5	1,809	9.15% p.a.	16	January 17, 2019	December 21, 2023	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
15.	9.15% Secured Rated Listed Redeemable Non Convertible Debenture Series ABFL NCD I 2 FY 2018-19.	INE860H07GM3	3,600	9.15% p.a.	38.5	February 12, 2019	December 21, 2028	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
16.	9.15% Secured Rated Listed Redeemable Non Convertible Debenture Series ABFL NCD I 2 FY 2018-19.	INE860H07GM3	3,555	9.15%.p.a.	150	March 29, 2019	December 21, 2028	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
17.	9% Secured Rated Listed Redeemable Non Convertible Debenture Series ABFL NCD B2 FY 2019-20.	INE860H07GS0	3,651	9.00% p.a.	1500	May 20, 2019	50% - May 19, 2028 50% - May 18, 2029	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
18.	8.65% Secured Rated Listed Redeemable Non Convertible Debenture Series ABFL NCD C1 FY 2019-2020.	INE860H07GT8	1,827	8.65% p.a.	173	June 12, 2019	June 12, 2024	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
19.	8.65% Secured Rated Listed Redeemable Non Convertible Debenture Series ABFL NCD C1 FY 2019-2020.	INE860H07GT8	1,815	8.65% p.a.	198	June 24, 2019	June 12, 2024	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
20.	8.65% Secured Rated Listed Redeemable Non Convertible Debenture Series ABFL NCD C1 FY 2019-2020.	INE860H07GT8	1,811	8.65% p.a.	111.6	June 28, 2019	June 12, 2024	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
21.	8.70% Secured Rated Listed Redeemable Non Convertible Debenture Series ABFL NCD D1 FY 2019-2020.	INE860H07GU6	3,653	8.70% p.a.	29.2	July 4, 2019	July 4, 2029	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
22.	8.65% Secured Rated Listed Redeemable Non Convertible Debenture Series ABFL NCD C1 FY 2019-2020.	INE860H07GT8	1,785	8.65% p.a.	98.7	July 24, 2019	June 12, 2024	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
23.	8.15% Secured Rated Listed Redeemable Non Convertible	INE860H07GX0	3,651	8.15% p.a.	1000	January 20, 2020	25% at the end of 7th Yr (Wednesday,	'IND AAA Stable' from India Ratings & [ICRA]	Secured	Same as above

Sr. No.	Series of non-convertible debentures	ISIN	Tenor (in days)	Coupon / XIRR	Principal Outstanding Amount (₹ in Cr)	Date of Allotment	Redemption/ Maturity Date	Credit Rating	Secured / Unsecured	Security
	Debenture. Series ABFL NCD J1.						January 20, 2027), 25% at the end of 8th Yr (Thursday, January 20, 2028), 25% at the end of 9th Yr (Friday, January 19, 2029) & 25% at the end of 10th Yr (Friday, January 18, 2030)	AAA (Stable) from ICRA.		
24.	7.69% Secured Rated Listed Redeemable Non-Convertible Debenture. Series ABFL NCD A3 FY 2020-21	INE860H07HA6	1,823	7.69% p.a.	25	April 28, 2020	April 25, 2025	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
25.	5.9000% Secured Rated Listed Redeemable Non-Convertible Debenture. SerieS ABFL NCD G1 FY 2020-21	INE860H07HC2	1,163	5.90% p.a.	330	October 22 2020	December 29, 2023	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
26.	6.2500% Secured Rated Listed Redeemable Non-Convertible Debenture. Series ABFL NCD I1 FY 2020-21	INE860H07HD0	1,826	6.25% p.a.	75	December 23, 2020	December 23, 2025	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
27.	7.2400% Secured Rated Listed Redeemable Non-Convertible Debenture Series ABFL NCD K1 FY 2020-21	INE860H07HE8	3,652	7.24% p.a.	25	February 18, 2021	February 18, 2031	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
28.	6.1500% Secured Rated Listed Redeemable Non-Convertible Debenture Series ABFL NCD L3 FY 2020-21	INE860H07HI9	1,093	6.15% p.a.	420	March 31, 2021	March 28, 2024	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
	7.2600% Secured Rated Listed Redeemable Non Convertible Debentures Series B2.	INE860H07HK5	3,651	7.26% p.a	750	May 31, 2021	25% at the end of 7th Year	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
							(Wednesday, May 31, 2028)			Same as above
							25% at the end of 8th Year			Same as above
							(Thursday, May 31, 2029)			Same as above
							25% at the end of 9th Year			Same as above
							(Friday, May 31, 2030)			Same as above

Sr. No.	Series of non-convertible debentures	ISIN	Tenor (in days)	Coupon / XIRR	Principal Outstanding Amount (₹ in Cr)	Date of Allotment	Redemption/ Maturity Date	Credit Rating	Secured / Unsecured	Security
							25% at the end of 10th Year			Same as above
							(Friday, May 30, 2031)			Same as above
29.	Zero Coupon Secured Rated Listed Redeemable Non Convertible Debentures Series C2.	INE860H07HM1	1,093	Zero Coupon (5.75% p.a, on XIRR basis)	75	June 17, 2021	June 14, 2024	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
30.	6.5500% Secured Rated Listed Redeemable Non Convertible Debentures Series D1.	INE860H07HN9	1,824	6.55% p.a.	500	July 26, 2021	July 24, 2026	IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
31.	5.8500% Secured Rated Listed Redeemable Non Convertible Debentures Series E1.	INE860H07HO7	1093	5.85% p.a.	250	August 5, 2021	August 2, 2024	IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
32.	7.100% Secured Rated Listed Redeemable Non Convertible Debentures. Series G1.	INE860H07HP4	3651	7.10% p.a.	50	October 4, 2021	03-Oct-31	IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
33.	6.4500% Secured Rated Listed Redeemable Non Convertible Debentures. Series G2.	INE860H07HQ2	1823	6.45% p.a.	115	October 4, 2021	October 1, 2026	IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
34.	3M Tbill Linked Secured Rated Listed Non Convertible Debentures. ABFL NCD SERIES 'J1' FY2021-22.	INE860H07HR0	1096	5.22% p.a.** (Floating Coupon with Quarterly Reset, Payable Annually)	500	January 21, 2022	January 21, 2025	IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
35.	6.4000% Secured Rated Listed Redeemable Non Convertible Debentures Series J2.	INE860H07HS8	1278	6.40% p.a.	350	January 21, 2022	July 22, 2025	IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
36.	Principal Protected (10 Year G-Sec Price Linked) Secured Rated Listed Redeemable Non Convertible Debentures. Abfl Ncd Series PPMLD B1 FY 2022-23 – May 04, 2022.	INE860H07HT6	730	1 Greater than 50% of Digital Level 6.0082% p.a. (6.0000% XIRR (Annualized yield))	45.1	May 4, 2022	May 3, 2024	IND PP-MLD AAA emr/Stable	Secured	Same as above
				2 Less than or equal to 50% of Digital Level 0 %						

Sr. No.	Series of non-convertible debentures	ISIN	Tenor (in days)	Coupon / XIRR	Principal Outstanding Amount (₹ in Cr)	Date of Allotment	Redemption/ Maturity Date	Credit Rating	Secured / Unsecured	Security
37.	7.6000% Secured Rated Listed Non Convertible Debentures. ABFL NCD Series C1 FY2022-23. 06/06/2025	INE860H07HU4	1094	7.60% p.a.	110	June 8, 2022	June 6, 2025	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
38.	7.6000% Secured Rated Listed Non Convertible Debentures. Further Issuance I ABFL NCD Series C1 FY2022-23.	INE860H07HU4	1088	7.60% p.a.	250	June 14, 2022	June 6, 2025	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
39.	Principal Protected (10 Year G-Sec Price Linked) Secured Rated Listed Redeemable Non Convertible Debentures. ABFL NCD Series PPMLD C4 FY 2022-23 – JUNE 28, 2022.	INE860H07HV2	730	1 Greater than 50% of Digital Level 7.3400% p.a. (7.3300% XIRR (Annualized yield)) 2 Less than or equal to 50% of Digital Level 0 %	25	June 28, 2022	June 27, 2024	IND PP-MLD AAA emr/Stable	Secured	Same as above
40.	7.6000% Secured Rated Listed Non Convertible Debentures. Further Issuance II ABFL NCD SERIES C1 FY2022-23.	INE860H07HU4	1071	7.60% p.a.	250	July 1, 2022	June 6, 2025	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
41.	8.90% Secured Rated Listed Redeemable Non Convertible Debentures. Further Issuance (I) Series ABFL NCD C4 FY 2018-19.	INE860H07FT0	1080	8.90% p.a.	300	July 12, 2022	June 26, 2025	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
42.	Zero Coupon Secured Rated Listed Redeemable Non Convertible Debentures Series D1.	INE860H07HW0	1095	Zero Coupon (7.80% p.a. on XIRR basis)	325	July 12, 2022	July 11, 2025	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
43.	7.5000% Secured Rated Listed Non Convertible Debentures. Abfl Ncd Series E1 FY2022-23.	INE860H07HX8	1096	7.50% p.a.	400	August 18, 2022	August 18, 2025	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
44.	Zero Coupon Secured Rated Listed Non Convertible Debentures. ABFL NCD Series E2 FY2022-23.	INE860H07HY6	730	Zero Coupon (7.26% p.a. on XIRR basis)	136	August 24, 2022	August 23, 2024	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
45.	Principal Protected (10 Year G-Sec Price Linked) Secured Rated Listed Redeemable Non Convertible	INE860H07HZ3	957	1 Greater than 50% of Digital Level	102.2	August 26, 2022	April 9, 2025	IND PP-MLD AAA emr/Stable	Secured	Same as above

Sr. No.	Series of non-convertible debentures	ISIN	Tenor (in days)	Coupon / XIRR	Principal Outstanding Amount (₹ in Cr)	Date of Allotment	Redemption/ Maturity Date	Credit Rating	Secured / Unsecured	Security
	Debentures. ABFL NCD Series PPMLD E3 FY 2022-23 –			7.2941% p.a. (7.3100% XIRR (Annualized yield)) 2 Less than or equal to 50% of Digital Level 0 %						
46.	9.15% Secured Rated Listed Redeemable Non Convertible Debenture. Further Issuance IV Series ABFL NCD I2 FY 2018-19.	INE860H07GM3	2296	9.15% p.a.	25	September 8, 2022	December 21, 2028	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
47.	7.5000% Secured Rated Listed Non Convertible Debentures. Further Issuance (I) ABFL NCD Series E1 FY 2022-23.	INE860H07HX8	1064	7.50% p.a.	465	September 19, 2022	August 18, 2025	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
48.	8.90% Secured Rated Listed Redeemable Non Convertible Debentures. Further Issuance (I) Series ABFL NCD C4 FY 2018-19.	INE860H07FT0	1002	8.90% p.a.	25	September 28, 2022	June 26, 2025	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
49.	7.9000% Secured Rated Listed Non Convertible Debentures. ABFL NCD Series G1 FY2022-23.	INE860H07IA4	1071	7.90%	510	October 14, 2022	September 19, 2025	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
50.	Zero Coupon Secured Rated Listed Non Convertible Debentures. ABFL NCD Series H1 FY2022-23.	INE860H07IB2	741	7.92% on XIRR basis	50	November 18, 2022	November 28, 2024	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
51.	7.9500% Secured Rated Listed Non Convertible Debentures. ABFL NCD Series H2 FY2022-23.	INE860H07IC0	1216	7.95%	597	November 18, 2022	March 18, 2026	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
52.	8.1200% Secured Rated Listed Non Convertible Debentures. ABFL NCD Series H3 FY2022-23.	INE860H07ID8	3653	8.12%	200	November 18, 2022	November 18, 2032	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
53.	7.9300% Secured Rated Listed Non Convertible Debentures. ABFL NCD Series H4 FY2022-23	INE860H07IE6	1143	7.93%	305	November 29, 2022	January 15, 2026	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
54.	8.90% Secured Rated Listed Redeemable Non Convertible Debentures. Further Issuance (III) Series ABFL NCD C4 FY 2018-19.	INE860H07FT0	940	7.9000% p.a. on XIRR basis	25	November 29, 2022	June 26, 2025	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
55.	7.9500% Secured Rated Listed Non Convertible Debentures. ABFL	INE860H07IF3	1824	7.95%	50	December 5, 2022	December 3, 2027	'IND AAA Stable' from India Ratings & [ICRA]	Secured	Same as above

Sr. No.	Series of non-convertible debentures	ISIN	Tenor (in days)	Coupon / XIRR	Principal Outstanding Amount (₹ in Cr)	Date of Allotment	Redemption/ Maturity Date	Credit Rating	Secured / Unsecured	Security
	NCD Series I1 FY2022-23.							AAA (Stable) from ICRA.		
56.	8.1200% Secured Rated Listed Non Convertible Debentures. Further Issuance (I) ABFL NCD Series H3 FY 2022-23 .	INE860H07ID8	3620	8.12%	400	December 21, 2022	November 18, 2032	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
57.	7.9200% Secured Rated Listed Non Convertible Debentures. ABFL NCD Series I2 FY2022-23.	INE860H07IG1	1826	7.92%	410	December 27, 2022	December 27, 2027	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
58.	7.8800% Secured Rated Listed Non Convertible Debentures. ABFL NCD Series I3 FY2022-23.	INE860H07IH9	1140	7.88%	400	December 30, 2022	February 12, 2026	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
59.	7.8800% Secured Rated Listed Non Convertible Debentures. Further Issuance (I)ABFL NCD SERIES I3 FY2022-23.	INE860H07IH9	1106	7.88%	301.7	February 2, 2023	February 12, 2026	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
60.	8.90% Secured Rated Listed Redeemable Non Convertible Debentures. Further Issuance (IV) Series ABFL NCD C4 FY 2018-19.	INE860H07FT0	868	8.90%	30	February 9, 2023	June 26, 2025	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
61.	8.1200% Secured Rated Listed Non Convertible Debentures. Further Issuance (II) ABFL NCD Series H3 FY 2022-23 .	INE860H07ID8	3570	8.12%	225	February 9, 2023	November 18, 2032	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
62.	8.1200% Secured Rated Listed Non Convertible Debentures. ABFL NCD Series L1 FY2022-23.	INE860H07II7	1827	8.12%	523	March 6, 2023	March 6, 2028	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
63.	8.1200% Secured Rated Listed Non Convertible Debentures. Further Issuance (III) ABFL NCD Series H3 FY 2022-23 .	INE860H07ID8	3536	8.12%	100	March 15, 2023	November 18, 2032	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
64.	8.1200% Secured Rated Listed Non Convertible Debentures. Further Issuance (I)ABFL NCD Series L1 FY2022-23. 06/03/2028	INE860H07II7	1812	8.12%	75.5	March 21, 2023	March 6, 2028	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
65.	8.3000% Secured Rated Listed Non Convertible Debentures. ABFL NCD Series L2 FY2022-23	INE860H07IJ5	1275	8.30%	210	March 21, 2023	September 16, 2026	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
66.	8.0100% Secured Rated Listed Non Convertible Debentures. ABFL NCD Series B1 FY2023-24.	INE860H07IK3	1827	8.01%	1000	May 2, 2023	May 2, 2028	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Same as above
67.	7.9000% Secured Rated Listed Non Convertible Debentures. ABFL	INE860H07IM9	1827	7.90%	328	June 8, 2023	June 8, 2028	'IND AAA Stable' from India Ratings & [ICRA]	Secured	Same as above

Sr. No.	Series of non-convertible debentures	ISIN	Tenor (in days)	Coupon / XIRR	Principal Outstanding Amount (₹ in Cr)	Date of Allotment	Redemption/ Maturity Date	Credit Rating	Secured / Unsecured	Security
	NCD Series C1 FY2023-24.							AAA (Stable) from ICRA.		
	Total			.	**15,969.5**					

(** - Coupon rate is at time of issuance)

(ii) <u>Details of unsecured non convertible securities (sub-debt) as on June 30, 2023</u>

The total principal amount of outstanding unsecured non-convertible securities issued by our Company as subordinated debt as on June 30, 2023 is ₹ 2,204 Crores (Indian Rupees Two Thousand and Four Crores) and the total outstanding amount as on June 30, 2023 (as per IND AS) is ₹ 2,277.2 Crores (Indian Rupees Two Thousand Two Hundred Seventy Seven Decimal Two Crores), the details of which are set forth below:

Sr. No.	Series of NCS	ISIN	Tenor (in days)	Coupon / XIRR	Principal Outstanding Amount (₹ in Cr)	Date of Allotment	Redemption Date	Credit Rating	Secured/Unsecured	Security
1.	9.75% Unsecured Redeemable Non Convertible Debentures Series ABFL Sub Debt Series A 2014-15.	INE860H08DJ4	3653	9.75% p.a.	50	December 12, 2014	December 12, 2024	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Unsecured	Not Applicable
2.	9.45% Unsecured Redeemable Non Convertible Debentures Series ABFL Sub Debt Series B 2014-15.	INE860H08DK2	3653	9.45% p.a.	45	January 9, 2015	January 9, 2025	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Unsecured	Not Applicable
3.	9.25% Unsecured Redeemable Taxable Non Convertible Subordinate Debentures Series ABFL Sub Debt A1 FY 2015-16.	INE860H08DL0	3642	9.25% p.a.	25	June 17, 2015	June 6, 2025	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Unsecured	Not Applicable
4.	9.25% Unsecured Redeemable Taxable Non Convertible Subordinate Debentures Series ABFL Sub Debt B1 FY 2015-16.	INE860H08DM8	3650	9.25% p.a.	30	July 14, 2015	July 11, 2025	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Unsecured	Not Applicable
5.	9.25% Unsecured Redeemable Taxable Non Convertible Subordinate Debentures Series ABFL Sub Debt C1 FY 2015-16.	INE860H08DN6	3650	9.25% p.a.	33	August 25, 2015	August 22, 2025	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Unsecured	Not Applicable
6.	9.10% Unsecured Redeemable Non Convertible Debentures Series ABFL Sub Debt D1 FY 2015-16.	INE860H08DP1	3650	9.10% p.a.	25	March 8, 2016	March 6, 2026	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Unsecured	Not Applicable
7.	9.10% Unsecured Redeemable Non Convertible Debentures. Series ABFL Sub Debt E1 FY 2015-16.	INE860H08DQ9	3652	9.10% p.a.	8	March 10, 2016	March 10, 2026	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Unsecured	Not Applicable
8.	9.10% Unsecured Redeemable Non Convertible Debentures. Series	INE860H08DR7	3644	9.10% p.a.	25.5	March 18, 2016	March 10, 2026	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable)	Unsecured	Not Applicable

Sr. No.	Series of NCS	ISIN	Tenor (in days)	Coupon / XIRR	Principal Outstanding Amount (₹ in Cr)	Date of Allotment	Redemption Date	Credit Rating	Secured/Unsecured	Security
	ABFL Sub Debt F1 FY 2015-16.							from ICRA.		
9.	9.10% Unsecured Redeemable Non Convertible Subordinate Debentures. Series ABFL Sub Debt SC1 FY 2016-17.	INE860H08DS5	3652	9.10% p.a.	52.5	June 23, 2016	June 23, 2026	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Unsecured	Not Applicable
10.	8.97% Unsecured Redeemable Non Convertible Subordinate Debentures Series ABFL Sub Debt SD1 FY 2016-17.	INE860H08DT3	3652	8.97% p.a.	100	July 28, 2016	July 28, 2026	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Unsecured	Not Applicable
11.	8.95% Unsecured Redeemable Non Convertible Subordinate Debentures Series ABFL Sub Debt SD 2 FY 2016-17.	INE860H08DU1	3652	8.95% p.a.	75	July 28, 2016	July 28, 2026	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Unsecured	Not Applicable
12.	8.90% Unsecured Redeemable Non Convertible Debentures Series ABFL Sub Debt SF1 FY 2016-17.	INE860H08DV9	3652	8.9% p.a.	200	September 29, 2016	September 29, 2026	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Unsecured	Not Applicable
13.	8.90% Unsecured Redeemable Non Convertible Debentures Series ABFL Sub Debt SH1 FY 2016-17.	INE860H08DW7	3651	8.9% p.a.	200	November 21, 2016	November 20, 2026	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Unsecured	Not Applicable
14.	8.25% Unsecured Rated Listed Taxable Redeemable Non Convertible Subordinated Debentures Series ABFL Sub Debt SL1 FY 2016-17.	INE860H08DX5	3652	8.25% p.a.	10	March 9, 2017	March 9, 2027	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Unsecured	Not Applicable
15.	8.50% Unsecured Rated Listed Taxable Redeemable Non Convertible Debentures Series ABFL Sub Debt SB1 FY 2017-18.	INE860H08DY3	3652	8.5% p.a.	165	May 18, 2017	May 18, 2027	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Unsecured	Not Applicable
16.	9.76% Unsecured Rated Listed Non Convertible Debenture Series SL 1.	INE860H08EA1	3653	9.76% p.a.	250	December 4, 2018	December 4, 2028	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Unsecured	Not Applicable
17.	8.95% Unsecured Rated Listed Non Convertible Debenture Series SC 1.	INE860H08EB9	3653	8.95% p.a	200	June 6, 2019	June 6, 2029	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Unsecured	Not Applicable
18.	8.95% Unsecured Rated Listed Non Convertible Debenture Series SC 1.	INE860H08EB9	3446	Coupon - 8.95% p.a; XIRR - 8.67%	100	December 30, 2019	June 6, 2029	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Unsecured	Not Applicable
19.	8.95% Unsecured Rated Listed Non Convertible Debenture Series SC 1.	INE860H08EB9	3401	Coupon - 8.95% p.a; XIRR -	50	February 13, 2020	June 6, 2029	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Unsecured	Not Applicable

Sr. No.	Series of NCS	ISIN	Tenor (in days)	Coupon / XIRR	Principal Outstanding Amount (₹ in Cr)	Date of Allotment	Redemption Date	Credit Rating	Secured/Unsecured	Security
				8.25%						
20.	7.43% Unsecured Rated Listed Non Convertible Debenture Series SI 1.	INE860H08ED5	3650	7.43% p.a.	80	December 29, 2020	December 27, 2030	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Unsecured	Not Applicable
21.	7.34% Unsecured Rated Listed Non Convertible Debenture Series SC 1.	INE860H08EE3	3652	7.34% p.a.	75	June 11, 2021	June 11, 2031	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Unsecured	Not Applicable
22.	7.43% Unsecured Rated Listed Non Convertible Debenture Series SC 1.	INE860H08EG8	3651	7.43% p.a.	35	December 6, 2021	December 5, 2031	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Unsecured	Not Applicable
23.	7.43% Unsecured Rated Listed Non Convertible Debenture Series SC 1.	INE860H08EG8	3567	7.43% p.a.	210	February 28, 2022	December 5, 2031	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Unsecured	Not Applicable
24.	8.01% Unsecured Rated Listed Non Convertible Debenture Series SC1.	INE860H08EI4	3651	8.03% p.a.	160	June 26, 2023	June 24, 2033	'IND AAA Stable' from India Ratings & [ICRA] AAA (Stable) from ICRA.	Unsecured	Not Applicable
				TOTAL	**2,204**					

(iii) <u>Details of unsecured perpetual non-convertible securities as on June 30, 2023</u>

The total principal amount of outstanding unsecured perpetual non-convertible securities issued by our Company as on June 30, 2023 is ₹ 200 Crores (Indian Rupees Two Hundred Crores) and the total outstanding amount as on June 30, 2023 (as per IND AS) is ₹ 215.7 Crores (Indian Rupees Two Hundred and Fifteen Decimal Seven Crores), the details of which are set forth below:

Series of NCS	ISIN	Tenor / Period of Maturity	Coupon / XIRR	Principal Outstanding Amount (₹ in Cr)	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured/Unsecured	Security
8.7% Unsecured Rated Listed Taxable Redeemable Non-Convertible Perpetual Debentures. Series ABFL Perpetual Pd1 FY 2017-18.	INE860H08DZ0	Perpetual	8.70% p.a.	200	July 21, 2017	Perpetual	[IND] AA+ [ICRA] AA+ Stable	Unsecured	Not Applicable

(iv) <u>Details of unsecured partly paid non convertible securities as on June 30, 2023</u>

The total principal amount of outstanding unsecured partly paid non-convertible securities issued by our Company as on June 30, 2023 is ₹ 154.0 Crores (Indian Rupees One Hundred and Fifty Four Crores) and the total outstanding amount as on June 30, 2023 (as per IND AS) is ₹ 164.0 Crores (Indian Rupees One Hundred and Sixty Four Crores), the details of which are set forth below:

Series of NCS	ISIN	Tenor / Period of Maturity	Coupon / XIRR	Principal Outstanding Amount (₹ in Cr)	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured/ Unsecured	Security
7.57% Unsecured Rated Listed Redeemable Non-Convertible Partly Paid Debentures. Series ABFL NCD 'EP1' FY 2020-21. Date of Maturity 03/08/2035.	INE860H08EH6	5475 days	7.57% p.a.	154	August 06, 2020	August 03, 2035	[ICRA] AAA Stable	Unsecured	Not Applicable

(f) Details of commercial paper issuances as on June 30, 2023:

Our Company's total principal amount outstanding for commercial papers as on June 30, 2023 is ₹ 7,385.0 Crores (Indian Rupees Seven Thousand Three Hundred and Eighty Five Crores) and the total amount outstanding for commercial papers as on June 30, 2023 (as per IND AS) is ₹ 7,285.5 Crores (Indian Rupees Seven Thousand Two Hundred and Eighty Five Crores Decimal Five Crores). The details of the borrowings are set out below:

S. No.	Series of Commercial Paper	ISIN	Tenor / Period of Maturity	Coupon / XIRR	Principal Amount Outstanding (₹ 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
1.	ABFL/2022-23/CP110 & CP111	INE860H14Z73	181	7.720%	230	January 13, 2023	July 13, 2023	ICRA - A1+ (Stable) & India Ratings - A1+ (Stable)	Unsecured	Not Applicable	Issuing and Paying Agent - HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings and Research Private Limited
2.	ABFL/2022-23/CP112	INE860H14Z73	178	7.720%	25	January 16, 2023	July 13, 2023	ICRA - A1+ (Stable) & India Ratings - A1+ (Stable)	Unsecured	Not Applicable	Issuing and Paying Agent - HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings and Research Private Limited
3.	ABFL/2022-23/CP123 & CP124	INE860H14Z99	181	7.800%	110	February 10, 2023	August 10, 2023	ICRA - A1+ (Stable) & India Ratings - A1+ (Stable)	Unsecured	Not Applicable	Issuing and Paying Agent - HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings and Research Private Limited
4.	ABFL/2022-23/CP132 & CP133 & (A)	INE860H140D2	181	7.985%	225	February 21, 2023	August 21, 2023	ICRA - A1+ (Stable) & India Ratings - A1+ (Stable)	Unsecured	Not Applicable	Issuing and Paying Agent - HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings and Research Private Limited
5.	ABFL/2022-23/CP134	INE860H140D2	180	7.985%	25	February 22, 2023	August 21, 2023	ICRA - A1+ (Stable) & India Ratings - A1+	Unsecured	Not Applicable	Issuing and Paying Agent - HDFC Bank Limited

S. No.	Series of Commercial Paper	ISIN	Tenor / Period of Maturity	Coupon / XIRR	Principal Amount Outstanding (₹ 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
								(Stable)			Credit Rating Agencies – ICRA Limited and India Ratings and Research Private Limited
6.	ABFL/2022-23/CP135 & CP136	INE860H140D2	179	7.985%	70	February 23, 2023	August 21, 2023	ICRA - A1+ (Stable) & India Ratings - A1+ (Stable)	Unsecured	Not Applicable	Issuing and Paying Agent - HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings and Research Private Limited
7.	ABFL/2022-23/CP137 & CP138	INE860H140D2	178	7.985%	200	February 24, 2023	August 21, 2023	ICRA - A1+ (Stable) & India Ratings - A1+ (Stable)	Unsecured	Not Applicable	Issuing and Paying Agent - HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings and Research Private Limited
8.	ABFL/2022-23/CP140	INE860H140E0	178	7.985%	200	February 28, 2023	August 25, 2023	ICRA - A1+ (Stable) & India Ratings - A1+ (Stable)	Unsecured	Not Applicable	Issuing and Paying Agent - HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings and Research Private Limited
9.	ABFL/2022-23/CP148 & CP149	INE860H140H3	365	8.140%	225	March 15, 2023	March 14, 2024	ICRA - A1+ (Stable) & India Ratings - A1+ (Stable)	Unsecured	Not Applicable	Issuing and Paying Agent - HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings and Research Private Limited
10.	ABFL/2023-24/CP007	INE860H140K7	365	7.850%	250	April 20, 2023	April 19, 2024	ICRA - A1+ (Stable) & India Ratings - A1+ (Stable)	Unsecured	Not Applicable	Issuing and Paying Agent - HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings and Research Private Limited
11.	ABFL/2023-24/CP008 & CP009	INE860H140L5	91	7.320%	275	April 28, 2023	July 28, 2023	ICRA - A1+ (Stable) & India Ratings - A1+ (Stable)	Unsecured	Not Applicable	Issuing and Paying Agent - HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings and

S. No.	Series of Commercial Paper	ISIN	Tenor / Period of Maturity	Coupon / XIRR	Principal Amount Outstanding (₹ 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
											Research Private Limited
12.	ABFL/2023-24/CP010	INE860H140L5	87	7.320%	50	May 2, 2023	July 28, 2023	ICRA - A1+ (Stable) & India Ratings - A1+ (Stable)	Unsecured	Not Applicable	Issuing and Paying Agent - HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings and Research Private Limited
13.	ABFL/2023-24/CP011	INE860H140L5	85	7.320%	200	May 4, 2023	July 28, 2023	ICRA - A1+ (Stable) & India Ratings - A1+ (Stable)	Unsecured	Not Applicable	Issuing and Paying Agent - HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings and Research Private Limited
14.	ABFL/2023-24/CP012	INE860H140M3	82	7.340%	500	May 10, 2023	July 31, 2023	ICRA - A1+ (Stable) & India Ratings - A1+ (Stable)	Unsecured	Not Applicable	Issuing and Paying Agent - HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings and Research Private Limited
15.	ABFL/2023-24/CP013	INE860H140M3	80	7.340%	500	May 12, 2023	July 31, 2023	ICRA - A1+ (Stable) & India Ratings - A1+ (Stable)	Unsecured	Not Applicable	Issuing and Paying Agent - HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings and Research Private Limited
16.	ABFL/2023-24/CP014 , CP015 ,CP016 & CP017	INE860H140N1	91	7.350%	1075	May 19, 2023	August 18, 2023	ICRA - A1+ (Stable) & India Ratings - A1+ (Stable)	Unsecured	Not Applicable	Issuing and Paying Agent - HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings and Research Private Limited
17.	ABFL/2023-24/CP018 & CP019	INE860H140O9	91	7.060%	600	May 29, 2023	August 28, 2023	ICRA - A1+ (Stable) & India Ratings - A1+ (Stable)	Unsecured	Not Applicable	Issuing and Paying Agent - HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings and Research Private Limited

S. No.	Series of Commercial Paper	ISIN	Tenor / Period of Maturity	Coupon / XIRR	Principal Amount Outstanding (₹ 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
18.	ABFL/2023-24/CP020	INE860H140E0	91	7.060%	25	May 26, 2023	August 25, 2023	ICRA - A1+ (Stable) & India Ratings - A1+ (Stable)	Unsecured	Not Applicable	Issuing and Paying Agent - HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings and Research Private Limited
19.	ABFL/2023-24/CP021	INE860H140E0	91	7.170%	450	May 26, 2023	August 25, 2023	ICRA - A1+ (Stable) & India Ratings - A1+ (Stable)	Unsecured	Not Applicable	Issuing and Paying Agent - HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings and Research Private Limited
20.	ABFL/2023-24/CP022 , CP023 & CP025	INE860H140P6	91	7.180%	450	June 5, 2023	September 4, 2023	ICRA - A1+ (Stable) & India Ratings - A1+ (Stable)	Unsecured	Not Applicable	Issuing and Paying Agent - HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings and Research Private Limited
21.	ABFL/2023-24/CP024	INE860H140P6	89	7.100%	350	June 7, 2023	September 4, 2023	ICRA - A1+ (Stable) & India Ratings - A1+ (Stable)	Unsecured	Not Applicable	Issuing and Paying Agent - HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings and Research Private Limited
22.	ABFL/2023-24/CP026	INE860H140Q4	91	7.100%	300	June 9, 2023	September 8, 2023	ICRA - A1+ (Stable) & India Ratings - A1+ (Stable)	Unsecured	Not Applicable	Issuing and Paying Agent - HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings and Research Private Limited
23.	ABFL/2023-24/CP027	INE860H140R2	91	7.130%	500	June 15, 2023	September 14, 2023	ICRA - A1+ (Stable) & India Ratings - A1+ (Stable)	Unsecured	Not Applicable	Issuing and Paying Agent - HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings and Research Private Limited

S. No.	Series of Commercial Paper	ISIN	Tenor / Period of Maturity	Coupon / XIRR	Principal Amount Outstanding (₹ 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
24.	ABFL/2023-24/CP028	INE860H140S0	176	7.350%	50	June 22, 2023	December 15, 2023	ICRA - A1+ (Stable) & India Ratings - A1+ (Stable)	Unsecured	Not Applicable	Issuing and Paying Agent - HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings and Research Private Limited
25.	ABFL/2023-24/CP029	INE860H140T8	91	7.070%	500	June 22, 2023	September 21, 2023	ICRA - A1+ (Stable) & India Ratings - A1+ (Stable)	Unsecured	Not Applicable	Issuing and Paying Agent - HDFC Bank Limited Credit Rating Agencies – ICRA Limited and India Ratings and Research Private Limited
	Total				7,385						

(g) List of top 10 (ten) holders of non-convertible securities in terms of value (on a cumulative basis) as on June 30, 2023:

(i) Secured Non-Convertible Securities

Sr. No.	Name	Category of holder	Amt In Crs	Percentage
1.	Life Insurance Corporation	Insurance	3700	22%
2.	State Bank of India	Banks	3000	18%
3.	Punjab National Bank	Banks	2505	15%
4.	Bank of Baroda	Banks	795	5%
5.	ICICI Prudential Mutual Fund	Mutual Fund	500	3%
6.	Union Bank of India	Banks	500	3%
7.	PNB Gilts Ltd	Corporate	405	2%
8.	SBI General Insurance Company Limited	Insurance	275	2%
9.	Infosys Limited Employees Provident Fund Trust	Provident Fund	274	2%
10.	Aditya Birla Sun Life Insurance Company Limited	Insurance	250	1%

(ii) Unsecured non-convertible debentures

Sr. No.	Name	Category of holder	Amt In Crores	Percentage
1.	The Larsen and Toubro Officers and Supervisory Staff Provident Fund	Provident Fund	163	7%
2.	Indian Institute of Science	Corporate	139	6%
3.	Aditya Birla Sun Life Insurance Company Limited	Insurance	130	6%

Sr. No.	Name	Category of holder	Amt In Crores	Percentage
4.	Shell India Employees Provident Fund Trust	Provident Fund	80.9	4%
5.	Visakhapatnam Steel Project Employees Provident Fund Trust	Provident Fund	79.1	4%
6.	Maruti Suzuki India Limited Employees Provident Fund Trust	Provident Fund	70.6	3%
7.	Britannia Industries Limited	Corporate	62	3%
8.	The Provident Fund Trust for The Employees Of Indian Oil Corporation Ltd (Md)	Provident Fund	50.8	2%
9.	HVPNL Employees Pension Fund Trust	Pension Fund	46	2%
10.	HDFC Bank Limited Covered Employees Provident Fund Trust	Provident Fund	42	2%

(iii) Perpetual Non-Convertible Securities

Sr. No.	Name	Category of holder	Amt In Crores	Percentage
1.	HVPNL Employees Pension Fund Trust	Pension Fund	35.0	18%
2.	ASEB Employees Pension Fund Investment Trust	Pension Fund	15.0	8%
3.	Tata Communications Employees Provident Fund Trust	Provident Fund	12.7	6%
4.	Pepsico India Holdings Employees Provident Fund	Provident Fund	11.2	6%
5.	Wb State Electricity Transmission Co Limited Employees Pension Fund	Pension Fund	9.7	5%
6.	Tata Sons Consolidated Provident Fund	Provident Fund	7.2	4%
7.	Marico Limited Employees Provident Fund	Provident Fund	5.1	3%
8.	Tata Coffee Limited Staff Provident Fund	Provident Fund	4.4	2%
9.	Adecco Employees Provident Fund Trust	Provident Fund	4.3	2%
10.	TRL Krosaki Refractories Limited Provident Fund	Provident Fund	4.0	2%

(iv) Partly Paid Non-Convertible Securities

Name	Category of Holder	Amount (in Crores)	Percentage of Holding
ICICI Prudential Life Insurance Company Limited	Insurance	154	100

(h) List of top 10 (ten) holders of commercial papers in term of value (in cumulative basis) as on June 30, 2023:

Sr. No.	Name	Category of Holder	Amount (in Crores)	Percentage of Holding
1.	ICICI Prudential Mutual Fund	Mutual Fund	1925	22%
2.	HDFC Mutual Fund	Mutual Fund	1250	15%
3.	Nippon India Mutual Fund	Mutual Fund	875	10%
4.	Axis Mutual Fund	Mutual Fund	850	10%
5.	Kotak Mahindra Mutual Fund	Mutual Fund	800	9%
6.	Small Industries Development Bank of India	Banks	350	4%
7.	Union Bank of India	Banks	250	3%
8.	Export- Import Bank of India	Banks	250	3%
9.	UTI Mutual Fund	Mutual Fund	250	3%
10.	Kotak Mahindra Bank Limited	Banks	200	2%

(i) Restrictive Covenants: The loans availed by our Company contain certain restrictive covenants, including:

- enter into any scheme of expansion, merger, de-merger amalgamation, compromise or reconstruction causing an adverse effect except with the prior intimation to the lender. Provided that where such consent of the lender is required pursuant to a provision of applicable law or regulation then such consent of the lender shall be taken notwithstanding the materiality of any such scheme of expansion, merger, de-merger, amalgamation, compromise or reconstruction;

- permit any change in its constitution or ownership or control, where any such change in ownership or control, directly or indirectly, exceeds 50% of its share capital and/or voting power. Provided that where such consent of the lender is required pursuant to a provision of applicable law or regulation then such consent of the lender shall be taken notwithstanding the materiality of any such any change in its ownership or control or constitution;

- make any change to/in its constitutional documents which affects the ability of the Company to perform under the facility documents. Provided that where such consent of the lender is required pursuant to a provision of applicable law or regulation, then such consent of the lender shall be taken notwithstanding the materiality of any such any change to/in its constitutional documents.

This is an indicative list and there may be such other additional terms under the various borrowing arrangements entered into by our Company and certain of our Subsidiaries.

(j) The amount of corporate guarantee or letter of comfort issued by the Company along with name of the counterparty (like name of the subsidiary, joint venture entity, group company, etc.) on behalf of whom it has been issued, contingent liability including debt service reserve account guarantees/ any put option etc. (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:

Please see below the details of the contingent liability of our Company as on June 30, 2023:

Sr. No.	Particulars	Amount as on June 30, 2023
1	Guarantee, Overdraft & Letter of Comfort etc issued on behalf of the Company to the following entities: (a) Prompt Personnel Private Limited (Customer); (b) Ayana Renewable Power Private Limited (Customer); (c) Movez EV Bus One Private Limited (Customer).	73.2
2	Income tax	40.8
3	Service Tax	0.7
4	Claims against the company not acknowledged as debts	7.7
	Total	**122.4**

(k) In respect of any debt securities issued by the Company at a premium or discount, please see below the details of the NCDs issued by the Company with zero Coupon, as on June 30, 2023:

Sr. No.	Series of NCS	ISIN	Tenor/ Period of Maturity	Coupon	Principal Amount (in ₹ Crores)	Date of Allotment	Redemption on Date / Schedule	Credit Rating	Secured / Unsecured	Security
1.	SERIES ABFL NCD C1 FY 2017-1	INE860H07FD4	3650	Zero Coupon XIRR Basis - 8.00%	5	June 13, 2017	June 11, 2027	**'IND AAA Stable'** from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Pari passu charge over Receivables of the Company such that the required security cover is maintained.

Sr. No.	Series of NCS	ISIN	Tenor/ Period of Maturity	Coupon	Principal Amount (in ₹ Crores)	Date of Allotment	Redemption on Date / Schedule	Credit Rating	Secured / Unsecured	Security
2.	SERIES ABFL NCD C2 FY 2021-22	INE860H07HM1	1093	Zero Coupon XIRR Basis - 5.75%	75	June 17, 2021	June 14, 2024	**'IND AAA Stable'** from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Pari passu charge over Receivables of the Company such that the required security cover is maintained.
3.	SERIES ABFL NCD D1 FY 2022-23	INE860H07HW0	1095	Zero Coupon XIRR Basis - 7.80%	325	July 12, 2022	July 11, 2025	**'IND AAA Stable'** from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Pari passu charge over Receivables of the Company such that the required security cover is maintained.
4.	SERIES ABFL NCD E2 FY 2022-23	INE860H07HY6	730	Zero Coupon XIRR Basis - 7.26%	136	August 24, 2022	August 23, 2024	**'IND AAA Stable'** from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Pari passu charge over Receivables of the Company such that the required security cover is maintained.
5.	SERIES ABFL NCD H1 FY 2022-23	INE860H07IB2	741	Zero Coupon XIRR Basis - 7.92%	50	November 18, 2022	November 28, 2024	**'IND AAA Stable'** from India Ratings & [ICRA] AAA (Stable) from ICRA.	Secured	Pari passu charge over Receivables of the Company such that the required security cover is maintained.

(l) Details of inter corporate loans as on June 30, 2023:

As on June 30, 2023, our Company has outstanding inter-corporate loans or deposits from various customers and other entities. The total principal amount of outstanding inter-corporate loans or deposit as on June 30, 2023 is ₹ 1,064.1 Crores (Indian Rupees One Thousand and Sixty Four Decimal One Crores) and the total outstanding amount as on June 30, 2023 (as per IND AS) is ₹ 1080.3 Crores (Indian Rupees One Thousand and Eighty Crores Decimal Three Crores).

(m) Details of the bank fund based facilities/ rest of the borrowing (if any, including hybrid debt like foreign currency convertible bonds (FCCB), optionally convertible debentures/ preference shares) from financial institutions or financial creditors:

As on June 30, 2023, with regard to bank fund-based facilities please refer to paragraphs (a), (c) and (e) above. Other than as set out in this section, the Company has the following borrowings:

Facility	Amount Outstanding (₹ crore)	Repayment Schedule	Security
Collateralised borrowing and lending obligation against government securities	293	Repayable within 1 day	Secured against Investment in Government securities

The total principal amount of outstanding collateralised borrowing and lending obligation against government securities as on June 30, 2023 is ₹ 293.0 Crores (Indian Rupees Two Hundred and Ninety Three Crores) and the total outstanding amount as on June 30, 2023 (as per IND AS) is ₹ 293.0 Crores (Indian Rupees Two Hundred and Ninety Three Crores).

As on June 30, 2023, with regard to rest of the borrowing from financial institutions or financial creditors, our Company has no outstanding amounts including in relation to hybrid debt like FCCB, optionally convertible debenture/ preference shares other than as set out in paragraphs (k) and as set out below:

(n) Details of all defaults and/or delay in payments of interest and principal of any kind of term loans, debt securities, commercial paper (including technical delay) and other financial indebtedness including corporate guarantee or letters of comfort issued by the company, in the preceding 3 (three) years and the current financial year.

Our Company has not defaulted and/or delayed in payments of interest and principal of any kind of term loans, debt securities, commercial paper (including technical delay) and other financial indebtedness including corporate guarantee or letters of comfort issued by the Company, in the preceding three years and the current financial year.

Our Company further confirms that we have not received any notice of default to recall such loans from any of our lenders on account of such technical delays and all our accounts are standard as on date of this Prospectus. For further details, please refer to *"Disclosures on Existing Financial Indebtedness"* above.

(o) Details of default and non-payment of statutory dues for the preceding three financial years and current financial year.

There has been no subsisting instances of non-payment or defaults in the payment of statutory dues by our Company in the preceding three financial years and current financial year, except as set out below and the ones which were not paid on account of a dispute, details of which are given in "*Financial Statements*" beginning on page 290.

Particulars	Amount (in ₹)
Professional tax payable in the state of Gujarat for August 2023 for which payment acknowledgement is awaited by the Company	67,600

MATERIAL DEVELOPMENTS

Except as disclosed in this Prospectus, there have been no material developments since April 1, 2023 till the date of filing this Prospectus and there has been no material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Company/ Promoter, litigations resulting in material liabilities, corporate restructuring event etc.) at the time of the Issue which may affect the Issue or the investor's decision to invest / continue to invest in the debt securities.

RELATED PARTY TRANSACTIONS

For details of the related party transaction for each of the Financial Years ended March 31, 2023, 2022 and 2021, as per the requirements under the applicable accounting standards, see Note 48 of 2021 Audited Financial Statements, Note 47 of 2022 Audited Financial Statements, and Note 47 of 2023 Audited Financial Statements of "*Financial Statements*" beginning on page 290.

Details of related party transactions under the applicable accounting standards entered during the preceding three financial years and the current financial year with regard to loans made or guarantees given or securities provided

(in ₹ crores)

Name of related party	Loans made					Guarantees given					Securities provided*				
	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2023	As at and for the quarter ended June 30, 2023	As at and for the two months period ended August 31, 2023	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2023	As at and for the quarter ended June 30, 2023	As at and for the two months period ended August 31, 2023	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2022	As at and for the year ended March 31, 2023	As at and for the quarter ended June 30, 2023	As at and for the two months period ended August 31, 2023
A. Transactions during the year															
Aditya Birla Sun Life Insurance Company Limited	-	-	-	-	-	-	-	-	-	-	-	150.0	-	-	-
Loans and advances given															
Waacox Energy Pvt Ltd	-	-	15.0	-	-	-	-	-	-	-	-	-	-	-	-
ABREL EPC Limited (ABREPC)	-	-	205.1	125.8	38.9	-	-	-	-	-	-	-	-	-	-
Repayment of Loans and Advances															
Waacox Energy Pvt Ltd	-	-	2.6	0.6	-	-	-	-	-	-	-	-	-	-	-
ABREL EPC Limited (ABREPC)	-	-	-	35.0	35.0	-	-	-	-	-	-	-	-	-	-
Interest Income															
Waacox Energy Pvt Ltd	-	3.9	3.9	1.3	0.9	-	-	-	-	-	-	-	-	-	-
ABREL EPC Limited (ABREPC)	-	-	3.4	5.6	4.4	-	-	-	-	-	-	-	-	-	-
B) Balances as at the year-end:															
Aditya Birla Sun Life Insurance Company Limited*	-	-	-	-	-	-	-	-	-	-	308.1	154.7	257.0	390.2	391.0
Waacox Energy Pvt Ltd	-	43.6	56.0	55.4	55.4	-	-	-	-	-	-	-	-	-	-
ABREL EPC Limited (ABREPC)	-	-	205.1	295.8	299.7	-	-	-	-	-	-	-	-	-	-

** For redeemable non-convertible debentures.*

SECTION VI: ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

Authority for this Issue

Our Board of Directors, pursuant to its resolution dated May 9, 2023 and our Finance Committee, pursuant to its resolution dated September 7, 2023, have approved the issuance of NCDs of the face value ₹1,000 each, for an amount aggregating up to ₹1,000 crores ("**Base Issue Size**") with an option to retain oversubscription up to ₹1,000 crores ("**Green Shoe Option**"), aggregating up to 2,00,00,000 NCDs for an aggregate amount up to ₹2,000 crores ("**Issue Size**" or "**Issue Limit**"). Pursuant to a resolution passed by our Board November 5, 2022 and Shareholders at the EGM held on November 7, 2022, our Board has been authorised to borrow any sum or sums of monies, which together with the monies already borrowed (apart from temporary loans obtained or to be obtained in the ordinary course of business), in excess of our Company's aggregate paid-up capital and free reserves, provided that the total amount which may be so borrowed and outstanding shall not exceed a sum of ₹1,00,000 crores. The NCDs pursuant to this Issue will be issued on terms and conditions as set out in this Prospectus.

Principal terms and conditions of this Issue

The NCDs being offered as part of this Issue are subject to the provisions of the SEBI NCS Regulations and the SEBI Master Circular, the relevant provisions of the Companies Act, 2013, our Memorandum and Articles of Association, the terms of the Draft Prospectus, this Prospectus, the Application Forms, the Abridged Prospectus, the terms and conditions of the Debenture Trustee Agreement and the Debenture Trust Deed, other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI, the Government of India, the RBI, the Stock Exchanges, and/or any other statutory or regulatory authorities relating to the offer, issue and listing of securities and any other documents that may be executed in connection with the NCDs.

Ranking of the NCDs

The NCDs would constitute secured and senior obligations of our Company and subject to any obligations under applicable statutory and/or regulatory requirements, shall also with regard to amount invested, thereof shall be secured by way of a *pari passu* charge by way of hypothecation of the Receivables under the Debenture Trust Deed. The NCDs proposed to be issued under this Issue and all earlier issues of debentures, bond issuances and loans outstanding in the books of our Company having corresponding assets as security, shall rank *pari passu* without preference of one over the other except that priority for payment shall be as per applicable date of redemption / repayment. We have received the necessary permissions from the relevant lenders, debenture trustees and security trustees for creating a pari passu charge over Receivables in favour of the Debenture Trustee in relation to the NCDs required in terms of the SEBI Master Circular for Debenture Trustees.

Security

The principal amount of the NCDs to be issued in terms of this Prospectus together with all interest due and payable on the NCDs, subject to any obligations under applicable statutory and/or regulatory requirements shall be secured by way of a *pari passu* charge over the Receivables, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed, such that the security cover to the extent of at least 100% of the outstanding principal amounts of NCDs and all interest due and payable thereon in respect of the NCDs maintained at all times as security until the Final Settlement Date, issued pursuant to the Issue. The security shall be created prior to the listing of the NCDs with the Stock Exchanges.

Further, NCDs shall be considered as secured only if the charged asset is registered with sub-registrar and RoC or Central Registry of Securitisation Asset Reconstruction and Security Interest ("**CERSAI**") or Depository etc., as applicable, or is independently verifiable by the Debenture Trustee.

In terms of the SEBI Master Circular for Debenture Trustees, our Company has entered into the Debenture Trustee Agreement with the Debenture Trustee and proposes to complete the execution of the Debenture Trust Deed before making the application for listing of the NCDs for the benefit of the NCD Holders, the terms of which shall govern the appointment of the Debenture Trustee and the issue of the NCDs.

Under the terms of the Debenture Trust Deed, our Company will covenant with the Debenture Trustee that it will pay the NCD Holders, the principal amount on the NCDs on the relevant redemption date and also that it will pay the interest due on NCDs on the rate specified in this Prospectus and in the Debenture Trust Deed.

The Debenture Trust Deed will also provide that our Company may withdraw any portion of the security and replace with another asset of the same or higher value ensuring the minimum security cover is maintained till the Final Settlement Date of the NCDs.

Without prejudice to the aforesaid, in the event our Company fails to execute the Debenture Trust Deed within the period specified in Regulation 18(1) of the SEBI NCS Regulations (i.e., prior to the filing of the application for listing the NCDs with the RoC, Stock Exchanges and SEBI) or such other time frame as may be stipulated from time-to-time, our Company shall also pay interest of at least 2% (two per cent) per annum to the NCD holders, over and above the interest rate on the NCDs specified in this Prospectus, till the execution of the Debenture Trust Deed and in accordance with applicable laws.

Debenture Redemption Reserve

Pursuant to the amendment to the Companies (Share Capital and Debentures) Rules, 2014, notified on August 16, 2019, and as on the date of filing this Prospectus, our Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with the Issue. The Company shall, as per the Companies (Share Capital and Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on the 3lst day of March of the next year, in any one or more methods of investments or deposits stipulated under the applicable law. Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at 15% (fifteen percent) of the amount of the debentures maturing during the year ending on March 31 of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

1. in deposits with any scheduled bank, free from any charge or lien;
2. in unencumbered securities of the Central Government or any State Government;
3. in unencumbered securities mentioned in sub-clause (a) to (d) and (ee) of section 20 of the Indian Trusts Act, 1882;
4. in unencumbered bonds issued by any other company which is notified under sub-clause (f) of section 20 of the Indian Trusts Act, 1882:

Provided further that the amount invested or deposited as above shall not be used for any purpose other than for redemption of debentures maturing during the year referred above.

Face Value

The face value of each of the NCDs shall be ₹1,000.

NCD Holder not a shareholder

The NCD Holders will not be entitled to any of the rights and privileges available to the equity and/or preference shareholders of our Company, except to the extent as may be prescribed under the Companies Act, 2013, and the rules prescribed thereunder the SEBI LODR Regulations and any other applicable law.

Rights of the NCD Holders

Some of the significant rights available to the NCD Holders are as follows:

1. The NCDs shall not, except as provided in the Companies Act, 2013, our Memorandum and Articles of Association and/or the Debenture Trust Deed confer upon the NCD Holders thereof any rights or privileges available to our members/shareholders including, without limitation the right to receive notices, or to attend and/or vote, at any general meeting of our Company's members/shareholders. However, if any resolution affecting the rights attached to the NCDs is to be placed before the members /shareholders of our Company, the said resolution will first be placed before the concerned registered NCD Holders for their consideration. In terms of Section 136 of the Companies Act, 2013, the NCD Holders shall be entitled to inspect a copy of the financial statements, auditor's report and every other document required by law to be annexed or attached to the financial statements, and copy of the Debenture Trust Deed at the Corporate Office of our Company during business hours on a specific request made to the Company.

2. Subject to applicable statutory/ regulatory requirements and terms of Debenture Trust Deed, including requirements of the RBI, the rights, privileges and conditions attached to the NCDs may be varied, modified and/or abrogated with the consent in writing of the holders of at least three-fourths of the outstanding amount of the NCDs or with the sanction of a special resolution passed at a meeting of the concerned NCD Holders, provided that nothing in such consent or resolution shall be operative against us, where such consent or resolution modifies or varies the terms and conditions governing the NCDs, if the same are not acceptable to us.

3. Subject to applicable statutory/ regulatory requirements and terms of Debenture Trust Deed, in case of NCDs held in (i) dematerialised form, the person for the time being appearing in the register of beneficial owners of the Depositories; and (ii) physical form on account of re-materialization, the registered NCD Holders or in case of joint-holders, the one whose name stands first in the register of debenture holders shall be entitled to vote in respect of such NCDs, either in person or by proxy, at any meeting of the concerned NCD Holders and every such NCD Holder shall be entitled to one

vote on a show of hands and on a poll, his/her voting rights on every resolution placed before such meeting of the NCD Holders shall be in proportion to the outstanding nominal value of NCDs held by him/her.

4. The NCDs are subject to the provisions of the SEBI NCS Regulations and the SEBI Master Circular, provisions of the Companies Act, 2013, our Memorandum and Articles of Association, the terms of the Draft Prospectus, this Prospectus, the terms and conditions of the Debenture Trust Deed, requirements of the RBI, other applicable statutory and/or regulatory requirements relating to this issue and listing, of securities and any other documents that may be executed in connection with the NCDs.

5. Subject to the SEBI RTA Master Circular, for NCDs in physical form on account of re-materialization, a register of debenture holders will be maintained in accordance with Section 88 and Section 94 of the Companies Act, 2013 and all interest and principal sums becoming due and payable in respect of the NCDs will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the register of debenture holders as on the Record Date. For NCDs in dematerialized form, all interest and principal sums becoming due and payable in respect of the NCDs will be paid to the person for the time being appearing in the register of beneficial owners of the Depositories. In terms of Section 88(3) of the Companies Act, 2013, the register of beneficial owners maintained by a Depository for any NCDs in dematerialized form under Section 11 of the Depositories Act shall be deemed to be a register of debenture holders for this purpose. The same shall be maintained at the Registered Office of our Company under Section 94 of the Companies Act, 2013 unless the same has been moved to another location after obtaining the consent of the NCD Holders as given thereunder.

6. Subject to compliance with RBI, NCDs can be rolled over only with the consent of the NCD Holders of at least 75% of the outstanding amount of the NCDs after providing at least 15 days prior notice for such roll over and in accordance with the SEBI NCS Regulations. Our Company shall redeem the debt securities of all the debt securities holders, who have not given their positive consent to the roll-over.

The aforementioned rights of the NCD Holders are merely indicative. The final rights of the NCD Holders will be as per the terms of this Prospectus and the Debenture Trust Deed.

Trustees for the NCD holders

We have appointed Vistra ITCL (India) Limited to act as the Debenture Trustee for the NCD Holder(s) in terms of Regulation 8 of the SEBI NCS Regulations and Section 71(5) of the Companies Act, 2013 and the rules prescribed thereunder. Our Company and the Debenture Trustee and we will execute a Debenture Trust Deed, *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and us with respect to NCDs. The NCD Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorised officials to do all such acts, deeds, matters and things in respect of or relating to the NCDs as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the NCD Holder(s). Any payment made by us to the Debenture Trustee on behalf of the NCD Holders shall discharge us *pro tanto* to the NCD Holder(s).

The Debenture Trustee will protect the interest of the NCD Holders in the event of default by us in regard to timely payment of interest and repayment of principal and they will take necessary action at our cost.

Events of Default (including manner of voting/conditions of joining Inter Creditor Agreement)

Subject to the terms of the Debenture Trust Deed, the Debenture Trustee at its discretion may, or if so requested in writing by such majority of the holders of the outstanding amount of the NCDs at each ISIN level or otherwise as specified under the Debenture Trust Deed (subject to being indemnified and/or secured by the NCD Holders to its satisfaction) or with the sanction of a resolution, passed at a meeting of the Debenture Holders in the manner provided in the Debenture Trust Deed shall, give notice to our Company specifying that the NCDs and/or any particular series of NCDs, in whole but not in part are and have become due and repayable on such date as may be specified in such notice, *inter alia*, if any of the events listed below occurs.

Notwithstanding anything to the contrary contained herein, on occurrence of any event of default specifically identified under the Debenture Trust Deed, the Debenture Holder shall be entitled, in the manner provided in the Debenture Trust Deed, to instruct the Debenture Trustee to issue notice and/or to take actions as stipulated under the Debenture Trust Deed.

The description below is indicative and a complete and detailed list of events of defaults and the terms of occurrence of such events of default and related consequences will be specified in the Debenture Trust Deed. The indicative list of events of default as set out below is subject to finalisation, as may be mutually agreed between the Company and the Debenture Trustee under the Debenture Trust Deed, in accordance with the applicable laws.

Indicative list of Events of Default:

(i) Default in redemption of the debentures together with redemption premium, if any, interest accrued thereon as and when the same shall have become due and payable or payment of any other amounts in terms of the Debenture Trust Deed;

(ii) Default is committed in payment of the principal amount of the NCDs on the due date(s);

(iii) Default is committed in payment of any interest on the NCDs on the due date(s);

(iv) Default is committed in payment of any other amounts outstanding on the NCDs;

(v) Default is committed if any information given by the Company in the Draft Prospectus, this Prospectus, the Transaction Documents and/or other information furnished and/or the representations and warranties given/deemed to have been given by the Company to the Debenture Holder(s)/ Beneficial Owner(s) for financial assistance by way of subscription to the Debenture is or proves to be misleading or incorrect in any material respect or is found to be incorrect;

(vi) Defaults in performance or compliance with one or more of its material obligations, covenant, condition or provisions in relation to the NCDs and/or the Transaction Documents,;

(vii) If the Company creates any additional charge on the secured assets or any part thereof without the prior approval of the Debenture Trustee, other than as permitted under the Debenture Trust Deed;

(viii) If in the opinion of the Debenture Trustee, the security is in jeopardy;

(ix) If the security cover ratio falls below the required security cover in the manner set out in the Debenture Trust Deed

(x) If (A) an attachment or distraint is levied on the Receivables or any part thereof; or (B) an encumbrancer, Receiver or liquidator has been appointed or allowed to be appointed to take possession of the Receivables or any part thereof;

(xi) 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 or threatens to cease to carry on all or substantially all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by a Special Resolution of the NCD Holders;

(xii) The Company commences, or enters into any amalgamation, reorganisation or reconstruction (other than as permitted in terms of the Debenture Trust Deed) without the prior written consent of the Debenture Trustee;

(xiii) If (a) the Company admits in writing its inability to pay its debts as they mature, or (b) it is contended by any person that the Company is unable to pay its debt and the Company has not exercised its right to contest the claim of such person, or (c) a special resolution has been passed by the shareholders for winding up of the Company or for filing an application to initiate insolvency resolution process of the Company, or (d) the Company consents to the entry of an order for relief in an involuntary proceeding under any such law;

(xiv) A resolution professional or receiver or liquidator has been appointed in respect of all or any part of the undertaking of the Company;

(xv) The Company commences a voluntary proceeding under any applicable bankruptcy, insolvency, winding up or other similar law now or hereafter in effect, or consent to the entry of an order for relief in an involuntary proceeding under any such law, or consent to the appointment or taking possession by a receiver, liquidator, assignee (or similar official) for any or a substantial part of its property or take any action towards its reorganisation, liquidation or dissolution;

(xvi) Any step is taken by a governmental authority or agency or any other competent authority, with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or (in the opinion of the Debenture Trustee) a material part of the assets of the Company;

(xvii) The Company without the consent of Debenture Trustee ceases to carry on its business or gives notice of its intention to do so;

(xviii) If it is certified by an accountant or a firm of accountants appointed by the Debenture Trustee that the liabilities of the Company exceed its assets;

(xix) Default is committed if any extraordinary circumstances have occurred which makes it impossible for the Company to fulfil its obligations under the Debenture Trust Deed and/or the NCDs;

(xx) If the Company is unable to pay its debts;

(xxi) The occurrence of any other event or condition which leads to occurrence of a material adverse effect, as set out in the Debenture Trust Deed;

(xxii) If it becomes unlawful for the Company to perform any of its obligations under any Transaction Document;

(xxiii) Any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs;

(xxiv) Revocation of business, operating license and/or any other material contract of the Company;

(xxv) Cross default where other lender(s) have declared the Company to be in default, as set out under the Debenture Trust Deed;

(xxvi) Any expropriation, attachment, sequestration, distress, execution or any other creditors' process affects the secured assets of the Company; and

(xxvii) The Company fails to maintain any of the financial ratios as required in terms of the applicable guidelines of the Reserve Bank of India.

Any other event described as an Event of Default in the Draft Prospectus, this Prospectus, Debenture Trust Deed and other Transaction Documents.

Any event of default shall be called by the Debenture Trustee, upon request in writing of or by way of resolution passed by such majority of holders of such Debentures at ISIN level as set out in the Debenture Trust Deed, except for any default relating to points (i) and (ii) under the "Indicative list of Events of Default" given above, where no such consent/ resolution of NCD holders will be required for calling of event of default.

Subject to the approval of the debenture holders and the conditions as may be specified by the SEBI from time to time, the Debenture Trustee, on behalf of the debenture holders, may enter into inter-creditor agreements provided under the framework specified by the Reserve Bank of India.

In accordance with the SEBI Master Circular for Debenture Trustees issued by SEBI on "Standardisation of procedure to be followed by Debenture Trustee(s) in case of 'Default' by Issuers of listed debt securities, post the occurrence of a "default", the consent of the NCD Holders for entering into an inter-creditor agreement (the "**ICA**") /enforcement of security shall be sought by the debenture trustee after providing a notice to the investors in the manner stipulated under applicable law. Further, the meeting of the NCD Holders shall be held within the period stipulated under applicable law. In case(s) where majority of investors express their consent to enter into the ICA, the debenture trustee shall enter into the ICA on behalf of the investors upon compliance with the conditions as stipulated in the abovementioned circular. In case consents are not received for signing the ICA, the debenture trustee shall take further action, if any, as per the decision taken in the meeting of the investors. The consent of the majority of investors shall mean the approval of not less than 75% of the investors by value of the outstanding debt and 60% of the investors by number at the ISIN level.

Regulation 51 read with the Explanation to Clause A (11) in Part B of Schedule III of the SEBI Listing Regulations, defines 'default' as non-payment of interest or principal amount in full on the pre-agreed date which shall be recognized at the first instance of delay in the servicing of any interest or principal on debt.

It is hereby confirmed, in case of an occurrence of a "default", the Debenture Trustee shall abide and comply with the procedures mentioned in the SEBI Master Circular for Debenture Trustees.

Minimum Subscription

In terms of the SEBI NCS Regulations for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size in this case being ₹750 crores. If our Company does not receive the minimum subscription of 75% of the Base Issue Size being ₹750 crores, prior to the Issue Closing Date, the entire Application Amount shall be unblocked in the relevant ASBA Accounts of the Applicants within eight Working Days from the Issue Closing Date. In the event there is delay in unblocking of funds, our Company shall be liable to pay interest at the rate of 15 % per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. Our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard included in the SEBI Master Circular.

Market Lot and Trading Lot

The NCDs shall be allotted in dematerialized form. As per the SEBI NCS Regulations, the trading of the NCDs is in dematerialised form and the tradable lot is one NCD.

Please note that the NCDs shall cease to trade from the Record Date (for payment of the principal amount and the applicable interest for such NCDs) prior to redemption of the NCDs.

Allotment in this Issue will be in electronic form multiples of one NCD. For further details of Allotment, see the "*Issue Procedure*" beginning on page 179.

Nomination facility to NCD Holders

In accordance with Section 72 of the Companies Act, 2013 (read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, the sole NCD Holder or first NCD Holder, along with other joint NCD Holders (being individual(s) may nominate in form no SH. 13 any one person (being an individual) who, in the event of death of the sole holder or all the joint-holders, as the case may be, shall become entitled to the NCDs. Where the nomination is made in respect of the NCDs held by more than one person jointly, all joint holders shall together nominate in form no SH. 13 any person as nominee. A person, being a nominee, becoming entitled to the NCDs by reason of the death of the original NCD Holder(s), will in accordance with Rule 19 and Section 56 of Companies Act 2013 shall be entitled to the same rights to which he would be entitled if he were the registered holder of the NCD subject to compliance with applicable law. Where the nominee is a minor, the NCD Holder(s) may make a nomination to appoint, in the prescribed manner and in Form no. SH 14, any person to become entitled to the NCDs, in the event of his death, during the minority. A nomination shall stand rescinded upon sale/transfer/alienation of the NCDs by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. When the NCDs are held by two or more persons, the nominee shall become entitled to receive the amount only on the demise of all such NCD Holders. Fresh nominations can be made only in the prescribed form available on request at our Registered/ Corporate Office, at such other addresses as may be notified by us, or at the office of the Registrar to the Issue or the transfer agent.

NCD Holders are advised to provide the specimen signature of the nominee to enable us to expedite the transmission of the NCDs to the nominee in the event of demise of the NCD Holders. The signature can be provided in the Application Form or subsequently at the time of making fresh nominations. This facility of providing the specimen signature of the nominee is purely optional.

In accordance with the Section 72 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, any person who becomes a nominee by virtue of the above said Section, shall upon the production of such evidence as may be required by our Board, elect either:

(a) To register himself or herself as the holder of the NCDs; or
(b) To make such transfer of the NCDs, as the deceased holder could have done.

A person, being a nominee, becoming entitled to NCDs by reason of the death of the holder shall be entitled to the same interests and other advantages to which he would have been entitled to if he were the registered holder of the NCDs except that he shall not, before being registered as a holder in respect of such NCDs, be entitled in respect of these NCDs to exercise any right conferred. Further, our Board of Directors may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the NCDs, and if the notice is not complied with, within a period of 90 days, our Board of Directors may thereafter withhold payment of all interests or other monies payable in respect of the NCDs, until the requirements of the notice have been complied with.

A nomination may be cancelled or varied by nominating any other person in place of the present nominee, by the Secured NCD Holder who has made the nomination, by giving a notice of such cancellation or variation in the prescribed manner as per applicable laws. The cancellation or variation shall take effect from the date on which the notice of such variation or cancellation is received.

Since the allotment of Secured NCDs will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Applicant would prevail. If the investors require changing their nomination, they are requested to inform their respective Depository Participant.

Applicants who have opted for rematerialisation of NCDs and are holding the NCDs in the physical form should provide required details in connection with their nominee to our Company at the time of submitting rematerialisation request.

Transfer/Transmission of NCD(s)

The NCDs shall be transferred or transmitted freely in accordance with the applicable provisions of the Companies Act, 2013. The NCDs shall be transferred subject to and in accordance with the rules/procedures as prescribed by the Depositories and the relevant DPs of the transferor or transferee and any other applicable laws and rules notified in respect thereof. 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 register of debenture holders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer or Registrar. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

For further details, see "*Issue Structure*" beginning on page 173, for the implications on the interest applicable to NCDs held by individual NCD Holders on the Record Date and NCDs held by non-individual NCD Holders on the Record Date.

NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred. Any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialized form only. The procedure for transmission of securities has been further simplified vide the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2022 Gazette Notification no. SEBI/LAD-NRO/GN/2022/80 dated April 25th, 2022.

Title

In case of:

- NCDs held in the dematerialised form, the person for the time being appearing in the register of beneficial owners maintained by the Depositories; and
- the NCDs held in physical form pursuant to rematerialization, the person for the time being appearing in the register of NCD Holders shall be treated for all purposes by our Company, the Debenture Trustee, the Depositories and all other persons dealing with such person, as the holder thereof and its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, theft or loss of the consolidated NCD certificates issued in respect of the NCDs and no person will be liable for so treating the NCD holder.

No transfer of title of an NCD will be valid unless and until entered on the register of NCD holders or the register of beneficial owners maintained by the Depositories prior to the Record Date. In the absence of transfer being registered, interest and/or maturity amount, as the case may be, will be paid to the person, whose name appears first in the register of the NCD Holders maintained by the Depositories and/or our Company and/or the Registrar, as the case may be. In such cases, claims, if any, by the purchasers of the NCDs will need to be settled with the seller of the NCDs and not with our Company or the Registrar. The provisions relating to transfer and transmission and other related matters in respect of our Company's shares contained in the Articles of Association of our Company and the relevant provisions of the Companies Act, 2013, shall apply, *mutatis mutandis* (to the extent applicable) to the NCD(s) as well.

Succession

Where NCDs are held in joint names and one of the joint NCD Holder dies, the survivor(s) will be recognized as the NCD Holder(s). It will be sufficient for our Company to delete the name of the deceased NCD Holder after obtaining satisfactory evidence of his death. Provided, a third person may call on our Company to register his name as successor of the deceased NCD Holder after obtaining evidence such as probate of a will for the purpose of proving his title to the NCDs. In the event of demise of the sole or first holder of the NCDs, our Company will recognise the executors or administrator of the deceased NCD Holders, or the holder of the succession certificate or other legal representative as having title to the NCDs only if such executor or administrator obtains and produces probate or letter of administration or is the holder of the succession certificate or other legal representation, as the case may be, from an appropriate court in India. Our Board of Directors or any other person authorised by our Board of Directors in their absolute discretion may, in any case, dispense with production of probate or letter of administration or succession certificate or other legal representation. In case of death of NCD Holders who are holding NCDs in dematerialised form, third person is not required to approach our Company to register his name as successor of the deceased NCD Holder. The successor of the deceased NCD Holder shall approach the respective Depository Participant for this purpose and submit necessary documents as required by the Depository Participant.

Where a non-resident Indian becomes entitled to the NCDs by way of succession, the following steps have to be complied with:

1. Documentary evidence to be submitted to the legacy cell of the RBI to the effect that the NCDs were acquired by the non-resident Indian as part of the legacy left by the deceased NCD Holder.
2. Proof that the non-resident Indian is an Indian national or is of Indian origin.
3. Such holding by a non-resident Indian will be on a non-repatriation basis.

Joint-holders

Where two or more persons are holders of any NCD(s), they shall be deemed to hold the same as joint holders with benefits of survivorship subject to other provisions contained in the Articles of Association.

Procedure for re-materialisation of NCDs

Subject to SEBI RTA Master Circular, NCD Holders who wish to hold the NCDs in physical form may do so by submitting a request to their DP at any time after Allotment in accordance with the applicable procedure stipulated by the DP, in accordance with the Depositories Act and/or rules as notified by the Depositories from time to time. Holders of NCDs who propose to rematerialise their NCDs, would have to mandatorily submit details of their bank mandate along with a copy of any document evidencing that the bank account is in the name of the holder of such NCDs and their Permanent Account Number to the Company and the DP. No proposal for rematerialisation of NCDs would be considered if the aforementioned documents and details are not submitted along with the request for such rematerialisation.

Pursuant to the SEBI Listing Regulations, NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except in dematerialised form. Any trading of the NCDs issued pursuant to the Issue shall be compulsorily in dematerialized form only.

Register of NCD Holders

No transfer of title of a NCD will be valid unless and until entered on the Register of NCD Holders (for re materialized NCDs) or the register and index of NCD Holders maintained by the Depository prior to the Record Date. In the absence of transfer being registered, interest and/or Redemption Amount, as the case may be, will be paid to the person, whose name appears first in the Register of NCD Holders maintained by the Depositories and/or our Company and/or the Registrar, as the case may be as on the Record Date. In such cases, claims, if any, by the purchasers of the NCDs will need to be settled with the seller of the NCDs and not with our Company or the Registrar. The provisions relating to transfer and transmission and other related matters in respect of our Company's shares contained in the Articles of Association of our Company, SEBI Listing Regulations and the Companies Act shall apply, mutatis mutandis (to the extent applicable) to the NCDs as well.

Restriction on transfer of NCDs

There are no restrictions on transfers and transmission of NCDs allotted pursuant to this Issue. Pursuant to the SEBI Listing Regulations and SEBI RTA Master Circular, NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except in dematerialised form. Any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialised form only.

Period of subscription

ISSUE SCHEDULE	
ISSUE OPENING DATE	Wednesday, September 27, 2023
ISSUE CLOSING DATE	Thursday, October 12, 2023
PAY IN DATE	Application Date. The entire Application Amount is payable on Application
DEEMED DATE OF ALLOTMENT	The date on which the Board of Directors or Finance Committee authorised by the Board approves the Allotment of the NCDs for the Issue or such date as may be determined by the Board of Directors/ Finance Committee authorised by the Board thereof and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.

Note:

(1) This Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the period indicated above, except that this Issue may close on such earlier date or extended date (subject to a minimum period of three Working Days and a maximum period of ten Working Days from the date of opening of the Issue and subject to not exceeding thirty days from filing this Prospectus with ROC) as may be decided by the Board of Directors of our Company or Finance Committee subject to compliance with Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of this Issue our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement for opening of this Issue has been given on or before such earlier or initial date of Issue closure. Application Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges, on Working Days during the Issue Period. On the Issue Closing Date, the Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time) and uploaded until 5:00 p.m. or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. (Indian Standard Time) on one Working Day after the Issue Closing Date. For further details please refer to the chapter titled "Issue Related Information" on page 156 of this Prospectus.

(2) Application Forms for the Issue will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges, during the Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday), (i) by the Consortium or the Trading Members of the Stock Exchanges, as the case maybe, at the centres mentioned in Application Form through the ASBA mode, (ii) directly by the Designated Branches of the SCSBs or (iii) by the centres of the Consortium, sub-brokers or the Trading Members of the Stock Exchanges, as the case maybe, only at the selected cities. Additionally, an Investor may also submit the Application Form through the app or web interface of the Stock Exchanges. It is clarified that the Applications not uploaded in the Stock Exchanges platform would be rejected.

(3) Due to limitation of time available for uploading the Applications on the Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Issue Closing Date and, no later than 3.00 p.m. (Indian Standard Time) on the Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Application Forms will only be accepted on Working Days during the Issue Period. Neither our Company, nor the Lead Managers or Trading Members of the Stock Exchanges are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that, within each category of investors the Basis of Allotment under the Issue will be on a date priority basis except from the day of oversubscription and thereafter, if any, where the Allotment will be proportionate.

Taxation

Income Tax is deductible at source at the rate of 10% on interest on debentures held by resident Indians as per the provisions of Section 193 of the IT Act (in case where interest is paid to Individual or HUF, no TDS will be deducted where interest paid is less than 5,000 and interest is paid by way of account payee cheque).

Further, Tax will be deducted at source at reduced rate, or no tax will be deducted at source in the following cases:

a. When the Assessing Officer issues a certificate on an application by a Debenture Holder on satisfaction that the total income of the Debenture holder justifies no/lower deduction of tax at source as per the provisions of Section 197(1) of the IT Act; and that a valid certificate is filed with the Company/ Registrar, at least 7 days before the relevant record date for payment of debenture interest;

b. When the resident Debenture Holder with Permanent Account Number ('PAN') (not being a company or a firm) submits a declaration as per the provisions of section 197A(1A) of the IT Act in the prescribed Form 15G verified in the prescribed manner to the effect that the tax on his estimated total income of the financial year in which such income is to be included in computing his total income will be Nil. However, under section 197A(1B) of the IT Act, Form 15G cannot be submitted nor considered for exemption from tax deduction at source if the dividend income referred to in section 194, interest on securities, interest, withdrawal from NSS and income from units of mutual fund or of 236 Unit Trust of India as the case may be or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the financial year in which such income is to be included exceeds the maximum amount which is not chargeable to income tax;

c. Senior citizens, who are 60 or more years of age at any time during the financial year, enjoy the special privilege to submit a self-declaration in the prescribed Form 15H for non-deduction of tax at source in accordance with the provisions of section 197A(1C) of the Act even if the aggregate income credited or paid or likely to be credited or paid exceeds the maximum amount not chargeable to tax, provided that the tax due on the estimated total income of the year concerned will be Nil.

In all other situations, tax would be deducted at source as per prevailing provisions of the IT Act. However in case of NCD Holders claiming non-deduction or lower deduction of tax at source, as the case may be, the NCD Holder should furnish either (a) a declaration (in duplicate) in the prescribed form i.e. (i) Form 15H which can be given by individuals who are of the age of 60 years or more (ii) Form 15G which can be given by all applicants (other than companies, and firms), or (b) a certificate, from the Assessing Officer which can be obtained by all applicants (including companies and firms) by making an application in the prescribed form i.e. Form No.13. Further, eligible NCD Holders other than resident individuals or resident HUF investors, the following documents should be submitted with the Company/ Registrar, at least 7 days before the relevant record date for payment of debenture interest (i) copy of registration certificate issued by the regulatory authority under which the investor is registered, (ii) self-declaration for non-deduction of tax at source, and (iii) such other document a may be required under the Income Tax Act, for claiming non-deduction / lower deduction of tax at source and/or specified by the Company/ Registrar, from time to time.

The aforesaid documents, as may be applicable, should be submitted at least 7 days before the relevant Record Date for payment of interest on the NCDs quoting the name of the sole/ first NCD Holder, NCD folio number and the distinctive number(s) of the NCD held, to ensure non-deduction/lower deduction of tax at source from interest on the NCD. The aforesaid documents for claiming non-deduction or lower deduction of tax at source, as the case may be, shall be submitted to the Registrar as per below details or any other details as may be updated on the website of the Issuer at www.adityabirlafinance.com or the Registrar at www.linkintime.co.in, from time to time.

Details of the Registrar are as below:

Link Intime India Private Limited
Address: C-101, 1st Floor, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra.
Tel: +91 810 811 4949

Fax: +91-022-49186060
Email: abfl.ncd@linkintime.co.in
Investor Grievance Email: abfl.ncd@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Sumeet Deshpande
Compliance Officer: BN Ramakrishnan
SEBI Registration No.: INR000004058
CIN: U67190MH1999PTC118368

Link for availability of formats of declaration/ certificates and online submission of tax exemption forms: https://web.linkintime.co.in/BONDSformreg/BONDS-submission-of-form-15g-15h.html.

Details of the Company are as below:

Aditya Birla Finance Limited
Address: R-Tech Park, 10th Floor, Nirlon Complex
Off Western Express Highway
Goregaon East, Mumbai – 400 063
Maharashtra, India
Tel: +91 22 6225 7615
Email: ankur.shah@adityabirlacapital.com; abfl.pm@adityabirlacapital.com

The investors need to submit Form 15H/ 15G/certificate in original from the Assessing Officer for each Fiscal during the currency of the NCD to claim non-deduction or lower deduction of tax at source from interest on the NCD. Tax exemption certificate/document, if any, must be lodged at the office of the Registrar to the Issue at least seven days prior to the Record Date or as specifically required, failing which tax applicable on interest will be deducted at source on accrual thereof in our Company's books and/or on payment thereof, in accordance with the provisions of the IT Act and/or any other statutory modification, enactment or notification as the case may be. A tax deduction certificate will be issued for the amount of tax so deducted.

For further details on the possible tax benefits available to an NCD Holder, see "*Statement of Possible Tax Benefits*" on page 58.

Subject to the terms and conditions in connection with computation of applicable interest on the Record Date as stated in the section titled "*Issue Procedure*" on page 179, please note that in case the NCDs are transferred and/or transmitted in accordance with the provisions of this Prospectus read with the provisions of the Articles of Association of our Company, the transferee of such NCDs or the deceased holder of NCDs, as the case may be, shall be entitled to any interest which may have accrued on the NCDs.

Payment of Interest

Amount of interest payable shall be rounded off to the nearest Rupee. In the event, the interest / payout of total coupon /redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer. By way of illustration if the redemption amount is ₹1,837.50 then the amount shall be rounded off to ₹1,838. If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Redemption Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest on the NCDs until but excluding the date of such payment. The interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai.

Interest/Premium and Payment of Interest/ Premium

Interest/ Coupon on NCDs

1. Annual interest payment options

Interest would be paid annually under Series I, Series III and Series VI at the following rates of interest in connection with the relevant categories of NCD Holders, on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of NCDs:

Category of NCD Holders	Coupon (per annum) for the following Series		
	Series I	Series III	Series VI

All categories	8.00%	8.05%	8.10%

Series I, Series III and Series VI NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 3 years, 5 years and 10 years respectively from the Deemed Date of Allotment.

2. Monthly interest payment options

Interest would be paid monthly under Series V at the following rates of interest in connection with the relevant categories of NCD Holders, on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of NCDs:

Category of NCD Holders	Coupon (per annum) for the following Series
	Series V
All categories	7.80%

Series V NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 10 years from the Deemed Date of Allotment.

3. Cumulative interest payment options

In case of Series II and IV NCDs shall be redeemed at the end of 3 years and 5 years respectively from the Deemed Date of Allotment as mentioned below:

Category of NCD Holders	Face Value (₹ per NCD)	Redemption Amount (₹ per NCD)
Series II - All categories	₹1,000.00	₹1,259.46
Series IV - All categories	₹1,000.00	₹1,472.73

Basis of payment of Interest

The Tenor, Coupon Rate / Yield and Redemption Amount applicable for each Series of NCDs shall be determined at the time of Allotment of NCDs pursuant to this Prospectus. NCDs once allotted under any particular Series of NCDs shall continue to bear the applicable Tenor, Coupon/Yield and Redemption Amount as at the time of original Allotment irrespective of the category of NCD Holder on any Record Date, and such tenor, coupon/ yield and redemption amount as at the time of original allotment will not be impacted by trading of any series of NCDs between the categories of persons or entities in the secondary market.

Mode of payment of Interest to NCD Holders

Payment of interest will be made (i) in case of NCDs in dematerialised form, the persons who, for the time being appear in the register of beneficial owners of the NCDs as per the Depositories, as on the Record Date and (ii) in case of NCDs in physical form on account of re-materialization, to the persons whose names appear in the register of debenture holders maintained by us (or to first holder in case of joint-holders) as on the Record Date.

We may enter into an arrangement with one or more banks in one or more cities for direct credit of interest to the account of the NCD Holders. In such cases, interest, on the interest payment date, would be directly credited to the account of those investors who have given their bank mandate.

We may offer the facility of NACH, NEFT, RTGS, Direct Credit and any other method permitted by RBI and SEBI from time to time to effect payments to NCD Holders. The terms of this facility (including towns where this facility would be available) would be as prescribed by RBI. For further details, see the "*Terms of the Issue - Manner of Payment of Interest / Refund / Redemption*" beginning on page 167.

Maturity and Redemption

Please see "*Specific Terms of the NCDs*" on page 177.

Put / Call Option

Not applicable.

Deemed Date of Allotment

The date on which the Board of Directors or Finance Committee authorised by the Board approves the Allotment of the NCDs for the Issue or such date as may be determined by the Board of Directors/ or Finance Committee authorised by the Board

thereof and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.

Application in the Issue

NCDs being issued through this Prospectus can be applied for, through a valid Application Form filled in by the applicant along with attachments, as applicable. Further, Applications in this Issue shall be made through the ASBA facility only.
In terms of Regulation 7 of SEBI NCS Regulations, our Company will make public issue of the NCDs in the dematerialised form only.

However, in the terms of Section 8(1) of the Depositories Act, but subject to SEBI Listing Regulations and the SEBI RTA Master Circular, our Company at the request of the Investors who wish to hold the NCDs in physical form will rematerialise the NCDs. However, trading of the NCDs shall be compulsorily in dematerialised form only.

Application Size

Each application should be for a minimum of 10 NCDs across all series collectively and multiples of one NCD thereafter (for all series of NCDs taken individually or collectively) as specified in this Prospectus.

The minimum application size for each application for NCDs would be ₹10,000 across all series collectively and in multiples of ₹1,000 thereafter. Applicants can apply for any or all series of NCDs offered hereunder provided the Applicant has applied for minimum application size using the same Application Form.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

Terms of Payment

The entire issue price of ₹1,000 per NCD, is blocked in the ASBA Account on application itself. In case of allotment of lesser number of NCDs than the number of NCDs applied for, our Company shall unblock the excess amount paid on application to the applicant in accordance with the terms of this Prospectus.

Record Date

The date for payment of interest in connection with the NCDs or repayment of principal in connection therewith which shall be 15 days prior to the date of payment of interest, and/or the date of redemption under this Prospectus. In case the Record Date falls on a day when the Stock Exchanges are having a trading holiday, the immediate subsequent trading day or a date notified by our Company to the Stock Exchanges, will be deemed as the Record Date Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the Stock Exchanges, as the case may be.

Manner of Payment of Interest / Refund / Redemption*

The manner of payment of interest / refund / redemption in connection with the NCDs is set out below*:

The bank details will be obtained from the Depositories for payment of Interest / refund / redemption as the case may be. Applicants who are holding the NCDs in electronic form, are advised to immediately update their bank account details as appearing on the records of the depository participant. Neither the Lead Managers, nor our Company, nor the Registrar to the Issue shall have any responsibility and undertake any liability arising from such details not being up to date.

In case of NCDs held in physical form, on account of rematerialisation, the bank details will be obtained from the documents submitted to the Company along with the rematerialisation request. For further details, see *"Terms of the Issue – Procedure for Re-materialization of NCDs*" on page 163.

The Registrar to the Issue will issue requisite instructions to the relevant SCSBs to un-block amounts in the ASBA Accounts of the Applicants representing the amounts to unblocked for the Applicants.

**In the event, the interest / payout of total coupon / redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer. By way of illustration if the redemption amount is ₹1,837.50 then the amount shall be rounded off to ₹1,838.*

The mode of interest / refund / redemption payments shall be undertaken in the following order of preference:

1. **Direct Credit**

Investors having their bank account with the Refund Bank, shall be eligible to receive refunds, if any, through direct credit. The refund amount, if any, would be credited directly to their bank account with the Refund Bank.

2. **NACH**

National Automated Clearing House which is a consolidated system of ECS. Payment would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition ("**MICR**") code wherever applicable from the depository. Payments through NACH are mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get payments through NEFT or Direct Credit or RTGS.

3. **RTGS**

Applicants having a bank account with a participating bank and whose interest payment/ refund/ redemption amounts exceed ₹ 200,000, or such amount as may be fixed by RBI from time to time, have the option to receive payments through RTGS. Such eligible Applicants who indicate their preference to receive interest payment/ refund/ redemption through RTGS are required to provide the IFSC code in the Application Form or intimate our Company and the Registrar to the Issue at least seven days prior to the Record Date. Charges, if any, levied by the Applicant's bank receiving the credit would be borne by the Applicant. In the event the same is not provided, interest payment/ refund/ redemption shall be made through NACH subject to availability of complete bank account details for the same as stated above.

4. **NEFT**

Payment of interest/ refunds/ redemption shall be undertaken through NEFT wherever the Applicants' banks have been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to a MICR, if any, available to that particular bank branch. The IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of interest/ refund/ redemption will be made to the applicants through this method.

5. **Registered Post/Speed Post**

For all other applicants, including those who have not updated their bank particulars with the MICR code, the interest payment / refund / redemption orders shall be dispatched through speed post/ registered post.
Please note that applicants are eligible to receive payments through the modes detailed in (1), (2) (3), and (4) herein above provided they provide necessary information for the above modes and where such payment facilities are allowed / available.

Please note that our Company shall not be responsible to the holder of NCDs, for any delay in receiving credit of interest / refund / redemption so long as our Company has initiated the process of such request in time.

6. The Registrar to the Issue shall instruct the relevant SCSB or in case of Bids by Retail Individual Investors applying through the UPI Mechanism to the Sponsor Bank, to revoke the mandate and to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful Applications within six Working Days of the Issue Closing Date

Printing of bank particulars on interest / redemption warrants

As a matter of precaution against possible fraudulent encashment of refund orders and interest/ redemption warrants due to loss or misplacement, the particulars of the Applicant's bank account are mandatorily required to be given for printing on the orders/ warrants. In relation to NCDs applied and held in dematerialized form, these particulars would be taken directly from the Depositories. In case of NCDs held in physical form on account of rematerialisation, the NCD Holders are advised to submit their bank account details with our Company/ Registrar to the Issue at least seven days prior to the Record Date failing which the orders/ warrants will be dispatched to the postal address of the NCD Holders as available in the records of our Company either through speed post, registered post.

Bank account particulars will be printed on the orders/ warrants which can then be deposited only in the account specified.

Buy Back of NCDs

Our Company may, at its sole discretion, from time to time, consider, subject to applicable statutory and/or regulatory requirements, buy-back the NCDs, upon such terms and conditions as may be decided by our Company.

Our Company may from time to time invite the NCD Holders to offer the NCDs held by them through one or more buy-back schemes and/or letters of offer upon such terms and conditions as our Company may from time to time determine, subject to applicable statutory and/or regulatory requirements. Such NCDs which are bought back may be extinguished, re-issued and/or resold in the open market with a view of strengthening the liquidity of the NCDs in the market, subject to applicable statutory and/or regulatory requirements.

Form of allotment and Denomination of NCDs

In case of Secured NCDs held in physical form on account of rematerialisation, a single certificate will be issued to the Secured NCD Holder for the aggregate amount of the Secured NCDs held ("**Consolidated Certificate**"). The Applicant can also request for the issue of Secured NCD certificates in denomination of one NCD ("**Market Lot**"). In case of NCDs held under different Options, as specified in this Prospectus, by a Secured NCD Holder, separate Consolidated Certificates will be issued to the NCD Holder for the aggregate amount of the Secured NCDs held under each Option. It is however distinctly to be understood that the Secured NCDs pursuant to this issue shall be traded only in demat form.

In respect of Consolidated Certificates, we will, only upon receipt of a request from the Secured NCD Holder, split such Consolidated Certificates into smaller denominations subject to the minimum of Market Lot. No fees would be charged for splitting of Secured NCD certificates in Market Lots, but stamp duty payable, if any, would be borne by the Secured NCD Holder. The request for splitting should be accompanied by the original NCD certificate which would then be treated as cancelled by us.

As per the SEBI NCS Regulations, the trading of the NCDs on the Stock Exchanges shall be in dematerialized form only in multiples of 1 (one) NCD ("**Market Lot**"). Allotment in this Issue to all Allottees, will be in electronic form i.e., in dematerialised form and in multiples of one NCD. For details of allotment see "*Issue Procedure*" beginning on page 179 of this Prospectus.

Procedure for Redemption by NCD holders

The procedure for redemption is set out below:

NCDs held in physical form on account of rematerialisation of NCDs

No action would ordinarily be required on the part of the NCD Holder at the time of redemption and the redemption proceeds would be paid to those NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of Redemption. However, our Company may require that the NCD certificate(s), duly discharged by the sole holder/all the joint-holders (signed on the reverse of the NCD certificates) be surrendered for redemption on maturity and should be sent by the NCD Holders by Registered Post with acknowledgment due or by hand delivery to our office or to such persons at such addresses as may be notified by us from time to time. NCD Holders may be requested to surrender the NCD certificates in the manner as stated above, not more than three months and not less than one month prior to the redemption date so as to facilitate timely payment. We may at our discretion redeem the Secured NCDs without the requirement of surrendering of the NCD certificates by the holder(s) thereof. In case we decide to do so, the holders of NCDs need not submit the NCD certificates to us and the redemption proceeds would be paid to those NCD holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of redemption of NCDs. In such case, the Secured NCD certificates would be deemed to have been cancelled. Also see "- *Payment on Redemption*" given below.

Secured NCDs held in electronic form

No action is required on the part of Secured NCD holder(s) at the time of redemption of NCDs.

Payment on Redemption

The manner of payment of redemption is set out below:

NCDs held in physical form on account of rematerialisation

The payment on redemption of the NCDs will be made by way of cheque/pay order/ electronic modes. However, if our Company so requires, the aforementioned payment would only be made on the surrender of NCD certificates, duly discharged by the sole holder/ all the joint-holders (signed on the reverse of the NCD certificates). Dispatch of cheques/ pay orders, etc. in respect of

such payment will be made on the redemption date or (if so requested by our Company in this regard) within a period of 30 days from the date of receipt of the duly discharged NCD certificate.

In case we decide to do so, the redemption proceeds in the manner stated above would be paid on the redemption date to those NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of Redemption. Hence the transferees, if any, should ensure lodgment of the transfer documents with us at least seven days prior to the Record Date. In case the transfer documents are not lodged with us at least 7 days prior to the Record Date and we dispatch the redemption proceeds to the transferor, claims in respect of the redemption proceeds should be settled amongst the parties inter se and no claim or action shall lie against us or the Registrar to the Issue.

Our liability to NCD Holder(s) towards their rights including for payment or otherwise shall stand extinguished from the redemption in all events and when we dispatch the redemption amounts to the NCD Holder(s).

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCDs.

NCDs held in electronic form

On the redemption date, redemption proceeds would be paid by cheque/ pay order/ electronic mode to those NCD Holders whose names appear on the list of beneficial owners given by the Depositories to us. These names would be as per the Depositories' records on the Record Date fixed for the purpose of redemption. These NCDs will be simultaneously extinguished to the extent of the amount redeemed through appropriate debit corporate action upon redemption of the corresponding value of the NCDs. It may be noted that in the entire process mentioned above, no action is required on the part of NCD Holders.

Our liability to NCD Holders towards his/their rights including for payment/ redemption in all events shall end when we dispatch the redemption amounts to the NCD Holders.

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCDs.

Right to reissue NCD(s)

Subject to the provisions of the Companies Act, 2013, as applicable, on the date of this Prospectus, where we have fully redeemed or repurchased any NCDs, we shall have and shall be deemed always to have had the right to keep such NCDs in effect without extinguishment thereof, for the purpose of resale or re-issue and in exercising such right, we shall have and be deemed always to have had the power to resell or reissue such NCDs either by reselling or re-issuing the same NCDs or by issuing other NCDs in their place. The aforementioned right includes the right to reissue original NCDs.

Transfer/ Transmission of NCDs

For NCDs held in physical form on account of rematerialisation

The NCDs shall be transferred or transmitted freely in accordance with the applicable provisions of Companies Act, 2013 applicable as on the date of this Prospectus and all other applicable laws. The provisions relating to transfer and transmission and other related matters in respect of our shares contained in the Articles and the relevant provisions of the Companies Act, 2013 applicable as on the date of this Prospectus, and all applicable laws including FEMA and the rules and regulations thereunder, shall apply, *mutatis mutandis* (to the extent applicable to debentures) to the NCDs as well. In respect of the NCDs held in physical form on account of rematerialisation, a common form of transfer shall be used for the same. The NCDs held in dematerialised form shall be transferred subject to and in accordance with the rules/ procedures as prescribed by NSDL/CDSL and the relevant Depository Participants of the transferor and the transferee and any other applicable laws and rules notified in respect thereof. The transferees 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 register of debenture holders or the records as maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferors and not with the Issuer or Registrar.

For NCDs held in electronic form

The normal procedure followed for transfer of securities held in dematerialised form shall be followed for transfer of the NCDs held in electronic form. The seller should give delivery instructions containing details of the buyer's Depository Participant account to his depository participant.

In case the transferee does not have a Depository Participant account, the transferor can rematerialise the NCDs and thereby convert his dematerialised holding into physical holding. Thereafter these NCDs can be transferred in the manner as stated above for transfer of NCDs held in physical form.

Any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialised form only.

Common form of transfer

Our Company undertakes that there shall be a common form of transfer for the NCDs and the provisions of the Companies Act, 2013 and all applicable laws including the FEMA and the rules and regulations thereunder shall be duly complied with in respect of all transfer of debentures and registration thereof.

Sharing of information

We may, at our option, use on our own, as well as exchange, share or part with any financial or other information about the NCD Holders available with us, with our subsidiaries, if any and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither we or our affiliates nor their agents shall be liable for use of the aforesaid information.

Notices

All notices to the NCD Holder(s) required to be given by us or the Debenture Trustee shall be published in one English language newspaper having wide circulation and one regional language daily newspaper at the place where the registered office of the Company is situated and/or will be sent by post/ courier or through email or other electronic media to the Registered Holders of the NCD(s) from time to time.

Issue of duplicate NCD certificate(s)

If NCD certificate(s), issued pursuant to rematerialisation, is/ are mutilated or defaced or the cages for recording transfers of NCDs are fully utilised, the same may be replaced by us against the surrender of such certificate(s). Provided, where the NCD certificate(s) are mutilated or defaced, the same will be replaced as aforesaid only if the certificate numbers and the distinctive numbers are legible.

If any NCD certificate is destroyed, stolen or lost then upon production of proof thereof to our satisfaction and upon furnishing such indemnity/ security and/or documents as we may deem adequate, duplicate NCD certificates shall be issued. Upon issuance of a duplicate NCD certificate, the original NCD certificate shall stand cancelled.

Loan against securities

As per the RBI circular dated June 27, 2013, the Company is not permitted to extend loans against the security of its debentures issued by way of private placement or public issues. The Company shall have the right of set-off and lien, present as well as future on the moneys due and payable to the NCD holders or deposits held in the account of the NCD holders, whether in single name or joint name, to the extent of all outstanding dues by the NCD holders to the Company, subject to applicable law.

Lien or pledge of NCDs

Our Company may, at its discretion, note a lien or pledge of NCDs if such pledge of NCD is accepted by any third party bank/institution or any other person for any loan provided to the NCD Holder against pledge of such NCDs as part of the funding, subject to applicable law.

Future Borrowings

We shall be entitled to make further issue of secured or unsecured debentures and/or raise term loans or raise further funds from time to time from any persons, banks, financial institutions or bodies corporate or any other agency by creating a charge on any assets, (a) subject to such consents and approvals and other conditions, as may be required under applicable law or existing financing agreements, including any intimation, if applicable under the Transaction Documents (b) provided the stipulated security cover for the Issue is maintained and compliance with other terms of the Transaction Documents.

Illustration for guidance in respect of the day count convention and effect of holidays on payments.

The illustration for guidance in respect of the day count convention and effect of holidays on payments, as required by SEBI Master Circular is disclosed in Annexure E of this Prospectus.

Payment of Interest

If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount will be unblocked within the time prescribed under applicable law, failing which interest may be due to be paid to the Applicants, for the delayed period, as prescribed in applicable law. Our Company shall not be liable to pay any interest on monies liable to be refunded in case of (a) invalid applications or applications liable to be rejected, (b) applications which are withdrawn by the

Applicant and/or (c) monies paid in excess of the amount of NCDs applied for in the Application Form. For further details, see "*Issue Procedure - Rejection of Applications*" beginning on page 201.

Listing

The NCDs proposed to be offered in pursuance of this Prospectus will be listed on the Stock Exchanges. Our Company has received an 'in-principle' approval from BSE by way of its letter bearing reference number DCS/BM/PI-BOND/013/23-24 dated September 18, 2023 and from NSE by way of its letter bearing reference number NSE/LIST/D/2023/0229 dated September 18, 2023 The application for listing of the NCDs will be made to the Stock Exchanges at an appropriate stage. For the purposes of the Issue, BSE shall be the Designated Stock Exchange.

If permissions to deal in and for an official quotation of our NCDs are not granted by the Stock Exchanges, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of this Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges are taken within six Working Days from the Issue Closing Date. For the avoidance of doubt, it is hereby clarified that in the event of non-subscription to any one or more of the series, such series(s) of NCDs shall not be listed.

Guarantee/Letter of comfort

This Issue is not backed by a guarantee or letter of comfort or any other document and/or letter with similar intent.

Monitoring and Reporting of Utilisation of Issue Proceeds

There is no requirement for appointment of a monitoring agency in terms of the SEBI NCS Regulations. Our Board shall monitor the utilisation of the proceeds of the Issue. For the relevant quarters, our Company will disclose in our quarterly financial statements, the utilisation of the net proceeds of the Issue under a separate head along with details, if any, in relation to all such proceeds of the Issue that have not been utilised thereby also indicating investments, if any, of such unutilised proceeds of the Issue.

Pre-Issue Advertisement

Subject to Regulation 30(1) of SEBI NCS Regulations, our Company will issue a statutory advertisement on or before the Issue Opening Date. This advertisement will contain the information as prescribed in Schedule V of SEBI NCS Regulations in compliance with Section 30 of Companies Act, 2013. Material updates, if any, between the date of filing of this Prospectus with RoC and the date of release of the statutory advertisement will be included in the statutory advertisement information as prescribed under SEBI NCS Regulations.

Pre-closure

Our Company, in consultation with the Lead Managers reserves the right to close the Issue at any time prior to the Issue Closing Date, subject to receipt of minimum subscription or as may be specified in this Prospectus. Our Company shall allot NCDs with respect to the Applications received until the time of such pre-closure in accordance with the Basis of Allotment as described herein and subject to applicable statutory and/or regulatory requirements. In the event of such early closure of the Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the Issue Closing Date, as applicable, through advertisement(s) in all those newspapers in which pre-issue advertisement has been given.

Recovery Expense Fund

A fund created by our Company with the Designated Stock Exchange for an amount equal to 0.01% of the issue size, subject to a maximum of deposit of ₹2,500,000 at the time of making the application for listing of NCDs, created in the manner as specified by SEBI in the SEBI Master Circular for Debenture Trustees and Regulation 11 of SEBI NCS Regulations. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.

Settlement Guarantee Fund

Our Company will deposit amounts in the settlement guarantee fund in the manner as specified in the SEBI Master Circular. This fund has been created under the SEBI Master Circular to ensure upfront collection of charges from eligible issuers at the time of allotment of debt securities.

ISSUE STRUCTURE

The following are the key terms of the NCDs. This section should be read in conjunction with, and is qualified in its entirety by more detailed information in "*Terms of the Issue*" beginning on page 156.

The NCDs being offered as part of the Issue are subject to the provisions of the SEBI NCS Regulations, the Debt Listing Agreement, SEBI Listing Regulations, and the Companies Act, 2013, the RBI Act, the terms of the Draft Prospectus, this Prospectus, the Application Form, the terms and conditions of the Debenture Trustee Agreement and the Debenture Trust Deed, and other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI, RBI, the Government of India, and other statutory/regulatory authorities relating to the offer, issue and listing of NCDs and any other documents that may be executed in connection with the NCDs.

The key common terms and conditions of the Term Sheet are as follows:

Particulars	Terms and Conditions
Issuer	Aditya Birla Finance Limited
Lead Managers	Trust Investment Advisors Private Limited, A. K. Capital Services Limited*, JM Financial Limited and Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited) * *A.K. Capital Services Limited is deemed to be our associate as per the SEBI Merchant Bankers Regulations. Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the SEBI Merchant Bankers Regulations, A.K. Capital Services Limited would be involved only in marketing of the Issue and as per Regulation 25 (3) of SEBI NCS Regulations shall not issue a due diligence certificate.*
Debenture Trustee	Vistra ITCL (India) Limited
Registrar to the Issue	Link Intime India Private Limited
Type of Instrument	Secured, Rated, Listed, Redeemable, Non-Convertible Debentures
Nature of Instrument	Secured, Rated, Listed, Redeemable, Non-Convertible Debentures
Face Value of NCDs (₹ /NCD)	₹1,000
Issue Price (₹ /NCD)	₹1,000
Minimum Application	₹10,000 (10 NCDs) and in multiple of ₹ 1,000 (one NCD) thereafter
In Multiples of thereafter	One NCD
Seniority	Senior
Mode of Issue	Public issue
Mode of Allotment	In dematerialised form
Mode of Trading	NCDs will be in dematerialized form
Issue	Public issue by our Company of secured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000 each ("**NCDs**") for an amount up to ₹1,000 crores ("**Base Issue Size**") with an option to retain oversubscription up to ₹1,000 crores ("**Green Shoe Option**"), aggregating up to 2,00,00,000 NCDs for an for an aggregate amount of up to ₹2,000 crores
Base Issue Size	₹1,000 crores
Green Shoe Option / Option to retain oversubscription (Amount)	₹1,000 crores
Minimum Subscription	Minimum subscription is 75% of the Base Issue size, i.e., ₹750 crores
Stock Exchange/s proposed for listing of the NCDs	BSE and NSE
Listing and timeline for Listing	The NCDs are proposed to be listed on BSE and NSE. The NCDs shall be listed within six Working Days from the date of Issue Closure. For more information, see "*Other Regulatory and Statutory Disclosures*" on page 220.
Depositories	NSDL and CDSL
Market Lot/Trading Lot	One NCD
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, replacement of security, interest of the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in this Prospectus	The principal amount of the NCDs to be issued together with all interest due and payable on the NCDs, thereof shall be secured by a *pari passu* charge over the Receivables of the Company, created in favour of the Debenture Trustee, in terms of and as specifically set out in and fully described in the Debenture Trust Deed, such that a security cover to the extent of at least 100% of the outstanding principal amounts of NCDs and all interest due and payable thereon in respect of the NCDs maintained at all times as security until the Final Settlement Date, issued pursuant to the Issue. The NCDs proposed to be issued shall rank *pari passu* without preference of one over the other except that priority for payment shall be as per applicable date of redemption / repayment.
Security Cover	Our Company shall maintain a minimum 100% security cover on the outstanding balance of the NCDs plus accrued interest thereon
Eligible Investors	Category I Investors- Institutional Investors

Particulars	Terms and Conditions
	• Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs; • Provident funds and pension funds each with a minimum corpus of ₹25 crores, superannuation funds and gratuity funds, which are authorised to invest in the NCDs; • Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012; • Resident Venture Capital Funds registered with SEBI; • Insurance companies registered with the IRDAI; • State industrial development corporations; • Insurance funds set up and managed by the army, navy, or air force of the Union of India; • Insurance funds set up and managed by the Department of Posts, the Union of India; • Systemically Important Non-Banking Financial Company registered with the RBI and having a net-worth of more than ₹500 crores as per the last audited financial statements; • National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and • Mutual funds registered with SEBI. Category II Investors- Non-Institutional Investors • Companies within the meaning of Section 2(20) of the Companies Act, 2013; • Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs; • Co-operative banks and regional rural banks; • Trusts including public/private charitable/religious trusts which are authorised to invest in the NCDs; • Scientific and/or industrial research organisations, which are authorised to invest in the NCDs; • Partnership firms in the name of the partners; • Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009); • Association of Persons; and • Any other incorporated and/ or unincorporated body of persons. Category III Investors– High Net-Worth Individual Investors High net-worth individual investors - resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 1,000,000 across all options of NCDs in this Issue. Category IV Investors – Retail Individual Investors Retail individual investors – resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹1,000,000 across all options of NCDs in this Issue and shall include retail individual investors, who have submitted bid for an amount not more than UPI Application Limit in any of the bidding options in the Issue (including Hindu Undivided Families applying through their Karta and does not include NRIs) through UPI Mechanism
Credit Rating for the Issue / Rating of the Instrument	IND AAA Outlook Stable by India Ratings and [ICRA]AAA (Stable) by ICRA
Pay-in date	Application date. The entire application amount is payable on Application.
Mode of payment	See "*Issue Procedure*" on page 179
Record Date	The record date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 (fifteen) days prior to the relevant interest payment date or relevant Redemption Date for NCDs issued under this Prospectus. In case of redemption of NCDs, the trading in the NCDs shall remain suspended between the Record Date and the date of redemption. In case the Record Date falls on a day when the Stock Exchanges are having a trading holiday, the immediate preceding trading day or a date notified by our Company to the Stock Exchanges, will be deemed as the Record Date.

Particulars	Terms and Conditions
All covenants of the Issue (including side letters, accelerated payment clause, etc.)	As agreed in the Debenture Trust Deed to be executed in accordance with applicable law
Issue Schedule	This Issue shall be open from Wednesday, September 27, 2023 to Thursday, October 12, 2023
Objects of the Issue / Purpose for which there is requirement of funds	Please refer to the section titled "*Objects of the Issue*" on page 55.
Put option Date	N.A.
Put Option Price	N.A.
Call Option Date	N.A.
Call Option Price	N.A.
Put Notification Time	N.A.
Call Notification Time	N.A.
Details of the utilisation of the proceeds of the Issue	Please refer to the section titled "*Objects of the Issue*" on page 55.
Coupon rate	Please refer to the section titled "*Terms of the Issue*" on page 156
Coupon Payment Date	Please refer to the section titled "*Terms of the Issue*" on page 156
Step Up/ Step Down Interest Rates	NA
Coupon Type	Please refer to the section titled "*Terms of the Issue*" on page 156
Coupon reset process	NA
Default Coupon Rate	The Issuer shall pay interest, over and above the agreed coupon rate, in connection with any delay in allotment, refunds, dematerialized credit, execution of Debenture Trust Deed, payment of interest, redemption of principal amount beyond the time limits prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated/ prescribed under applicable laws. Our Company shall pay at least two percent per annum to the debenture holder, over and above the agreed coupon rate, till the execution of the trust deed if our Company fails to execute the trust deed within such period as prescribed under applicable law
Tenor	Please refer to the section titled "*Terms of the Issue*" on page 156
Coupon payment frequency	Please refer to the section titled "*Terms of the Issue*" on page 156
Interest on Application Money	N.A.
Working Days convention/Day count convention / Effect of holidays on payment	Working Day means all days on which commercial banks in Mumbai are open for business. If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the dates of the future interest payments would continue to be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Final Settlement Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment.
Issue Closing Date	Thursday, October 12, 2023
Issue Opening Date	Wednesday, September 27, 2023
Date of earliest closing of the issue, if any	N.A.
Default Coupon rate	Our Company shall pay interest over and above the agreed coupon rate in connection with any delay in allotment, refunds, dematerialised credit, execution of Debenture Trust Deed, payment of interest, redemption of principal amount beyond the time limits prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated/ prescribed under applicable laws.
Deemed Date of Allotment	The date on which the Board of Directors or Finance Committee authorised by the Board approves the Allotment of the NCDs for the Issue or such date as may be determined by the Board of Directors/ or the Finance Committee authorised by the Board thereof and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.
Day count basis	Actual/Actual
Redemption Date	Please refer to the section titled "*Terms of the Issue*" on page 156
Redemption Amount	Please refer to the section titled "*Terms of the Issue*" on page 156
Redemption premium/ discount	Please refer to the section titled "*Terms of the Issue*" on page 156
Discount at which security is issued and the effective yield as a result of such discount	N.A.
Transaction Documents	Transaction Documents shall mean the Draft Prospectus, the Addendum, this Prospectus, Abridged Prospectus read with any notices, corrigenda, addenda thereto, the Debenture Trust Deed and other documents, if applicable, the letters issued by the Rating Agency, the Debenture Trustee and/or the Registrar; and various other documents/ agreements/ undertakings, entered or to be entered by our Company with Lead Managers and/or other intermediaries for the purpose of the Issue including but not limited to the Issue Agreement, the Debenture Trustee Agreement, the Tripartite Agreements, the Public Issue Account and Sponsor Bank Agreement, the Registrar Agreement and the Consortium Agreement, and any

Particulars	Terms and Conditions
	other document that may be designated as a Transaction Document by the Debenture Trustee. For further details see, "*Material Contracts and Document for Inspection*" on page 286.
Conditions precedent and subsequent to the Issue	Other than the conditions set out in the Debenture Trust Deed and as specified in the SEBI NCS Regulations, there are no conditions precedent to the Issue.
Events of default (including manner of voting/ conditions of joining Inter Creditor Agreement)	Please refer to the section titled "*Terms of the Issue – Events of Default*" on page 158
Creation of recovery expense fund	A fund created by our Company with the Designated Stock Exchange for an amount equal to 0.01% of the issue size, subject to a maximum of deposit of ₹2,500,000 at the time of making the application for listing of NCDs, created in the manner as specified by SEBI in the SEBI Master Circular for Debenture Trustees and Regulation 11 of SEBI NCS Regulations. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	Upon occurrence of any default in the performance or observance of any term, covenant, condition or provision contained in this Prospectus and the Debenture Trust Deed and, except where the Debenture Trustee certifies that such defaults is in its opinion incapable of remedy within the cure period, as set out in the Debenture Trust Deed (in which case no notice shall be required), it shall constitute an event of default. See "*Terms of the Issue – Events of Default*" on page 158.
Provisions related to Cross Default Clause	As per the Debenture Trust Deed to be executed in accordance with applicable law.
Roles and responsibilities of the Debenture Trustee	As per SEBI (Debenture Trustees) Regulations, 1993, SEBI (Issue and Listing of Non-Convertible Securities) Regulation, 2021, SEBI Master Circular for Debenture Trustees, Companies Act, the simplified listing agreement(s), and the Debenture Trust Deed, each as amended from time to time. See "*Terms of the Issue -Trustees for the NCD Holders*" on page 158
Risk factors pertaining to the Issue	Please see section titled "*Risk Factors*" on page 13
Settlement Mode	Redemption
Governing law and jurisdiction	Any dispute in relation to NCDs shall be governed by laws of India and courts and tribunals in Ahmedabad shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the proposed issuance of NCDs
Covenants	As agreed in the Debenture Trust Deed to be executed in accordance with Applicable Law

Notes:

(1) In terms of Regulation 7 of the SEBI NCS Regulations, our Company will undertake this Issue in dematerialized form. Trading in the NCDs shall be compulsorily in dematerialized form.

(2) This Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the period indicated above, except that this Issue may close on such earlier date or extended date ((subject to a minimum period of three Working Days and a maximum period of ten Working Days from the date of opening of the Issue and subject to not exceeding thirty days from filing this Prospectus with ROC) as may be decided by the Board of Directors of our Company or Finance Committee subject to compliance with Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of this Issue our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement for opening of this Issue has been given on or before such earlier or initial date of Issue closure. Application Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges, on Working Days during the Issue Period. On the Issue Closing Date, the Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time) and uploaded until 5:00 p.m. or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. (Indian Standard Time) on one Working Day after the Issue Closing Date. For further details please refer to the chapter titled "Issue Related Information" on page 156 of this Prospectus.

While the NCDs are secured to the tune of 100% of the principal and interest thereon in favour of Debenture Trustee, it is it the duty of the Debenture Trustee to monitor the security cover is maintained, however, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

The specific terms of each instrument to be issued pursuant to an Issue shall be as set out in this Prospectus. See "*Issue Procedure*" on page 179 for details of category wise eligibility and allotment in the Issue.

Participation by any of the above-mentioned investor classes in this Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/or regulatory provisions. Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking allotment of NCDs pursuant to this Issue.

For further details, see *"Issue Procedure"* beginning on page 179.

Specific terms of the NCDs

Series	I	II	III*	IV	V	VI
Frequency of Interest Payment	Annual	Cumulative	Annual	Cumulative	Monthly	Annual
Minimum Application	₹ 10,000 (10 NCDs) across all series					
In multiples of thereafter	₹ 1,000 (1 NCD)					
Face Value/ Issue Price of NCDs (₹/ NCD)	₹ 1,000					
Tenor	3 years	3 years	5 years	5 years	10 years	10 years
Coupon (% per annum) for NCD Holders in all Categories	8.00%	NA	8.05%	NA	7.80%	8.10%
Effective Yield (% per annum) for NCD Holders in all Categories	7.99%	7.99%	8.04%	8.04%	8.08%	8.09%
Mode of Interest Payment	Through various modes available					
Amount (₹ / NCD) on Maturity for NCD Holders in all Categories	₹ 1,000	₹ 1,259.46	₹ 1,000	₹ 1,472.73	₹ 1,000	₹ 1,000
Maturity / Redemption Date (from the Deemed Date of Allotment)	3 years	3 years	5 years	5 years	10 years	10 years
Put and Call Option	Not Applicable					

**Our Company shall allocate and allot Series III NCDs wherein the Applicants have not indicated the choice of the relevant NCD Series*

Interest and Payment of Interest

For avoidance of doubt, with respect to Option V for NCDs where interest is to be paid on a monthly basis, relevant interest will be paid on the same date of each month from the Deemed Date of Allotment on the face value of the NCDs. The last interest payment under monthly Series will be made at the time of redemption of the NCDs. Payment of interest would be Subject to applicable tax deducted at source, if any. For further details, see "*Statement of Possible Tax Benefits*" on page 58.

With respect to Option I, Option III and Option VI where interest is to be paid on an annual basis, relevant interest will be paid on each anniversary of the Deemed Date of Allotment on the face value of the NCDs. The last interest payment under Annual options will be made at the time of redemption of the NCDs. Payment of interest would be Subject to applicable tax deducted at source, if any. For further details, see "*Statement of Possible Tax Benefits*" on page 58.

With respect to Option II and IV, the interest is not applicable.

Effect of holidays on payments

If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest would be Subject to applicable tax deducted at source, if any. For further details, see "*Statement of Possible Tax Benefits*" on page 58. In case the Redemption Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest on the NCDs until but excluding the date of such payment.

Terms of Payment

The entire amount of face value of NCDs applied for will be blocked in the relevant ASBA Account maintained with the SCSB or under UPI mechanism (only for Retail Individual Investors), as the case may be, in the bank account of the Applicants that is specified in the ASBA Form at the time of the submission of the Application Form. In the event of Allotment of a lesser number of NCDs than applied for, our Company shall unblock the additional amount blocked upon application in the ASBA Account, in accordance with the terms as specified in "*Terms of the Issue*" on page 156.

The NCDs have not been and will not be registered, listed or otherwise qualified in any jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. In particular, the NCDs have not been and will not be registered under the U.S. Securities Act, 1933, as amended (the "**Securities Act**") or the securities laws of any state of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. The Issuer has not registered and does not intend to register under the U.S. Investment Company Act, 1940 in reliance on section 3(c)(7) thereof. This Prospectus may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever, and in particular, may not be forwarded to any U.S. Person or to any U.S. address.

Applications may be made in single or joint names (not exceeding three). Applications should be made by Karta in case the Applicant is an HUF. If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names. In case of Application Form being submitted in joint names, the Applicants should ensure that the demat account is also held in the same joint names and the names are in the same sequence in which they appear in the Application Form. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form. Please ensure that such Applications contain the PAN of the HUF and not of the Karta. In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein.

In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein.

Day Count Convention

Interest shall be computed on an actual/actual basis i.e. on the principal outstanding on the NCDs as per the SEBI Master Circular.

Effect of holidays on payments

If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Redemption Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment. The interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai.

For further details, see "*Issue Procedure*" on page 179.

ISSUE PROCEDURE

This section applies to all Applicants and the specific attention of all Applicants is invited to the SEBI Master Circular, which provides, inter-alia, that for all public issues of debt securities all Applicants are mandatorily required to apply for in the Issue through the ASBA process. ASBA Applicants and Applicants applying through the Direct Online Application Mechanism (as defined hereinafter) should note that the ASBA process and the Direct Online Application Mechanism involve application procedures that are different from the procedure applicable to all other Applicants Please note that all Applicants are required to pay the full Application Amount or to ensure that the ASBA Account has sufficient credit balance such that the entire Application Amount can be blocked by the SCSB while making an Application. An amount equivalent to the full Application Amount will be blocked by the SCSBs in the relevant ASBA Accounts maintained with the SCSB or under UPI mechanism (only for Retail Individual Investors), as the case may be, in the bank account of the Applicants that is specified in the ASBA Form at the time of the submission of the Application Form. Applicants should note that they may submit their Applications to the Designated Intermediaries.

Applicants should note that they may submit their Applications to the Designated Intermediaries at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs as mentioned on the Application Form. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable law or as specified in this Prospectus.

Please note that this section has been prepared based on the SEBI Master Circular, as amended from time to time and other related circulars including notifications issued by the Stock Exchanges, in relation to the UPI mechanism. Retail Individual Investors should note that they may use the UPI mechanism to block funds for application value up to UPI Application Limit (to participate in the public issue for an amount up to ₹ 5,00,000 for issue of debt securities pursuant to SEBI Master Circular, or any other investment limit, as applicable and prescribed by SEBI from time to time) submitted through the app/web interface of the Stock Exchanges or through intermediaries (Syndicate Members, Registered Stockbrokers, Registrar and Transfer agent and Depository Participants).

ASBA Applicants must ensure that their respective ASBA Accounts can be blocked by the SCSBs, in the relevant ASBA accounts for the full Application Amount. Applicants should note that they may submit their Applications to the Designated Intermediaries at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs as mentioned on the Application Form. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable law or as specified in this Prospectus.

Specific attention is drawn to the SEBI Master Circular that provides for allotment in public issues of debt securities to be made on the basis of the date of upload of each application into the electronic book of the Stock Exchanges, as opposed to the date and time of upload of each such application.

Our Company and the Lead Managers will not be liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Investors are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws.

Further, the Company and the Lead Managers are not liable for any adverse occurrences consequent to the UPI Mechanism for application in the Issue.

PLEASE NOTE THAT ALL DESIGNATED INTERMEDIARIES WHO WISH TO COLLECT AND UPLOAD APPLICATION IN THIS ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGES WILL NEED TO APPROACH THE STOCK EXCHANGE(S) AND FOLLOW THE REQUISITE PROCEDURES AS MAY BE PRESCRIBED BY THE STOCK EXCHANGES. THE FOLLOWING SECTION MAY CONSEQUENTLY UNDERGO CHANGE BETWEEN THE DATES OF THE PROSPECTUS, THE ISSUE OPENING DATE AND THE ISSUE CLOSING DATE.

THE LEAD MANAGERS, THE CONSORTIUM MEMBERS AND OUR COMPANY SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY ERRORS OR OMISSIONS ON THE PART OF THE TRADING MEMBERS / DESIGNATED INTERMEDIARIES IN CONNECTION WITH THE RESPONSIBILITY OF SUCH TRADING MEMBERS / DESIGNATED INTERMEDIARIES IN RELATION TO COLLECTION AND UPLOAD OF APPLICATIONS IN THIS ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGES. FURTHER, THE RELEVANT STOCK EXCHANGES SHALL BE RESPONSIBLE FOR ADDRESSING INVESTOR GRIEVANCES ARISING FROM APPLICATIONS THROUGH TRADING MEMBERS / DESIGNATED INTERMEDIARIES REGISTERED WITH SUCH STOCK EXCHANGE.

Please note that for the purposes of this section, the term "Working Day" shall mean all days on which the commercial banks in Mumbai are open for business, except with reference to the Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holidays on which commercial banks in Mumbai are open for business.

Furthermore, for the purpose the time period between the bid/ issue closing date and the listing of the NCDs, Working Days shall mean all trading days of the Stock Exchanges excluding Saturdays, Sundays and bank holidays as specified by SEBI.

The information below is given for the benefit of Applicants. Our Company and the Members of the Consortium are not liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus.

PROCEDURE FOR APPLICATION

Who can apply?

The following categories of persons are eligible to apply in this Issue.

Category I (Institutional Investors)

- Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;
- Provident funds and pension funds each with a minimum corpus of ₹25 crores, superannuation funds and gratuity funds, which are authorised to invest in the NCDs;
- Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
- Resident Venture Capital Funds registered with SEBI;
- Insurance companies registered with the IRDAI;
- State industrial development corporations;
- Insurance funds set up and managed by the army, navy, or air force of the Union of India;
- Insurance funds set up and managed by the Department of Posts, the Union of India;
- Systemically Important Non-Banking Financial Company registered with the RBI and having a net-worth of more than ₹500 crores as per the last audited financial statements;
- National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and
- Mutual funds registered with SEBI.

Category II (Non-Institutional Investors)

- Companies within the meaning of Section 2(20) of the Companies Act, 2013;
- Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs;
- Co-operative banks and regional rural banks;
- Trusts including public/private charitable/religious trusts which are authorised to invest in the NCDs;
- Scientific and/or industrial research organisations, which are authorised to invest in the NCDs;
- Partnership firms in the name of the partners;
- Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009);
- Association of Persons; and
- Any other incorporated and/ or unincorporated body of persons.

Category III (High Net-worth Individual Investors)

Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 1,000,000 across all options of NCDs in this Issue.

Category IV (Retail Individual Investors)

Resident Indian Individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹1,000,000 across all options of NCDs in this Issue and shall include retail Individual Investors, who have submitted bid for an amount not more than .₹5,00,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and does not include NRIs) though UPI Mechanism.

Please note that it is clarified that Persons Resident outside India shall not be entitled to participate in the Issue and any applications from such persons are liable to be rejected.

Participation of any of the aforementioned categories of persons or entities is subject to the applicable statutory and/or regulatory requirements in connection with the subscription to Indian securities by such categories of persons or entities.

Applicants are advised to ensure that Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking allotment of NCDs pursuant to this Issue.

The Lead Managers, Members of Consortium and their respective associates and affiliates are permitted to subscribe in this Issue.

Application cannot be made by: The following categories of persons, and entities, shall not be eligible to participate in the Issue and any Applications from such persons and entities are liable to be rejected:

(a) Minors without a guardian name* (A guardian may apply on behalf of a minor. However, Applications by minors must be made through Application Forms that contain the names of both the minor Applicant and the guardian);
(b) Foreign nationals NRI inter-alia including any NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA;
(c) Persons resident outside India and other foreign entities;
(d) Foreign Institutional Investors;
(e) Foreign Portfolio Investors;
(f) Non Resident Indians;
(g) Qualified Foreign Investors;
(h) Overseas Corporate Bodies**;
(i) Foreign Venture Capital Funds; and
(j) Persons ineligible to contract under applicable statutory/ regulatory requirements.

* *Applicant shall ensure that guardian is competent to contract under Indian Contract Act, 1872*
The Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchanges by the Designated Intermediaries.
Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship). In case of such Applications, the Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchanges.

** *The concept of Overseas Corporate Bodies (meaning any company, partnership firm, society and other corporate body or overseas trust irrevocably owned/held directly or indirectly to the extent of at least 60% by NRIs), which was in existence until 2003, was withdrawn by the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Accordingly, OCBs are not permitted to invest in the Issue.*

The information below is given for the benefit of Applicants. Our Company and the Lead Managers are not liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus.

How to apply?

Availability of the Draft Prospectus, this Prospectus, Abridged Prospectus and Application Forms.

Physical copies of the Abridged Prospectus containing the salient features of this Prospectus together with Application Forms may be obtained from our Registered Office and Corporate Office, offices of the Lead Managers, offices of the Consortium Members, the Registrar to the Issue, Designated RTA Locations for RTAs, Designated CDP Locations for CDPs and the Designated Branches of the SCSBs. Additionally, Electronic copies of the Draft Prospectus, this Prospectus and the Application Forms will be available

(i) for download on the website of BSE at www.bseindia.com, on the website of NSE at www.nseindia.com and the websites of the Lead Managers at www.trustgroup.in, www.akgroup.co.in, www.jmfl.com and www.nuvama.com.
(ii) at the designated branches of the SCSBs and the Members of the Consortium at the Specified Locations.

Electronic copies of this Prospectus along with the downloadable version of the Application Form will be available on the websites of the Lead Managers, the Stock Exchanges, SEBI and SCSBs.

Electronic Application Forms will also be available on the website of the Stock Exchanges and on the websites of the SCSBs that permit the submission of Applications electronically. A hyperlink to the website of the Stock Exchanges for this facility will be provided on the website of the Lead Managers and the SCSBs. Further, Application Forms will also be provided to Designated Intermediaries at their request. A Unique Application number ("**UAN**") will be generated for every Application Form downloaded from the websites of Stock Exchanges.

Our Company may also provide Application Forms for being downloaded and filled at such websites as it may deem fit. In addition, brokers having online demat account portals may also provide a facility of submitting the Application Forms virtually online to their account holders.

Trading Members of the Stock Exchanges can download Application Forms from the websites of the Stock Exchanges. Further, Application Forms will be provided to Trading Members of the Stock Exchanges at their request.

Please note that there is a single Application Form for all Applicants who are Persons Resident in India.

Please note that only ASBA Applicants shall be permitted to make an application for the NCDs.

Method of Application

In terms of SEBI Master Circular, an eligible investor desirous of applying in the Issue can make Applications only through the ASBA process only.

All Applicants shall mandatorily apply in the Issue through the ASBA process only. Applicants intending to subscribe in the Issue shall submit a duly filled Application form to any of the Designated Intermediaries. Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Form (except the Application Form from a retail individual investor bidding using the UPI mechanism) to the respective SCSB, where such investor has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank.

Applicants are requested to note that in terms of the SEBI Master Circular, SEBI has mandated issuers to provide, through a recognized stock exchanges which offers such a facility, an online interface enabling direct application by investors to a public issue of debt securities with an online payment facility ("Direct Online Application Mechanism"). In this regard, SEBI has, through the SEBI Master Circular, directed recognized Stock Exchanges in India to put in necessary systems and infrastructure for the implementation of the SEBI Master Circular and the Direct Online Application Mechanism infrastructure for the implementation of the SEBI Master Circular and the Direct Online Application Mechanism. The Direct Online Application facility will be available for this Issue as per mechanism provided in the SEBI Master Circular.

Applicants should submit the Application Form only at the bidding centres, *i.e.*, to the respective Members of the Consortium at the Specified Locations, the SCSBs at the Designated Branches, the Registered Broker at the Broker Centres, the RTAs at the Designated RTA Locations or CDPs at the Designated CDP Locations. Kindly note that Application Forms submitted by Applicants at the Specified Locations will not be accepted if the SCSB with which the ASBA Account, as specified in the Application Form is maintained has not named at least one branch at that location for the Designated Intermediaries for deposit of the Application Forms. A list of such branches is available at http://www.sebi.gov.in.

The relevant Designated Intermediaries, upon receipt of physical Application Forms from ASBA Applicants, shall upload the details of these Application Forms to the online platform of the Stock Exchanges and submit these Application Forms with the SCSB (except Application Form from RIBs using the UPI Mechanism) with whom the relevant ASBA Accounts are maintained.

For RIBs using UPI Mechanism, the Stock Exchanges shall share the bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. For an Applicant who submits the Application Form, in physical form, the Application Form shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form. For an Applicant who submits the Application Form, the same shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form. Further, the Application may also be submitted through the app or web interface developed by Stock Exchanges wherein the Application is automatically uploaded onto the Stock Exchanges bidding platform and the amount is blocked using the UPI mechanism, as applicable.

Designated Intermediaries (other than SCSBs) shall not accept any Application Form from a RIB who is not applying using the UPI Mechanism. For RIBs using UPI Mechanism, the Stock Exchanges shall share the bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. For an Applicant who submits the Application Form, in physical form, the Application Form shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form.

Our Company, our Directors, affiliates, associates and their respective directors and officers, Lead Managers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to ASBA Applications accepted by the Designated Intermediaries, Applications uploaded by SCSBs, Applications accepted but not

uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount has been blocked in the relevant ASBA Account. Further, all grievances against Designated Intermediaries in relation to this Issue should be made by Applicants directly to the relevant Stock Exchanges.

In terms of the SEBI Master Circular, an eligible investor desirous of applying in this Issue can make Applications through the following modes:

1. **Through Self-Certified Syndicate Bank (SCSB) or intermediaries** (viz. Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants)

    a. An investor may submit the bid-cum-application form, with ASBA as the sole mechanism for making payment, physically at the branch of a SCSB, i.e. investor's bank. For such applications, the existing process of uploading of bid on the Stock Exchanges' bidding platform and blocking of funds in investors account by the SCSB would continue.
    b. An investor may submit the completed bid-cum-application form to intermediaries mentioned above along with details of his/her bank account for blocking of funds. The intermediary shall upload the bid on the Stock Exchanges' bidding platform and forward the application form to a branch of a SCSB for blocking of funds.
    c. An investor may submit the bid-cum-application form with a SCSB or the intermediaries mentioned above and use his / her bank account linked UPI ID for the purpose of blocking of funds, if the application value is ₹5,00,000 or less. The intermediary shall upload the bid on the Stock Exchanges' bidding platform. The application amount would be blocked through the UPI mechanism in this case.

2. Through Stock Exchanges

    a. An investor may submit the bid-cum-application form through the App or web interface developed by Stock Exchange (or any other permitted methods) wherein the bid is automatically uploaded onto the Stock Exchange bidding platform and the amount is blocked using the UPI Mechanism.
    b. The Stock Exchanges have extended their web-based platforms i.e., 'BSEDirect' and 'NSE goBID' to facilitate investors to apply in public issues of debt securities through the web based platform and mobile app with a facility to block funds through Unified Payments Interface (UPI) mechanism for application value up to ₹5,00,000. To place bid through 'BSEDirect' and 'NSE goBID' platform/ mobile app the eligible investor is required to register himself/ herself with BSE Direct/ NSE goBID.
    c. An investor may use the following links to access the web-based interface developed by the Stock Exchanges to bid using the UPI Mechanism: BSE: https://www.bsedirect.com; and NSE: https://www.nseindiaipo.com.
    d. The BSE Direct and NSE goBID mobile application can be downloaded from play store in android phones. Kindly search for 'BSEdirect' or 'NSE goBID' on Google Playstore for downloading mobile applications.
    e. To further clarify the submission of bids through the App or web interface, the BSE has issued operational guidelines and circulars dated December 28, 2020 available at https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-60, and https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-61. Similar circulars by NSE can be found here: https://www1.nseindia.com/content/circulars/IPO46907.zip https://www1.nseindia.com/content/circulars/IPO46867.zip. Further, NSE has allowed its 'GoBid' mobile application which is currently available for placing bids for non-competitive bidding shall also be available for applications of public issues of debt securities. For further details, see "*Process for Retail Individual Investors application submitted with UPI as mode of payment*" on page 195.

Application Size

Each Application should be for a minimum of 10 NCDs and in multiples of one NCD thereafter for all options of NCDs, as specified in this Prospectus. The minimum application size for each Application for NCDs would be ₹10,000 across all series collectively and in multiples of ₹1,000 thereafter.

Applicants can apply for any or all types of NCDs offered hereunder (any/all series) provided the Applicant has applied for minimum application size using the same Application Form.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

APPLICATIONS BY VARIOUS APPLICANT CATEGORIES

Applications by Mutual Funds

Pursuant to the SEBI RTA Master Circular, mutual funds are required to ensure that the total exposure of debt schemes of mutual funds in a particular sector shall not exceed 20 % of the net assets value of the scheme. Further, the additional exposure limit provided for financial services sector not exceeding 10 % of net assets value of scheme shall be allowed only by way of increase in exposure to HFCs. Further, the group level limits for debt schemes and the ceiling be fixed at 10 % of net assets value extendable to 15 % of net assets value after prior approval of the board of trustees.

A separate Application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. Applications made by the asset management companies or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which the Application is being made. An Application Form by a mutual fund registered with SEBI for Allotment of the NCDs must also be accompanied by certified true copies of (i) its SEBI registration certificates (ii) the trust deed in respect of such mutual fund (iii) a resolution authorising investment and containing operating instructions and (iv) specimen signatures of authorized signatories. **Failing this, our Company reserves the right to accept or reject any Application from a Mutual Fund for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Application by Scheduled Commercial Banks, Co-operative Banks and Regional Rural Banks

Scheduled commercial banks, co-operative banks and regional rural banks can apply in the Issue based upon their own investment limits and approvals. Applications by them for Allotment of the NCDs must be accompanied by certified true copies of (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) a board resolution authorising investments; (iv) memorandum and articles of association/charter of constitution; (v) power of attorney; and (vi) a letter of authorisation. Failing this, our Company reserves the right to accept or reject any Application from a Mutual Fund for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.

Pursuant to SEBI Master Circular, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

Application by Systemically Important Non-Banking Financial Companies

Systemically Important Non-Banking Financial Companies can apply in the Issue based upon their own investment limits and approvals. Applications by them for Allotment of the NCDs must be accompanied by certified true copies of (i) their memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) a board resolution authorising investments; and (ii) specimen signatures of authorised signatories. **Failing this, our Company reserves the right to accept or reject any Application for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Application by Insurance Companies

Insurance companies registered with IRDAI can apply in this Issue based on their own investment limits and approvals in accordance with the regulations, guidelines and circulars issued by the IRDAI. The Application Form must be accompanied by certified true copies of their (i) certificate registered with the IRDAI; (ii) memorandum and articles of association/charter of constitution; (iii) power of attorney; (iv) resolution authorising investments/containing operating instructions; and (v) specimen signatures of authorised signatories. **Failing this, our Company reserves the right to accept or reject any Application for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications by alternative investments funds

Applications made by 'alternative investment funds' eligible to invest in accordance with the SEBI AIF Regulations for Allotment of the NCDs must be accompanied by certified true copies of (i) SEBI registration certificate; (ii) a resolution authorising investment and containing operating instructions; and (iii) specimen signatures of authorised persons. The alternative investment funds shall at all times comply with the requirements applicable to it under the SEBI AIF Regulations and the relevant notifications issued by SEBI. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications by Trusts

In case of Applications made by trusts, settled under the Indian Trusts Act, 1882, as amended, or any other statutory and/or regulatory provision governing the settlement of trusts in India, must submit a (i) certified copy of the registered instrument for

creation of such trust, (ii) power of attorney, if any, in favour of one or more trustees thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to this Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications by public financial institutions or statutory corporations, which are authorized to invest in the NCDs

The Application must be accompanied by certified true copies of: (i) any Act/ rules under which they are incorporated; (ii) board resolution authorising investments; and (iii) specimen signature of authorized person. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof. Applications made by companies, bodies corporate and societies registered under the applicable laws in India.**

The Application must be accompanied by certified true copies of: (i) any Act/ rules under which they are incorporated; (ii) board resolution authorising investments; and (iii) specimen signature of authorized person. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications made by Indian scientific and/ or industrial research organizations, which are authorized to invest in the NCDs

Applications by scientific and/ or industrial research organisations which are authorised to invest in the NCDs must be accompanied by certified true copies of: (i) any Act/rules under which such Applicant is incorporated; (ii) a resolution of the board of directors of such Applicant authorising investments; and (iii) specimen signature of authorized persons of such Applicant. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications made by Partnership firms formed under applicable Indian laws in the name of the partners and limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008

Applications made by partnership firms and limited liability partnerships formed and registered under the Limited Liability Partnership Act, 2008 must be accompanied by certified true copies of: (i) the partnership deed for such Applicants; (ii) any documents evidencing registration of such Applicant thereof under applicable statutory/regulatory requirements; (iii) a resolution authorizing the investment and containing operating instructions; and (iv) specimen signature of authorized persons of such Applicant. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications under a power of attorney by limited companies, corporate bodies and registered societies

In case of Applications made pursuant to a power of attorney by Applicants from Category I and Category II, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by Applicants who are HNI Investors or Retail Individual Investors, a certified copy of the power of attorney must be lodged along with the Application Form.

In case of physical ASBA Applications made pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the Application Form. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Our Company, in its absolute discretion, reserves the right to relax the above condition of attaching the power of attorney along with the Application Forms subject to such terms and conditions that our Company and the Lead Managers may deem fit.

Brokers having online demat account portals may also provide a facility of submitting the Application Forms online to their account holders. Under this facility, a broker receives an online instruction through its portal from the Applicant for making an Application on his or her behalf. Based on such instruction, and a power of attorney granted by the Applicant to authorise the broker, the broker makes an Application on behalf of the Applicant.

Applications by associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment

In case of Applications made by Applications by associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment, must submit a (i) certified copy of the certificate of registration or proof of constitution, as applicable, (ii) power of attorney, if any, in favour of one or more persons thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to this Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorized to invest in the NCDs

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorised to invest in the NCDs, for Allotment of the NCDs must be accompanied by certified true copies of: (i) any Act/rules under which they are incorporated; (ii) a power of attorney, if any, in favour of one or more trustees thereof, (ii) a board resolution authorising investments; (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements; (iv) specimen signature of authorized person; (v) a certified copy of the registered instrument for creation of such fund/trust; and (vi) any tax exemption certificate issued by the Income Tax authorities. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications by National Investment Funds

Application made by a national investment fund for Allotment of the NCDs must be accompanied by certified true copies of: (i) a resolution authorising investment and containing operating instructions; and (ii) specimen signatures of authorized persons. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Applications by systemically important non-banking financial companies

Systemically important Non-banking financial companies can apply in this Issue based on their own investment limits and approvals. Applications made by Systemically important non-banking financial companies registered with the RBI and under other applicable laws in India must be accompanied by certified true copies of: (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) board resolution authorising investments; and (iv) specimen signature of authorized person. **For each of the above applicant categories if the Application is not made in the form and along with the requirements set out above, the Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

APPLICATIONS FOR ALLOTMENT OF NCDs IN THE DEMATERIALISED FORM

This section is for the information of the Applicants proposing to subscribe to the Issue. The Lead Managers and our Company are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus and this Prospectus. Applicants are advised to make their independent investigations and to ensure that the Application Form is correctly filled up.

Our Company, our directors, affiliates, associates and their respective directors and officers, Lead Managers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by and/or uploaded by and/or accepted but not uploaded by Consortium Members, Trading Members, Registered Brokers, CDPs, CRTAs and SCSBs who are authorised to collect Application Forms from the Applicants in the Issue, or Applications accepted and uploaded without blocking funds in the ASBA Accounts by SCSBs. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount payable on Application has been blocked in the relevant ASBA Account. The list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive Application Forms from the Members of the Syndicate is available on the website of SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Members of the Syndicate at Specified Locations, see the website of the SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) as updated from time to time or any such other website as may be prescribed by SEBI from time to time. The list of Registered Brokers at the Broker Centres, CDPs at the

Designated CDP Locations or the CRTAs at the Designated CRTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Submission of Applications

a. Applicants can apply for NCDs only using the ASBA facility pursuant to SEBI Master Circular. ASBA Applications can be submitted through either of the following modes: Physically or electronically to the Designated Branches of the SCSB(s) with whom an Applicant's ASBA Account is maintained. In case of Application in physical mode, the Applicant shall submit the Application Form at the relevant Designated Branch of the SCSB(s). The Designated Branch shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account and shall also verify that the signature on the Application Form matches with the Applicant's bank records, as mentioned in the Application Form, prior to uploading such Application into the electronic system of the Stock Exchanges. If sufficient funds are not available in the ASBA Account, the respective Designated Branch shall reject such Application and shall not upload such Application in the electronic system of the Stock Exchanges. If sufficient funds are available in the ASBA Account, the Designated Branch shall block an amount equivalent to the Application Amount and upload details of the Application in the electronic system of the Stock Exchanges. The Designated Branch of the SCSBs shall stamp the Application Form and issue an acknowledgement as proof of having accepted the Application. In case of Application being made in the electronic mode, the Applicant shall submit the Application either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for application and blocking funds in the ASBA Account held with SCSB, and accordingly registering such Application.

b. Physically through the Members of Consortium, or Trading Members of the Stock Exchanges only at the Specified Cities, i.e. Syndicate ASBA. Kindly note that ASBA Applications submitted to the Members of Consortium or Trading Members of the Stock Exchanges at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the ASBA Application, is maintained has not named at least one branch at that Specified City for the Members of Consortium or Trading Members of the Stock Exchanges, as the case may be, to deposit ASBA Applications (A list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes).

c. A UPI Investor making an Application in the Issue under the UPI Mechanism, where the Application Amount is up to the UPI Application Limit, can submit his Application Form physically to a SCSB or a Designated Intermediary. The Designated Intermediary shall upload the application details along with the UPI ID on the Stock Exchange's bidding platform using appropriate protocols. Kindly note that in this case, the Application Amount will be blocked through the UPI Mechanism once the mandate request has been successfully accepted by the Applicant.

A UPI Investor may also submit the Application Form for the Issue through BSE Direct, wherein the Application will be automatically uploaded onto the Stock Exchange's bidding platform and an amount equivalent to the Application Amount shall be blocked using the UPI Mechanism once the mandate request has been successfully accepted by the Applicant.

Upon receipt of the Application Form by the Designated Intermediaries, an acknowledgement shall be issued by the relevant Designated Intermediary, giving the counter foil of the Application Form to the Applicant as proof of having accepted the Application. Thereafter, the details of the Application shall be uploaded in the electronic system of the Stock Exchanges and the Application Form shall be forwarded to the relevant branch of the SCSB, in the relevant Collection Center, named by such SCSB to accept such Applications from the Designated Intermediaries (a list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes). Upon receipt of the Application Form, the relevant branch of the SCSB shall perform verification procedures including verification of the Applicant's signature with his bank records and check if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form. If sufficient funds are not available in the ASBA Account, the relevant Application Form is liable to be rejected. If sufficient funds are available in the ASBA Account, the relevant branch of the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form. The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of this Issue or until withdrawal/ rejection of the Application Form, as the case may be. In case of an Application not involving an Application by an RIB through UPI Mechanism, if sufficient funds are not available in the ASBA Account, the relevant Application Form is liable to be rejected. If sufficient funds are available in the ASBA Account, the relevant branch of the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form. The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be.

In case of Application involving an Application by an RIB through UPI Mechanism, if an Applicant submits the Application Form with a Designated Intermediary and uses his/ her bank account linked UPI ID for the purpose of blocking of funds, where

the application value is up to UPI Application Limit, the Application Amount will be blocked through the UPI Mechanism once the mandate request has been successfully accepted by the Applicant and the Designated Intermediary shall upload the Application on the bidding platform developed by the Stock Exchanges. If an Applicant submits the Application Form through the application or web interface developed by Stock Exchanges, the bid will automatically be uploaded onto the Stock Exchanges bidding platform and the amount will be blocked using the UPI Mechanism once the mandate request has been successfully accepted by the Applicant.

Applicants must note that:

a. Physical Application Forms will be available with the Designated Branches of the SCSBs and with the Designated Intermediaries at the respective Collection Centers; and electronic Application Forms will be available on the websites of the SCSBs and the Stock Exchanges at least one day prior to the Issue Opening Date. Physical Application Forms will also be provided to the Trading Members of the Stock Exchanges at their request. The Application Forms would be serially numbered. Further, the SCSBs will ensure that the electronic version of this Prospectus is made available on their websites. The physical Application Form submitted to the Designated Intermediaries shall bear the stamp of the relevant Designated Intermediary. In the event the Application Form does not bear any stamp, the same shall be liable to be rejected.

b. The Designated Branches of the SCSBs shall accept Applications directly from Applicants only during the Issue Period. The SCSB shall not accept any Application directly from Applicants after the closing time of acceptance of Applications on the Issue Closing Date. However, in case of Syndicate ASBA, the relevant branches of the SCSBs at Specified Cities can accept ASBA Applications from the Lead Managers or Trading Members of the Stock Exchanges, as the case may be, after the closing time of acceptance of Applications on the Issue Closing Date. For further information on the Issue programme, see "*Issue Structure*" on page 173. However, the relevant branches of the SCSBs at Specified Locations can accept Application Forms from the Designated Intermediaries, after the closing time of acceptance of Applications on the Issue Closing Date, if the Applications have been uploaded. For further information on the Issue programme, please refer to "*Issue Structure*" on page 173 of this Prospectus.

c. In case of Applications through Syndicate ASBA, the physical Application Form shall bear the stamp of the Lead Managers or Consortium Members or Trading Members of the Stock Exchanges, as the case maybe, if not, the same shall be rejected. Application Forms directly submitted to SCSBs should bear the stamp of SCSBs, if not, the same are liable to be rejected. Physical Application Forms directly submitted to SCSBs should bear the stamp of SCSBs, if not, the same are liable to be rejected.

Please note that ASBA Applicants can make an Application for Allotment of NCDs in the dematerialized form only.

Submission of Direct Online Applications

Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchanges.

In the event the Direct Online Application facility is implemented by the Stock Exchanges, relevant "know your customer" details of such Applicants will be validated online from the Depositories, on the basis of the DP ID and Client ID provided by them in the Application Form. On successful submission of a Direct Online Application, the Applicant will receive a system-generated unique application number ("UAN") and an SMS or an email confirmation on credit of the requisite Application Amount paid through the online payment facility with the Direct Online Application. On Allotment, the Registrar to the Issue shall credit NCDs to the beneficiary account of the Applicant and in case of refund, the refund amount shall be credited directly to the Applicant's bank account. Applicants applying through the Direct Online Application facility must preserve their UAN and quote their UAN in: (a) any cancellation/withdrawal of their Application; (b) in queries in connection with Allotment of NCDs and/or refund(s); and/or (c) in all investor grievances/complaints in connection with the Issue.

As per the SEBI Master Circular, the availability of the Direct Online Applications facility is subject to the Stock Exchanges putting in place the necessary systems and infrastructure, and accordingly the aforementioned disclosures are subject to any further clarifications, notification, modification deletion, direction, instructions and/or correspondence that may be issued by the Stock Exchanges and/or SEBI.

Payment instructions

Payment mechanism for Applicants

An Applicant shall specify details of the ASBA Account Number in the Application Form and the relevant SCSB shall block an amount equivalent to the Application Amount in the ASBA Account specified in the Application Form.

An Applicant may submit the completed Application Form to Designated Intermediaries along with details of his/her bank account for blocking of funds. The intermediary shall upload the bid on the Designated Stock Exchange bidding platform and forward the application form to a branch of a SCSB for blocking of funds. An Applicant (belonging to Category IV) may also submit the Application Form with a SCSB, or the intermediaries mentioned above and use his / her bank account linked UPI ID for the purpose of blocking of funds, if the application value is ₹5,00,000 or less. The intermediary shall upload the bid on the Stock Exchanges' bidding platform. The application amount would be blocked through the UPI Mechanism once the mandate request has been successfully accepted by the Applicant in this case.

ASBA Applicants should ensure that they have funds equal to the Application Amount in the ASBA Account before submitting the ASBA Application to the Members of Consortium or Trading Members of the Stock Exchanges, as the case may be, at the Specified Cities or to the Designated Branches of the SCSBs. An ASBA Application where the corresponding ASBA Account does not have sufficient funds equal to the Application Amount at the time of blocking the ASBA Account is liable to be rejected.

The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of the relevant Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is approved, and upon receipt of intimation from the Registrar, the controlling branch of the SCSB shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account. The balance amount remaining after the finalization of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB within 5 (five) Working Days of the relevant Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the relevant Issue or until rejection of the ASBA Application, as the case may be. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue. An applicant (belonging to Category IV) may also submit the Application Form with a SCSB or the Designated Intermediaries mentioned above and use his / her bank account linked UPI ID for the purpose of blocking of funds, if the application value is up to the UPI Application Limit. The intermediary shall upload the bid on the Stock Exchanges' bidding platform. The application amount would be blocked through the UPI Mechanism once the mandate request has been successfully accepted by the Applicant in this case.

An Applicant may submit the Application Form through the App or web interface developed by Stock Exchanges wherein the bid is automatically uploaded onto the Stock Exchanges' bidding platform and the amount is blocked using the UPI Mechanism once the mandate request has been successfully accepted by the Applicant.

Upon receipt of an intimation from the Registrar to the Issue, the SCSBs shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account in terms of the Public Issue Account and Sponsor Bank Agreement. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue to the respective SCSB within five Working Days of the Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application, as the case may be.

For ASBA Applications submitted to the Lead Managers or Consortium Members or Trading Members of the Stock Exchanges at the Specified Cities, the ASBA Application will be uploaded onto the electronic system of the Stock Exchanges and deposited with the relevant branch of the SCSB at the Specified City named by such SCSB to accept such ASBA Applications from the Lead Managers or Trading Members of the Stock Exchanges, as the case may be (a list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes). The relevant branch of the SCSB shall perform verification procedures and block an amount in the ASBA Account equal to the Application Amount specified in the ASBA Application.

For ASBA Applications submitted directly to the SCSBs, the relevant SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the ASBA Application, before entering the ASBA Application into the electronic system of the Stock Exchanges. SCSBs may provide the electronic mode of application either through an internet enabled application and banking facility or such other secured, electronically enabled mechanism for application and blocking of funds in the ASBA Account.

Payment mechanism for Direct Online Applicants

Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchanges. In the event the Direct Online Application facility is implemented by the Stock Exchanges, relevant "know your customer" details of such Applicants will be validated online from the Depositories, on the basis of the DP ID and Client ID provided by them in the Application Form. On successful submission of a Direct Online Application, the Applicant will receive a system-generated unique application number ("**UAN**") and an SMS or an email confirmation on credit of the requisite Application Amount paid

through the online payment facility with the Direct Online Application. On Allotment, the Registrar to the Issue shall credit NCDs to the beneficiary account of the Applicant and in case of refund, the refund amount shall be credited directly to the Applicant's bank account. Applicants applying through the Direct Online Application facility must preserve their UAN and quote their UAN in: (a) any cancellation/withdrawal of their Application; (b) in queries in connection with Allotment of NCDs and/or refund(s); and/or (c) in all investor grievances/complaints in connection with the Issue.

As per the SEBI Master Circular, the availability of the Direct Online Applications facility is subject to the Stock Exchanges putting in place the necessary systems and infrastructure, and accordingly the aforementioned disclosures are subject to any further clarifications, notification, modification deletion, direction, instructions and/or correspondence that may be issued by the Stock Exchanges and/or SEBI.

Additional information for Applicants

1. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected.
2. No separate receipts will be issued for the money blocked on the submission of Application Form. However, the collection centre of the Designated Intermediaries will acknowledge the receipt of the Application Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant.
3. Applications should be submitted on the Application Form only. In the event that physical Application Forms do not bear the stamp of the Designated Intermediaries, or the relevant Designated Branch, as the case may be, they are liable to be rejected.
4. Application Forms submitted by Applicants shall be for allotment of NCDs only in dematerialized form.

The Investors are advised to read the operational guidelines mentioned for Making Application for Public Issue of Debt Securities through BSE Direct issued by BSE on December 28, 2020 and the circular issued by NSE for Introduction of Unified Payment Interface (UPI) for Debt IPO through NSE goBID on January 05, 2021 before investing through the through the app/ web interface of Stock Exchange(s),

Kindly note, the Stock Exchanges shall be responsible for addressing investor grievances arising from Applications submitted online through the App based/ web interface platform of Stock Exchanges or through its Trading Members.

Further, the collecting bank shall be responsible for addressing any investor grievances arising from non-confirmation of funds to the Registrar despite successful realization/blocking of funds, or any delay or operational lapse by the collecting bank in sending the Application forms to the Registrar to the Issue.

Applicants are advised not to submit Application Forms to Public Issue Account Banks and the same will be rejected in such cases and the Applicants will not be entitled to any compensation whatsoever.

Filing of the Prospectus with ROC

A copy of this Prospectus has been filed with the ROC in accordance with Section 26 of the Companies Act, 2013.

General Instructions for completing the Application Form

a. Applications must be made in prescribed Application Form only;
b. Applicants should ensure that their Application Form is submitted either at a Designated Branch of a SCSB where the ASBA Account is maintained or with the Members of the Syndicate or Trading Members of the stock exchange at the Specified Cities, and not directly to the escrow collecting banks (assuming that such bank is not a SCSB) or to the Company or the Registrar to the Issue.
c. Applications through Syndicate ASBA, before submitting the physical Application Form to the Members of the Syndicate or Trading Members of the stock exchange, ensure that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at-least one branch in that Specified City for the Members of the Syndicate or Trading Members of the stock exchange, as the case may be, to deposit ASBA Forms (A list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes)
d. Application Forms must be completed in block letters in English, as per the instructions contained in this Prospectus and the Application Form. Applicants should note that the Designated Intermediaries will not be liable for errors in data entry due to incomplete or illegible Application Forms.
e. Applications should be in single or joint names and not exceeding three names, and in the same order as their Depository Participant details and Applications should be made by Karta in case the Applicant is an HUF. Please ensure that such Applications contain the PAN of the HUF and not of the Karta. If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names.
f. Applicants applying for Allotment in dematerialized form must provide details of valid and active DP ID, Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, Client ID and PAN provided in the

Application Form, and as entered into the electronic Application system of Stock Exchanges by SCSBs, the Members of the Syndicate at the Syndicate ASBA Application Locations and the Trading Members, as the case may be, the Registrar will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs.

g. Applications must be for a minimum of 10 (Ten) NCDs and in multiples of 1 NCD thereafter. For the purpose of fulfilling the requirement of minimum application size of 10 (Ten) NCDs, an Applicant may choose to apply for 10 (Ten) NCDs or more in a single Application Form.

h. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.

i. Applications should be made by Karta in case of HUFs. Applicants are required to ensure that the PAN details of the HUF are mentioned and not those of the Karta.

j. Thumb impressions and signatures other than in English/Hindi/Gujarati/Marathi or any other languages specified in the 8th Schedule of the Constitution of India needs to be attested by a Magistrate or Notary Public or a Special Executive Magistrate under his/her seal;

k. No separate receipts will be issued for the money payable on the submission of the Application Form. However, the Members of Consortium, Trading Members of the Stock Exchanges or the Designated Branches of the SCSBs, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicants the Transaction Registration Slip ("TRS"). This TRS will serve as the duplicate of the Application Form for the records of the Applicant. Applicants must ensure that the requisite documents are attached to the Application Form prior to submission and receipt of acknowledgement from the Lead Managers, Trading Member of the Stock Exchanges or the Designated Branch of the SCSBs, as the case may be.

l. The Designated Intermediaries or the Designated Branches of the SCSBs, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicants the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant. Applicants must ensure that the requisite documents are attached to the Application Form prior to submission and receipt of acknowledgement from the relevant Designated Intermediaries or the Designated Branch of the SCSBs, as the case may be.

m. Every Applicant should hold a valid PAN and mention the same in the Application Form and submit the same. Applicant without PAN is liable to be rejected, irrespective of the amount

n. All Applicants are required to tick the relevant column of "Category of Investor" in the Application Form.

o. Applicants should correctly mention the ASBA Account number and UPI ID in case applying through UPI mechanism, and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form and also ensure that the signature in the Application Form matches with the signature in Applicant's bank records, otherwise the Application is liable to be rejected

p. Applicants must provide details of valid and active DP ID, UPI ID (in case applying through UPI mechanism), Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, UPI ID (in case applying through UPI mechanism), Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of Stock Exchanges by SCSBs, the Designated Intermediaries, the Registrar will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs. If the ASBA Account holder is different from the Applicant, the Application Form should be signed by the ASBA Account holder, in accordance with the instructions provided in the Application Form. Not more than five Applications can be made from one single ASBA Account;

q. For Applicants, the Applications in physical mode should be submitted to the SCSBs or a member of the Syndicate or to the Trading Members of the Stock Exchanges on the prescribed Application Form. SCSBs may provide the electronic mode for making Application either through an internet enabled banking facility or such other secured, electronically enabled mechanism for Application and blocking funds in the ASBA Account;

r. Application Forms should bear the stamp of the Member of the Syndicate, Trading Member of the Stock Exchanges, Designated Intermediaries and/or Designated Branch of the SCSB. Application Forms which do not bear the stamp will be rejected.

s. Applicant should correctly mention the ASBA Account number and UPI ID in case applying through UPI Mechanism and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form and ensure that the signature in the Application Form matches with the signature in the Applicant's bank records.

The series, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Designated Intermediaries in the data entries as such data entries will be considered for allotment.

Applicants should note that neither the Designated Intermediaries nor the SCSBs, as the case may be, will be liable for error in data entry due to incomplete or illegible Application Forms. Our Company would allot the NCDs, as specified in this Prospectus for the Issue to all valid Applications, wherein the Applicants have not indicated their choice of the relevant series of NCDs.

Applicants' PAN, Depository Account and Bank Account Details

ALL APPLICANTS APPLYING FOR ALLOTMENT OF THE NCDS SHOULD MENTION THEIR DP ID, UPI ID (IN CASE APPLYING THROUGH UPI MECHANISM), CLIENT ID AND PAN IN THE APPLICATION FORM. APPLICANTS MUST ENSURE THAT THE DP ID, UPI ID, CLIENT ID AND PAN GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE DP ID, UPI ID, CLIENT ID AND PAN AVAILABLE IN THE DEPOSITORY DATABASE. IF THE BENEFICIARY ACCOUNT IS HELD IN JOINT NAMES, THE APPLICATION FORM SHOULD CONTAIN THE NAME AND PAN OF BOTH THE HOLDERS OF THE BENEFICIARY ACCOUNT AND SIGNATURES OF BOTH HOLDERS WOULD BE REQUIRED IN THE APPLICATION FORM.

Applicants applying for Allotment in dematerialised form must mention their DP ID, Client ID, PAN and UPI ID (in case applying through UPI Mechanism) in the Application Form and ensure that the name provided in the Application Form is exactly the same as the name in which the Beneficiary Account is held. In case the Application Form for Allotment in dematerialised form is submitted in the first Applicant's name, it should be ensured that the Beneficiary Account is held in the same joint names and in the same sequence in which they appear in the Application Form. In case the DP ID, Client ID and PAN mentioned in the Application Form for Allotment in dematerialised form and entered into the electronic system of the Stock Exchanges do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form for Allotment in dematerialised form is liable to be rejected. Further, Application Forms submitted by Applicants applying for Allotment in dematerialised form, whose beneficiary accounts are inactive, will be rejected.

On the basis of the DP ID, UPI ID, Client ID and PAN provided by them in the Application Form and entered into the electronic system of the Stock Exchanges, the Registrar to the Issue will obtain from the Depository the Demographic Details of the Applicants including PAN, address, bank account details and MICR code etc. These Demographic Details would be used for giving Allotment Advice and refunds (including through physical refund warrants, direct credit, NACH, NEFT and RTGS), if any, to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details (including bank account details) as appearing on the records of the Depository Participant and ensure that they are true and correct. Please note that failure to do so could result in delays in despatch/ credit of refunds, if any, to Applicants, delivery of Allotment Advice or unblocking of ASBA Accounts at the Applicants' sole risk, and neither the Members of the Consortium nor the Designated Intermediaries, nor the Registrar, nor the Banker(s) to the Issue, nor the SCSBs, nor our Company shall have any responsibility and undertake any liability for the same. On the basis of the DP ID, UPI ID, Client ID and PAN provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the Demographic Details of the Applicants including PAN, address, bank account details and MICR code, etc. These Demographic Details would be used for giving Allotment Advice and refunds, if any, to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details (including bank account details) as appearing on the records of the Depository Participant and ensure that they are true and correct. Please note that failure to do so could result in delays in despatch/ credit of refunds, if any, to Applicants, delivery of Allotment Advice or unblocking of ASBA Accounts at the Applicants' sole risk, and neither the Members of the Consortium nor the Designated Intermediaries, nor the Registrar, nor the Banker(s) to the Issue, nor the SCSBs, nor our Company shall have any responsibility and undertake any liability for the same.

Applicants should note that in case the DP ID, Client ID and PAN mentioned in the Application Form, as the case may be and entered into the electronic Application system of the Stock Exchanges by the Members of the Consortium or the Designated Intermediaries, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form is liable to be rejected and our Company, the Members of the Consortium and the other Designated Intermediaries shall not be liable for losses, if any.

The Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice and for refunds (if any) as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to this Issue.

By signing the Application Form, Applicants applying for the NCDs would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records. The Demographic Details given by Applicant in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to the Issue.

Allotment Advice would be mailed by speed post or registered post at the address of the Applicants as per the Demographic Details received from the Depositories. Applicants may note that delivery of Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. Further, please note that any such delay shall be at such Applicants' sole risk and neither our Company, Banker(s) to the Issue, Registrar to the Issue nor the Lead Managers shall be liable to compensate the Applicant for any losses caused to the Applicants due to any such delay or liable to pay any

interest for such delay. In case of refunds through electronic modes as detailed in this Prospectus, refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

In case of Applications made under powers of attorney, our Company in its absolute discretion, reserves the right to permit the holder of a power of attorney to request the Registrar to the Issue that for the purpose of printing particulars on and mailing of the Allotment Advice through speed post or registered post, the Demographic Details obtained from the Depository of the Applicant shall be used.

With effect from August 16, 2010, the beneficiary accounts of Applicants for whom PAN details have not been verified shall be suspended for credit and no credit of NCDs pursuant to this Issue will be made into the accounts of the Applicants. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected. **Furthermore, in case no corresponding record is available with the Depositories, which matches the three parameters, namely, DP ID, Client ID and PAN, then such Applications are liable to be rejected.**

Applicants should note that the NCDs will be allotted to all successful Applicants only in dematerialized form. The Application Forms which do not have the details of the Applicant's depository account, including DP ID, Client ID and PAN and UPI ID (for retail individual investor Applicants bidding using the UPI mechanism), shall be treated as incomplete and will be rejected.

Unified Payments Interface (UPI)

Pursuant to the SEBI Master Circular, the UPI Mechanism is an applicable payment mechanism for public debt issues (in addition to the mechanism of blocking funds maintained with SCSBs under ASBA) for applications by retail individual bidders through Designated Intermediaries. All SCSBs offering the facility of making applications in public issues shall also provide the facility to make applications using UPI. The Company will be required to appoint one SCSB as a Sponsor Bank to act as a conduit between the Stock Exchanges and National Payments Corporation of India in order to facilitate the collection of requests and/or payment instructions of the investors.

Permanent Account Number (PAN)

The Applicant should mention his or her PAN allotted under the IT Act. For minor Applicants, applying through the guardian, it is mandatory to mention the PAN of the minor Applicant. However, Applications on behalf of the central or state government officials and the officials appointed by the courts in terms of a SEBI circular dated June 30, 2008 and Applicants residing in the state of Sikkim who in terms of a SEBI circular dated July 20, 2006 may be exempt from specifying their PAN for transacting in the securities market. In accordance with SEBI RTA Master Circular issued by SEBI, the PAN would be the sole identification number for the participants transacting in the securities market, irrespective of the amount of transaction. **Any Application Form, without the PAN is liable to be rejected, irrespective of the amount of transaction. It is to be specifically noted that the Applicants should not submit the general index register number i.e. GIR number instead of the PAN as the Application is liable to be rejected on this ground**.

However, the exemption for the central or state government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants' verifying the veracity of such claims by collecting sufficient documentary evidence in support of their claims. At the time of ascertaining the validity of these Applications, the Registrar to the Issue will check under the Depository records for the appropriate description under the PAN field i.e. either Sikkim category or exempt category.

Joint Applications

Applications can be made in joint names (not exceeding three). In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to first named in the Application whose name appears in the Application Form and at the address mentioned therein. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.

Additional/ Multiple Applications

An Applicant is allowed to make one or more Applications for the NCDs, for the same or other Options of NCDs, as specified in this Prospectus, subject to a minimum Application size as specified in this Prospectus. **Any Application for an amount below the aforesaid minimum application size will be deemed as an invalid application and shall be rejected. However, multiple Applications by the same individual Applicant aggregating to a value exceeding ₹1,000,000 shall deem such individual Applicant to be a HNI Applicant and all such Applications shall be grouped in the HNI Portion, for the purpose of determining the basis of allotment to such Applicant.** Any Application made by any person in his individual capacity and an Application made by such person in his capacity as a karta of a HUF and/or as Applicant (second or third Applicant), shall not be deemed to be a multiple Application. For the purposes of allotment of NCDs under the Issue,

Applications shall be grouped based on the PAN, i.e. Applications under the same PAN shall be grouped together and treated as one Application. Two or more Applications will be deemed to be multiple Applications if the sole or first Applicant is one and the same. For the sake of clarity, two or more applications shall be deemed to be a multiple Application for the aforesaid purpose if the PAN number of the sole or the first Applicant is one and the same.

Electronic registration of Applications

a. The Designated Intermediaries and Designated Branches of the SCSBs, as the case may be, will register the Applications using the on-line facilities of the Stock Exchanges. Direct Online Applications will be registered by Applicants using the online platform offered by the Stock Exchanges. The Lead Managers, our Company, and the Registrar to the Issue are not responsible for any acts, mistakes or errors or omission and commissions in relation to (i) the Applications accepted by the SCSBs, (ii) the Applications uploaded by the SCSBs, (iii) the Applications accepted but not uploaded by the SCSBs, (iv) Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts or (v) Applications accepted and uploaded by Trading members of the Stock Exchanges or (vi) the Applications accepted by and/or uploaded by and/or accepted but not uploaded by Consortium Members, Trading Members, Registered Brokers, CDPs, CRTAs and SCSBs who are authorised to collect Application Forms.

   In case of apparent data entry error by the Designated Intermediaries or Designated Branches of the SCSBs, as the case may be, in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchanges. However, the series, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Designated Intermediaries or Designated Branches of the SCSBs in the data entries as such data entries will be considered for allotment/rejection of Application.

b. The Stock Exchanges will offer an electronic facility for registering Applications for this Issue. This facility will be available on the terminals of the Designated Intermediaries and the SCSBs during the Issue Period. Designated Intermediaries can also set up facilities for off-line electronic registration of Applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for Applications on a regular basis, and before the expiry of the allocated time on the Issue Closing Date. On the Issue Closing Date, the Designated Intermediaries and the Designated Branches of the SCSBs shall upload the Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Designated Intermediaries and the Designated Branches of the SCSBs on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation. For further information on the Issue programme, please refer to "*Issue Structure*" on page 173 of this Prospectus.

c. Based on the aggregate demand for Applications registered on the electronic facilities of the Stock Exchanges, a graphical representation of consolidated demand for the NCDs, as available on the websites of the Stock Exchanges, would be made available at the Application centres as provided in the Application Form during the Issue Period.

d. At the time of registering each Application, the Designated Intermediaries, shall enter the details of the Applicant, such as the Application Form number, PAN, Applicant category, DP ID, Client ID, number and Option(s) of NCDs applied, Application Amounts and any other details that may be prescribed by the online uploading platform of the Stock Exchanges.

e. With respect to Applications submitted directly to the SCSBs at the time of registering each Application, other than Direct Online Applications, the Designated Branches of the SCSBs shall enter the requisite details of the Applicants in the on-line system including:

   - Application Form number
   - PAN (of the first Applicant, in case of more than one Applicant)
   - Investor category and sub-category
   - DP ID
   - Client ID
   - UPI ID (if applicable)
   - Number of NCDs applied for
   - Price per NCD
   - Bank code for the SCSB where the ASBA Account is maintained
   - Bank account number
   - Application amount

f. With respect to Applications submitted to the Designated Intermediaries at the time of registering each Application, the requisite details of the Applicants shall be entered in the on-line system including:

- Application Form number
- PAN (of the first Applicant, in case of more than one Applicant)
- Investor category and sub-category
- DP ID
- Client ID
- UPI ID (if applicable)
- Number of NCDs applied for
- Price per NCD
- Bank code for the SCSB where the ASBA Account is maintained
- Location
- Application amount

g. A system generated acknowledgement will be given to the Applicant as a proof of the registration of each Application. **It is the Applicant's responsibility to obtain the acknowledgement from the Designated Intermediaries and the Designated Branches of the SCSBs, as the case may be. The registration of the Application by the Designated Intermediaries and the Designated Branches of the SCSBs, as the case may be, does not guarantee that the NCDs shall be allocated/ Allotted by our Company. The acknowledgement will be non-negotiable and by itself will not create any obligation of any kind**.

h. Applications can be rejected on the technical grounds listed on page 201 of this Prospectus or if all required information is not provided or the Application Form is incomplete in any respect.

i. In case of apparent data entry error by the Designated Intermediaries, in entering the Application Form numbers in their respective schedules, other things remaining unchanged, the Application Form may be considered as valid, or such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchanges.

j. The permission given by the Stock Exchanges to use their network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus; nor does it warrant that the NCDs will be listed or will continue to be listed on the Stock Exchanges.

k. Only Applications that are uploaded on the online system of the Stock Exchanges shall be considered for allocation/ Allotment. The Lead Managers, Designated Intermediaries and the Designated Branches of the SCSBs shall capture all data relevant for the purposes of finalizing the Basis of Allotment while uploading Application data in the electronic systems of the Stock Exchanges. In order that the data so captured is accurate the, Designated Intermediaries and the Designated Branches of the SCSBs will be given up to one Working Day after the Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL.

Process for Retail Individual Investors application submitted with UPI as mode of payment

a. Before submission of the application with the intermediary, the Retail Individual Investors would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).

b. The Retail individual investor shall fill in the bid details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediaries or through the stock exchange App/ Web interface, or any other methods as may be permitted.

c. The intermediary, upon receipt of form, shall upload the bid details along with the UPI ID on the stock exchange bidding platform using appropriate protocols.

d. Once the bid has been entered in the bidding platform, the Stock Exchanges shall undertake validation of the PAN and Demat account combination details of investor with the depository.

e. The Depository shall validate the aforesaid PAN and Demat account details on a near real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.

f. Once the bid details are uploaded on the Stock Exchanges platform, the Stock Exchanges shall send an SMS to the investor regarding submission of his / her application, at the end of day, during the bidding period. For the last day of bidding, the SMS may be sent the next working day.

g. Post undertaking validation with the Depository, the Stock Exchanges shall, on a continuous basis, electronically share the bid details along with investors UPI ID, with the Sponsor Bank appointed by the issuer.

h. The Sponsor Bank shall initiate a mandate request on the investor i.e., request the investor to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment.

i. The request raised by the Sponsor Bank, would be electronically received by the investor as a SMS / intimation on his / her mobile no. / mobile app, associated with the UPI ID linked bank account.

j. The investor shall be able to view the amount to be blocked as per his / her bid in such intimation. The investor shall be able to view an attachment wherein the public issue bid details submitted by investor will be visible. After reviewing the details properly, the investor shall be required to proceed to authorize the mandate. Such mandate raised by sponsor bank would be a one-time mandate for each application in the public issue.

k. An investor is required to accept the UPI mandate latest by 5:00 pm on the third working day from the day of bidding on the stock exchange platform except for the last day of the issue period or any other modified closure date of the issue period in which case, he / she is required to accept the UPI mandate latest by 5:00 pm the next working day.

l. An investor shall not be allowed to add or modify the bid(s) of the application except for modification of either DP ID/Client ID, or PAN ID but not both. However, the investor can withdraw the bid(s) and reapply.

m. For mismatch bids, on successful validation of PAN and DP ID/ Client ID combination during T+1 modification session, such bids will be sent to Sponsor Bank for further processing by the Exchange on T+1 (T being the Issue Closing Date) day till 1:00 PM.

n. The facility of re-initiation/ resending the UPI mandate shall be available only till 5:00 pm on the day of bidding.

o. Upon successful validation of block request by the investor, as above, the said information would be electronically received by the investors' bank, where the funds, equivalent to application amount, would get blocked in investors account. Intimation regarding confirmation of such block of funds in investors account would also be received by the investor.

p. The information containing status of block request (e.g. accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with the Stock Exchanges. The block request status would also be displayed on the Stock Exchanges platform for information of the intermediary.

q. The information received from Sponsor Bank, would be shared by stock exchanges with RTA in the form of a file for the purpose of reconciliation.

r. Post closure of the offer, the Stock Exchanges shall share the bid details with RTA. Further, the Stock Exchanges shall also provide the RTA, the final file received from the Sponsor Bank, containing status of blocked funds or otherwise, along with the bank account details with respect to applications made using UPI ID.

s. The allotment of debt securities shall be done as per SEBI Master Circular.

t. The RTA, based on information of bidding and blocking received from the Stock Exchanges, shall undertake reconciliation of the bid data and block confirmation corresponding to the bids by all investor category applications (with and without the use of UPI) and prepare the basis of allotment.

u. Upon approval of the basis of allotment, the RTA shall share the 'debit' file with Sponsor bank (through Stock Exchanges) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the investor's account. The Sponsor Bank, based on the mandate approved by the investor at the time of blocking of funds, shall raise the debit / collect request from the investor's bank account, whereupon funds will be transferred from investor's account to the public issue account and remaining funds, if any, will be unblocked without any manual intervention by investor or their bank.

v. Upon confirmation of receipt of funds in the public issue account, the securities would be credited to the investor's account. The investor will be notified for full/partial allotment. For partial allotment, the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the investor.

w. Thereafter, Stock Exchanges will issue the listing and trading approval.

x. Further, in accordance with the Operational Instructions and Guidelines for Making Application for Public Issue of Debt Securities through BSEDirect issued by BSE on December 28, 2020 and May 19, 2022, the investor shall also be responsible for the following:

   i. Investor shall check the Issue details before placing desired bids;
   ii. Investor shall check and understand the UPI mandate acceptance and block of funds process before placing the bid;
   iii. The receipt of the SMS for mandate acceptance is dependent upon the system response/ integration of UPI on Debt Public Issue System;
   iv. Investor shall accept the UPI Mandate Requests within the stipulated timeline;
   v. Investor shall note that the transaction will be treated as completed only after the acceptance of mandates by the investor by way of authorising the transaction by entering their UPI pin and successfully blocking funds through the ASBA process by the investor's bank;
   vi. Investor shall check the status of their bid with respect to the mandate acceptance and blocking of funds for the completion of the transaction; and
   vii. In case the investor does not accept the mandate within stipulated timelines, in such case their bid will not be considered for allocation.

The Investors are advised to read the operational guidelines mentioned for Making Application for Public Issue of Debt Securities through BSE Direct issued by BSE on December 28, 2020 and the circular issued by NSE for Introduction of Unified Payment Interface (UPI) for Debt IPO through NSE goBID on January 05, 2021 before investing through the through the app/ web interface of Stock Exchange(s).

Kindly note, the Stock Exchanges shall be responsible for addressing investor grievances arising from Applications submitted online through the App based/ web interface platform of Stock Exchanges or through their Trading Members.

Further, the collecting bank shall be responsible for addressing any investor grievances arising from non-confirmation of funds to the Registrar despite successful realization/blocking of funds, or any delay or operational lapse by the collecting bank in sending the Application forms to the Registrar to the Issue.

General Instructions

Do's and Don'ts Applicants are advised to take note of the following while filling and submitting the Application Form.

Do's

- Check if you are eligible to apply as per the terms of the Draft Prospectus, this Prospectus and applicable law;
- Read all the instructions carefully and complete the Application Form in the prescribed form;
- Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek Allotment of NCDs pursuant to the Issue;
- Ensure that the DP ID and Client ID and PAN mentioned in the Application Form, which shall be entered into the electronic system of the Stock Exchanges are correct and match with the DP ID, Client ID and PAN available in the Depository database. Ensure that the DP ID and Client ID are correct and beneficiary account is activated. The requirement for providing Depository Participant details shall be mandatory for all Applicants;
- Ensure that you have mentioned the correct ASBA Account number (i.e., bank account number/bank name and branch or UPI ID, as applicable) in the Application Form;
- Ensure that the Application Form is signed by the ASBA Account holder in case the Applicant is not the ASBA account holder;
- Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form to the respective Designated Branch of the SCSB, or to the Designated Intermediaries, as the case may be;
- Ensure that the Application Forms are submitted at the Designated Branches of SCSBs or the Bidding Centres provided in the Application Forms, bearing the stamp of the relevant Designated Intermediaries/Designated branch of the SCSB as the case may be;
- Before submitting the Application Form with the Designated Intermediaries ensure that the SCSB, whose name has been filled in the Application Form, has named a branch in that relevant Bidding Centre;
- Ensure that you have been given an acknowledgement as proof of having accepted the Application Form;
- In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic application platform of the Stock Exchanges as per the procedures and requirements prescribed by each relevant Stock Exchanges, ensure that you have first withdrawn your original Application and submit a fresh Application. For instance, as per the notice No: 20120831-22 dated August 31, 2012 issued by the BSE, fields namely, quantity, series, application no., sub-category codes will not be allowed for modification during the Issue. In such a case the date of the fresh Application will be considered for date priority for allotment purposes;

- Ensure that signatures other than in the languages specified in the 8th Schedule to the Constitution of India is attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- Ensure that you mention your PAN in the Application Form. In case of joint Applicants, the PAN of all the Applicants should be provided, and for HUFs, PAN of the HUF should be provided. Any Application Form without the PAN is liable to be rejected. Applicants should not submit the GIR Number instead of the PAN as the Application is liable to be rejected on this ground;
- In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where PQR is the name of the Karta. However, the PAN number of the HUF should be mentioned in the Application Form and not that of the Karta;
- Ensure that the Applications are submitted to the Designated Intermediaries, or Designated Branches of the SCSBs, as the case may be, before the closure of application hours on the Issue Closing Date. For further information on the Issue programme, please refer to "*Issue Structure*" on page 173 of this Prospectus.
- Ensure that you have correctly signed the authorisation /undertaking box in the Application Form or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Application Form, as the case may be, at the time of submission of the Bid. In case of Retail Individual Investor submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
- **Permanent Account Number:** Except for Application (i) on behalf of the central or state government and officials appointed by the courts, and (ii) (subject to SEBI circular dated April 3, 2008) from the residents of the state of Sikkim, each of the Applicants should provide their PAN. Application Forms in which the PAN is not provided will be rejected. The exemption for the central or state government and officials appointed by the courts and for investors residing in the state of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same;
- Ensure that if the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form;
- Ensure that the DP ID, the Client ID and the PAN mentioned in the Application Form, which shall be entered into the electronic system of the Stock Exchanges, match with the DP ID, Client ID and PAN available in the Depository database;
- Tick the series of NCDs in the Application Form that you wish to apply for;
- Check if you are eligible to Apply under ASBA;
- All Applicants are requested to tick the relevant column "Category of Investor" in the Application Form.
- Retail individual investors using the UPI Mechanism to ensure that they submit bids up to the application value of up to the UPI Application Limit as applicable and prescribed by SEBI from time to time.
- Investor using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Bid cum Application Form.
- Investors bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the issue and submit the application with any of the intermediaries or through the Stock Exchange App/ Web interface.
- Ensure that you have mentioned the correct details of ASBA Account (i.e., bank account number / bank name and branch or UPI ID, as applicable) in the Application Form;
- Ensure that the Demographic Details including PAN are updated, true and correct in all respects;
- In case of Retail Individual Investor submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
- Retail Individual Investors submitting Application Form using the UPI Mechanism, should ensure that the: (a) bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid, are listed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40
- Ensure that if the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form;

  In terms of SEBI Master Circular, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account.

SEBI Master Circular stipulates the time between closure of the Issue and listing at 6 (six) Working Days.

Don'ts

- Do not apply for lower than the minimum application size;
- Do not pay the Application Amount in cash, by cheque, by money order or by postal order or by stock invest;
- Do not send Application Forms by post instead submit the same to the Designated Intermediaries or Designated Branches of the SCSBs, as the case may be;
- Do not submit the Application Form to any non-SCSB bank or our Company.
- Do not submit an Application Form that does not have the stamp of the relevant Designated Intermediary or the Designated Branch of the SCSB, as the case may be.
- Do not fill up the Application Form such that the NCDs applied for exceeds the Issue size and/or investment limit or maximum number of NCDs that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, Client ID, UPI ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit the Application Forms without ensuring that funds equivalent to the entire Application Amount are available for blocking in the relevant ASBA Account;
- Do not submit Applications on plain paper or on incomplete or illegible Application Forms;
- Do not apply if you are not competent to contract under the Indian Contract Act, 1872;
- Do not submit an Application in case you are not eligible to acquire NCDs under applicable law or your relevant constitutional documents or otherwise;
- Do not submit Application Forms to a Designated Intermediary at a location other than Collection Centers**;**
- Do not submit an Application that does not comply with the securities law of your respective jurisdiction;
- Do not apply if you are a person ineligible to apply for NCDs under the Issue including Applications by persons resident outside India, NRI (*inter-alia* including NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA);
- Do not make an application of the NCD on multiple copies taken of a single form.
- Payment of Application Amount in any mode other than through blocking of Application Amount in the ASBA Accounts shall not be accepted in the Issue;
- Do not send your physical Application Form by post. Instead submit the same to a Designated Branch or the Lead Managers or Trading Members of the Stock Exchanges, as the case may be, at the Specified Cities.
- Do not submit more than five Application Forms per ASBA Account.
- Do not submit an Application Form using UPI ID, if the Application is for an amount more than UPI Application Limit and if the Application is for an amount more than ₹ 5,00,000;
- Do not submit a bid using UPI ID, if you are not a Retail Individual Investor;
- Do not apply through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/or mobile applications which are not mentioned in the list provided in the SEBI;
- Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/or mobile applications which are not mentioned in the list provided in the SEBI;
- If you are a Retail Individual Investor who is submitting the ASBA Application with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third-party linked bank account UPI ID.

Kindly note that Applications submitted to the Designated Intermediaries will not be accepted if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for the Designated Intermediaries to deposit such Application Forms. (A list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes).

Please refer to "*Rejection of Applications*" on page 201 of this Prospectus for information on rejection of Applications.

Submission of completed Application Forms

For details in relation to the manner of submission of Application Forms, see "*Issue Procedure*" beginning on page 179.

OTHER INSTRUCTIONS

Depository Arrangements

We have made depository arrangements with NSDL and CDSL for issue and holding of the NCDs in dematerialised form. In this context:

(i) Tripartite Agreement dated March 28, 2008 entered into between our Company, Registrar to the Issue and NSDL and Tripartite Agreement dated September 19, 2008 entered into between our Company, Registrar to the Issue and CDSL for offering demat option to the NCD Holders. Our Company undertakes to execute tripartite agreements with the Depositories and the Registrar to the Issue prior to the Issue Opening Date. An Applicant must have at least one beneficiary account with any of the Depository Participants of NSDL or CDSL prior to making the Application.

(ii) An Applicant must have at least one beneficiary account with any of the Depository Participants of NSDL or CDSL prior to making the Application.

(iii) The Applicant must necessarily provide the DP ID and Client ID details in the Application Form.

(iv) NCDs Allotted to an Applicant in the electronic form will be credited directly to the Applicant's respective beneficiary account(s) with the DP.

(v) Non-transferable Allotment Advice/ refund orders will be directly sent to the Applicant by the Registrar to this Issue.

(vi) It may be noted that NCDs in electronic form can be traded only on Stock Exchanges having electronic connectivity with NSDL or CDSL. The Stock Exchanges have connectivity with NSDL and CDSL.

(vii) Interest or other benefits with respect to the NCDs held in dematerialised form would be paid to those NCD holders whose names appear on the list of beneficial owners given by the Depositories to us as on Record Date. In case of those NCDs for which the beneficial owner is not identified by the Depository as on the Record Date/ book closure date, we would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to us, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.

(viii) The trading of the NCDs on the floor of the Stock Exchanges shall be in dematerialized form in multiples of One NCD only.

Allottees will have the option to rematerialise the NCDs Allotted under this Issue as per the provisions of the Companies Act, 2013 and the Depositories Act.

Please note that the NCDs shall cease to trade from the Record Date (for payment of the principal amount and the applicable premium and interest for such NCDs) prior to redemption of the NCDs.

PLEASE NOTE THAT TRADING OF NCDs ON THE FLOOR OF THE STOCK EXCHANGES SHALL BE IN DEMATERIALISED FORM ONLY IN MULTIPLE OF ONE NCD.

For further information relating to Applications for Allotment of the NCDs in dematerialised form, see "*Issue Procedure"* beginning on page 179.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting all relevant details as regards the Applicant and its Application.

Applicants can contact our Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre Issue related problems and/or post Issue related problems such as non-receipt of Allotment Advice non-credit of NCDs in depository's beneficiary account/ etc. Please note that Applicants who have applied for the NCDs through Designated Intermediaries should contact the Stock Exchanges in case of any post Issue related problems, such as non-receipt of Allotment Advice / non-credit of NCDs in depository's beneficiary account/ etc.

Grievances relating to Direct Online Applications may be addressed to the Registrar to the Issue, with a copy to the relevant Stock Exchanges.

Interest in case of Delay

Our Company undertakes to pay interest, in connection with any delay in allotment, demat credit and refunds, beyond the time limit as may be prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated under such applicable statutory and/or regulatory requirements.

In the event of failure to list such securities within six days from the Issue Closing Date, all the Application Amount received or blocked in the Public Issue Account shall be refunded or unblocked forthwith within two working days from the scheduled listing date to the Applicants through the permissible modes of making refunds and unblocking of funds. For delay in refund/unblocking of funds beyond the timeline as specified above, our Company shall be liable to pay interest at the rate of fifteen per cent per annum to the Applicants from the scheduled listing date till the date of actual payment.

Rejection of Applications

As set out below or if all required information is not provided or the Application Form is incomplete in any respect, our Board of Directors and / or any committee reserves it's full, unqualified and absolute right to accept or reject any Application in whole or in part and in either case without assigning any reason thereof.

Application may be rejected on one or more technical grounds, including but not restricted to:

i. Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
ii. Applications accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Applicant's ASBA Account maintained with an SCSB;
iii. Applications not being signed by the sole/joint Applicant(s);
iv. Applications not made through the ASBA facility;
v. Number of NCDs applied for or Applications for an amount being less than the minimum Application size;
vi. Applications submitted without blocking of the entire Application Amount. However, our Company may allot NCDs up to the value of application monies paid, if such application monies exceed the minimum application size as prescribed hereunder;
vii. Investor Category in the Application Form not being ticked;
viii. Application Amount blocked being higher or lower than the value of NCDs Applied for. However, our Company may allot NCDs up to the number of NCDs Applied for, if the value of such NCDs Applied for exceeds the minimum Application size;
ix. ASBA Bank account details to block Application Amount not provided in the Application Form;
x. Applications where a registered address in India is not provided for the Applicant;
xi. In case of partnership firms (except LLPs), NCDs applied for in the name of the partnership and not the names of the individual partner(s);
xii. Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant;
xiii. PAN not mentioned in the Application Form, except for Applications by or on behalf of the central or state government and the officials appointed by the courts and by investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participants. In case of minor Applicants applying through guardian, when PAN of the Applicant is not mentioned;
xiv. DP ID and Client ID not mentioned in the Application Form;
xv. GIR number furnished instead of PAN;
xvi. Applications by OCBs;
xvii. Applications for an amount below the minimum application size;
xviii. Submission of more than five Application per ASBA Account;
xix. Applications by persons who are not eligible to acquire NCDs of our Company in terms of applicable laws, rules, regulations, guidelines and approvals;
xx. Applications under power of attorney or by limited companies, corporate, trust etc., submitted without relevant documents;
xxi. Applications accompanied by Stock invest/ cheque/ money order/ postal order/ cash;
xxii. Signature of sole Applicant missing, or, in case of joint Applicants, the Application Forms not being signed by the first Applicant (as per the order appearing in the records of the Depository);
xxiii. Applications by persons debarred from accessing capital markets, by SEBI or any other regulatory authority.
xxiv. Date of birth for first/sole Applicant for persons applying for allotment not mentioned in the Application Form.
xxv. Application Forms not being signed by the ASBA Account holder, if the account holder is different from the Applicant
xxvi. Signature of the ASBA Account holder on the Application Form does not match with the signature available on the SCSB bank's records where the ASBA Account mentioned in the Application Form is maintained;
xxvii. Application Forms submitted to the Designated Intermediaries or to the Designated Branches of the SCSBs does not bear the stamp of the SCSB and/or the Designated Intermediaries, as the case may be;
xxviii. Applications not having details of the ASBA Account to be blocked;
xxix. In case no corresponding record is available with the Depositories that matches three parameters namely, DP ID, Client ID, UPI ID and PAN or if PAN is not available in the Depository database;
xxx. Inadequate funds in the ASBA Account to enable the SCSB to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB for blocking of funds;
xxxi. SCSB making an Application (a) through an ASBA account maintained with its own self or (b) through an ASBA Account maintained through a different SCSB not in its own name or (c) through an ASBA Account maintained through a different SCSB in its own name, where clear demarcated funds are not present or (d) through an ASBA Account maintained through a different SCSB in its own name which ASBA Account is not utilised solely for the purpose of applying in public issues;
xxxii. Applications for amounts greater than the maximum permissible amount prescribed by the regulations and applicable law;

xxxiii. Authorization to the SCSB for blocking funds in the ASBA Account not provided or acceptance of UPI Mandate Request raised has not been provided;
xxxiv. Applications by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority;
xxxv. Applications by any person outside India;
xxxvi. Applications by other persons who are not eligible to apply for NCDs under the Issue under applicable Indian or foreign statutory/regulatory requirements;
xxxvii. Applications not uploaded on the online platform of the Stock Exchanges;
xxxviii. Submission of more than five ASBA Forms per ASBA Account;
xxxix. If an authorization to the SCSB or Sponsor Bank for blocking funds in the ASBA Account or acceptance of UPI Mandate Request raised has not been provided;
xl. The UPI Mandate Request is not approved by the Retail Individual Investor;
xli. Applications uploaded after the expiry of the allocated time on the Issue Closing Date, unless extended by the Stock Exchanges, as applicable;
xlii. Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and this Prospectus and as per the instructions in the Application Form, the Draft Prospectus and this Prospectus;
xliii. Applications by Applicants whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010;
xliv. Where PAN details in the Application Form and as entered into the electronic system of the Stock Exchanges, are not as per the records of the Depositories;
xlv. Applications providing an inoperative demat account number;
xlvi. Applications submitted to the Designated Intermediaries, at locations other than the Specified Cities or at a Designated Branch of a SCSB where the ASBA Account is not maintained, and Applications submitted directly to the Public Issue Account Bank (assuming that such bank is not a SCSB), to our Company or the Registrar to the Issue;
xlvii. Category not ticked;
xlviii. Forms not uploaded on the electronic software of the Stock Exchanges;
xlix. In case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application;
l. Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and this Prospectus and as per the instructions in the Application Form;
li. UPI Mandate Request is not approved by Retail Individual Investors.

Kindly note that Applications submitted to the Lead Managers, or Trading Members of the Stock Exchanges, Members of the Syndicate, Designated Intermediaries at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has not named at least one branch at that Specified City for the Lead Managers, or Trading Members of the Stock Exchanges, Members of the Syndicate, Designated Intermediaries, as the case may be, to deposit Applications. a list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34**).**

For information on certain procedures to be carried out by the Registrar to the Issue for finalization of the basis of allotment, see "*Issue Procedure - Information for Applicants*".

Mode of making refunds

The Registrar to the Issue shall instruct the relevant SCSB or in case of Bids by Retail Individual Investors applying through the UPI Mechanism to the Sponsor Bank, to revoke the mandate and to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful Applications within six Working Days of the Issue Closing Date.

Our Company and the Registrar to the Issue shall credit the allotted NCDs to the respective beneficiary accounts/ dispatch the Letters of Allotment or letters of regret by registered post/speed post at the Applicant's sole risk, within six Working Days from the Issue Closing Date. We may enter into an arrangement with one or more banks in one or more cities for refund to the account of the applicants through Direct Credit/RTGS/NEFT/NACH.

Further,
(a) Allotment of NCDs in this Issue shall be made within the time period stipulated by SEBI;
(b) Credit to dematerialised accounts will be given within one Working Day from the Date of Allotment;
(c) Interest at a rate of 15% per annum will be paid if the Allotment has not been made and/or the refund effected within five Working days from the Issue Closing Date, for the delay beyond five Working days; and
(d) Our Company will provide adequate funds to the Registrar to the Issue for this purpose.

Green Shoe Option

Our Company shall have a green shoe option up to ₹1,000 crores.

Basis of Allotment for NCDs

The Registrar will aggregate the Applications, based on the applications received through an electronic book from the Stock Exchanges and determine the valid Application for the purpose of drawing the basis of allocation.

Allocation Ratio

The registrar will aggregate the applications based on the applications received through an electronic book from the Stock Exchanges and determine the valid applications for the purpose of drawing the basis of allocation. Grouping of the application received will be then done in the following manner:

For the purposes of the basis of allotment:

A. *Applications received from Category I Investors- Institutional Investors:* Applications received from Applicants belonging to Category I shall be grouped together, ("**Institutional Portion**");
B. *Applications received from Category II Investors- Non-Institutional Investors:* Applications received from Applicants belonging to Category II, shall be grouped together, ("**Non-Institutional Portion**").
C. *Applications received from Category III Investors- High Net-worth Individual Investors:* Applications received from Applicants belonging to Category III shall be grouped together, ("**High Net-worth Individual Category Portion**").
D. *Applications received from Category IV Applicants- Retail Individual Investors:* Applications received from Applicants belonging to Category IV shall be grouped together, ("**Retail Individual Category Portion**").

For removal of doubt, the terms "**Institutional Portion**", "**Non-Institutional Portion**", "**High Net-worth Individual Category Portion**" and "**Retail Individual Category Portion**" are individually referred to as "**Portion"** and collectively referred to as **"Portions"**.

For the purposes of determining the number of NCDs available for allocation to each of the abovementioned Portions, our Company shall have the discretion of determining the number of NCDs to be allotted over and above the Base Issue, in case our Company opts the green shoe option in the Issue of up to ₹1,000 crores. The aggregate value of NCDs decided to be allotted over and above the Base Issue, (in case our Company opts the green shoe option ₹1,000 crores), and/or the aggregate value of NCDs up to the Base Issue Size shall be collectively termed as the "**Overall Issue Size**".

Allocation Ratio

Institutional Portion	Non – Institutional Portion	High - Net Worth Individual Category Portion	Retail Individual Category Portion
25%	25%	25%	25%

a) **Allotments in the first instance:**

i. Applicants belonging to the Institutional Portion, in the first instance, will be allocated NCDs up to 25% of Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchanges;
ii. Applicants belonging to the Non-Institutional Portion, in the first instance, will be allocated NCDs up to 25% of the Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchanges;
iii. Applicants belonging to the High Net Worth Individual Investors Portion, in the first instance, will be allocated NCDs up to 25% of Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchanges;
iv. Applicants belonging to the Retail Individual Investors Portion, in the first instance, will be allocated NCDs up to 25% of Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchanges.

Allotments, in consultation with the Designated Stock Exchange, shall be made on date priority basis i.e. a first-come first-serve basis, based on the date of upload of each Application in to the Electronic Book with Stock Exchanges, in each Portion subject to the Allocation Ratio indicated herein above.

As per the SEBI Master Circular, the allotment in this Prospectus is required to be made on the basis of date of upload of each application into the electronic book of the Stock Exchanges. However, from the date of oversubscription and thereafter, the allotments will be made to the applicants on proportionate basis.

b) **Under Subscription :** If there is any under subscription in any Category, priority in Allotments will be given to the Retail Individual Investors Portion, High Net Worth Individual Investors Portion, and balance, if any, shall be first

made to applicants of the Non Institutional Portion, followed by the Institutional Portion on a first come first serve basis. If there is under subscription in the Issue Size due to undersubscription in each Portion, all valid Applications received till the end of last day of the Issue Closure day shall be grouped together in each Portion and full and firm Allotments will be made to all valid Applications in each Portion.

c) For each Category, all Applications uploaded on the same day onto the electronic platform of the Stock Exchanges would be treated at par with each other. Allotment would be on proportionate basis, where NCDs uploaded into the platform of the Stock Exchanges exceeds NCDs to be Allotted for each portion respectively from the date of oversubscription and thereafter.

d) Minimum Allotments of 10 Secured NCDs and in multiples of one Secured NCD thereafter would be made in case of each valid Application to all Applicants.

e) **Allotments in case of oversubscription:** In case of an oversubscription in any category, allotments to the maximum extent, as possible, will be made on a first-come first-serve basis and thereafter on proportionate basis, i.e. full allotment of the Secured NCDs to the Applicants on a first come first basis up to the date falling 1 (one) day prior to the date of oversubscription and proportionate allotment of Secured NCDs to the applicants on the date of oversubscription and thereafter (based on the date of upload of each Application on the electronic platform of the Stock Exchanges, in each Portion).

For the purpose of clarity, in case of oversubscription please see the below indicative scenarios:

i. In case of an oversubscription in all Portions resulting in an oversubscription in Issue Size, Allotments to the maximum permissible limit, as possible, will be made on a first-come first-serve basis and thereafter on proportionate basis, i.e. full allotment of the NCDs to the Applicants on a first come first serve basis up to the date falling 1 (one) day prior to the date of oversubscription to respective Portion and proportionate allotment of NCDs to the Applicants from the date of oversubscription in respective Portion (based on the date of upload of each Application on the electronic platform of the Stock Exchanges in each Portion).

ii. In case there is oversubscription in Issue Size, however there is under subscription in one or more Portion(s), Allotments will be made in the following order:

a) All valid Applications in the undersubscribed Portion(s) uploaded on the electronic platform of the Stock Exchanges till the end of the last day of the Issue Period, shall receive full and firm allotment.

b) In case of Portion(s) that are oversubscribed, allotment shall be made to valid Applications received on a first come first serve basis, based on the date of upload of each Application in to the electronic platform of the Stock Exchanges. Priority for allocation of the remaining undersubscribed Portion(s) shall be given to day wise Applications received in the Retail Individual Investors Portion followed by High Net Worth Individual Investors Portion, next Non-Institutional Portion and lastly Institutional Portion each according to the day of upload of Applications to the Electronic Book with Stock Exchanges during the Issue period. For the sake of clarity, once full and firm allotment has been made to all the valid Applications in the undersubscribed portion, the remaining balance in the undersubscribed Portion will be Allocated to the oversubscribed Portion(s) and proportionate allotments shall be made to all valid Applications in the oversubscribed Portion(s) uploaded on the date of oversubscription and thereafter on the remaining days of the Issue Period.

f) **Proportionate Allotments:**

For each Portion, from the date of oversubscription and thereafter:

i. Allotments to the Applicants shall be made in proportion to their respective Application size, rounded off to the nearest integer.

iii. If the process of rounding off to the nearest integer results in the actual allocation of NCDs being higher than the Issue size, not all Applicants will be allotted the number of NCDs arrived at after such rounding off. Rather, each Applicant whose Allotment size, prior to rounding off, had the highest decimal point would be given preference.

iv. In the event, there are more than one Applicant whose entitlement remain equal after the manner of distribution referred to above, our Company will ensure that the basis of allotment is finalised by draw of lots in a fair and equitable manner.

Applicant applying for more than one Series of NCDs

If an Applicant has applied for more than one Series of NCDs and in case such Applicant is entitled to allocation of only a part of the aggregate number of NCDs applied for, the Series-wise allocation of NCDs to such Applicants shall be in proportion to the number of NCDs with respect to each Series, applied for by such Applicant, subject to rounding off to the nearest integer, as appropriate in consultation with the Lead Managers and the Designated Stock Exchange. Further, in the aforesaid scenario, wherein the Applicant has applied for all the five Series and in case such Applicant cannot be allotted all the five Series, then the Applicant would be allotted NCDs, at the discretion of the Company, the Registrar and the Lead Managers wherein the NCDs with the least tenor i.e. Allotment of NCDs with tenor of 3 years followed by Allotment of NCDs with tenor of 5 years and 10 years respectively.

All decisions pertaining to the Basis of Allotment of NCDs pursuant to the Issue shall be taken by our Company in consultation with the Lead Managers, and the Designated Stock Exchange and in compliance with the aforementioned provisions of this Prospectus. Any other queries / issues in connection with the Applications will be appropriately dealt with and decided upon by our Company in consultation with the Lead Managers.

Our Company would allot Series III NCDs to all valid applications, wherein the applicants have not indicated their choice of the relevant series of the NCDs.

Information for Applicants

Unblocking of funds

The Registrar shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within the applicable regulatory timelines.

In case of ASBA Applications submitted to the SCSBs, in terms of the SEBI circular CIR/CFD/DIL/3/2010 dated April 22, 2010, the Registrar to the Issue will reconcile the compiled data received from the Stock Exchanges and all SCSBs and match the same with the Depository database for correctness of DP ID, Client ID and PAN. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Managers and the Registrar to the Issue, reserves the right to proceed as per the Depository records for such ASBA Applications or treat such ASBA Applications as rejected. In case of Applicants submitted to the Lead Managers, Consortium Members and Trading Members of the Stock Exchanges at the Specified Cities, the basis of allotment will be based on the Registrar‘s validation of the electronic details with the Depository records, and the complete reconciliation of the final certificates received from the SCSBs with the electronic details in terms of the SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Managers and the Registrar to the Issue, reserves the right to proceed as per the Depository records or treat such ASBA Application as rejected. Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship). In case of Applications for a higher number of NCDs than specified for that category of Applicant, only the maximum amount permissible for such category of Applicant will be considered for Allotment.

Investor Withdrawals and Pre-closure

Investor Withdrawal: Applicants are allowed to withdraw their Applications at any time prior to the Issue Closing Date.

Withdrawal of Applications after the Issue Period: In case an Applicant wishes to withdraw the Application after the Issue Closing Date or early closure date, the same can be done by submitting a withdrawal request to the Registrar prior to the finalization of the Basis of Allotment but not later than 2 (two) Working days from the Issue Closing Date or early closure date, as applicable.

Pre-closure/ Early Closure: Our Company, in consultation with the Lead Managers reserves the right to close the Issue at any time prior to the Issue Closing Date, subject to Issue remaining open for minimum three Working Days, subject to receipt of minimum subscription which is 75% of the Base Issue Size being ₹750 crores before the Issue Closing Date. Our Company shall allot NCDs with respect to the Applications received at the time of such pre-closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements.

Further, the Issue will also be withdrawn by our Company in the event that the aggregate Applications received for the NCDs is lesser than the minimum subscription which is 75% of the Base Issue Size in this case being ₹750 crores before the Issue Closing Date.

In the event of such early closure of this Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the relevant Issue Closing Date of the Issue, as applicable, through advertisement(s) in all those newspapers in which pre-Issue advertisement and advertisement for opening or closure of this issue have been given. Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. Our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard included in the SEBI Master Circular.

If our Company does not receive the minimum subscription of 75% of Base Issue Size prior to the Issue Closing Date the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within 8 (eight) Working Days from the Issue Closing Date, failing which the Company will become liable to refund the Application Amount along with interest at the rate 15 (fifteen) percent per annum for the delayed period.

Issuance of Allotment Advice

Our Company shall ensure dispatch/and/or mail the Allotment Advice within 5 (five) Working Days of the Issue Closing Date to the Applicants. The Allotment Advice for successful Applicants will be mailed to their addresses as per the Demographic Details received from the Depositories. Instructions for credit of NCDs to the beneficiary account with Depository Participants shall be made within 5 (five) Working Days of the Issue Closing Date.

Our Company shall use best efforts to ensure that all steps for completion of the necessary formalities for commencement of trading at the Stock Exchanges where the NCDs are proposed to be listed are taken within 6 (six) Working Days from the Issue Closing Date.

Allotment Advices shall be issued, or Application Amount shall be unblocked within 15 (fifteen) days from the Issue Closing Date or such lesser time as may be specified by SEBI or else the Application Amount shall be unblocked in the ASBA Accounts of the Applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

Our Company will provide adequate funds required for dispatch of Allotment Advice, as applicable, to the Registrar to the Issue.

Revision of Applications

As per the notice no: 20120831-22 dated August 31, 2012 issued by BSE, cancellation of one or more orders (series) within an Application is permitted during the Issue Period as long as the total order quantity does not fall under the minimum quantity required for a single Application. However, please note that in case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application will be liable for rejection by the Registrar.

Applicants may revise/ modify their Application details during the Issue Period, as allowed/permitted by the Stock Exchanges, by submitting a written request to the Designated Intermediary, as the case may be. However, for the purpose of Allotment, the date of original upload of the Application will be considered in case of such revision/modification. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic Application platform of the Stock Exchanges as per the procedures and requirements prescribed by each relevant Stock Exchange, Applicants should ensure that they first withdraw their original Application and submit a fresh Application. In such a case the date of the new Application will be considered for date priority for Allotment purposes.

Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on Issue Closing Date. However, in order that the data so captured is accurate, the Designated Intermediaries will be given up to one Working Day after the Issue Closing Date (till 1:00 pm) to modify/ verify certain selected fields uploaded in the online system during the Issue Period, after which the data will be sent to the Registrar to the Issue for reconciliation with the data available with the NSDL and CDSL.

Early Closure

Our Company, in consultation with the Lead Managers reserves the right to close the Issue at any time prior to the Closing Date of respective Prospectus, subject to receipt of minimum subscription for NCDs aggregating to 75% of the Base Issue size i.e. ₹750 crores and subject to the Issue being kept open for minimum period of three Working Days. Our Company shall allot NCDs with respect to the Applications received at the time of such early closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements.

In the event of such early closure of the Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure is published on or before such early date of closure or the Issue Closing Date, as applicable, through advertisement(s) in all those newspapers in which pre-issue advertisement have been given.

Utilisation of Application Amounts

The sum received in respect of the Issue will be kept in separate bank account(s) and we will have access to such funds only upon allotment of the NCDs, execution of Debenture Trust Deeds and on receipt of listing and trading approval from the Stock Exchanges as per applicable provisions of law(s), regulations and approvals.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-Section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"Any person who:

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing 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 to any other person in a fictitious name,

shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹0.10 crore or 1.00% of the turnover of our Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹10,00,000 or 1.00% of the turnover of our Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹50,00,000 or with both.

Undertakings by our Company

We undertake that:

a) All monies received pursuant to the Issue of Secured NCDs to public shall be transferred to a separate bank account as referred to in sub-section (3) of section 40 of the Companies Act, 2013.

b) Details of all monies utilised out of Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies had been utilised.

c) Details of all unutilised monies out of issue of Secured NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the form in which such unutilised monies have been invested.

d) The details of all utilized and unutilised monies out of the monies collected in the previous issue made by way of public offer shall be disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the purpose for which such monies have been utilized, and the securities or other forms of financial assets in which such unutilized monies have been invested.

e) We shall utilize the Issue proceeds only upon allotment of the Secured NCDs, execution of the Debenture Trust Deed as stated in this Prospectus and on receipt of the minimum subscription of 75% of the Base Issue i.e. ₹750 crores and receipt of listing and trading approval from the Stock Exchanges.

f) The Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property dealing of equity of listed companies or lending/investment in group companies.

g) The allotment letter shall be issued, or Application Amount shall be unblocked within 15 days from the closure of the Issue or such lesser time as may be specified by SEBI, or else the Application Amount shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

h) The Experts named in this Prospectus are not, and has not been, engaged or interested in the formation or promotion or management, of the Company.

Other Undertakings by our Company

Our Company undertakes that:

a) Complaints received in respect of the Issue (except for complaints in relation to Applications submitted to Designated Intermediaries) will be attended to by our Company expeditiously and satisfactorily;

b) Necessary cooperation to the relevant credit rating agency(ies) will be extended in providing true and adequate information until the obligations in respect of the Secured NCDs are outstanding;

c) Our Company will take necessary steps for the purpose of getting the Secured NCDs listed within the specified time, i.e., within 6 Working Days from the Issue Closing Date;

d) Funds required for dispatch of Allotment Advice will be made available by our Company to the Registrar to the Issue;

e) Our Company will forward details of utilisation of the proceeds of the Issue, duly certified by the Statutory Auditor, to the Debenture Trustee as per applicable law;

f) We shall make necessary disclosures/ reporting under any other legal or regulatory requirement as may be required by our Company from time to time;

g) We undertake that the assets / receivables on which charge is created, are free from any encumbrances and in cases where the assets are already charged to secure a debt, the permission or consent to create a second or *pari passu* charge on the assets of the issuer has been obtained from the earlier creditor, wherever applicable;

h) Our Company will provide a compliance certificate to the Debenture Trustee on an annual basis in respect of compliance with the terms and conditions of the Issue as contained in this Prospectus;

i) Our Company will disclose the complete name and address of the Debenture Trustee in its annual report and website;

j) We have created a recovery expense fund in the manner as specified by SEBI from time to time; and will inform the Debenture Trustee about the same.

SECTION VII: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND DEFAULTS

Except as stated in this section there are no outstanding: (i) criminal proceedings; (ii) actions by statutory / regulatory authorities; (iii) claims for any indirect and direct tax liability; and (iv) other litigations which are identified as material in terms of the Materiality Policy (as defined hereinafter below), each involving the Company, its Directors, its Promoter and its Group Companies.

For the purpose of disclosures in this Prospectus, our Company has considered the following litigation 'material' litigation:

Our Company, our subsidiaries (if any) and our Directors

i. All outstanding civil proceedings including tax matters (direct or indirect) and arbitration matters would be considered 'material' if the monetary amount of claim by or against the Company, its subsidiaries (if any) or its Directors in any such pending proceeding is in excess of 2% of profit or loss after tax, as per the audited financial statements for the immediately preceding financial year of the Company included in this Prospectus;

ii. All outstanding criminal proceedings involving the Company, its subsidiaries (if any) or its Directors; and

iii. All the outstanding actions initiated by regulatory or statutory authorities against the Company, its subsidiaries (if any) or its Directors.

Promoter of the Company

i. All outstanding civil proceedings if the monetary amount of claim by or against the Promoter in any such pending proceeding is equivalent to or above 2% of the profit or loss after tax, as per the audited consolidated financial statements of the Promoter for the immediately preceding financial year;

ii. All outstanding criminal proceedings involving the Promoter; and

iii. any litigation or legal action pending or taken against the Promoter by a government department or a statutory body during the last three years including any outstanding actions, any inquiry, inspections or investigations initiated or conducted under securities laws or the Companies Act, 2013, as amended or any previous companies law in the last three years.

Group Companies

i. Any outstanding legal proceedings involving our Group Companies, whose outcome could have a material adverse effect on the financial position of the Company, and which may affect the Issue or the investor's decision to invest or continue to invest in the debt securities of the Company.

Other legal proceedings

i. All the proceedings involving any entity above or any other person, in which the monetary liability is not quantifiable or any other outstanding litigation, the outcome of which may have a material adverse effect on the financial position of the Company.

Save as disclosed below, there are no:

i. litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against the Promoter of the Company during the last three years immediately preceding the year of the issue of the Prospectus and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action;

ii. litigation involving the Company, Promoter, Directors, Subsidiaries, Group Companies or any other person, whose outcome could have material adverse effect on the financial position of the Company, which may affect the issue or the investor's decision to invest/continue to invest in the debt securities;

iii. acts of material frauds committed against our Company in the last three years and the current financial year and the action taken by the Company;

iv. default and non-payment of statutory dues by the Company;

v. *pending proceedings initiated against the Company for economic offences and default; and*

vi. *inquiry, inspections or investigations initiated or conducted under the securities laws or Companies Act or any previous companies law in the last three years immediately preceding the year of issue of this Prospectus in the case of Company; and if there were any prosecutions filed (whether pending or not); fines imposed or compounding of offences done in the last three years immediately preceding the year of this Prospectus for the Company.*

Litigation involving our Company

Criminal proceedings involving our Company

A. Criminal Proceedings against our Company

1. Bahadur Lal Chaupda ("**Complainant**") lodged an FIR ("**FIR**") against our Company and its officials, alleging that our Company and its officials had threatened and harassed the Complainant and other co-borrowers ("**Co-Borrowers**"), in order to recover outstanding dues in respect of a loan availed by them from our Company, thereby causing one of the Co-Borrowers to commit suicide. In response, our Company and its employee have together filed a Criminal Miscellaneous Petition against the State of Rajasthan and the Complainant before the High Court of Rajasthan challenging the FIR, on grounds *inter alia* that the Co-Borrowers failed to repay the loan amount in accordance with the terms of the loan and filed the FIR to frustrate the recovery of the amount. The matter is currently pending.

2. Ravindra Kaur, the proprietor of Ratan Emporium Security Services ("**Complainant**") filed an FIR under *inter alia*, sections 452, 323, 295 and 506 of the IPC alleging misbehaviour and criminal intimidation by two employees of our Company, namely, Lokendra Lakhani and Sunil Pal ("**Accused**"), during the course of debt collections visits made by the Accused to the Complainant's house. The matter is currently pending.

3. Uttam Kumar Chatterjee ("**Complainant**") filed a criminal complaint ("**Complaint**"), under sections 420, 406, 384, 120B and 34 of the IPC, before the Additional Chief Judicial Magistrate, Alipore, South 24 Paraganas ("**ACJM**"), against, among others, two employees of our Company, namely, Mahendra Ajmani and Sanjay Singh, accusing them of *inter alia*, inducing the Complainant to avail of a loan facility from our Company and thereafter, illegally detaining possession of certain mortgaged property belonging to the Complainant and extorting an amount of ₹0.5 crores. Subsequently, the matter was transferred to 7th Judicial Magistrate, South 24 Paraganas. The matter is currently pending.

4. Ananda Sankar Sarvajna ("**Complainant**") filed a criminal complaint ("**Complaint**") under, *inter alia*, sections 341, 323, 384 and 509 of the IPC before the Additional Chief Judicial Magistrate, Alipore, South 24 Parganas ("**ACJM**") against one of our employees, Krishnendu Deb Roy, amongst others ("**Accused**"), accusing them of, *inter alia*, extortion of an amount of ₹0.05 crores, physical assault, verbal abuse and misbehaviour. By way of an order of the ACJM dated September 26, 2018 ("**ACJM Order**"), cognizance was taken and the matter was transferred to 7th Judicial Magistrate, South 24 Paraganas. Krishnendu Deb Roy ("**Petitioner**") filed a criminal revision petition before the High Court of Calcutta, seeking to the quash, *inter alia*, the Complaint proceedings and the ACJM Order, on the grounds, *inter alia*, that the Complaint was an abuse of the process of law and was filed to pre-empt the Petitioner from filing a criminal complaint under section 138 of the NI Act against the Complainant. The matter is currently pending.

5. Charanjeet Singh ("**Complainant**"), one of the customers of our Company, filed a complaint against Kumar Mangalam Birla, S.K. Mittra, an erstwhile employee of the Lucknow branch and Ashish Goel, the erstwhile marketing executive of our Company in the Court of the Metropolitan Magistrate VI, Kanpur ("**MM Court**") for cheating, mischief and causing damage under sections 417, 418, 419 and 420 of the IPC, in relation to a hire purchase transaction of our Company. A criminal miscellaneous application ("**Application**") was filed by Kumar Mangalam Birla before the High Court of Judicature at Allahabad ("**High Court**") against, *inter alia*, the Complainant, seeking to quash the proceedings before the MM Court. The High Court granted stay on the proceedings ("**Stay**") before the MM Court by way of its order dated October 16, 2003, which was subsequently vacated by the High Court, by way of its order dated April 13, 2018, which disposed the Application. The matter is currently pending.

B. Criminal Proceedings by our Company

1. Our Company has, as of September 21, 2023, in the ordinary course of business, initiated 2,275 proceedings against its unsecured borrowers and 407 proceedings against its secured borrowers, for the dishonour of cheques under section 138 of the NI Act. The aggregate amount involved in these proceedings is ₹801.22 crores, to the extent ascertainable. These proceedings are pending at various stages of adjudication before various courts.

2. Our Company has as of September 21, 2023, in the ordinary course of business, initiated 25,988 proceedings against its unsecured borrowers and 5,547 proceedings against its secured borrowers, for dishonour of electronic funds transfers under section 25 of the Payment and Settlement Systems Act, 2007. The aggregate amount involved in these proceedings is ₹139.28 crores, to the extent ascertainable. These proceedings are pending at various stages of adjudication before various

courts.

3. Our Company filed a criminal complaint before the Baguiati Police Station ("**Police Station**") against Sanjeev Ghosh and another office holder of the Apartment Owners' Association, Green Vista Housing Complex ("**Housing Complex**") and others (together the "**Accused Persons I**") for allegedly, *inter alia*, unlawfully restraining the employees of ABFL from entering the Housing Complex for the purpose of conducting valuation of a property mortgaged to ABFL ("**Mortgaged Property**"), pursuant to a loan granted by our Company to Bijaya Drums. Subsequently, our Company filed an application under section 144(2) of the CrPC before the Executive Magistrate at Barasat ("**Executive Magistrate**"), pursuant to which the Executive Magistrate by way of an order ("**EM Order**") directed the Accused Persons I to refrain from disturbing our Company's personnel and ordered the inspector-in-charge of the Police Station ("**Inspector**") to remain present to assist our Company's personnel during the valuation process of the Mortgaged Property. However, despite the EM Order, the officials of the Police Station allegedly failed to accompany our Company's personnel and remain present at the Mortgaged Property during another valuation visit. Resultantly, our Company's personnel were restrained from conducting the valuation by the agents of, among others, Bijaya Drums (collectively, the "**Accused Persons II**"), who had illegally trespassed into the Mortgaged Property. Consequently, our Company and its authorised officer filed a writ petition before the High Court of Calcutta ("**High Court**") against the Commissioner of Police, Bidhannagar Police Headquarters and the Inspector ("**Police Authorities**"), among others, seeking a writ *inter alia*, directing the Police Authorities to assist our Company during the valuation of the Mortgaged Property and take appropriate actions against the Accused Persons I and the Accused Persons II.

   Additionally, Tanmoy Banerjee, an employee of our Company, lodged an FIR against the Accused Persons II alleging that the Accused Persons II, *inter alia*, committed criminal trespass, and theft in relation to the Mortgaged Property and criminally intimidated agents of our Company. The matters are currently pending.

4. Our Company filed a criminal complaint ("**Complaint**") under section 156(3) of the CrPC before the Chief Judicial Magistrate, Calcutta seeking an order directing the officer-in-charge Shakespeare Sarani police station, Kolkata to register an FIR against, *inter alia*, Seema Shah, Ashish Kumar Shah and others ("**Accused**"). Our Company alleged that the Accused had by forgery of documents, connived with the other Accused and made false representations with regards to their lawful ownership of mortgaged property, availed of a term loan amount to ₹1.40 crores ("**Term Loan**") from our Company and thereafter defaulted in respect of the same. The matter is currently pending.

C. Actions taken by regulatory and statutory authorities

1. SEBI issued a show cause notice dated May 25, 2021 ("**SCN**") to our Company under sections 11(1), 11(4), 11B (1), 11B (2) and 11(4A) of the SEBI Act in the matter of CG Power and Industrial Solutions Limited ("**CG Power**"). Pursuant to the SCN, SEBI alleged among others that in order to benefit its loans getting repaid, the commission and omission on the part of ABFL amounted to participation in the fraudulent scheme for diversion of assets from CG Power for the benefit of BILT Graphic Paper Products Limited to the detriment of CG Power's minority shareholders, violating regulations 3 (b), (c), (d) and regulation 4 (1) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 read with sections 12A (a), (b) and (c) of the SEBI Act. Our Company submitted an interim reply dated July 15, 2021 and a final reply dated July 29, 2021 to SEBI contesting the allegations levelled against it in the SCN and prayed for the withdrawal of the SCN, insofar as it relates to our Company. Further, pursuant to a personal hearing granted by the Whole Time Member of SEBI on August 30, 2021 and August 31, 2021, our Company has presented its case and responded to the allegations set out against our Company in the SCN. By way of an order dated October 4, 2022 ("**SEBI Order**"), SEBI imposed a penalty of ₹1.00 crores on ABFL ("**SEBI Penalty**") with respect to the same. Our Company filed an appeal dated October 21, 2022 against the SEBI Order before SAT claiming, *inter alia*, that SEBI lacks jurisdiction on the instant matter, and there was no uncovering of fraud in due diligence. Further, our Company has claimed that there is no collusion and no involvement of our Company in the diversion of assets, and that there was a bona fide transaction. Our Company has sought direction from the SAT for quashing the order. Subsequently, pursuant to the appeal, SAT passed an order on February 27, 2023, imposing a stay the SEBI Order, subject to our Company depositing 50% of the SEBI Penalty. Our Company has deposited the said amount.

2. For details of the show cause notice dated April 22, 2022 issued to, *inter alia*, our Company by the Adjudicating Authority, New Delhi, under section 8 of the PMLA, see "*– Material civil and tax litigation involving our Company – Material civil and tax litigation by our Company*" on page 213.

3. The Deputy Director, Directorate of Enforcement, Jaipur, by way of a provisional attachment order dated December 4, 2019 ("**Provisional Attachment Order**"), attached a property ("**Impugned Property**") belonging to Micro Info Solution ("**Borrower**"), mortgaged in favour of our Company as security for borrowings availed by the Borrower from our Company. Pursuant to the Provisional Attachment Order, a show cause notice dated January 2, 2020 ("**SCN**") was issued by the Adjudicating Authority to, our Company, among others, calling upon them to show cause as to why the Impugned Property should not be declared as property involved in money laundering. Subsequently, the Provisional Attachment Order was confirmed by the Adjudicating Authority, New Delhi, by way of its order dated November 5, 2020 ("**AA Order**"), holding that the Impugned Property represented the value of the proceeds of crime and is involved in money

laundering. Thereafter, our Company filed a writ petition ("**Petition**") before the High Court of Delhi ("**High Court**"), challenging the AA Order on the grounds, *inter alia*, that the Impugned Property was purchased prior to the commission of offences alleged in the Provisional Attachment Order and AA Order and hence could not be considered as 'proceeds of crime'. The High Court, by way of its order disposed the Petition and directed our Company to pursue its appeal before the Appellate Tribunal. The matter is currently pending.

4. The Deputy Director, Directorate of Enforcement, Bengaluru, by way of a provisional attachment order dated September 24, 2020 ("**Provisional Attachment Order**"), attached a list of immovable properties ("**Impugned Properties**") belonging to Narayanappa Nanjundiah ("**Borrower**"), including certain properties which were mortgaged to our Company as security for borrowings availed by the Borrower from our Company. Pursuant to the Provisional Attachment Order, a show cause notice dated October 21, 2020 ("**SCN**") was issued by the Adjudicating Authority to the Borrower and others, including our Company, calling upon them to show cause as to why the Impugned Properties should not be declared as properties involved in money laundering. Our Company submitted its response to the SCN dated December 14, 2022 ("**Written Submissions**"), seeking the setting aside of the Provisional Attachment Order on the grounds that *inter alia*, (a) it was a secured creditor under the SARFAESI Act and that the provisions of the PMLA do not override the SARFAESI Act and (b) it had no direct or indirect involvement in the alleged money laundering. The matter is currently pending.

5. The Deputy Director, Directorate of Enforcement, Chennai Zone - 1, by way of a provisional attachment order dated July 31, 2018 ("**Provisional Attachment Order**"), attached certain properties ("**Impugned Properties**") belonging to *inter alia* Nathella Sampath Jewelry Private Limited and Nathella Sampath Chetty & Co. ("**Borrowers**"), which had been mortgaged to our Company as security for borrowings availed by the Borrowers from our Company. Pursuant to the Provisional Attachment Order, a show cause notice dated August 23, 2018 ("**SCN**") was issued by the Adjudicating Authority to *inter alia* our Company calling upon them to show cause as to why the Impugned Properties should not be declared as properties involved in money laundering. The Provisional Attachment Order was confirmed by the Adjudicating Authority by way of its order dated January 16, 2019 ("**AA Order**"), holding that the Impugned Properties represented the value of the proceeds of crime and are involved in money laundering. Pursuant to an appeal filed by our Company against the AA Order, the Appellate Tribunal, by way of its order dated December 31, 2020 ("**Impugned Order**"), dismissed our Company's appeal and confirmed the Provisional Attachment Order. Our Comapny filed an appeal, before the High Court of Bombay, seeking an interim stay on the operation of the Impugned Order and challenged the Impugned Order on the grounds, *inter alia*, that it was a secured creditor under the SARFAESI Act and that actions taken under the SARFAESI Act indirectly set aside any application under the PMLA. The matter is currently pending.

6. The Special Director, Directorate of Enforcement, Eastern Region, by way of a provisional attachment order dated September 29, 2016 ("**Provisional Attachment Order**") attached a list of immovable properties ("**Impugned Properties**") belonging to Tayal Energy Limited, amongst others ("**Tayal Group**"), including certain property which had been mortgaged to our Company as security for loans availed by three borrowers ("**Borrowers**") from our Company and furnished by a director on board of the Tayal Group. Pursuant to the Provisional Attachment Order, a show cause notice dated October 28, 2016 ("**SCN**") was issued by the Adjudicating Authority established under the PMLA to *inter alia*, ABFL, declaring the Impugned Properties as properties involved in money laundering, on account of certain FIRs ("**FIRs**") which had been registered against the Tayal Group for alleged siphoning of funds. The Provisional Attachment Order was confirmed by the Adjudicating Authority, New Delhi, by way of its order dated March 21, 2017 ("**AA Order**"), holding that the Impugned Properties represented the value of the proceeds of crime. However, pursuant to an appeal filed by our Company against the AA Order, the Appellate Tribunal, set aside the AA Order, on the grounds that neither our Company nor the Borrowers had been named in the FIRs ("**Tribunal Order**"). Subsequently, the Directorate of Enforcement through the Joint Director, filed a criminal appeal challenging the Tribunal Order, before the High Court of Bombay. The matter is currently pending.

7. The Deputy Director, Directorate of Enforcement, Mumbai Zonal Office-II by way of a provisional attachment order dated February 14, 2019 ("**Provisional Attachment Order**"), attached immovable properties ("**Impugned Properties**") belonging to *inter alia* D.S. Kulkarni Developers Limited ("**DSKD**") and DSK Motors Private Limited ("**DSK Motors**") (together with DSKD, the "**Borrowers**") including certain Impugned Properties which had been mortgaged to our Company as security for a loans against property availed from ABFL by DSKD ("**DSKD Loan**") and DSK Motors ("**DSK Motors Loan**"), respectively. The Provisional Attachment Order was confirmed by the Adjudicating Authority, New Delhi, by way of its order ("**AA Order**"), holding that the Impugned Properties represented the value of the proceeds of crime. Subsequently, our Company filed an appeal before the Appellate Tribunal, seeking an order setting aside the AA Order on the grounds, *inter alia*, that our Company has been notified as a secured creditor under the SARFAESI Act and that the provisions of the SARFAESI Act override other statutes, including the PMLA.

   Separately, the State Government of Maharashtra through its Home Department issued a notification dated May 5, 2018 ("**Notification**") under the provisions of the Maharashtra Protection of Interest of Depositors (in Financial Establishments) Act, 1999 ("**MPID Act**") attaching various properties belonging to DSKD, including some of the Impugned Properties, which had been mortgaged to our Company by DSKD as security pursuant to the DSKD Loan. Our Company filed a civil writ petition before the High Court of Bombay, seeking certain interim reliefs and challenged the Notification, on the grounds, *inter alia*, that our Company has a statutory charge over the mortgaged properties under the SARFAESI Act,

which overrides the provisions of all other laws, including the MPID Act. The matters are currently pending.

8. The Deputy Director, Directorate of Enforcement, Hyderabad, by way of a provisional attachment order dated August 20, 2022 ("**Provisional Attachment Order**"), attached certain immovable property ("**Impugned Property**") belonging to, Hitesh R. Jain, a director of R.E. Cables & Conductors Private Limited ("**Borrower**"), which was mortgaged to our Company as security for a loan facility availed by the Borrower from our Company. A show cause notice dated October 18, 2022 ("**SCN**") was issued by the Adjudicating Authority to our Company calling upon it to show cause as to why the Impugned Property should not be declared as properties involved in money laundering. The Provisional Attachment Order was confirmed by the Adjudicating Authority by way of its order dated February 15, 2023 ("**AA Order**"), holding that the Impugned Property represented the value of the proceeds of crime and is therefore involved in money laundering. Subsequently, our Company filed an appeal before the Appellate Tribunal, seeking to set aside the AA Order, on the grounds, *inter alia*, that the Impugned Property was not derived, directly or indirectly, as a result of a scheduled offence. The matter is currently pending.

D. Economic offences

Nil.

E. Material civil and tax litigation against our Company

Nil.

F. Material civil and tax litigation by our Company

1. Our Company filed a petition dated August 30, 2021 ("**Petition**") under section 9 of the Arbitration and Conciliation Act, 1996, as amended ("**Arbitration Act**") before the High Court of Bombay ("**High Court**") against Karvy Data Management Services Limited ("**KDMSL**") and others (collectively the "**Respondents**"), in relation to outstanding dues of ₹100.79 crores in relation to a loan availed by KDMSL from ABFL ("**Term Loan**"). By way of the Petition, our Company sought certain reliefs, *inter alia*, an injunction on undertaking sale, transfer or disposal of the property which was mortgaged by Karvy Stock Broking Limited in favour of our Company as security for the Term Loan ("**Mortgaged Property**"), appointment of a court receiver to take charge of the Mortgaged Property and a deposit of bank guarantee by the Respondents. Subsequently, the High Court appointed a court receiver to take symbolic possession of the Mortgaged Property and disposed-off the Petition. Subsequently, our Company commenced arbitration proceedings against KDMSL amongst others ("**Arbitration Proceedings**"). In relation to the Arbitration Proceedings, a sole arbitrator ("**Arbitrator**") was appointed by the High Court and statements of claim and defence, respectively, have been filed by our Company and KDMSL before the Arbitrator. Our Company filed an application seeking an interim award ("**Interim Award Application**") under section 31(6) of the Arbitration Act on the grounds that the Respondents have categorically admitted their liability to pay the outstanding dues to our Company. Pursuant to the Interim Award Application, the Respondents filed their reply which was responded to by our Company through a rejoinder application.

   Further, by way of a provisional attachment order dated March 8, 2022 ("**Provisional Attachment Order**"), passed by the Deputy Director, Directorate of Enforcement, Hyderabad, a list of immovable properties, including the Mortgaged Property (together, the "**Impugned Properties**"), belonging to KDMSL, Karvy Stock Broking Limited, Karvy Realty India Limited and Karvy Consultants Limited (collectively, the "**Karvy Entities**") were provisionally attached. Consequent to the Provisional Attachment Order, a show cause notice dated April 22, 2022 ("**SCN**") was issued by the Adjudicating Authority to the Karvy Entities and others, including our Company. Our Company filed its written reply to the SCN on November 22, 2022, claiming, *inter alia*, that no attachments proceedings may be initiated against a property which is under the custody of the High Court, without seeking its permission. The Adjudicating Authority by way of its order dated December 1, 2022 ("**AA Order**") confirmed the Provisional Attachment Order, concluding that that the Impugned Properties were proceeds of crime and therefore involving in money laundering. Subsequently, our Company then filed an appeal before the Appellate Tribunal, challenging the AA Order. Separately, our Company filed a writ petition before the High Court, challenging the SCN and Provisional Attachment Order and seeking a writ, *inter alia*, restraining the Adjudicating Authority from confirming the Provisional Attachment Order. The matters are currently pending.

2. Our Company, along with another (together, the "**Petitioners**"), has filed a petition dated January 18, 2023 under section 9 of the Arbitration Act before the High Court of Delhi ("**High Court**"), seeking interim measures against ATS Housing Private Limited, amongst others ("**Respondents**") including (a) restraint on selling, transferring, disposing of or in any other way transferring the properties mortgaged to the Petitioners; and (b) directing the respondents to deposit a bank guarantee of ₹118.60 crores towards the satisfaction of dues towards the Petitioners. Our Company had sanctioned two loans of ₹100.00 crores ("**Loan Facilities**") each to the Respondents, for development of projects named ATS Pristine-1 and ATS Pristine-2 ("**Projects**"). The Loan Facilities were secured *inter alia*, by way of mortgages and deeds of hypothecation, on *inter alia*, the immovable property and movable properties located at the Projects and on certain plots of land located at the Reis Magos village, Goa ("**Security**"). Despite repeated requests, the Respondents allegedly made several defaults in respect of their repayment obligations under the Loan Facilities.

Separately, our Company also issued a notice dated December 16, 2022 to the Respondents under section 13(2) of the SARFAESI Act, seeking to recover dues of ₹118.60 crores, outstanding in respect of, *inter alia*, the Loan Facilities and other outstanding borrowings availed by the Respondents from our Company. Subsequently, our Company filed three securitization applications under section 14 of the SARFAESI Act before the Chief Judicial Magistrate, Gautam Budh Nagar ("**CJM**"), and District Magistrate, North Goa, respectively, seeking possession of the Security. The CJM by way of its orders dated May 24, 2013, have allowed the section 14 applications made in respect of the Projects and ordered for the physical possession of ATS Properties, respectively, to be taken by our Company. The matters are currently pending.

3. Our Company has filed an application dated November 23, 2022 under section 11 of the Arbitration Act before the High Court of Delhi ("**High Court**") against, *inter alia*, Sidhartha Educational and Welfare Society ("**Respondents**"), requesting the appointment of an arbitrator to hear a dispute regarding alleged defaults amounting to ₹121.16 crores made by Respondents in respect of loan facilities aggregating to ₹119.25 crores availed by them from our Company. By way of its order dated November 29, 2022, the High Court referred the dispute to a sole arbitrator ("**Arbitrator**"). By way of several interim orders, the Arbitrator has granted interim reliefs in favour of our Company including, *inter alia*, freezing the bank accounts of the Respondents and appointment of a court receiver in respect of the school properties belonging to the Respondents. Separately, a criminal complaint under *inter alia* sections 23, 405, 406, 415 and 120B of the IPC before the Economic Offences Wing, Mandir Marg, New Delhi against, Sidhartha Educational and Welfare Society and Sanskar Bharti Foundation and others (collectively, the "**Accused**"), accusing them of *inter alia*, cheating, defrauding and causing wrongful loss to our Company. The matter is currently pending.

4. Our Company filed an application under section 7 of the Insolvency and Bankruptcy Code, 2016 ("**Application**") before the National Company Law Tribunal, New Delhi ("**NCLT**") against Sequel Buildcon Private Limited ("**Respondent**"), seeking the initiation of insolvency proceedings against the Respondent. Our Company had sanctioned a term loan facility of ₹90 crores which was to be repaid within a period of 24 months with a moratorium period of 36 months, which was further extended as per applicable laws. The Respondent defaulted on payment of multiple installments. The total outstanding dues of the Respondent as claimed by our Company is ₹74.37 crores. The Respondent by way of its reply, *inter alia*, denied the allegations of our Company and alleged that the claimed rate of interest is higher than the admitted rate of interest and sought a dismissal of the Application, pursuant to which our Company filed a rejoinder before the NCLT. The matter is currently pending.

5. Our Company filed a petition dated November 21, 2019 ("**Petition**") under section 9 of the Arbitration Act before the High Court of Delhi ("**High Court**") against Presidium Educational and Charitable Trust ("**PECT**") and others (collectively, the "**Respondents**"), in relation to certain loans aggregating to ₹260.00 crores ("**Loan Facility**") availed by the by PECT and other entities from YES Bank Limited ("**YBL**"), a part of which, amounting to ₹100.00 crores, was assigned to our Company. By way of the Petition, our Company has claimed a default by the Respondents in repayment of the outstanding Loan Facility and sought interim reliefs directing Respondents to, *inter alia*, furnish a security for the outstanding dues of ₹98.26 crores and deposit ₹82.75 crores in escrow accounts. The High Court passed multiple orders, granting certain ad-interim reliefs to our Company ("**Interim Reliefs**"), including directing the Respondents to deposit all its receivables in an escrow account. Thereafter, by way of its order dated December 6, 2021 ("**HC Order**"), the High Court disposed of the Petition, continuing the Interim Reliefs and directed the appointment of an arbitrator ("**Arbitrator**") to decide the Petition under section 17 of the Arbitration Act ("**Section 17 Application**"). Accordingly, our Company initiated arbitration proceedings ("**Arbitration Proceedings**") and filed its statement of claim dated July 10, 2022, and a reply to the counterclaim of PECT dated January 23, 2023, before the Arbitrator. By way of an order dated December 21, 2022, the Arbitrator, *inter alia*, disposed the Section 17 Application. Further, an application has been filed by PECT to vacate certain directions of the Arbitrator. Our Company has filed a reply and the matter is currently pending. Separately, our Company has also filed three contempt petitions before the High Court, alleging non-compliances by the Respondents with respect to the Interim Reliefs. The matters are currently pending.

   Separately, YBL initiated corporate insolvency resolution process proceedings ("**CIRP Proceedings**") against certain Respondents, being Mothers Pride Education Institution Private Limited, Presidium Educational Institution Private Limited and Mothers Pride Education Personna Private Limited (together, "**Corporate Debtors**"). Subsequently, one of the common shareholders/promoters of the Corporate Debtors filed an application against certain parties, including our Company, dated May 8, 2023 with NCLT Delhi for consolidation of the CIRP Proceedings. The matters are currently pending.

6. Our Company filed a petition dated September 15, 2018 under section 9 of the Arbitration Act before the High Court of Delhi ("**High Court**"), against, *inter alia*, Pune Sholapur Road Development Company Limited ("**PSRDCL**") and Chenani Nashri Tunnelway Limited ("**CNTL**" and with PSRDCL, the "**Respondents**"), in relation to default and non-payment of dues under a rupee term loan facility of ₹100 crores, extended to PSRDCL and ₹55.76 crores, extended to CNTL. Our Company alleged, *inter alia*, misrepresentation and fraudulent conduct by the Respondents, and prayed for, *inter alia*, a deposit of ₹101.14 crores and ₹55.76 crores or a deposit of bank guarantees for the said amount by the Respondents. The High Court passed an order dated September 18, 2018, restraining certain parties including PSRDCL and CNTL from transferring or creating third party interest in their unencumbered assets. Subsequently, the Union of India ("**UOI**") filed

an application before the NCLT dated October 12, 2018 praying for, *inter alia*, a moratorium against the institution of proceedings against the IL&FS Group, which was rejected by the NCLT on October 12, 2018 but allowed by the NCLAT by way of an order dated October 15, 2018 ("**Order**"). UOI also filed an affidavit before the NCLAT dated January 24, 2019 setting out proposals for resolution of the debts of the Respondents ("**Resolution Framework**"). Thereafter, our Company filed an application before the NCLAT praying for, *inter alia*, the rejection of the Resolution Framework, and filed written submissions on February 11, 2020 challenging NCLAT's jurisdiction in relation to the Order. Following this, the NCLAT passed an order dated March 12, 2020 ("**NCLAT Order**"), allowing a continuation of the moratorium imposed by the Order. Our Company filed an appeal dated December 23, 2020 before the Supreme Court of India ("**Supreme Court**") against the NCLAT Order, alleging, *inter alia*, that the Resolution Framework under the NCLAT Order is beyond the scope of section 241 and 242 of the Companies Act, 2013. The matter is currently pending.

7. Our Company filed a suit ("**Suit**") before the High Court of Calcutta ("**High Court**"), against various parties including Williamson Financial Services Limited ("**WFSL**"), Vedica Sanjeevani Projects Private Limited ("**VSPPL**"), Christopher Estates Private Limited ("**CEPL**") (collectively, the "**Respondents**"), alleging defaults by the Respondents, in relation to a term loan of ₹150.00 crores, availed by WFSL from ABFL ("**Facility**"), which was *inter alia*, to be repaid using receipts from sale of the treasury shares ("**MRIL Treasury Shares**") representing 24.5% of the shareholding of McLeod Russel India Limited ("**MRIL**"). By way of the Suit, our Company has alleged that the Respondents have failed to abide by the undertakings and covenants in relation to the Facility, by, *inter alia*, failing to repay the Facility, disposing off a certain portion of the MRIL Treasury Shares and has sought *inter alia*, a decree for the outstanding dues of ₹132.00 crores against the Respondents, the attachment of their properties until deposit of the claimed amount, the appointment of a receiver by the High Court and a direction to the Respondents to deposit an amount equal to the proceeds from sale of the MRIL Treasury Shares. The matter is currently pending.

   Our Company has executed terms of settlement dated June 7, 2023 in relation to the Facility with certain parties, including MRIL and WFSL ("**Terms of Settlement**"). Thereafter, VSPPL and CEPL filed an application before the High Court and initiated proceedings on June 15, 2023 before the Commercial Court at Alipore challenging the Terms of Settlement. VSPPL and CEPL have also filed a title suit and an injunction application against ABFL and certain other parties. The matters are currently pending.

8. Pursuant to the subscription by our Company of compulsorily convertible preferential shares ("**CCPS**") of McNally Bharat Engineering Company Limited ("**MBECL**") with a put option ("**Put Option**"), the securities of the entities of the Williamson Magor group ("**WM Group**"), namely, Eveready Industries India Limited ("**EIIL**") and MRIL, were pledged with our Company to secure the said Put Option ("**Security**"). Due to the deficiency in security cover, our Company invoked the arbitration by way of notice of arbitration dated May 11, 2019, appointing an arbitrator ("**Arbitrator**") and sought certain interim reliefs. Thereafter, the Arbitrator passed a consent order on July 15, 2019, directing creation of certain securities, including charge on 1,663,289 shares of EIIL. Subsequently, an interim award was passed by the Arbitrator on June 30, 2020, in favour of ABFL ("**Interim Award**"), directing the Respondents to perform their Put Option obligations, failing which they would be liable to pay ₹81.7 crores to our Company. Further, pursuant to the Interim Award, our Company initiated proceedings under section 7 of the Insolvency and Bankruptcy Code, 2016 against MRIL.

   Thereafter, the parties have entered into consent terms dated June 7, 2023 with respect to the said facility, by way of which they are required to withdraw or seek disposal of certain specified legal proceedings. The said consent terms were taken on record by way of an interim consent award dated June 8, 2023.

   Further, certain entities of the IL&FS group (the "**Plaintiffs**") filed a suit against our Company, MRIL, EIIL and certain other parties before the High Court (the "**Suit**") challenging the creation of certain security in favour of our Company. The High Court passed an order of injunction restraining the certain entities of the WM Group from creating any third party rights in respect of the shares which the Plaintiffs have claimed as security. Our Company has filed an application before the High Court, challenging, *inter alia*, the High Court's jurisdiction to adjudicate the Suit, and seeking rejection of the Suit. Pursuant to an order passed by the High Court, this Suit will not be listed for the present due to talks of settlement between the parties. The matters are currently pending.

9. Our Company filed a petition dated December 21, 2021 (the "**Petition**") under section 9 of the Arbitration Act before the High Court of Delhi ("**High Court**") against, *inter alia*, Siti Networks Limited ("**SNL**") and Zee Entertainment Enterprises Limited ("**ZEEL**" and collectively, the "**Respondents**"), in relation to defaults by SNL in relation to a term loan of ₹150.00 crores granted to it by our Company. By way of the Petition, our Company prayed for the grant of interim reliefs including, *inter alia*, deposit of the overdue principal amount of ₹134.00 crores by SNL and ZEEL and the deposit of at least ₹108.00 crores which was diverted by SNL to ZEEL. During the pendency of the Petition, our Company invoked arbitration proceedings ("**Proceedings**") and filed an application for the appointment of a sole arbitrator under section 11 of the Arbitration Act, impleading the Respondents and Essel Corporate LLP. Subsequently, the High Court passed an order dated March 3, 2023 (the "**Order**"), appointing a sole arbitrator ("**Arbitrator**") and directed that the Petition be treated as an application under section 17 of the Arbitration Act ("**Application**") to be heard by the Arbitrator. ZEEL has filed a special leave petition dated April 2, 2023 before the Supreme Court of India, praying for, *inter alia*, a stay on the Order and on the Proceedings. Additionally, ZEEL has also filed an appeal dated April 10, 2023 before the High Court, *inter*

alia, challenging the Order to the extent of the direction that the Petition be placed before the Arbitrator. Thereafter, our Company filed a statement of claim dated May 6, 2023, before the Arbitrator. The Arbitrator by way of an order dated May 9, 2023, disposed the Application, directing, inter-alia, deposit of certain amounts with the registry of the Delhi High Court. The matter is currently pending. SNL was admitted into a corporate insolvency resolution process ("**CIRP**") and the NCLT, Mumbai Bench passed an order dated February 22, 2023 ("**Order**") and allowed the initiation of CIRP. A company appeal was filed by one of the suspended directors of SNL and NCLAT stayed the operation of the Order ("**Stay**") by way of an order dated March 7, 2023. The suspended director of SNL also filed various applications against, *inter alia*, SNL, Axis Bank Limited ("**ABL**") and our Company, praying the tribunal to, *inter alia*, implead the lenders of SNL, namely ABL and our Company, with respect to the withdrawal of monies from the accounts of SNL. Our Company has filed its replies to the said applications. As an ad-interim relief, NCLAT had restrained ABL and our Company from withdrawing any further amounts from SNL's account till the next date of hearing. However, pursuant to an order dated August 10, 2023, the NCLAT has dismissed the application filed by the suspended director of SNL. The matter is currently pending.

10. One Sabbineni Surendra ("**Guarantor**"), provided personal guarantee for a facility agreement executed between Coastal Projects Limited ("**CPL**") and our Company for a facility of ₹70 crores. CPL failed to repay the amount borrowed along with the interest accrued, due to which our Company initiated separate arbitration proceedings before a sole arbitrator against CPL and the Guarantor. Basis two consent awards, our Company, the Guarantor and CPL reached a settlement, pursuant to which our Company filed an execution application before the Bombay High Court ("**Execution Application**"). The Guarantor filed an interim application before the Bombay High Court seeking a stay of the proceedings initiated vide the Execution Application as an insolvency proceeding was filed against the Guarantor before the National Company Law Tribunal, Cuttack ("**Insolvency Petition**"). Due to the initiation of the Insolvency Petition and by way of an order dated March 23, 2022 passed by the National Company Law Tribunal, Cuttack, an interim moratorium has been imposed against the Guarantor. The matter is currently pending.

Litigation involving our Directors

Except as stated below, there are no litigation proceedings involving our Directors.

A. Criminal proceedings against our Directors

Subhash Chandra Bhargava

1. In 2019, Cox and Kings Limited ("**Cox and Kings**") defaulted on the payment of its liabilities and bankruptcy proceedings were initiated against it. Recovery suits against Cox and Kings and its directors (including Subhash Chandra Bhargava) under section 138 of the NI Act have been filed by IDFC First Bank Limited, IndusInd Bank Limited, Kotak Mahindra Bank Limited and Bank of Baroda before the Court of Additional Metropolitan Magistrate, Bandra, Mumbai, the Court of the Chief Metropolitan Magistrate, Esplanade Court, Mumbai, the Court of the Metropolitan Magistrate, George Town, Chennai and the Court of Chief Metropolitan Magistrate, Esplanade Court, Mumbai, respectively. Proceedings in the aforesaid complaints are yet to be commenced and all the matters are currently pending in respective Courts.

B. Criminal proceedings by our Directors

Nil.

C. Actions taken by regulatory and statutory authorities

Subhash Chandra Bhargava

1. SEBI issued a show cause notice dated July 5, 2022 ("**SCN**") against Cox and Kings Limited, its group CEO, whole-time director, chief financial officer and all the members of its audit committee including Subhash Chandra Bhargava (collectively, the "**Noticees**"), under sections 11 (1), 11(4), 11(4A), 11B(1), 11B(2), read with sections 15HA, 15HB of the SEBI Act and rule 4(1) of Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 ("**SEBI Adjudication Rules**") for the investigation period from 2017-18 to 2019-20 ("**Investigation Period**"). The SCN *inter alia* alleges that during the Investigation Period, the audit committee members had failed in their role to oversee efficacy and veracity of financial reporting function in violation of regulation 18(3) read with Para A of Part C of Schedule II and regulation 23(2) of the SEBI Listing Regulations and called upon the noticees to show cause as to why appropriate monetary penalty under sections 11(4A) and 11B(2), read with sections 15HB of the SEBI Act read with SEBI Adjudication Rules should not be levied for the alleged violations. Subhash Chandra Bhargava filed a detailed reply against SCN *inter alia* denying all the allegations in the SCN on the grounds that he had no knowledge or information about the irregularities mentioned in the SCN and maintained that none of alleged irregularities were brought before the notice of the audit committee nor were pointed out by the statutory auditors or the internal auditors during the Investigation Period. The matter is currently pending.

Rajat Jain

1. The Registrar of Companies, Delhi, filed a complaint dated November 14, 2014 ("**Complaint**") under section 211 and 217 of the Companies Act, 2013, against the directors, key managerial personnel and the auditors (collectively, "**Respondents**") of Xerox India Limited ("**Xerox**"), alleging that an amount of ₹0.2 crores was paid in excess of the prescribed limit to an expatriate manager in Financial Year 2009. Rajat Jain was appointed as the Managing Director of Xerox in February 2012. While Xerox had contended this claim and wrote to the Central Government for special permission as provided in the law, and agreed to do acts as per the advice of Central Government, however no response had been received on the same. Rajat Jain along with other Respondents had approached the High Court of Punjab and Haryana for quashing of the Complaint. The matter is currently pending.

D. Economic offences

Nil.

E. Material civil and tax litigation against our Directors

Nil.

F. Material civil and tax litigation against our Directors

Nil.

Litigation involving our Promoter

A. Criminal proceedings against our Promoter

Nil.

B. Criminal proceedings by our Promoter

Nil.

C. Actions taken by regulatory and statutory authorities

Nil.

D. Economic offences

Nil.

E. Material civil and tax litigation against our Promoter

Nil.

F. Material civil and tax litigation against our Promoter

Nil.

Litigation involving our Group Companies

Nil

Tax Proceedings

Except as disclosed below, there are no claims related to direct and indirect taxes involving our Company, Directors and Promoter, likely to have a material adverse effect on the financial position, profitability and cash flows of our Company.

Nature of case	Number of cases	Amount involved (in ₹ crores)*
Proceedings involving the Company		
Direct Tax	9	102.7
Indirect Tax	1	0.7
Proceedings involving the Promoter		
Direct Tax	Nil	Nil

Nature of case	Number of cases	Amount involved (in ₹ crores)*
Indirect Tax	Nil	Nil
Proceedings involving the Directors		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil

* *To the extent quantifiable*

Details of inquiries, inspections or investigations initiated or conducted under the Securities laws, Companies Act, 1956 or the Companies Act, 2013 against our Company in the last three years along with Section wise details of prosecutions filed (whether pending or not), fines imposed or compounding of offences against our Company in the last three years.

Nil

Details of litigation or legal action pending or taken by any ministry or government department or statutory authority against our Promoter during the last three years and any direction issued by any such ministry or department or statutory authority upon conclusion of such litigation or legal action, as on date of this Prospectus.

Nil

Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of statutory dues; debentures and interests thereon; deposits and interest thereon; and loan from any bank or financial institution and interest thereon.

Nil

Summary of reservations, qualifications or adverse remarks of auditors in the last three Fiscals immediately preceding the year of circulation of this offer letter and of their impact on the financial statements and financial position of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remarks.

Financial Year	Auditors Remark/ Qualifications	Impact on Financial Position	Corrective steps taken and proposed to be taken
Fiscal 2023	-	-	-
Fiscal 2022	Audit Report – Emphasis of Matter	Impact of Covid-19 pandemic and its possible consequential implication of the Company's operational and financial metrics. Our Previous Joint Statutory Auditors for the year ended March 31, 2022, have drawn attention to a matter which describes the impact of the Covid-19 pandemic, and its possible consequential implications on the Company's operations and financial metrics, including the Company's estimates of impairment of loans and that such estimates may be affected by the severity and duration of the pandemic.	-
Fiscal 2021	Audit Report – Emphasis of Matter	Impact of Covid-19 pandemic and its possible consequential implication of the Company's operational and financial metrics. Our Previous Statutory Auditors for the year ended March 31, 2021, have drawn attention to a matter which describes the impact of the Covid-19 pandemic, and its possible consequential implications on the Company's operations and financial metrics, including the Company's estimates of impairment of loans and that such estimates may be affected by the severity and duration of the pandemic.	-

Details of acts of material frauds committed against the Company in the last three financial years and in the current financial year, if any, and if so, the action taken by the Company in response:

Sr. No.	Year	Gross Amount (₹ in crores)	Modus Operandi	Recovery (₹ in crores)	Provisions (₹ in crores)	Action taken by the Company
1.	2020-2021	0.4	Impersonation and fabricated documents	0.2	0.2	Strengthened internal controls and necessary actions are being taken wherever required.

Sr. No.	Year	Gross Amount (₹ in crores)	Modus Operandi	Recovery (₹ in crores)	Provisions (₹ in crores)	Action taken by the Company
2.	2021-2022	0.1	Fake information regarding business/ employment and fabricated income documents	0.1	-	Strengthened internal controls and necessary actions are being taken wherever required and police complaint filed.
3.	2021-2022	0.5	Impersonation and fabricated documents	0.2	0.3	Strengthened internal controls and necessary actions are being taken wherever required and police complaint filed.
4.	2021-2022	0.1	Misleading information regarding business/ employment and fabricated income documents	0.0	0.1	Strengthened internal controls and necessary actions are being taken wherever required and police complaint filed.
5.	2022-2023	0.3	Impersonation and fabricated documents	0.0	0.3	Strengthened internal controls and necessary actions are being taken wherever required and police complaint filed.
6.	2022-23	0.0	Fabricated documents	0.0	-	Strengthened internal controls and necessary actions are being taken wherever required.
7.	2022-23	0.1	Forged bank statements	0.1	-	Strengthened internal controls and necessary actions are being taken wherever required.
8.	2022-23	0.3	Forged income documents	-	0.3	Strengthened internal controls and necessary actions are being taken wherever required.
9.	2022-23	0.3	Forged signature of borrowers	0.3	-	Strengthened internal controls and necessary actions are being taken wherever required.
10.	2022-23	0.1	Fraudulent documents	0.1	-	Strengthened internal controls and necessary actions are being taken wherever required.
11.	2022-23	0.9	Impersonation and fabricated documents	0.1	0.8	Strengthened internal controls and necessary actions are being taken wherever required.
12.	2022-23	0.2	Signature forged by the sourcing DSA representative.	0.2	-	Strengthened internal controls and necessary actions are being taken wherever required.
13.	2023-24	1.3	A well-organized network involved in creating setup firm to avail loan in the name of salaried individuals.	0.3	1.0	Strengthened internal controls and necessary actions are being taken wherever required.
14.	2023-24	0.0	Fabricated bank statement and forged income documents	0.0	0.0	Strengthened internal controls and necessary actions are being taken wherever required.
15.	2023-24	0.1	Fabricated business proof submitted	0.0	0.1	Strengthened internal controls and necessary actions are being taken wherever required.
16.	2023-24	0.4	Fabricated documents	0.1	0.3	Strengthened internal controls and necessary actions are being taken wherever required.
17.	2023-24	1.2	Forged property documents and multiple financing	0.0	1.2	Strengthened internal controls and necessary actions are being taken wherever required.
18.	2023-24	1.6	Impersonation and fabricated documents	0.3	1.3	Strengthened internal controls and necessary actions are being taken wherever required.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Issuer's Absolute Responsibility

"*The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to the Issuer and the Issue which is material in the context of the Issue, that the information contained in the Prospectus is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading.*"

Authority for this Issue

Our Board of Directors, pursuant to its resolution dated May 9, 2023 and our Finance Committee, pursuant to its resolution dated September 7, 2023 have approved the issuance of NCDs of the face value ₹1,000 each, for an amount aggregating up to ₹1,000 crores ("**Base Issue Size**") with an option to retain oversubscription up to ₹1,000 crores ("**Green Shoe Option**"), aggregating up to 2,00,00,000 NCDs for an aggregate amount up to ₹2,000 crores ("**Issue Size**" or "**Issue Limit**"). The Issue is within the borrowing limit approved by the shareholders.

Pursuant to a resolution passed by our Board dated May 9, 2023 and Shareholders at the EGM held on November 7, 2022, our Board has been authorised to borrow any sum or sums of monies, which together with the monies already borrowed (apart from temporary loans obtained or to be obtained in the ordinary course of business), in excess of our Company's aggregate paid-up capital and free reserves, provided that the total amount which may be so borrowed and outstanding shall not exceed a sum of ₹1,00,000 crores.

Prohibition by SEBI/ Eligibility of our Company for the Issue

Our Company, persons in control of our Company and/or our Promoter and/or our Promoter Group and/or our Directors have not been restrained or prohibited or debarred by SEBI from accessing the securities market or dealing in securities and no such order or direction is in force. None of our Directors and/or our Promoter, is a director or promoter of another company which has been restrained, prohibited or debarred by SEBI from accessing the securities market or dealing in securities.

Our Company is not in default of payment of interest or repayment of principal amount in respect of non-convertible securities, for a period of more than six-months as on the date of this Prospectus.

Our Company confirms that there are no fines or penalties levied by SEBI or the Stock Exchanges pending to be paid by the Company as on the date of this Prospectus.

Categorization as a Wilful Defaulter

Our Company or persons in control of our Company or any of our Directors or our Promoter have not been categorized as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI, or any other governmental / regulatory authority.

None of our Whole-time Directors and/or our Promoter, is a whole-time director or promoter of another company which has been categorized as a wilful defaulter.

Declaration as a Fugitive Economic Offender

None of our Directors have been declared as Fugitive Economic Offender.

Other confirmations

None of our Company or our Directors or our Promoter, or person(s) in control of our Company was a promoter, director or person in control of any company which was delisted within a period of ten years preceding the date of this Prospectus, in accordance with Chapter V of the SEBI Delisting Regulations.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS

EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGERS HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, TRUST INVESTMENT ADVISORS PRIVATE LIMITED, JM FINANCIAL LIMITED AND NUVAMA WEALTH MANAGEMENT LIMITED (FORMERLY KNOWN AS EDELWEISS SECURITIES LIMITED) HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 21, 2023, WHICH READS AS FOLLOWS:

(1) WE CONFIRM THAT NEITHER THE ISSUER NOR ITS PROMOTER OR DIRECTORS HAVE BEEN PROHIBITED FROM ACCESSING THE CAPITAL MARKET UNDER ANY ORDER OR DIRECTION PASSED BY SEBI. WE ALSO CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE OFFER DOCUMENT HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
(2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN THE OFFER DOCUMENT AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUE OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE NCDS OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE WILL BE GIVEN.
(3) WE CONFIRM THAT THE OFFER DOCUMENT CONTAINS ALL DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021.
(4) WE ALSO CONFIRM THAT ALL RELEVANT PROVISIONS OF THE COMPANIES ACT, SECURITIES CONTRACTS (REGULATION) ACT, 1956, SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 AND THE RULES, REGULATIONS, GUIDELINES, CIRCULARS ISSUED THEREUNDER ARE COMPLIED WITH.

WE TRUST INVESTMENT ADVISORS PRIVATE LIMITED HEREBY CONFIRM THAT NO COMMENTS/COMPLAINTS WERE RECEIVED ON THE DRAFT PROSPECTUS DATED SEPTEMBER 07, 2023, FILED WITH BSE LIMITED AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED. BSE LIMITED IS THE DESIGNATED STOCK EXCHANGE FOR THE ISSUE.*

****THE COMPANY VIDE THE ISSUE AGREEMENT DATED SEPTEMBER 7, 2023, HAD APPOINTED TRUST INVESTMENT ADVISORS PRIVATE LIMITED AND A.K CAPITAL SERVICES LIMITED AS THE LEAD MANAGERS TO THE ISSUE. THE DRAFT PROSPECTUS WAS FILED WITH BSE LIMITED AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED (STOCK EXCHANGES) ON SEPTEMBER 7, 2023 AND WAS MADE AVAILABLE FOR PUBLIC COMMENTS FOR A PERIOD OF 7 WORKING DAYS (I.E. UPTO 5:00 PM ON SEPTEMBER 15, 2023). THEREAFTER, VIDE THE AMENDMENT AGREEMENT TO THE ISSUE AGREEMENT DATED SEPTEMBER 16, 2023, THE COMPANY HAD APPOINTED JM FINANCIAL LIMITED AND NUVAMA WEALTH MANAGEMENT LIMITED (FORMERLY KNOWN AS EDELWEISS SECURITIES LIMITED) AS THE LEAD MANAGERS TO THE ISSUE IN ADDITION TO THE EARLIER LEAD MANAGERS I.E TRUST INVESTMENT ADVISORS PRIVATE LIMITED AND A.K CAPITAL SERVICES LIMITED.***

A.K. CAPITAL SERVICES LIMITED IS DEEMED TO BE AN ASSOCIATE OF THE COMPANY AS PER THE SECURITIES AND EXCHANGE BOARD OF INDIA (MERCHANT BANKERS) REGULATIONS, 1992, AS AMENDED ("SEBI MERCHANT BANKERS REGULATIONS"). IN COMPLIANCE WITH REGULATION 25(3) OF SEBI NCS REGULATIONS, A.K. CAPITAL SERVICES LIMITED SHALL NOT ISSUE A DUE DILIGENCE CERTIFICATE. HOWEVER, PURSUANT TO THE NO COMMENTS LETTER DATED SEPTEMBER 18, 2023, FILED WITH THE STOCK EXCHANGES, A.K CAPITAL SERVICES LIMITED, HAD CONFIRMED THAT THEY HAD NOT RECEIVED ANY COMMENTS ON THE DRAFT PROSPECTUS DATED SEPTEMBER 07, 2023, FILED WITH BSE LIMITED AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED.

Disclaimer Clause of BSE

BSE LIMITED ("THE EXCHANGE") HAS GIVEN, VIDE ITS APPROVAL LETTER DATED SEPTEMBER 18, 2023 PERMISSION TO THIS COMPANY TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS THE STOCK EXCHANGE ON WHICH THIS COMPANY'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS COMPANY. THE EXCHANGE DOES NOT IN ANY MANNER:

a. WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS OFFER DOCUMENT; OR

b. WARRANT THAT THIS COMPANY'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; OR

c. TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS COMPANY, ITS PROMOTER, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THIS COMPANY;

AND IT SHOULD NOT FOR ANY REASON BE DEEMED OR CONSTRUED THAT THIS OFFER DOCUMENT HAS BEEN CLEARED OR APPROVED BY THE EXCHANGE. EVERY PERSON WHO DESIRES TO APPLY FOR OR OTHERWISE ACQUIRES ANY SECTURITIES OF THIS COMPANY MAY DO SO PURSUANT TO INDEPENDENT INQUIRY, INVESTIGATION AND ANALYSIS AND SHALL NOT HAVE ANY CLAIM AGAINST THE 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 FOR ANY OTHER REASON WHATSOEVER.

Disclaimer Clause of NSE

AS REQUIRED, A COPY OF THIS OFFER DOCUMENT HAS BEEN SUBMITTED TO NATIONAL STOCK EXCHANGE OF INDIA LIMITED (HEREINAFTER REFERRED TO AS NSE). NSE HAS GIVEN VIDE ITS LETTER REF.: NSE/LIST/D/2023/0229 DATED SEPTEMBER 18, 2023, GIVEN PERMISSION TO THE ISSUER TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGES ON WHICH THIS ISSUER'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS ISSUER.

IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE AFORESAID PERMISSION GIVEN BY NSE SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE OFFER DOCUMENT HAS BEEN CLEARED OR APPROVED BY NSE; NOR DOES IT IN ANY MANNER WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS OFFER DOCUMENT; NOR DOES IT WARRANT THAT THIS ISSUER'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; NOR DOES IT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS ISSUER, ITS PROMOTER, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THIS 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 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.

Disclaimer Clause of RBI

THE COMPANY IS HAVING A VALID CERTIFICATE OF REGISTRATION DATED AUGUST 9, 2011 ISSUED BY THE RESERVE BANK OF INDIA UNDER SECTION 45 IA OF THE RESERVE BANK OF INDIA ACT, 1934. HOWEVER, THE 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 REPAYMENT OF DEPOSITS/DISCHARGE OF LIABILITIES BY THE COMPANY.

Disclaimer statement from the Issuer

THE ISSUER ACCEPTS NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THIS PROSPECTUS OR IN ANY ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF OUR COMPANY AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.

Disclaimer statement from the Lead Managers

THE LEAD MANAGERS ACCEPT NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THIS PROSPECTUS OR IN ADVERTISEMENT OR 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 THEIR OWN RISK.

Disclaimer in Respect of Jurisdiction

THE ISSUE IS BEING MADE IN INDIA, TO INVESTORS FROM CATEGORY I, CATEGORY II, CATEGORY III AND CATEGORY IV. THE DRAFT PROSPECTUS AND THIS PROSPECTUS WILL NOT, HOWEVER CONSTITUTE AN OFFER TO SELL OR AN INVITATION TO SUBSCRIBE FOR THE NCDS OFFERED HEREBY IN ANY JURISDICTION OTHER THAN INDIA TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE AN OFFER OR INVITATION IN SUCH JURISDICTION. ANY PERSON INTO WHOSE POSSESSION THE DRAFT PROSPECTUS AND THIS PROSPECTUS COMES IS REQUIRED TO INFORM HIMSELF OR HERSELF ABOUT, AND TO OBSERVE, ANY SUCH RESTRICTIONS.

DISCLAIMER CLAUSE OF INDIA RATINGS

USERS OF IRRPL 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.

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. THE RATING AGENCY SHALL NEITHER CONSTRUED TO BE NOR ACTING UNDER THE CAPACITY OR NATURE OF AN 'EXPERT' AS DEFINED UNDER SECTION 2(38) OF THE COMPANIES ACT, 2013. 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 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.

DISCLAIMER CLAUSE OF ICRA

ALL INFORMATION CONTAINED IN THE PRESS RELEASE HAS BEEN OBTAINED BY ICRA FROM SOURCES BELIEVED BY IT TO BE ACCURATE AND RELIABLE. ALTHOUGH REASONABLE CARE HAS BEEN TAKEN TO ENSURE THAT THE INFORMATION THEREIN IS TRUE, SUCH INFORMATION IS PROVIDED 'AS IS' WITHOUT ANY WARRANTY OF ANY KIND, AND ICRA IN PARTICULAR, MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS OR COMPLETENESS OF ANY SUCH INFORMATION. ALL INFORMATION CONTAINED THEREIN MUST BE CONSTRUED SOLELY AS STATEMENTS OF OPINION, AND ICRA SHALL NOT BE LIABLE FOR ANY LOSSES INCURRED BY USERS FROM ANY USE OF THE PRESS RELEASE OR ITS CONTENTS. ALSO, ICRA MAY PROVIDE OTHER PERMISSIBLE SERVICES TO THE COMPANY AT ARMS-LENGTH BASIS.

UNDERTAKING BY THE ISSUER

INVESTORS ARE ADVISED TO READ THE RISK FACTORS CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THIS ISSUE. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE OFFER INCLUDING THE RISKS INVOLVED. THE NCDs HAVE NOT BEEN RECOMMENDED OR APPROVED BY ANY REGULATORY AUTHORITY IN INDIA, INCLUDING THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) NOR DOES SEBI GUARANTEE THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. SPECIFIC ATTENTION OF INVESTORS IS INVITED TO THE STATEMENT OF THE “RISK FACTORS” GIVEN ON PAGE 13 OF THIS PROSPECTUS.

THE ISSUER, HAVING MADE ALL REASONABLE INQUIRIES, ACCEPTS RESPONSIBILITY FOR, AND CONFIRMS THAT THIS PROSPECTUS CONTAINS ALL INFORMATION WITH REGARD TO THE ISSUER AND THE ISSUE, THAT THE INFORMATION CONTAINED IN THIS PROSPECTUS 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 PROSPECTUS AS A WHOLE OR ANY OF SUCH INFORMATION OR THE EXPRESSION OF ANY SUCH OPINIONS OR INTENTIONS MISLEADING IN ANY MATERIAL RESPECT.

THE ISSUER HAS NO SIDE LETTER WITH ANY DEBT SECURITIES HOLDER EXCEPT THE ONE(S) DISCLOSED IN THIS PROSPECTUS. ANY COVENANTS LATER ADDED SHALL BE DISCLOSED ON THE STOCK EXCHANGE'S WEBSITES WHERE THE DEBT IS LISTED.

Disclosures in accordance with the SEBI Master Circular for Debenture Trustees

Appointment of Debenture Trustee

The Company has appointed the Debenture Trustee in accordance with the terms of the Debenture Trustee Agreement.

Separately, the Company and the Debenture Trustee have agreed the payment of an acceptance fees of ₹20,000 payable on acceptance of the offer, and annual trusteeship fees of ₹20,000 per annum, payable annually in advance starting from the date of execution of the Debenture Trustee Agreement or Debenture trust deed (whichever is earlier) till the Debentures under the Trust Deed are fully repaid & forms for release of charge for the relevant issuances covered by the trust deeds are filed.

Debenture Trustee Agreement

Our Company has entered into a Debenture Trustee Agreement with the Debenture Trustee which provides for, inter alia, the following terms and conditions:

1. The Company shall execute the Debenture Trust Deed for the Debentures as approved by the Debenture Trustee, prior to filing of the application for listing of the Debentures, in accordance with the extant SEBI NCS Regulations and other Applicable Laws including SEBI Debenture Trustee Regulations and all other circulars, notifications and guidelines issued by RBI and SEBI from time to time.

2. The Company shall on or prior to the date of execution of Debenture Trust Deed, provide to the Debenture Trustee, the bank account details from which the Company proposes to make the payment of redemption amounts in relation to the Debentures. Further, the Company hereby undertakes that it shall preauthorize the Debenture Trustee to seek the Debenture redemption amount payment related information from such bank.

3. The Company shall appoint a nominee director nominated by the Debenture Trustee upon the occurrence of a default as stipulated in clause (e) of sub-regulation (1) of regulation 15 of the SEBI Debenture Trustee Regulations, as a director on its Board within 1 (one) month from the date of receipt of such nomination from the Debenture Trustee in accordance with the terms of SEBI NCS Regulations.

Terms of carrying out due diligence

As per the SEBI Master Circular for Debenture Trustees, the Debenture Trustee is required to exercise independent due diligence to ensure that the assets of the Issuer are sufficient to discharge the interest and principal amount with respect to the debt securities of the Issuer at all times.

Accordingly, the Debenture Trustee shall exercise due diligence as per the following process, for which our Company has consented to.

(a) The Debenture Trustee, either through itself or its agents/ advisors/ consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the Prospectus and the Applicable Laws, have been obtained. For the purpose of carrying out the due diligence as required in terms of the Applicable Laws, the Debenture Trustee, either through itself or its agents / advisors/ consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors/ valuers/ consultants/ lawyers/ technical experts/ management consultants appointed by the Debenture Trustee. It is clarified that, while the Debenture Trustee may avail services of agents / advisors/ consultants or independent professionals, the responsibility shall rest with the Debenture Trustee.

(b) The Company shall provide all assistance to the Debenture Trustee to enable verification from the ROC, sub-registrar of assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be required, where the assets and/or prior encumbrances in relation to the assets proposed to secure the Debentures, whether owned by the Company or any other person, are registered / disclosed.

(c) Further, in the event that existing charge holders or the concerned trustee on behalf of the existing charge holders, have provided conditional consent / permissions to the Company to create further charge on the assets, the Debenture Trustee shall also have the power to verify such conditions by reviewing the relevant transaction documents or any other documents executed between existing charge holders and the Company. The Debenture Trustee shall also have the power to intimate the existing charge holders about proposal of creation of further encumbrance and seeking their comments/ objections, if any.

(d) Without prejudice to the aforesaid, the Company shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Debenture Trustee to carry out requisite diligence in connection with the issuance and allotment of the Debentures, in accordance with the Applicable Laws.

All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by the Debenture Trustee and reimbursed by the Company.

Process of Due Diligence to be carried out by the Debenture Trustee

Due Diligence will be carried out as per SEBI (Debenture Trustees) Regulations, 1993, SEBI NCS Regulations, as amended, SEBI Master Circular for Debenture Trustees and circulars issued by SEBI from time to time.

Other confirmations

The Debenture Trustee undertakes that the NCDs shall be considered as secured only if the charged asset is registered with sub-registrar and Registrar of Companies or CERSAI or depository, etc., as applicable, or is independently verifiable by the Debenture Trustee.

The Debenture Trustee confirms that they have undertaken the necessary due diligence in accordance with applicable law, including the SEBI (Debenture Trustees) Regulations, 1993, read with the SEBI Master Circular for Debenture Trustees.

VISTRA ITCL (INDIA) LIMITED HAS FURNISHED DUE DILIGENCE CERTIFICATES DATED SEPTEMBER 7, 2023 AS PER THE FORMAT SPECIFIED IN ANNEX-IIA OF MASTER CIRCULAR FOR DEBENTURE TRUSTEES AND SCHEDULE IV OF SEBI NCS REGULATIONS WHICH READS 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 PROVIDED TO US.

WE CONFIRM THAT AS ON DATE:

(A) THE ISSUER HAS MADE ADEQUATE PROVISIONS FOR AND/OR HAS TAKEN STEPS TO PROVIDE 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 ALSO ITS CONTINUED OBLIGATIONS TOWARDS THE HOLDERS OF DEBT SECURITIES.
(D) ALL DISCLOSURES MADE IN THE OFFER DOCUMENT 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.
(E) ISSUER HAS ADEQUATELY DISCLOSED ALL CONSENTS/ PERMISSIONS REQUIRED FOR CREATION OF FURTHER CHARGE ON ASSETS IN OFFER DOCUMENT/PLACEMENT MEMORANDUM AND ALL DISCLOSURES MADE IN THE OFFER DOCUMENT/PLACEMENT MEMORANDUM WITH RESPECT TO CREATION OF SECURITY ARE IN CONFIRMATION WITH THE CLAUSES OF DEBENTURE TRUSTEE AGREEMENT.
(F) ISSUER HAS DISCLOSED ALL COVENANTS PROPOSED TO BE INCLUDED IN DEBENTURE TRUST DEED (INCLUDING ANY SIDE LETTER, ACCELERATED PAYMENT CLAUSE ETC.), OFFER DOCUMENT/ PLACEMENT MEMORANDUM.
(G) 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.

WE HAVE SATISFIED OURSELVES ABOUT THE ABILITY OF THE ISSUER TO SERVICE THE DEBT SECURITIES.

Our Company and the Debenture Trustee will execute a Debenture Trust Deed specifying, inter alia, the powers, authorities and obligations of the Debenture Trustee and the Company, as per the SEBI NCS Regulations applicable for the proposed NCD Issue.

Track record of past public issues handled by the Lead Managers

The track record of past issues handled by the Lead Managers, as required by SEBI circular number CIR/MIRSD/1/2012 dated January 10, 2012, are available at the following website:

Name of Lead Managers	Website
Trust Investment Advisors Private Limited	www.trustgroup.in
A. K. Capital Services Limited*	www.akgroup.co.in
JM Financial Limited	www.jmfl.com
Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited)	www.nuvama.com

** A.K. Capital Services Limited is deemed to be our associate as per the SEBI Merchant Bankers Regulations. Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the SEBI Merchant Bankers Regulations, A.K. Capital Services Limited would be involved only in marketing of the Issue and as per Regulation 25 (3) of SEBI NCS Regulations shall not issue a due diligence certificate.*

Listing

The NCDs proposed to be offered through this Issue are proposed to be listed on the Stock Exchanges. Applications will be made to the Stock Exchanges for permission to deal in and for official quotation of our NCDs. BSE has been appointed as the Designated Stock Exchange.

If permission to deal in and for an official quotation of our NCDs is not granted by the Stock Exchanges, our Company will forthwith repay, without interest, all monies received from the applications in pursuance of the Prospectus.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges mentioned above are taken within six Working Days from the date of closure of this Issue.

The Issue shall be kept open for a minimum period of three Working Days and a maximum of ten Working Days in compliance with Regulation 33A of SEBI NCS Regulations. In the event of an early closure or extension of this Issue our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement for opening of this Issue has been given on or before such earlier or initial date of Issue closure. Application Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges, on Working Days during the Issue Period.

For the avoidance of doubt, it is hereby clarified that in the event of under subscription, NCDs shall not be listed.

Our Company shall pay interest at 15% per annum if Allotment is not made and refund orders/allotment letters are not dispatched and/or demat credits are not made to investors within 5 Working Days of the Issue Closing Date or date of refusal of the Stock Exchanges, whichever is earlier. In case listing permission is not granted by the Stock Exchanges to our Company and if such money is not repaid within the day our Company becomes liable to repay it on such account, our Company and every officer in default shall, on and from expiry of such date, be liable to repay the money with interest at the rate of 15% as prescribed under Rule 3 of Companies (Prospectus and Allotment of Securities) Rules, 2014 read with Section 26 of the 2013 Act, provided that the beneficiary particulars relating to such Applicants as given by the Applicants is valid at the time of the upload of the demat credit.

Consents

Consents in writing of: (a) our Directors, (b) Compliance Officer for the Issue and Company Secretary, (c) Chief Financial Officer, (d) Lead Managers, (e) the Registrar to the Issue, (f) the Debenture Trustee to the Issue, (g) Legal Advisor to the Issue, (h) Credit Rating Agency(ies), (i) Banker to our Company, (j) ICRA in relation to use of the contents of the industry report, (k) Consortium Members, (l) Public Issue Account Bank, Refund Bank and Sponsor Bank, (m) lenders, to the extent applicable, (n) Previous Statutory Auditors, (o) Previous Joint Statutory Auditors, and (p) Joint Statutory Auditors, to act in their respective capacities, have been obtained and has been filed along with a copy of the Prospectus with the RoC as required under Section 26 of the Companies Act, 2013. Further, such consents have not been withdrawn up to the time of delivery of this Prospectus with the RoC and the Stock Exchanges.

Expert Opinion

Except as stated below, our Company has not obtained any expert opinion:

Our Company has received written consents each dated September 7, 2023 from MSKA and Singhi, to include their name as the Joint Statutory Auditors in this Prospectus; and has not withdrawn such consent and the same will be filed along with a copy of this Prospectus.

Our Company has received written consents each dated September 21, 2023 from our Previous Joint Statutory Auditors, (a) for inclusion of their names as the Previous Joint Statutory Auditors for the audited financial statements as at and for the quarter ended June 30, 2023 and as at and for the Financial Years ended March 31, 2023 and March 31, 2022, included in this

Prospectus; and (b) as an "expert" in the capacity as Previous Joint Statutory Auditors and in respect of the reports dated May 9, 2023 and May 11, 2022 relating to 2022 Audited Financial Statements and 2023 Audited Financial Statements, respectively, and the report dated July 31, 2023 relating to Limited Review Financial Results, in the form and context in which they appear in this Prospectus, and has not withdrawn such consent and the same will be filed along with a copy of this Prospectus. "However, the term "expert" and "consent" shall not be construed to mean an "expert" as defined under the U.S. Securities Act, 1933, as amended.

Our Company has received written consent dated September 21, 2023 from Previous Statutory Auditors (a) for inclusion of their name as the Previous Statutory Auditors; and (b) as an "expert" in the capacity as the Previous Statutory Auditors and in respect of the reports dated May 13, 2021 relating to 2021 Audited Financial Statements, and has not withdrawn such consent and the same will be filed along with a copy of this Prospectus. "However, the term "expert" and "consent" shall not be construed to mean an "expert" as defined under the U.S. Securities Act, 1933, as amended.

The above experts are not, and have not been, engaged or interested in the formation or promotion or management, of the Company and have given their written consent to the Company as stated in the paragraph above and has not withdrawn such consent before the filing of this Prospectus with the Stock Exchanges.

Common form of Transfer

Our Company undertakes that there shall be a common form of transfer for the NCDs and the provisions of the Companies Act, 2013 applicable as on the date of this Prospectus and all applicable laws shall be duly complied with in respect of all transfer of debentures and registration thereof.

Minimum Subscription

In terms of the SEBI NCS Regulations for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size in this case being ₹750 crores. If our Company does not receive the minimum subscription of 75% of the Base Issue Size being ₹750 crores, prior to the Issue Closing Date, the entire Application Amount shall be unblocked in the relevant ASBA Accounts of the Applicants within eight Working Days from the Issue Closing Date. In the event there is delay in unblocking of funds, our Company shall be liable to pay interest at the rate of 15 % per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. Our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard included in the SEBI Master Circular.

Filing of the Draft Prospectus

The Draft Prospectus was filed with the Stock Exchanges in terms of Regulation 27 of the SEBI NCS Regulations for dissemination on its website prior to the opening of the Issue. The Draft Prospectus was also displayed on the website of the Company and the Lead Managers.

Filing of this Prospectus with the RoC

This Prospectus has been filed with the RoC in accordance with Section 26 of the Companies Act, 2013.

Debenture Redemption Reserve ("DRR")

In accordance with the Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules 2014, any non-banking financial company that intends to issue debentures to the public is not required to create a DRR for the purpose of redemption of debentures.

Pursuant to the amendment to the Companies (Share Capital and Debentures) Rules 2014, notified on August 16, 2019, and as on the date of filing of this Prospectus, the Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with this Issue. The Company shall, as per the Companies (Share Capital and Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on March 31 of the next year, in any one or more methods of investments or deposits stipulated under the applicable law. Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at fifteen percent of the amount of the debentures maturing during the year ending on March 31 of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws:

1. in deposits with any scheduled bank, free from any charge or lien;
2. in unencumbered securities of the Central Government or any State Government;
3. in unencumbered securities mentioned in sub-clause (a) to (d) and (ee) of section 20 of the Indian Trusts Act, 1882; and
4. in unencumbered bonds issued by any other company which is notified under sub-clause (f) of section 20 of the Indian Trusts Act, 1882.

Provided further that the amount invested or deposited as above shall not be used for any purpose other than for redemption of debentures maturing during the year referred above.

Recovery Expense Fund

A fund created by our Company with the Designated Stock Exchange for an amount equal to 0.01% of the issue size, subject to a maximum of deposit of ₹2,500,000 at the time of making the application for listing of NCDs, created in the manner as specified by SEBI in the SEBI Master Circular for Debenture Trustees and Regulation 11 of SEBI NCS Regulations. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.

Kindly note, any default committed by the Company in terms of the NCDs proposed to be issued shall be reckoned at each respective International Securities Identification Number level assigned to the respective Option(s) of NCDs issued.

Issue related expenses

The expenses of this Issue include, *inter alia*, lead management fees and selling commission to the Lead Managers, Consortium Members, fees payable to the debenture trustee, the Registrar to the Issue, SCSBs' commission/ fees, printing and distribution expenses, legal fees, advertisement expenses and listing fees. The Issue expenses and listing fees will be paid by our Company. For details of Issue related expenses, see "*Objects of the Issue*" on page 55.

Underwriting

This Issue will not be underwritten.

Revaluation of Assets

Our Company has not revalued its loan assets in the preceding three Fiscal Years.

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

Except as disclosed in section titled "*Risk Factors*" on page 13, there has been no refusal of listing of any security of our Company during the preceding three years and current financial year prior to the date of this Prospectus by any Stock Exchanges in India.

Reservation

No portion of this Issue has been reserved.

Previous Issues

Public / Rights Issues of Equity Shares in the preceding three years from this Prospectus

Public Issue:

Our Company have not undertaken any public issue of Equity Shares in preceding three years. For details in relation to the public issues of Equity Shares undertaken by our Group Companies, see "- *Utilisation details of previous issues*" on page 229.

Rights Issue:

Our Company has not undertaken rights issue of equity shares in the preceding three years. For further details, see "*Capital Structure*" on page 45. For details in relation to the public issues of Equity Shares undertaken by our Group Companies, see "- *Utilisation details of previous issues*" on page 229.

Previous Public Issues of Non-Convertible Debenture

Our Company has not made any previous public issues of non – convertible debentures. For details in relation to the public issues of Equity Shares undertaken by our Group Companies, see "- *Utilisation details of previous issues*" on page 229.

Utilisation details of previous issues

Our Company has issued non-convertible debentures by way of various private placements, for which, our Company has utilised the proceeds from such issuances in accordance with the use of proceeds set out in the respective offer documents and/or information memorandums under which such non-convertible debentures were issued which include, among others, its various financing activities, to repay its existing loans and for its business operations and for general corporate purposes in accordance with the object clause of the Memorandum of Association of our Company, for further details of such non-convertible debentures, see "*Disclosures on Existing Financial Indebtedness*" beginning on page 125.

Our Group Companies have issued equity shares or debt securities by way of private placements during the last three years, where the funds were utilized for the purposes for which they were availed.

Details in relation to the utilization details of previous issues are as disclosed below:

Details of utilized and unutilized monies received in the previous public issue, rights issue, private placement of non-convertible and equity shares by our Company.

Secured non-convertible debentures

Description of the instrument	Date of Opening	Date of Closing	Date of allotment	Date of listing	Total Issue size (Rs. Crore)	Unutilised Amount (Rs. in Crore)	Purpose for the issuance and the proceeds have been utilised for
7.75% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A1 FY 2020-21. MATURITY DATE – 17/05/2023	April 17, 2020	April 17, 2020	April 17, 2020	April 24, 2020	205.0	-	The fund raised through this issue, after meeting the expenditure of and related to the issue, will be used for our various financing activities, to repay our existing loans and our business operations including for our capital expenditure, working capital and investment requirements. The main objects clause of the memorandum of association of the company permits the company to undertake the activities for which the funds are being raised through the present issue and the activities which the company has been carrying on till date.
7.57% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A2 FY 2020-21. MATURITY DATE – 28/06/2023	April 28, 2020	April 28, 2020	April 28, 2020	May 06, 2020	225.0	-	
7.69% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A3 FY 2020-21. MATURITY DATE – 25/04/2025	April 27, 2020	April 27, 2020	April 28, 2020	May 06, 2020	25.0	-	
6.7834% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2020-21. MATURITY DATE – 26/04/2022	June 26, 2020	June 26, 2020	June 26, 2020	June 30, 2020	250.0	-	
5.9000% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD G1 FY 2020-21. MATURITY DATE – 29/12/2023	October 21, 2020	October 21, 2020	October 22, 2020	October 26, 2020	330.0	-	
6.2500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1 FY 2020-21. MATURITY DATE – 23/12/2025	December 22, 2020	December 22, 2020	December 23, 2020	December 24, 2020	75.0	-	
7.2400% SECURED RATED LISTED REDEEMABLE NON-	February 17, 2021	February 17, 2021	February 18, 2021	February 22, 2021	25.0	-	

Description of the instrument	Date of Opening	Date of Closing	Date of allotment	Date of listing	Total Issue size (Rs. Crore)	Unutilised Amount (Rs. in Crore)	Purpose for the issuance and the proceeds have been utilised for
CONVERTIBLE DEBENTURE. SERIES ABFL NCD K1 FY 2020-21. MATURITY DATE – 18/02/2031							
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE – 30/05/2023	February 25, 2021	February 25, 2021	February 25, 2021	February 25, 2021	775.0	-	
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L1' FY 2020-21-MATURITY DATE – 16/03/2023	March 16, 2021	March 16, 2021	March 16, 2021	March 17, 2021	500.0	-	
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L2' FY 2020-21-MATURITY DATE – 19/03/2023	March 19, 2021	March 19, 2021	March 19, 2021	March 23, 2021	250.0	-	
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD L3 FY 2020-21. MATURITY DATE – 28/03/2024	March 30, 2021	March 30, 2021	March 31, 2021	March 31, 2021	420.0	-	
ABFL TBILL Linked 2023 Sr B1	May 06, 2021	May 06, 2021	May 07, 2021	May 10, 2021	250.0	-	
7.2600% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES B2.DATE OF MATURITY 30/05/2031	May 27, 2021	May 27, 2021	May 31, 2021	June 01, 2021	750.0	-	
5.1500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES C1.DATE OF MATURITY 16/06/2023	June 16, 2021	June 16, 2021	June 17, 2021	June 18, 2021	50.0	-	
Zero Coupon SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES C2.DATE OF MATURITY 14/06/2024	June 16, 2021	June 16, 2021	June 17, 2021	June 18, 2021	75.0	-	
6.5500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES D1.DATE OF MATURITY 24/07/2026	July 23, 2021	July 23, 2021	July 26, 2021	July 27, 2021	500.0	-	
5.8500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES E1.DATE OF MATURITY 02/08/2024	August 4, 2021	August 4, 2021	August 5, 2021	August 06, 2021	250.0	-	
7.100% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES G1.DATE OF MATURITY 03/10/2031	October 3, 2021	October 3, 2021	October 4, 2021	October 05, 2021	50.0	-	

Description of the instrument	Date of Opening	Date of Closing	Date of allotment	Date of listing	Total Issue size (Rs. Crore)	Unutilised Amount (Rs. in Crore)	Purpose for the issuance and the proceeds have been utilised for
6.4500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES G2.DATE OF MATURITY 01/10/2026	October 3, 2021	October 3, 2021	October 4, 2021	October 05, 2021	115.0	-	
3M TBILL LINKED SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES J1 FY2021-22.DATE OF MATURITY 21/01/2025	January 20, 2022	January 20, 2022	January 21, 2022	January 24, 2022	500.0	-	
6.4000% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES J2 FY2021-22.DATE OF MATURITY 22/07/2025	January 20, 2022	January 20, 2022	January 21, 2022	January 24, 2022	350.0	-	
PRINCIPAL PROTECTED (10 YEAR G-SEC PRICE LINKED) SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES PPMLD B1 FY 2022-23 – MAY 04, 2022. DATE OF MATURITY 03/05/2024	May 4, 2022	May 4, 2022	May 4, 2022	May 05, 2022	45.1	-	
7.6000% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES C1 FY2022-23.DATE OF MATURITY 06/06/2025	June 7, 2022	June 7, 2022	June 8, 2022	June 10, 2022	110.0	-	
7.6000% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. FURTHER ISSUANCE I ABFL NCD SERIES C1 FY2022-23.DATE OF MATURITY 06/06/2025	June 13, 2022	June 13, 2022	June 14, 2022	June 15, 2022	250.0	-	
PRINCIPAL PROTECTED (10 YEAR G-SEC PRICE LINKED) SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES PPMLD C4 FY 2022-23 – JUNE 28, 2022. DATE OF MATURITY 27/06/2024	June 28, 2022	June 28, 2022	June 28, 2022	June 29, 2022	25.0	-	
7.6000% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. FURTHER ISSUANCE II ABFL NCD SERIES C1 FY2022-23.DATE OF MATURITY 06/06/2025	June 30, 2022	June 30, 2022	July 1, 2022	July 04, 2022	250.0	-	
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (I) SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025	July 11, 2022	July 11, 2022	July 12, 2022	July 13, 2022	300.0	-	
Zero Coupon SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES D1.DATE OF MATURITY 11/07/2025	July 11, 2022	July 11, 2022	July 12, 2022	July 13, 2022	325.0	-	

Description of the instrument	Date of Opening	Date of Closing	Date of allotment	Date of listing	Total Issue size (Rs. Crore)	Unutilised Amount (Rs. in Crore)	Purpose for the issuance and the proceeds have been utilised for
7.5000% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES E1 FY2022-23.DATE OF MATURITY 18/08/2025	August 17, 2022	August 17, 2022	August 18, 2022	August 19, 2022	400.0	-	
Zero Coupon SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES E2 FY2022-23.DATE OF MATURITY 23/08/2024	August 23, 2022	August 23, 2022	August 24, 2022	August 25, 2022	136.0	-	
PRINCIPAL PROTECTED (10 YEAR G-SEC PRICE LINKED) SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES PPMLD E3 FY 2022-23 – DATE OF MATURITY 09/04/2025	August 26, 2022	August 26, 2022	August 26, 2022	August 29, 2022	102.2	-	
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. FURTHER ISSUANCE IV SERIES ABFL NCD I2 FY 2018-19. MATURITY DATE - 21/12/2028	September 7, 2022	September 7, 2022	September 8, 2022	September 12, 2022	25.0	-	
7.5000% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. Further Issuance (I) ABFL NCD Series E1 FY 2022-23.DATE OF MATURITY 18/08/2025	September 16, 2022	September 16, 2022	September 19, 2022	September 20, 2022	465.0	-	
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (II) SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025	September 27, 2022	September 27, 2022	September 28, 2022	September 29, 2022	25.0	-	
7.9000% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES G1 FY2022-23.DATE OF MATURITY 19/09/2025	October 13, 2022	October 13, 2022	October 14, 2022	October 17, 2022	510.0	-	
Zero Coupon SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES H1 FY2022-23.DATE OF MATURITY 28/11/2024	November 17, 2022	November 17, 2022	November 18, 2022	November 21, 2022	50.0	-	
7.9500% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES H2 FY2022-23.DATE OF MATURITY 28/03/2026	November 17, 2022	November 17, 2022	November 18, 2022	November 21, 2022	597.0	-	
8.1200% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES H3 FY2022-23.DATE OF MATURITY 18/11/2032	November 17, 2022	November 17, 2022	November 18, 2022	November 21, 2022	200.0	-	
7.9300% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD	November 28, 2022	November 28, 2022	November 29, 2022	November 30, 2022	305.0	-	

Description of the instrument	Date of Opening	Date of Closing	Date of allotment	Date of listing	Total Issue size (Rs. Crore)	Unutilised Amount (Rs. in Crore)	Purpose for the issuance and the proceeds have been utilised for
SERIES H4 FY2022-23.DATE OF MATURITY 15/01/2026							
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (III) SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025	November 28, 2022	November 28, 2022	November 29, 2022	November 30, 2022	25.0	-	
7.9500% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES I1 FY2022-23.DATE OF MATURITY 03/12/2027	December 2, 2022	December 2, 2022	December 5, 2022	December 06, 2022	50.0	-	
8.1200% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. Further Issuance (I) ABFL NCD Series H3 FY 2022-23 .DATE OF MATURITY 18/11/2032	December 20, 2022	December 20, 2022	December 21, 2022	December 22, 2022	400.0	-	
7.9200% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES I2 FY2022-23.DATE OF MATURITY 27/12/2027	December 26, 2022	December 26, 2022	December 27, 2022	December 28, 2022	410.0	-	
7.8800% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES I3 FY2022-23.DATE OF MATURITY 12/02/2026	December 29, 2022	December 29, 2022	December 30, 2022	January 02, 2023	400.0	-	
7.8800% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. Further Issuance (I)ABFL NCD SERIES I3 FY2022-23.DATE OF MATURITY 12/02/2026	February 1, 2023	February 1, 2023	February 2, 2023	February 03, 2023	150.0	-	
7.8800% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. Further Issuance (I)ABFL NCD SERIES I3 FY2022-23.DATE OF MATURITY 12/02/2026	February 1, 2023	February 1, 2023	February 2, 2023	February 03, 2023	151.7	-	
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (IV) SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025	February 8, 2022	February 8, 2022	February 9, 2023	February 10, 2023	30.0	-	
8.1200% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. Further Issuance (II) ABFL NCD Series H3 FY 2022-23 .DATE OF MATURITY 18/11/2032	February 8, 2022	February 8, 2022	February 9, 2023	February 10, 2023	225.0	-	
8.1200% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES L1 FY2022-23.DATE OF MATURITY 06/03/2028	March 3, 2023	March 3, 2023	March 6, 2023	March 08, 2023	523.0	-	

Description of the instrument	Date of Opening	Date of Closing	Date of allotment	Date of listing	Total Issue size (Rs. Crore)	Unutilised Amount (Rs. in Crore)	Purpose for the issuance and the proceeds have been utilised for
8.1200% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. Further Issuance (III) ABFL NCD Series H3 FY 2022-23 .DATE OF MATURITY 18/11/2032	March 14, 2023	March 14, 2023	March 15, 2023	March 16, 2023	100.0	-	
8.1200% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (I)ABFL NCD SERIES L1 FY2022-23.DATE OF MATURITY 06/03/2028	March 20, 2023	March 20, 2023	March 21, 2023	March 23, 2023	75.5	-	
8.3000% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES L2 FY2022-23.DATE OF MATURITY 16/09/2026	March 20, 2023	March 20, 2023	March 21, 2023	March 23, 2023	210.0	-	
8.0100% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES B1 FY2023-24.DATE OF MATURITY 02/05/2028	April 28, 2023	April 28, 2023	May 2, 2023	May 04, 2023	1000.0	-	
7.9000% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES C1 FY2023-24.DATE OF MATURITY 08/06/2028	June 7, 2023	June 7, 2023	08-Jun-23	June 09, 2023	328.0	-	
7.9700% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES D1 FY2023-24.DATE OF MATURITY 13/07/2028	12-Jul-23	12-Jul-23	13-Jul-23	July 14, 2023	350.0	-	
7.9700% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (I) ABFL NCD SERIES D1 FY2023-24.DATE OF MATURITY 13/07/2028	26-Jul-23	26-Jul-23	27-Jul-23	July 28, 2023	585.0	-	
6.5500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (I) SERIES D1 FY 2021-22.DATE OF MATURITY 24/07/2026	26-Jul-23	26-Jul-23	27-Jul-23	July 28, 2023	225.0	-	

Unsecured non-convertible debentures

Description of the instrument	Date of Opening	Date of Closing	Date of allotment	Date of listing	Total Issue size (Rs. Crore)	Unutilised Amount (Rs. in Crore)	Purpose for the issuance and the proceeds have been utilised for
ABFL SUBDEBT Series 'SI 1' FY 20-21	December 29, 2020	December 29, 2020	December 29, 2020	December 30, 2020	45.0	-	The fund raised through this issue, after meeting the expenditure of and related to the issue, will be used for our various financing activities, to repay our existing loans and our business operations
ABFL SUBDEBT Series 'SI 1' FY 20-21	December 29, 2020	December 29, 2020	December 29, 2020	December 30, 2020	35.0	-	
ABFL SUBDEBT Series 'SC 1' FY 20-21	June 11, 2021	June 11, 2021	June 11, 2021	June 14, 2021	75.0	-	
ABFL Subdebt NCD Series ‘S11’ FY2021-22	December 6, 2021	December 6, 2021	December 6, 2021	December 7, 2021	35.0	-	
ABFL Subdebt NCD Series ‘S11’ FY2021-22	February 28, 2022	February 28, 2022	February 28, 2022	March 2, 2022	10.0	-	

Description of the instrument	Date of Opening	Date of Closing	Date of allotment	Date of listing	Total Issue size (Rs. Crore)	Unutilised Amount (Rs. in Crore)	Purpose for the issuance and the proceeds have been utilised for
ABFL Subdebt NCD Series 'S11' FY2021-22	February 28, 2022	February 28, 2022	February 28, 2022	March 2, 2022	75.0	-	including for our capital expenditure, working capital and investment requirements. The main objects clause of the memorandum of association of the company permits the company to undertake the activities for which the funds are being raised through the present issue and the activities which the company has been carrying on till date.
ABFL Subdebt NCD Series 'S11' FY2021-22	February 28, 2022	February 28, 2022	February 28, 2022	March 2, 2022	60.0	-	
ABFL Subdebt NCD Series 'S11' FY2021-22	February 28, 2022	February 28, 2022	February 28, 2022	March 2, 2022	65.0	-	
ABFL NCD SERIES SC1 FY 2023-24	June 26, 2023	June 26, 2023	June 26, 2023	June 27, 2023	35.0	-	
ABFL NCD SERIES SC1 FY 2023-24	June 26, 2023	June 26, 2023	June 26, 2023	June 27, 2023	45.0	-	
ABFL NCD SERIES SC1 FY 2023-24	June 26, 2023	June 26, 2023	June 26, 2023	June 27, 2023	10.0	-	
ABFL NCD SERIES SC1 FY 2023-24	June 26, 2023	June 26, 2023	June 26, 2023	June 27, 2023	60.0	-	
ABFL NCD SERIES SC1 FY 2023-24	June 26, 2023	June 26, 2023	June 26, 2023	June 27, 2023	10.0	-	
ABFL SUBDEBT NCD SERIES SC1 FY2023 24	August 30, 2023	August 30, 2023	August 30, 2023	August 31, 2023	5.0	-	
ABFL SUBDEBT NCD SERIES SC1 FY2023 24	August 30, 2023	August 30, 2023	August 30, 2023	August 31, 2023	50.0	-	
ABFL SUBDEBT NCD SERIES SC1 FY2023 24	August 30, 2023	August 30, 2023	August 30, 2023	August 31, 2023	5.0	-	
ABFL SUBDEBT NCD SERIES SC1 FY2023 24	August 30, 2023	August 30, 2023	August 30, 2023	August 31, 2023	10.0	-	
ABFL SUBDEBT NCD SERIES SC1 FY2023 24	August 30, 2023	August 30, 2023	August 30, 2023	August 31, 2023	15.0	-	
ABFL SUBDEBT NCD SERIES SC1 FY2023 24	August 30, 2023	August 30, 2023	August 30, 2023	August 31, 2023	135.0	-	
ABFL SUBDEBT NCD SERIES SC1 FY2023 24	August 30, 2023	August 30, 2023	August 30, 2023	August 31, 2023	50.0	-	
7.57% UNSECURED RATED LISTED REDEEMABLE NON CONVERTIBLE PARTLY PAID DEBENTURES. SERIES ABFL NCD 'EP1' FY 2020-21. DATE OF MATURITY 03/08/2035	August 06, 2020	August 06, 2020	August 06, 2020	August 09, 2020	203.0	-	

Details of utilized and unutilized monies received in the previous public issue, rights issue, private placement of non-convertible debentures and equity shares by Group Companies.

1. ABREL EPC Limited

Description of the instrument	Date of Opening	Date of Closing	Date of allotment	Date of listing	Total Issue size (Rs. Crore)	Unutilised Amount (Rs. in Crore)	Purpose for the issuance and the proceeds have been utilised for
Issue – Rights Issue	March 04, 2023	March 18, 2023	March 18, 2023	Unlisted	0.2	-	General corporate purposes

2. Aditya Birla ARC Limited

Description of the instrument	Date of Opening	Date of Closing	Date of allotment	Date of listing	Total Issue size (Rs. Crore)	Unutilised Amount (Rs. in Crore)	Purpose for the issuance and the proceeds have been utilised for
Issue 1(Listed MLDs) on Private Placement Basis	June 20, 2022	June 20, 2022	June 20, 2022	Unlisted	50.0	-	Proceeds of the issue were utilized as per the objects as mentioned in the information memorandum.
Issue 2 (Unlisted NCDs) on Private Placement Basis	August 12, 2022	August 12, 2022	August 12, 2022	Unlisted	95.6	-	
Issue 3 (Unlisted NCDs) on Private Placement Basis	September 28, 2021	September 28, 2021	September 28, 2021	Unlisted	65.7	-	

3. Aditya Birla Health Insurance Company Limited

Description of the instrument	Date of Opening	Date of Closing	Date of allotment	Date of listing	Total Issue size (Rs. Crore)	Unutilised Amount (Rs. in Crore)	Purpose for the issuance and the proceeds have been utilised for
Issue of equity shares on private placement basis	October 18, 2022	November 16, 2022	October 21, 2022	Unlisted	664.2	-	**Issue of equity shares on private placement basis** – i. to fund growth of business of the company i.e., providing health insurance to the extent permitted by the insurance act, 1938; and ii. for meeting solvency requirements. **Issue of equity shares on right basis** – i. to fund the company's growth plan and to maintain the regulatory solvency margin.
Issue of equity shares on rights basis	May 21, 2022	June 17, 2022	May 30, 2022	Unlisted	285.0	-	
Issue of equity shares on right basis (1)	May 10, 2021	May 26, 2021	May 18, 2021	Unlisted	100.0	-	
Issue of equity shares on right basis (2)	June 28, 2021	July 16, 2021	July 01, 2021	Unlisted	25.0	-	
Issue of equity shares on right basis (3)	July 24, 2021	August 20, 2021	August 12, 2021	Unlisted	100.0	-	
Issue of equity shares on right basis (4)	September 07, 2021	October 05, 2021	September 16, 2021	Unlisted	60.0	-	
Issue of equity shares on right basis (5)	October 23, 2021	November 20, 2021	October 29, 2021	Unlisted	65.0	-	
Issue of equity shares on right basis (6)	December 01, 2021	December 28, 2021	December 15, 2021	Unlisted	40.0	-	
Issue of equity shares on right basis (7)	March 26, 2022	April 20, 2022	March 28, 2022	Unlisted	47.0	-	
issue of equity shares on right basis (1)	May 18, 2020	June 16, 2020	May 20, 2020	Unlisted	68.0	-	
Issue of equity shares on right basis (2)	July 27, 2020	August 25, 2020	August 03, 2020	Unlisted	182.0	-	
Issue of equity shares on right basis (3)	November 18, 2020	December 16, 2020	November 25, 2020	Unlisted	70.0	-	

4. Aditya Birla Housing Finance Limited

Description of the instrument	Date of Opening	Date of Closing	Date of allotment	Date of listing	Total Issue size (Rs. Crore)	Unutilised Amount (Rs. in Crore)	Purpose for the issuance and the proceeds have been utilised for
Issue – ABHFL NCD L1	March 17, 2021	March 17, 2021	March 18, 2021	March 19, 2021	250.0	-	The fund raised through this issue, after meeting the expenditure of and related to the issue, will be used for our various financing activities, to repay our existing loans and our business operations including for our capital expenditure and working capital requirements
Issue – ABHFL NCD D1	July 15, 2021	July 15, 2021	July 16, 2021	BSE: July 22, 2021 NSE: July 20, 2021	250.0	-	
Issue – ABHFL NCD J1	January 21, 2022	January 21, 2022	January 24, 2022	January 25, 2022	250.0	-	
Issue – ABHFL NCD L1	March 17, 2022	March 17, 2022	March 21, 2022	March 22, 2022	340.0	-	
Issue – ABHFL NCD SERIES 'G1'	October 21, 2022	October 21, 2022	October 25, 2022	October 27, 2022	600.0	-	
Issue – ABHFL NCD SERIES 'H1'	November 28, 2022	November 28, 2022	November 29, 2022	November 30, 2022	250.0	-	
Issue – ABHFL NCD Series A1	April 25, 2023	April 25, 2023	April 26, 2023	BSE : July 14, 2023 NSE : July 17, 2023	310.0	-	
Issue – ABHFL NCD SERIES C2	July 12, 2023	July 12, 2023	July 13, 2023	BSE : July 14, 2023 NSE : July 17, 2023	265.0	-	

5. Aditya Birla Capital Digital Limited

Description of the instrument	Date of Opening	Date of Closing	Date of allotment	Date of listing	Total Issue size (Rs. Crore)	Unutilised Amount (Rs. in Crore)	Purpose for the issuance and the proceeds have been utilised for
Issue – 1 Unlisted Equity Shares (Private Placement)	March 31, 2023	March 31, 2023	March 31, 2023	Unlisted	24.5	-	Proceeds of the issue were utilized as per the

Issue – 2 Unlisted Equity Shares (Private Placement)	May 24, 2023	June 07, 2023	May 29, 2023	Unlisted	50.0	-	objects as mentioned in the information memorandum.
Issue – 3 Unlisted Equity Shares (Private Placement)	September 16, 2023	September 18, 2023	September 20, 2023	Unlisted	35.0	-	

6. Aditya Birla Sun Life Insurance Company Limited

Description of the instrument	Date of Opening	Date of Closing	Date of allotment	Date of listing	Total Issue size (Rs. Crore)	Unutilised Amount (Rs. in Crore)	Purpose for the issuance and the proceeds have been utilised for
Unsecured, subordinated, fully paid-up, unrated, unlisted, redeemable non-convertible debentures	January 18, 2021	January 19, 2021	January 20, 2021	Unlisted	150.0	-	Proceeds of the issue were utilized as per the objects as mentioned in the Information Memorandum (for NCDs) and the Offer Letter (Rights issue), as the case may be.
Unsecured, subordinated, fully paid-up, unrated, unlisted, redeemable non-convertible debentures	July 26, 2021	July 26, 2021	July 26, 2021	July 27, 2021	195.0	-	
Unsecured, subordinated, fully paid-up, unrated, unlisted, redeemable non-convertible debentures	November 29, 2021	November 29, 2021	November 30, 2021	December 1, 2021	155.0	-	
Unsecured, subordinated, fully paid-up, unrated, unlisted, redeemable non-convertible debentures	October 15, 2022	October 29, 2022	October 28, 2022	Unlisted	260.0	-	
Unsecured, subordinated, fully paid-up, unrated, unlisted, redeemable non-convertible debentures	May 15, 2023	June 2, 2023	May 30, 2023	Unlisted	250.0	-	

7. Aditya Birla Sun Life Pension Management Limited

Description of the instrument	Date of Opening	Date of Closing	Date of allotment	Date of listing	Total Issue size (Rs. Crore)	Unutilised Amount (Rs. in Crore)	Purpose for the issuance and the proceeds have been utilised for
Rights Issue - Unlisted	May 11, 2020	June 08, 2020	June 05, 2020	Unlisted	0.4	-	To meet with the requirements of fund infusion for meeting professional and legal fees/charges and to maintain minimum net-worth requirement of the company as per regulation and also to meet other day to day expenses.
Rights Issue - Unlisted	July 26, 2021	August 24, 2021	July 29, 2021	Unlisted	0.3	-	
Rights Issue - Unlisted	January 28, 2022	February 26, 2022	February 09, 2022	Unlisted	2.7	-	
Rights Issue - Unlisted	October 25, 2022	November 23, 2022	October 28, 2022	Unlisted	0.4	-	
Rights Issue - Unlisted	July 25, 2023	August 23, 2023	August 07, 2023	Unlisted	1.2	-	

8. Grasim Industries Limited

Description of the instrument	Date of Opening	Date of Closing	Date of allotment	Date of listing	Total Issue size (Rs. Crore)	Unutilised Amount (Rs. in Crore)	Purpose for the issuance and the proceeds have been utilised for
Issue 3 – NCD on Private Placement Basis.	March 31, 2021	March 31, 2021	April 05, 2021	April 06, 2021	1,000.0	-	The net proceeds of the issue will be utilised inter-alia for refinancing of existing borrowings / capex and/ or for any other purpose in the ordinary course of business of the issuer.
Issue 4 – NCD on Private Placement Basis.	June 8, 2022	June 8, 2022	June 10, 2022	June 13, 2022	1,000.0	-	
Issue 5 – NCD on Private Placement Basis.	November 30, 2022	November 30, 2022	December 01, 2022	December 02, 2022	1,000.0	-	
Issue 6 – NCD on Private Placement Basis.	July 31, 2023	July 31, 2023	August 01, 2023	August 02, 2023	1,000.0	-	

9. Hindalco Industries Limited

Description of the instrument	Date of Opening	Date of Closing	Date of allotment	Date of listing	Total Issue size (Rs. Crore)	Unutilised Amount (Rs. In Crore)	Purpose for the issuance and the proceeds have been utilised for
NCD issue (on private placement basis)	January 17, 2023	January 17, 2023	January 18, 2023	January 18, 2023	700.0	-	Utilized entirely for financing the working capital requirements of the company.

10. Ultratech Cement Limited

Description of the instrument	Date of Opening	Date of Closing	Date of allotment	Date of listing	Total Issue size (Rs. Crore)	Unutilised Amount (Rs. In Crore)	Purpose for the issuance and the proceeds have been utilised for
Issue – 4.57%, 10,000 Unsecured, Listed Redeemable Non-Convertible Debentures	January 04, 2021	January 04, 2021	January 05, 2021	January 06, 2021	1,000.0	-	Towards capital expenditure and reimbursement of past capex.

11. Essel Mining and Industries Limited

Description of the instrument	Date of Opening	Date of Closing	Date of allotment	Date of listing	Total Issue size (Rs. Crore)	Unutilised Amount (Rs. in Crore)	Purpose for the issuance and the proceeds have been utilised for
Right Issue	May 04, 2020	May 21, 2020	May 25, 2020	Unlisted	692.9	-	To meet funding requirements of the company, repayment of loans, organic and inorganic growth and for general corporate purpose.

12. Aditya Birla Sun Life AMC Limited

Description of the instrument	Date of Opening	Date of Closing	Date of allotment	Date of listing	Total Issue size (Rs. Crore)	Unutilised Amount (Rs. in Crore)	Purpose for the issuance and the proceeds have been utilised for
Offer for Sale (Public issue)	September 29, 2021	October 1, 2021	October 6, 2021	October 11, 2021	2,768.3	-	The selling shareholders were entitled to the entire proceeds of the public issue after deducting the public issue expenses and relevant taxes thereon. Aditya Birla Sun Life AMC Limited did not receive any proceeds from the public issue.

Benefit/ interest accruing to Promoter/ Directors out of the Object of the Issue

Neither the Promoter nor the Directors of our Company are interested in the Objects of the Issue.

Details regarding the Company and other listed companies under the same management within the meaning of Section 370(1)(B) of the Companies Act, which made any capital issue during the preceding three years

There are no public or rights or composite issue of capital by listed companies under the same management within the meaning of Section 370(1)(B) of the Companies Act, 1956 during the preceding three years.

Utilisation of proceeds by our Group Companies

No proceeds of the Issue will be paid to our Group Companies.

Details regarding lending out of issue proceeds of previous issues of debt securities (whether public issue or private placement)

Lending Policy

Please refer to the paragraph titled "*Description of our business – Our Operations*" under the section "*Our Business*" at page 102 of this Prospectus.

Loans given by our Company

The Company has not provided any loans/advances to associates, entities / persons related to the Board, Key Managerial Personnel, members of our Senior Management or our Promoter out of the proceeds of previous private placements of debentures.

Types of loans

Classification of loans/advances given

The detailed breakup of the types of loans given by the Company as on March 31, 2023 is as follows:

S. No.	Particulars	Gross Loan Book (In ₹ Crore)	Gross Loan Book (%)
1.	Secured	51,212.6	63.7%
2.	Unsecured	29,239.7	36.3%
Total Loan Book		**80,452.3**	**100.0%**
Total AUM		**80,555.5**	**-**

Denomination of loans outstanding by LTV as on March 31, 2023:

Note on LTV:

Disclosure of classification of outstanding loan balances in Loan-to-Value ('**LTV**') profile denomination is not applicable to our Company in light of the nature of its lending products, where LTV is not applicable. However, the details in relation to classification of outstanding loans based on original maturity at the time of sanction is set out below.

Classification of loan into several maturity profile denomination as at March 31, 2023:

Asset	Amount (₹ in crores)	% of Loan Book
Less than 1 Year	24,171.1	30.0%
1 - 3 Years	21,078.2	26.2%
3 - 5 Years	12,455.4	15.5%
> 5 Years	22,747.6	28.3%
NA (Representing MLD and Loan Guarantees)	-	-
Total	**80,452.3**	**100.0%**

Liability	Amount (₹ in crores)	% of Liability
Less than 1 Year	24,878.5	35.2%
1 - 3 Years	27,394.4	38.7%
3 - 5 Years	13,197.2	18.6%
> 5 Years	5,300.7	7.5%
NA (Representing MLD and Loan Guarantees)	-	0.0%
Total	**70,770.7**	**100.0%**

Sectoral Exposure

The sectoral exposure of loans given by the Company as on March 31, 2023 is as follows:

Sr No	Segment* wise Breakup of AUM	AUM (Distribution %)
1	**Retail**	**67.8%**
A	Mortgages (HL & LAP)	25.6%
B	Gold Loans	-
C	Vehicle Finance	-

Sr No	Segment* wise Breakup of AUM	AUM (Distribution %)
D	MFI	-
E	MSME	-
F	Capital Market Funding (LAS, MTF)	3.4%
G	Others	38.8%
2	**Wholesale**	**32.2%**
A	Infrastructure	15.8%
B	Real Estate (Including Builder Loan)	5.2%
C	Promoter Funding	1.2%
D	Any other Sector (as applicable)	8.2%
E	Others	1.8%

** As on the date of this Prospectus, our Company operates in a single operating segment as defined in Ind AS 108 – Operating Segments. The aforementioned disclosures provided are as per the requirements of paragraph 4.3 of Chapter IV of the SEBI Master Circular and to that extent the use of the term "segment" above, may not be consistent with the definition of Operating Segment provided in Ind AS 108.*

Denomination of loans outstanding by ticket size as on March 31, 2023:

S. No.	Ticket Size	% of AUM
1.	Upto 2 Lakh	8.9%
2.	2 - 5 lakh	6.4%
3.	5 - 10 lakh	3.6%
4.	10 - 25 Lakh	6.7%
5.	25 - 50 Lakh	4.1%
6.	50 Lakh - 1 Crore	3.0%
7.	1 - 5 Crore	12.7%
8.	5 - 25 Crore	19.6%
9.	25 - 100 Crore	22.7%
10.	>100 Crore	12.2%
Total		**100.0%**

Geographical classification of AUM as on March 31, 2023:

S. No.	Top Five States	% of AUM
1.	Maharashtra	45.6%
2.	Delhi	16.1%
3.	Karnataka	6.8%
4.	Telangana	6.8%
5.	Tamil Nadu	6.5%
Total		**81.8%**

Aggregated exposure to top 20 borrowers as on March 31, 2023

Particulars	Amount (₹ in crores)
Total Exposure to twenty largest borrowers / customers (in ₹)*	5,580.6
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the applicable NBFC on borrowers / customers (in %)	6.6%

** Includes loans and advances and interest accrued thereon.*

Aggregated advances to top 20 borrowers with respect to concentration of advances as on March 31, 2023

Particulars	Amount (₹ in crores)
Total advances to twenty largest borrowers (in ₹)*	5,533.6
Percentage of advances to twenty largest borrowers to total advances (in %)	6.9%

** Includes loans and advances and interest accrued thereon.*

Details of loans overdue and classified as non-performing assets (NPA) in accordance with the RBI guidelines as on March 31, 2023

Movement of gross NPAs	Amount (in ₹ crores)
(a) Opening balance of gross NPA	1,956.0
(b) Additions during the year	1,168.8
(c) Reductions during the year	(617.7)
(d) Closing balance of gross NPA	2,507.1

Movement of net NPA	Amount (in ₹ crores)
(a) Opening balance of net NPA	1,183.1

Movement of net NPA	Amount (in ₹ crores)
(b) Additions during the year	596.9
(c) Reductions during the year	(430.9)
(d) Closing balance of the Net NPA	1,349.1

Movement of provisions for NPAs	Amount (in ₹ crores)
(a) Opening balance of provision for NPAs	772.9
(b) Provisions made during the year	571.8
(c) Write-off / write -back of excess provisions	(186.8)
(d) Closing balance of provision for NPAs	1,157.9

Segment–wise gross NPA as on March 31, 2023

Sr No	Segment* wise Breakup of Gross NPA	GNPA %
1	**Retail**	**2.2%**
A	Mortgages (HL & LAP)	1.6%
B	Gold Loans	-
C	Vehicle Finance	-
D	MFI	-
E	MSME	-
F	Capital Market Funding (LAS, MTF)	0.0%
G	Others	2.8%
2	**Wholesale**	**3.9%**
A	Infrastructure	3.8%
B	Real Estate (Including Builder Loan)	4.3%
C	Promoter Funding	-
D	Any other Sector (as applicable)	5.3%
E	Others	-
	Total	**2.7%**

** As on the date of this Prospectus, our Company operates in a single operating segment as defined in Ind AS 108 – Operating Segments. The aforementioned disclosures provided are as per the requirements of paragraph 4.7 of Chapter IV of the SEBI Master Circular and to that extent the use of the term "segment" above, may not be consistent with the definition of Operating Segment provided in Ind AS 108.*

Details of contingent liabilities of the issuer based on the last audited financial statements including amount and nature of liability

(₹ in crores)

Contingent liabilities	As of March 31, 2023
Disputed Income Tax Liability	40.8
Disputed Service Tax Liability	0.7
Claims against the Company not acknowledged as debts	7.7
Corporate guarantees, Guarantee on Overdraft, Letter of credit and Letter of comfort given by the Company on behalf of the clients	80.1
Total	129.3

Note: Interest and consequential changes, if any arising on settlement of those contingent liabilities are not ascertainable.

Promoter's Shareholding

See "*Capital Structure*" beginning on page 45 for details with respect to Promoter shareholding in our Company as on the date of this Prospectus.

Residual maturity profile of assets and liabilities as on March 31, 2023:

(in ₹ crores)

Particulars	1 to 7 days	8 to 14 days	15 day to 30 days	Over 1 month and up to 2 months	Over 2 months and up to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	Total
Liabilities (A+B)	1,089.1	1,026.7	2,151.0	6,002.7	3,077.1	4,544.3	6,987.7	27,394.4	13,197.2	5,300.7	70,770.7
Borrowings (A)	1,089.1	1,026.7	2,151.0	6,002.7	3,077.1	4,543.4	6,965.1	25,467.7	13,197.2	5,300.7	68,820.5
Foreign Currency Liabilities (B)	-	-	-	-	-	1.0	22.6	1,926.7	-	-	1,950.2
Assets (C+D)	4,511.2	266.3	831.6	2,189.8	2,987.3	4,682.9	12,117.2	21,088.8	12,455.4	21,421.8	82,552.2

Particulars	1 to 7 days	8 to 14 days	15 day to 30 days	Over 1 month and up to 2 months	Over 2 months and up to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	Total
Advances (C)	2,035.6	266.3	831.6	2,189.8	2,058.2	4,682.9	12,106.7	21,078.2	12,455.4	21,144.8	78,849.5
Investments (D)	2,475.5	-	-	-	929.1	-	10.5	10.6	-	277.0	3,702.7

In case the issuer is a NBFC or PFI and the objects of the public issue entail loan to any entity which is a 'Group Company', then disclosures shall be made in the following format:

Sr No	Name of Borrower	Amount of Advance/ exposure to such borrower (Group Company) (A)	Percentage of Exposure = (A/ Total AUM)
1	NA	NA	NA

The disclosure above is not applicable to our Company as the objects of the public issue do not entail loan to any entity which is a 'Group Company'.

Dividend

Our Company has formulated a dividend distribution policy in compliance with Regulation 43 of SEBI LODR Regulations, applicable provisions of the Companies Act, 2013 and the guidelines for declaration/distribution of dividend by NBFCs issued by the Reserve Bank of India dated June 24, 2021.

Other than as disclosed below, our Company has not declared any dividend in the last three Financial Years and till the date of this Prospectus.

(₹ in crores, unless specified)

Particulars	From April 1, 2023 till the date of this Prospectus	March 31, 2023	March 31, 2022	March 31, 2021
Equity Share Capital	662.1	662.1	662.1	662.1
Face value per share	10	10	10	10
Interim dividend per share	-	-	1.7	-
Interim dividend	-	-	109.3	-
Interim dividend rate (%)	NA	NA	16.5%	NA
Final dividend per share	-	-	-	-
Final dividend	-	-	-	-
Final dividend rate (%)	NA	NA	NA	NA

Jurisdiction

Exclusive jurisdiction for the purpose of the Issue is with the competent courts of jurisdiction in Ahmedabad, India.

Commission or Brokerage on Previous Issues

This is the maiden public issue of NCDs by the Company. Hence no commission has been paid in relation to any public issue of the NCDs.

Revaluation of assets

Our Company has not revalued its assets in the preceding three years.

Mechanism for redressal of investor grievances

Link Intime India Private Limited has been appointed as the Registrar to the Issue to ensure that investor grievances are handled expeditiously and satisfactorily and to effectively deal with investor complaints.

Agreement dated September 5, 2023 read with amendment agreement to the Registrar Agreement dated September 16, 2023, between the Registrar to the Issue and our Company provides for settling of investor grievances in a timely manner and for retention of records with the Registrar to the Issue for a period of eight years from the last date of dispatch of the Allotment

Advice, demat credit and refund through unblocking to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue and Compliance Officer for the Issue giving full details such as name, address of the Applicant, number of NCDs applied for, amount paid on Application and the details of Member of Syndicate or Trading Member of the Stock Exchange where the Application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (a) the relevant Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant, or (b) the concerned Member of the Syndicate and the relevant Designated Branch of the SCSB in the event of an Application submitted by an ASBA Applicant at any of the Syndicate ASBA Application Locations, giving full details such as name, address of Applicant, Application Form number, option applied for, number of NCDs applied for, amount blocked on Application.

All grievances related to the UPI process may be addressed to the Stock Exchanges, which shall be responsible for addressing investor grievances arising from applications submitted online through the App based/ web interface platform of stock exchange or through their Trading Members. The Intermediaries shall be responsible for addressing any investor grievances arising from the applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

We estimate that the average time required by us or the Registrar to the Issue for the redressal of routine investor grievances will be three (3) Working Days from the date of receipt of the complaint. In case of non -routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible

Registrar to the Issue

Link Intime India Private Limited
Address: C-101, 1st Floor, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra.
Tel: +91 810 811 4949
Fax: +91-022-49186060
Email: abfl.ncd@linkintime.co.in
Investor Grievance Email: abfl.ncd@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Sumeet Deshpande
Compliance Officer: BN Ramakrishnan
SEBI Registration No.: INR000004058
CIN: U67190MH1999PTC118368

Compliance Officer for the Issue and Company Secretary of our Company

Ankur Shah
R-Tech Park, 10th Floor
Nirlon Complex, Off Western Express Highway,
Goregaon East, Mumbai – 400 063
Maharashtra, India
Tel: 022 6225 7615
Email: ankur.shah@adityabirlacapital.com

Change in Statutory Auditors for the preceding three financial years and current financial year as on date of this Prospectus

Except as disclosed below, there has been no changes in the statutory auditor of our Company:

Name of the Auditor	Address	Date of Appointment	Date of cessation if applicable	Date of Resignation if applicable
MSKA & Associates, Chartered Accountants	602, Floor 6, Raheja Titanium, Western Express Highway, Geetanjali Railway Colony, Ram Nagar, Goregaon (E), Mumbai 400 063, Maharashtra, India	August 16, 2023	NA	NA
Deloitte Haskins & Sells LLP, Chartered Accountants	One International Center, Tower 3, 32nd Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai – 400 013, Maharashtra, India	July 10, 2020	August 16, 2023	August 16, 2023*

Name of the Auditor	Address	Date of Appointment	Date of cessation if applicable	Date of Resignation if applicable
Singhi & Co., Chartered Accountants	B2 402B, Marathon Innova, Off Ganpatrao Kadam Marg, Lower Parel, Opposite Peninsula Corporate Park, Mumbai 400 013, Maharashtra, India	December 16, 2021	NA	NA

[*] *Pursuant to circular issued by RBI on Appointment of Statutory Auditors for NBFC's vide circular no. RBI/2021-22/25 Ref.No.DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021, Deloitte Haskins & Sells LLP, Chartered Accountants had completed a term of three years and subsequently MSKA & Associates, Chartered Accountants were appointed as the Joint Statutory Auditors.*

Auditor's Remarks or Emphasis of Matter

Except as disclosed in "*Outstanding Litigations and Defaults*" on page 209, there are no reservations or qualifications or adverse remarks in the financial statements and financial position of our Company in the preceding three Fiscals immediately preceding this Prospectus.

Pre-Issue Advertisement

Subject to Regulation 30(1) of the SEBI NCS Regulations, our Company will issue a statutory advertisement on or before the Issue Opening Date. This advertisement will contain the information as prescribed under Schedule V of the SEBI NCS Regulations in compliance with Section 30 of the Companies Act, 2013. Material updates, if any, between the date of filing of the Draft Prospectus and this Prospectus with ROC and the date of release of the statutory advertisement will be included in the statutory advertisement information as prescribed under the SEBI NCS Regulations.

Trading

Debt securities issued by our Company, which are listed on NSE's wholesale debt market is infrequently traded with limited or no volumes. Consequently, there has been no material fluctuation in prices or volumes of such listed debt securities.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who:

(a) makes or abets making of an application in a fictitious name to a company for acquiring or subscribing 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 liable for action under section 447."

Disclaimer statement from our Company, our Directors and the Lead Managers

Our Company, our Directors and the Lead Managers accept no responsibility for statements made other than in this Prospectus or in the advertisements or any other material issued by or at our Company's instance in connection with the Issue of the NCDs and anyone placing reliance on any other source of information including our Company's website, or any website of any affiliate of our Company would be doing so at their own risk. The Lead Managers accepts no responsibility, save to the limited extent as provided in the Issue Agreement.

None among our Company or the Lead Managers or any Member of the Consortium is liable for any failure in uploading the Application due to faults in any software/ hardware system or otherwise; the blocking of Application Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Investors who make an Application in the Issue will be required to confirm and will be deemed to have represented to our Company, the Lead Managers and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the NCDs and will not issue, sell, pledge, or transfer the NCDs to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the NCDs. Our Company, the Lead Managers and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the NCDs being offered in the Issue.

Latest ALM statement

The following table describes the ALM of our Company as on June 30, 2023:

(₹ in crores, except %)

Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over one month and upto 2 months	Over two months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
A. OUTFLOWS											
1.Capital (i+ii+iii+iv)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	662.1	662.1
(i) Equity Capital	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	662.1	662.1
(ii) Perpetual / Non Redeemable Preference Shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(iii) Non-Perpetual / Redeemable Preference Shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(iv) Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.Reserves & Surplus (i+ii+iii+iv+v+vi+vii+viii+ix+x+xi+xii+xii+xiii)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	11274.4	11274.4
(i) Share Premium Account	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3637.4	3637.4
(ii) General Reserves	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5989.6	5989.6
(iii) Statutory/Special Reserve (Section 45-IC reserve to be shown separately below item no.(vii))	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1637.4	1637.4
(iv) Reserves under Sec 45-IC of RBI Act 1934	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(v) Capital Redemption Reserve	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	10.0	10.0
(vi) Debenture Redemption Reserve	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(vii) Other Capital Reserves	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(viii) Other Revenue Reserves	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(ix) Investment Fluctuation Reserves/ Investment Reserves	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(x) Revaluation Reserves (a+b)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(a) Revl. Reserves - Property	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(b) Revl. Reserves - Financial Assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(xi) Share Application Money Pending Allotment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(xii) Others (Please mention)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(xiii) Balance of profit and loss account	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3.Gifts, Grants, Donations & Benefactions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4.Bonds & Notes (i+ii+iii)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(i) Plain Vanilla Bonds (As per residual maturity of the instruments)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(ii) Bonds with embedded call / put options including zero coupon / deep discount bonds (As per residual period for the earliest exercise date for the embedded option)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(iii) Fixed Rate Notes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5.Deposits (i+ii)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over one month and upto 2 months	Over two months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
(i) Term Deposits from Public	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(ii) Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6.Borrowings (i+ii+iii+iv+v+vi+vii+viii+ix+x+xi+xii+xiii+xiv)	1003.1	675.0	2481.9	5498.3	3945.9	2477.2	14156.0	29123.6	16842.4	4836.6	81040.0
(i) Bank Borrowings (a+b+c+d+e+f)	710.1	366.7	1784.8	1530.0	1851.5	1746.8	11942.5	22296.6	11210.4	383.4	53822.8
a) Bank Borrowings in the nature of Term Money Borrowings (As per residual maturity)	0.0	16.7	525.0	425.1	1601.5	1746.8	5494.6	20012.7	11210.4	383.4	41416.2
b) Bank Borrowings in the nature of WCDL	710.1	350.0	1259.8	1104.9	250.0	0.0	6094.8	0.0	0.0	0.0	9769.7
c) Bank Borrowings in the nature of Cash Credit (CC)	0.0	0.0	0.0	0.0	0.0	0.0	353.0	0.0	0.0	0.0	353.0
d) Bank Borrowings in the nature of Letter of Credit (LCs)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
e) Bank Borrowings in the nature of ECBs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2283.9	0.0	0.0	2283.9
f) Other bank borrowings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(ii) Inter Corporate Deposits (Other than Related Parties) (These being institutional / wholesale deposits, shall be slotted as per their residual maturity)	0.0	54.0	15.0	26.0	24.0	185.1	610.0	125.0	25.0	0.0	1064.1
(iii) Loans from Related Parties (including ICDs)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(iv) Corporate Debts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(v) Borrowings from Central Government / State Government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(vi) Borrowings from RBI	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(vii) Borrowings from Public Sector Undertakings (PSUs)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(viii) Borrowings from Others (Please specify)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(ix) Commercial Papers (CPs)	0.0	254.3	522.1	3942.2	2070.4	48.4	448.1	0.0	0.0	0.0	7285.5
Of which; (a) To Mutual Funds	0.0	0.0	273.5	3294.2	2070.4	0.0	71.0	0.0	0.0	0.0	5709.0
(b) To Banks	0.0	199.5	248.6	207.7	0.0	0.0	235.2	0.0	0.0	0.0	890.9
(c) To NBFCs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(d) To Insurance Companies	0.0	29.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	29.9
(e) To Pension Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(f) To Others (Please specify)	0.0	24.9	0.0	440.4	0.0	48.4	141.9	0.0	0.0	0.0	655.6
(x) Non - Convertible Debentures (NCDs) (A+B)	0.0	0.0	160.0	0.0	0.0	497.0	1155.4	6408.0	4657.0	3293.2	16170.6
A. Secured (a+b+c+d+e+f+g)	0.0	0.0	160.0	0.0	0.0	497.0	1155.4	6408.0	4657.0	3139.2	16016.6
Of which; (a) Subscribed by Retail Investors	0.0	0.0	0.0	0.0	0.0	0.5	19.2	146.6	0.3	5.6	172.2
(b) Subscribed by Banks	0.0	0.0	0.0	0.0	0.0	340.0	570.0	4330.0	1979.8	10.0	7229.8
(c) Subscribed by NBFCs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(d) Subscribed by Mutual Funds	0.0	0.0	0.0	0.0	0.0	0.0	12.6	535.7	0.0	0.3	548.5
(e) Subscribed by Insurance Companies	0.0	0.0	25.0	0.0	0.0	50.0	50.0	615.0	2012.5	1861.0	4613.5
(f) Subscribed by Pension Funds	0.0	0.0	120.0	0.0	0.0	86.5	323.7	159.7	524.2	1215.6	2429.7

Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over one month and upto 2 months	Over two months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
(g) Others (Please specify)	0.0	0.0	15.0	0.0	0.0	20.0	180.0	621.0	140.2	46.7	1022.9
B. Un-Secured (a+b+c+d+e+f+g)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	154.0	154.0
Of which; (a) Subscribed by Retail Investors	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(b) Subscribed by Banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(c) Subscribed by NBFCs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(d) Subscribed by Mutual Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(e) Subscribed by Insurance Companies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	154.0	154.0
(f) Subscribed by Pension Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(g) Others (Please specify)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(xi) Convertible Debentures (A+B) (Debentures with embedded call / put options As per residual period for the earliest exercise date for the embedded option)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
A. Secured (a+b+c+d+e+f+g)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Of which; (a) Subscribed by Retail Investors	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(b) Subscribed by Banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(c) Subscribed by NBFCs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(d) Subscribed by Mutual Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(e) Subscribed by Insurance Companies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(f) Subscribed by Pension Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(g) Others (Please specify)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
B. Un-Secured (a+b+c+d+e+f+g)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Of which; (a) Subscribed by Retail Investors	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(b) Subscribed by Banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(c) Subscribed by NBFCs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(d) Subscribed by Mutual Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(e) Subscribed by Insurance Companies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(f) Subscribed by Pension Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(g) Others (Please specify)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(xii) Subordinate Debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	294.0	750.0	1,160.0	2,204.0
(xiii) Perpetual Debt Instrument	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	200.0	0.0	200.0
(xiv) Security Finance Transactions(a+b+c+d)	293.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	293.1
a)Repo (As per residual maturity)	293.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	293.1
b)Reverse Repo (As per residual maturity)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
c)CBLO (As per residual maturity)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
d) Others (Please Specify)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7.Current Liabilities & Provisions (a+b+c+d+e+f+g+h)	6.7	7.0	144.9	437.2	391.0	362.5	506.8	223.7	59.4	1,221.8	3,361.0
a) Sundry creditors	0.0	0.0	0.0	326.6	326.6	0.0	0.0	0.0	0.0	0.0	653.2
b) Expenses payable (Other than Interest)	0.0	0.0	1.4	10.5	32.4	64.8	64.8	76.5	0.0	0.0	250.4

Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over one month and upto 2 months	Over two months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
(c) Advance income received from borrowers pending adjustment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	24.3	24.3
(d) Interest payable on deposits and borrowings	2.5	4.6	135.4	88.7	19.7	264.7	150.5	6.5	0.2	0.0	672.7
(e) Provisions for Standard Assets	4.2	2.4	8.1	11.4	12.3	33.1	87.2	140.8	59.2	70.9	429.5
(f) Provisions for Non Performing Assets (NPAs)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,126.6	1,126.6
(g) Provisions for Investment Portfolio (NPI)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(h) Other Provisions (Please Specify)	0.0	0.0	0.0	0.0	0.0	0.0	204.3	0.0	0.0	0.0	204.3
8.Statutory Dues	24.7	36.2	4.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	65.8
9.Unclaimed Deposits (i+ii)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(i) Pending for less than 7 years	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(ii) Pending for greater than 7 years	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10.Any Other Unclaimed Amount	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11.Debt Service Realisation Account	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
12.Other Outflows	0.0	0.0	638.2	126.8	0.0	16.9	463.5	176.0	24.7	71.7	1,517.8
13.Outflows On Account of Off Balance Sheet (OBS) Exposure (i+ii+iii+iv+v+vi+vii)	1,508.8	148.5	316.3	344.3	195.2	218.9	178.9	662.1	135.0	5.5	3,713.4
(i)Loan commitments pending disbursal	1,508.8	148.5	316.3	344.3	195.2	218.2	111.8	662.1	135.0	0.0	3,640.2
(ii)Lines of credit committed to other institution	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(iii)Total Letter of Credits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(iv)Total Guarantees	0.0	0.0	0.0	0.0	0.0	0.7	67.0	0.0	0.0	5.5	73.2
(v) Bills discounted/rediscounted	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(vi)Total Derivative Exposures (a+b+c+d+e+f+g+h)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(a) Forward Forex Contracts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(b) Futures Contracts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(c) Options Contracts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(d) Forward Rate Agreements	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(e) Swaps - Currency	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(f) Swaps - Interest Rate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(g) Credit Default Swaps	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(h) Other Derivatives	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(vii)Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
A.TOTAL OUTFLOWS (A) (Sum of 1 to 13)	2,543.3	866.7	3,586.1	6,406.5	4,532.1	3,075.6	15,305.2	30,185.4	17,061.5	18,072.0	1,01,634.4
A1. Cumulative Outflows	2,543.3	3,409.9	6,996.0	13,402.6	17,934.7	21,010.2	36,315.4	66,500.9	83,562.3	1,01,634.4	1,01,634.4
B. INFLOWS											
1. Cash (In 1 to 30/31 day time-bucket)	275.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	275.2
2. Remittance in Transit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3. Balances With Banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
a) Current Account (The stipulated minimum balance be shown in 6 months to 1 year bucket. The balance in	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over one month and upto 2 months	Over two months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
excess of the minim balance be shown in 1 to 30 day time bucket)											
b) Deposit Accounts /Short-Term Deposits (As per residual maturity)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4.Investments (i+ii+iii+iv+v)	2,565.7	0.0	0.0	0.0	1,020.0	0.0	10.1	10.1	0.0	187.6	3,793.5
(i)Statutory Investments (only for NBFCs-D)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(ii) Listed Investments	2,565.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4	2,566.1
(a) Current	2,565.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2,565.8
(b) Non-current	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.4
(iii) Unlisted Investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(a) Current	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(b) Non-current	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(iv) Venture Capital Units	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(v) Others (Please Specify)	0.0	0.0	0.0	0.0	1,020.0	0.0	10.1	10.1	0.0	187.2	1,227.4
5.Advances (Performing)	1,128.8	684.7	1,991.2	2,864.0	2,928.6	6,529.6	18,235.1	26,908.9	11,842.8	13,995.8	87,109.5
(i) Bills of Exchange and Promissory Notes discounted & rediscounted (As per residual usance of the underlying bills)	157.0	58.6	235.7	481.2	565.0	243.7	0.0	0.0	0.0	0.0	1,741.3
(ii) Term Loans (The cash inflows on account of the interest and principal of the loan may be slotted in respective time buckets as per the timing of the cash flows as stipulated in the original / revised repayment schedule)	792.8	447.2	1,526.6	2,203.9	2,363.6	6,285.9	18,235.1	26,908.9	11,842.8	13,995.8	84,602.6
(a) Through Regular Payment Schedule	792.8	447.2	1,526.0	2,201.3	2,154.6	6,197.1	17,450.0	24,267.5	10,520.1	13,406.3	78,962.7
(b) Through Bullet Payment	0.1	0.0	0.6	2.6	209.0	88.8	785.0	2,641.4	1,322.7	589.6	5,639.8
(iii) Interest to be serviced through regular schedule	179.0	179.0	199.7	179.0	0.0	0.0	0.0	0.0	0.0	0.0	736.6
(iv) Interest to be serviced to be in Bullet Payment	0.0	0.0	29.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	29.1
6.Gross Non-Performing Loans (GNPA)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2,420.1	2,420.1
(i) Substandard	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2,420.1	2,420.1
(a) All over dues and instalments of principal falling due during the next three years (In the 3 to 5 year time-bucket)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(b) Entire principal amount due beyond the next three years (In the over 5 years time-bucket)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2,420.1	2,420.1
(ii) Doubtful and loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(a) All instalments of principal falling due during the next five years as also all over dues (In the over 5 years time-bucket)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(b) Entire principal amount due beyond the next five years	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over one month and upto 2 months	Over two months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
(In the over 5 years time-bucket)											
7. Inflows From Assets On Lease	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8. Fixed Assets (Excluding Assets On Lease)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	306.4	306.4
9. Other Assets :	0.3	0.2	0.0	105.9	44.8	6.9	123.7	27.4	7.3	537.7	854.1
(a) Intangible assets & other non-cash flow items (In the 'Over 5 year time bucket)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	497.2	497.2
(b) Other items (e.g. accrued income, other receivables, staff loans, etc.) (In respective maturity buckets as per the timing of the cash flows)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(c) Others	0.3	0.2	0.0	105.9	44.8	6.9	123.7	27.4	7.3	40.5	356.9
10.Security Finance Transactions (a+b+c+d)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
a) Repo (As per residual maturity)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
b) Reverse Repo (As per residual maturity)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
c) CBLO (As per residual maturity)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
d) Others (Please Specify)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11.Inflows On Account of Off Balance Sheet (OBS) Exposure (i+ii+iii+iv+v)	710.1	350.0	1,959.8	2,604.9	250.0	0.0	1,000.0	0.0	0.0	0.0	6,874.8
(i)Loan committed by other institution pending disbursal	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(ii)Lines of credit committed by other institution	710.1	350.0	1,959.8	2,604.9	250.0	0.0	1,000.0	0.0	0.0	0.0	6,874.8
(iii) Bills discounted/rediscounted	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(iv)Total Derivative Exposures (a+b+c+d+e+f+g+h)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.7	0.0	0.0	0.7
(a) Forward Forex Contracts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(b) Futures Contracts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(c) Options Contracts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(d) Forward Rate Agreements	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(e) Swaps - Currency	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.7	0.0	0.0	0.7
(f) Swaps - Interest Rate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(g) Credit Default Swaps	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(h) Other Derivatives	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(v) Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
B. TOTAL INFLOWS (B) (Sum of 1 to 11)	4,680.1	1,034.9	3,951.0	5,574.9	4,243.3	6,536.5	19,368.9	26,947.1	11,850.1	17,447.6	1,01,634.4
C. Mismatch (B - A)	2,136.8	168.3	364.9	-831.7	-288.8	3,460.9	4,063.7	-3,238.3	-5,211.4	-624.4	0.0
D. Cumulative Mismatch	2,136.8	2,305.0	2,670.0	1,838.3	1,549.5	5,010.4	9,074.1	5,835.8	624.4	0.0	0.0
E. Mismatch as % of Total Outflows	84.0%	19.4%	10.2%	-13.0%	-6.4%	112.5%	26.6%	-10.7%	-30.5%	-3.5%	0.0%
F. Cumulative Mismatch as % of Cumulative Total Outflows	84.0%	67.6%	38.2%	13.7%	8.6%	23.9%	25.0%	8.8%	0.8%	0.0%	0.0%

REGULATIONS AND POLICIES

The following description is a summary of the important laws, regulations and policies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory and statutory bodies, and the bye-laws of the respective local authorities which are available in the public domain. The description of the applicable regulations set out below may not be exhaustive and are merely intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The indicative summaries are based on the current provisions of applicable law, which are subject to change, modification, or amendment by subsequent legislative, regulatory, administrative, or judicial decisions.

In addition to the regulations and policies already specified herein, environmental laws, corporate laws and various labour laws, and other laws apply to us as they do to any other Indian Company. For the purposes of this section, references to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification are to such legislation, act, regulation, rule, guideline, policy, circular, notification or clarification as amended from time to time.

Given below is a brief description of certain relevant legislations that are currently applicable to the business carried on by us.

I. Key Regulations applicable to our Company:

Reserve Bank of India Act, 1934 ("RBI Act")

The RBI is entrusted with the responsibility of regulating and supervising NBFCs by virtue of powers vested in Chapter IIIB of the RBI Act.

The RBI Act defines an NBFC as: (a) a financial institution which is a company; (b) a non-banking institution which is a company and which is in the principal business of receiving deposits, under any scheme or arrangement or in any other manner, or lending in any manner; or (c) such other non-banking institution or class of institutions as the RBI may, with the previous approval of the Central Government, and by notification in the Official Gazette, specify.
Any company which carries on the principal business of a non-banking financial institution is to be treated as an NBFC. Since the term "principal business" has not been defined in law, the RBI has clarified it through a press release (Ref. No. 1998-99/ 1269) in 1999, that in order to identify a particular company as an NBFC, it will consider both the assets and the income pattern as evidenced from the last audited balance sheet of the company to decide its principal business. A company would be categorized as an NBFC if its financial assets are more than 50% of its total assets (netted off by intangible assets) and if its income from such financial assets is more than 50% of the gross income.

Both these tests are required to be satisfied as the determining factor for principal business of a company.

Further, NBFCs are required to obtain a Certificate of Registration (CoR) from the RBI prior to commencement of the business as a non-banking financial institution. Every NBFC is required to submit to the RBI a certificate, from its statutory auditor within one month from the date of finalization of balance sheet and in any case not later than 31st December of that year, stating that it is engaged in the business of non-banking financial institution requiring to hold a CoR.

Pursuant to Section 45-IC of the RBI Act, 1934, every NBFC is required to create a reserve fund and transfer thereto a sum not less than 20% of its net profit every year, as disclosed in the profit and loss account and before any dividend is declared. Further, no appropriation can be made from such fund by the NBFC except for the purposes specified by the RBI from time to time and every such appropriation shall be reported to the RBI within 21 days from the date of such withdrawal.

Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016, as amended (the "Master Directions")

Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC-ND-SI) are primarily governed by the RBI Act, 1934 ("**RBI Act**") and the Master Directions. In addition to these regulations, NBFCs are also governed by various circulars, notifications, guidelines and directions issued by RBI from time to time.
An NBFC-ND-SI has been defined under the Master Directions to mean an NBFC not accepting or holding public deposits and having total assets of ₹5,000 million and above as shown in the last audited balance sheet and a minimum net owned fund of ₹20 million.

Corporate Governance

Constitution of Committees

All applicable NBFCs are required to constitute the committees disclosed below:

a. Audit Committee: An NBFC is required to constitute an audit committee consisting of not less than three members of its board of directors. The audit committee constituted by an NBFC as required under Section 177 of the Companies Act, 2013 shall be the audit committee for the purposes of the Master Directions as well, and its powers and functions shall be as provided under Section 177 of the Companies Act.

b. Nomination Committee: NBFCs are required to constitute a nomination committee to ensure 'fit and proper' status of proposed or existing directors, which shall have the same powers and functions as the nomination and remuneration committee required to be constituted under Section 178 of the Companies Act.

c. Risk Management Committee: NBFCs are required to constitute a risk management committee to manage the integrated risk.

d. Asset Liability Management Committee: NBFCs are required to constitute an asset liability management committee. The asset liability management committee is required to be headed by the chief executive officer/ managing director or the executive director of such NBFC, as prescribed under the Master Directions.

Also, applicable NBFCs with asset size more than ₹ 5,000 Crore in categories like investment and credit companies, infrastructure finance companies, micro finance institutions, factors and infrastructure debt funds are required to appoint a Chief Risk Officer ("**CRO**") with clearly specified roles and responsibilities. The CRO is required to function independently so as to ensure highest standards of risk management.

Further, under the terms of the SBR Framework, following additional corporate governance compliances have been stipulated for NBFC-ML and NBFC-UL:

(a) Key Managerial Personnel: Except for directorship in subsidiary, a Key Managerial Personnel shall not hold any office (including directorships) in any other NBFC-ML or NBFC-UL. A timeline of two years is provided with effect from October 01, 2022, to ensure compliance with these norms. However, they can assume directorship in NBFC-BL.

(b) Independent Director: Within the permissible limits in terms of Companies Act, 2013, an independent director shall not be on the board of more than three NBFCs (NBFC-ML or NBFC-UL) at the same time. Further, the Board of the NBFC shall ensure that there is no conflict of interest arising out of their position on board of another NBFC at the same time. A timeline of two years is provided with effect from October 01, 2022, to ensure compliance with these norms. There shall be no restriction to directorship on the boards of NBFC-BLs, subject to applicable provisions of Companies Act, 2013.

(c) Disclosures – NBFCs shall in addition to the existing regulatory disclosures, disclose corporate governance reports containing composition and category of directors, shareholding of non-executive directors, breaches in terms of covenants in respect of loans availed by the NBFC or debt securities issued by the NBFC including incidences of default, divergence in asset classification and provisioning above a certain threshold as decided by RBI and few other disclosures in their annual financial statements with effect from March 31, 2023.

(d) Further, the NBFC-UL and NBFC-ML is required to institute an independent Compliance Function and a Chief Compliance Officer (CCO) latest by April 1, 2023 and October 1, 2023, respectively. The Board/Audit Committee (Board committee) is required to ensure that an appropriate Compliance Policy is put in place and implemented. The Senior Management shall carry out an exercise, at least once a year, to identify and assess the major compliance risks facing the NBFC and formulate plans to manage it.

(e) Compensation guidelines - In order to address issues arising out of excessive risk taking caused by misaligned compensation packages, NBFCs shall put in place a board approved compensation policy. The guidelines shall at the minimum include, a) constitution of a remuneration committee, b) principles for fixed/ variable pay structures, and c) malus/ claw back provisions. The nomination and remuneration committee shall ensure that there is no conflict of interest.

(f) Other Governance matters – NBFCs shall formulate a whistle blower mechanism for directors and employees to report genuine concerns. The Board shall ensure good corporate governance practices in the subsidiaries of NBFCs.

(g) Core banking solution - NBFCs with 10 or more branches are mandated to adopt core banking solutions in accordance with a glide path of 3 years with effect from October 01, 2022.

Disclosures and Transparency

Applicable NBFCs are required to place before the board of directors, at regular intervals, as may be prescribed by their respective boards of directors, the following:

a. progress made in putting in place a progressive risk management system and risk management policy and strategy followed by the concerned Applicable NBFC; and

b. conformity with corporate governance standards including composition of committees, their roles and functions, periodicity of the meetings and compliance with coverage and review functions and so on.

Applicable NBFCs are required to disclose the following in their annual financial statements:

a. registration/licence/authorization obtained from other financial sector regulators;
b. ratings assigned by credit rating agencies and migration of ratings during the year;
c. penalties, if any, levied by any regulator;
d. information namely, area, country of operation and joint venture partners with regard to joint ventures and overseas subsidiaries; and
e. asset-liability profile, extent of financing of parent company products, non-performing assets and movement of non-performing assets, details of all off-balance sheet exposures, structured products issued by them as also securitization/ assignment transactions and other disclosures, as prescribed under the Master Directions.

Applicable NBFCs shall rotate the partners of the chartered accountant firm conducting the audit, every three years so that the same partner shall not conduct audit of such NBFC continuously for more than three years. Further, such NBFCs shall frame their internal guidelines on corporate governance with the approval of the board of directors which shall be published on their respective websites.

Fit and Proper Criteria

Applicable NBFCs are required to (a) maintain a policy approved by the board of directors for ascertaining the fit and proper criteria of the directors at the time of appointment, and on a continuing basis, in line with the guidelines prescribed under the Master Directions; (b) obtain a declaration and undertaking from directors giving additional information on the directors, in the format prescribed under the Master Directions; (c) obtain a deed of covenant signed by directors, in the format prescribed under the Master Directions; and (d) furnish to the RBI a quarterly statement on change of directors and a certificate from the managing director of the Applicable NBFCs that fit and proper criteria in selection of the directors has been followed. The statement must be submitted to the regional office of the Department of Non-Banking Supervision of the RBI where the Applicable NBFC is registered, within 15 days of the close of the respective quarter. The statement submitted for the quarter ending March 31, is required to be certified by the auditors.

Acquisition or Transfer of Control

Applicable NBFCs are required to obtain prior written permission of RBI for (a) any takeover or acquisition of control, which may or may not result in change in management, (b) any change in the shareholding, including progressive increases over time, which would result in acquisition or transfer of shareholding of 26% or more of the paid-up equity capital (no prior approval is required if the shareholding going beyond 26% is due to buy-back of shares or reduction in capital where it has approval of a competent court but must be reported to the RBI within one month of the occurrence), and (c) any change in the management of the Applicable NBFCs, which results in change in more than 30% of the directors, excluding independent directors, provided that no prior approval shall be required in case of directors who get re-elected on retirement by rotation.

Prudential Norms

All NBFCs are required to maintain capital adequacy ratio consisting of Tier I and Tier II capital which shall not be less than 15% of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet items. The Tier I capital in respect of Applicable NBFCs (other than NBFC-MFI and IDF-NBFC), at any point of time, shall not be less than 10%.

Liquidity Risk Management Framework and Liquidity Coverage Ratio

Liquidity Risk Management Framework

Applicable non-deposit taking NBFCs are required to adhere to the liquidity risk management guidelines prescribed under the Master Directions. The guidelines, *inter alia*, require the board of directors of the Applicable NBFC to formulate a liquidity risk management framework detailing entity-level liquidity risk tolerance, funding strategies, prudential limits, framework for stress testing, liquidity planning under alternative scenarios, nature and frequency of management reporting, and periodical review of assumptions used in liquidity projections.

Liquidity Coverage Ratio

Pursuant to the RBI circular dated November 4, 2019, on 'Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies', all non-deposit taking NBFCs with asset size of ₹100 billion and above, and all deposit taking NBFCs irrespective of their asset size, are required to maintain a liquidity buffer in

terms of liquidity coverage ratio which will promote resilience of NBFCs to potential liquidity disruptions by ensuring that they have sufficient high quality liquid asset to survive any acute liquidity stress scenario lasting for 30 days. The stock of high-quality liquid asset to be maintained by the NBFCs is required to be a minimum of 100% of total net cash outflows over the next 30 calendar days. The liquidity coverage ratio requirement is binding on NBFCs from December 1, 2020 with the minimum high quality liquid assets to be held being 50% of the liquidity coverage ratio, progressively reaching up to the required level of 100% by December 1, 2024, in accordance with the time-line prescribed below:

From	December 1, 2020	December 1, 2021	December 1, 2022	December 1, 2023	December 1, 2024
Minimum Liquidity Coverage Ratio	50%	60%	70%	85%	100%

All non-deposit taking NBFCs with asset size of ₹50 billion and above but less than ₹100 billion are required to also maintain the required level of liquidity coverage ratio in accordance with the timeline given below:

From	December 1, 2020	December 1, 2021	December 1, 2022	December 1, 2023	December 1, 2024
Minimum Liquidity Coverage Ratio	30%	50%	60%	85%	100%

Asset Classification and Provisioning Norms

All NBFCs are required to adopt the asset classification and provisioning norms as set forth below:

Asset Classification:

The prudential regulations require that every applicable NBFC shall, after taking into account the degree of well-defined credit weaknesses and extent of dependence on collateral security for realisation, classify its lease/hire purchase assets, loans and advances and any other forms of credit into the following classes:

a. a "standard asset" means the asset in respect of which no default in repayment of principal or payment of interest is perceived and which does not disclose any problem nor carry more than normal risk attached to the business; and

b. a "sub-standard asset" means (a) an asset which has been classified as non-performing asset for a period not exceeding 12 months; (b) an asset where the terms of the agreement regarding interest and/or principal have been renegotiated or rescheduled or restructured after commencement of operations, until the expiry of one year of satisfactory performance under the renegotiated or rescheduled or restructured terms. However, the classification of infrastructure loans as sub-standard assets is subject to the conditions stipulated in the Master Direction.

c. a "doubtful asset" means (a) a term loan, or (b) a lease asset, or (c) a hire purchase asset, or (d) any other asset, which remains a sub-standard asset for a period exceeding 12 months.

d. a "loss asset" means (a) an asset which has been identified as loss asset by an Applicable NBFC or its internal or external auditor or by the RBI during the inspection of the Applicable NBFC, to the extent it is not written off by the Applicable NBFC; and (b) an asset which is adversely affected by a potential threat of non-recoverability due to either erosion in the value of security or non-availability of security or due to any fraudulent act or omission on the part of the borrower.

e. a "non-performing asset" means (in accordance with Master Circular - Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances dated October 1, 2021): An asset, including a leased asset, becomes non-performing when it ceases to generate income for the bank. A non performing asset (NPA) is a loan or an advance where; interest and/ or instalment of principal remains overdue for a period of more than 90 days in respect of a term loan, the account remains 'out of order', in respect of an Overdraft/Cash Credit (OD/CC), the bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted, the instalment of principal or interest thereon remains overdue for two crop seasons for short duration crops, the instalment of principal or interest thereon remains overdue for one crop season for long duration crops, the amount of liquidity facility remains outstanding for more than 90 days, in respect of a securitization transaction undertaken in terms of the Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021. in respect of derivative transactions, the overdue receivables representing positive mark-to-market value of a derivative contract, if these remain unpaid for a period of 90 days from the specified due date for payment.

Provisioning Norms

In addition to provisioning norms under applicable accounting standards, and under the Master Directions, all Applicable NBFCs are required to, after taking into account the time lag between an account becoming nonperforming, its recognition as such, the realisation of the security and the erosion over time in the value of security charged, make provision against sub-standard assets, doubtful assets and loss assets as provided hereunder:

<table>
<tr><th>S. No.</th><th colspan="2">Provisioning Requirement</th></tr>
<tr><td>1.</td><td colspan="2">Loans, advances and other credit facilities including bills purchased and discounted</td></tr>
<tr><td></td><td>(i) Loss Assets</td><td>The entire asset is to be written off. If the assets are permitted to remain in the books for any reason, 100% of the outstanding is to be provided for.</td></tr>
<tr><td></td><td>(ii) Doubtful Assets</td><td>(a) 100% provision to the extent to which the advance is not covered by the realizable value of the security to which the Applicable NBFC has a valid recourse is to be made. The realizable value is to be estimated on a realistic basis.
(b) In addition to (a) above, depending upon the period for which the asset has remained doubtful, provision to the extent of 20% to 50% of the secured portion (i.e., estimated realizable value of the outstanding) is to be made on the following basis–
<table>
<tr><th>Period for which the asset has been considered as doubtful</th><th>Per cent of provision</th></tr>
<tr><td>Up to one year</td><td>20%</td></tr>
<tr><td>One to three years</td><td>30%</td></tr>
<tr><td>More than three years</td><td>50%</td></tr>
</table></td></tr>
<tr><td></td><td>(iii) Sub-standard Assets</td><td>A general provision of 10% of total outstanding is to be made.</td></tr>
<tr><td>2.</td><td colspan="2">Lease and hire purchase assets -</td></tr>
<tr><td></td><td>(i) Hire purchase Assets</td><td>I. In respect of hire purchase assets, the total dues (overdue and future instalments taken together) as reduced by –
(a) the finance charges not credited to the profit and loss account and carried forward as unmatured finance charges; and
(b) the depreciated value of the underlying asset, is to be provided for.
Explanation: (i) the depreciated value of the asset is to be notionally computed as the original cost of the asset to be reduced by depreciation at the rate of 20% per annum on a straight line method; and (ii) in the case of second hand asset, the original cost is to be the actual cost incurred for acquisition of such second hand asset.
<table>
<tr><td>Where hire charges or lease rentals are overdue up to 12 months</td><td>Nil</td></tr>
<tr><td>Where hire charges or lease rentals are overdue for more than 12 months up to 24 months</td><td>10% of the net book value</td></tr>
<tr><td>Where hire charges or lease rentals are overdue for more than 24 months but up to 36 months</td><td>40% of the net book value</td></tr>
<tr><td>Where hire charges or lease rentals are overdue for more than 36 months but up to 48 months</td><td>70% of the net book value</td></tr>
<tr><td>Where hire charges or lease rentals are overdue for more than 48 months</td><td>100% of the net book value</td></tr>
</table>
II. Additional provision for hire purchase and leased assets:
III. On expiry of a period of 12 months after the due date of the last instalment of hire purchase/leased asset, the entire net book value is to be fully provided for</td></tr>
</table>

Standard Asset Provisioning

All Applicable NBFCs are required to make provisions for standard assets at 0.40% of the outstanding, which shall not be reckoned for arriving at the net NPAs. The provision towards standard assets shall not be netted from gross advances but are required to be shown separately as 'Contingent Provisions against Standard Assets' in the balance sheet of the Applicable NBFCs.

Balance Sheet Disclosures

a. Applicable NBFCs are required to separately disclose in their balance sheets the provisions made, as prescribed under the Master Directions, without netting them from income or against the value of assets.

b. The provisions are to be distinctly indicated under separate heads of account as:
   - Provisions for bad and doubtful debts; and
   - Provisions for depreciation in investments.

c. Such provisions shall not be appropriated from the general provisions and loss reserves held, if any, by the Applicable NBFC.

d. Such provisions for each year are required to be debited to the profit and loss account. The excess of provisions, if any, held under the heads general provisions and loss reserves are required to be written back without making adjustment against them.
e. Additionally, Applicable NBFCs are required to disclose: (a) Capital to risk assets ratio; (b) exposure to real estate sector, both direct and indirect; and (iii) maturity pattern of assets and liabilities.

Regulation of Excessive Interest Charged by NBFCs:

a. The board of directors of each Applicable NBFC is required to adopt an interest rate model taking into account relevant factors such as cost of funds, margin and risk premium and determine the rate of interest to be charged for loans and advances. The rate of interest, the approach for gradations of risk and rationale for charging different rate of interest to different categories of borrowers are required to be disclosed to the borrower or customer in the application form and communicated explicitly in the sanction letter.
b. The rates of interest and the approach for gradation of risks are also required to be made available on the website of the Applicable NBFCs or published in the relevant newspapers. The information published in the website or otherwise published is required to be updated whenever there is a change in the rates of interest.
c. The rate of interest must be annualized rate so that the borrower is aware of the exact rates that would be charged to the account.

Although rates of interest charged by NBFCs are not regulated by the RBI, rates of interest beyond a certain level may be seen to be excessive. The board of directors of Applicable NBFCs are required to layout appropriate internal principles and procedures in determining interest rates and processing and other charges.

Accounting Standards

Accounting Standards and guidance notes issued by the Institute of Chartered Accountants of India are required to be followed by NBFCs insofar as they are not inconsistent with any of the provisions of the Master Directions.

Fair Practices Code

All Applicable NBFCs having customer interface are required to adopt a fair practices code in line with the guidelines prescribed under the Master Directions. The Master Directions stipulate that such fair practices code should cover, inter alia, the form and manner of processing of loan applications; loan appraisal and terms and conditions thereof; and disbursement of loans and changes in terms and conditions of loans. The Master Directions also prescribe general conditions to be observed by Applicable NBFCs in respect of loans and requires the board of directors of Applicable NBFCs to lay down a grievance redressal mechanism. Such fair practices code should preferably be in vernacular language or language understood by borrowers of the Applicable NBFCs.

Further, all Applicable NBFCs are to frame internal guidelines on corporate governance, enhancing the scope of the guidelines without sacrificing the underlying spirit of the guidelines stipulated in the Master Directions. The guidelines framed are required to be published on the NBFC's website for the information of various stakeholders.

Scale based regulation (SBR) - Revised Regulatory Framework for NBFCs by the RBI, 2021, dated October 22, 2021, as amended ("SBR Framework") read with RBI notification - Compliance Function and Role of Chief Compliance Officer (CCO) - NBFCs dated April 11, 2022, as amended ("Notification")

On October 22, 2021, the RBI issued a Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs ("**SBR Framework**"), whereby NBFCs have been categorised into following four layers based on their size, activity, and perceived riskiness by the RBI:

a. **Base Layer:** The Base Layer comprises of (a) non-deposit taking NBFCs below the asset size of ₹1000 crore and (b) NBFCs undertaking the following activities- (i) NBFC-Peer to Peer Lending Platform (NBFC-P2P), (ii) NBFC-Account Aggregator (NBFC-AA), (iii) Non-Operative Financial Holding Company (NOFHC) and (iv) NBFCs not availing public funds and not having any customer interface. NBFC-BLs largely continue to be subject to regulations earlier applicable to non-deposit taking NBFCs. The Regulation introduces a few changes for better governance of NBFC-BLs viz. requirement for Board policy on loans to directors, senior officers and relatives; constitution of a Risk Management Committee; and disclosure of types of exposure, related party transactions, loans to Directors/ Senior Officers and customer complaints.

b. **Middle Layer:** The Middle Layer consists of (a) all deposit taking NBFCs (NBFC-Ds), irrespective of asset size, (b) non-deposit taking NBFCs with asset size of ₹1000 crore and above and (c) NBFCs undertaking the following activities (i) Standalone Primary Dealers (SPDs), (ii) Infrastructure Debt Fund - Non-Banking Financial Companies (IDF-NBFCs), (iii) Core Investment Companies (CICs), (iv) Housing Finance Companies (HFCs) and (v) Infrastructure Finance Companies (NBFC-IFCs).

Certain measures under the regulatory framework in relation to NBFC-MLs include: (a) aligning credit concentration norms for NBFCs with those applicable to banks, by merging the currently applicable lending and investment concentration limits into a single exposure limit of 25% for single borrower and 40% for group of borrowers anchored to the NBFC's Tier - I capital; (b) introducing a requirement for NBFCs to have a policy approved by their respective boards of directors on internal capital adequacy assessment process; (c) prescribing limit on initial public offer financing of ₹ 10 million per individual; (d) regulatory restrictions on lending by NBFCs; (e) detailed disclosures of certain items in annual financial statements; (f) limits on exposure to commercial real estate and capital market sector; and (g) mandatory requirement for appointment of a functionally independent chief compliance officer and independent director.

c. **Upper Layer:** The Upper Layer shall comprise of those NBFCs which are specifically identified by the Reserve Bank as warranting enhanced regulatory requirement based on a set of parameters and scoring methodology. The top ten eligible NBFCs in terms of their asset size shall always reside in the upper layer, irrespective of any other factor.

d. **Top Layer**: The Top Layer will ideally remain empty. This layer can get populated if the Reserve Bank is of the opinion that there is a substantial increase in the potential systemic risk from specific NBFCs in the Upper Layer.

Pursuant to the SBR Framework the criteria of asset size of non-deposit NBFCs for classification as non-systemically important for the purpose of regulatory structure of NBFCs have been increased from ₹ 50,000 lakh to ₹ 1,00,000 lakh ("**NBFC-ND**"). Therefore, non-deposit NBFCs with asset size of over ₹ 1,00,000 lakh will be considered as systemically Important by the RBI ("**NBFC-ND-SI**"). The SBR Framework provides that from October 1, 2022, references to NBFC-ND shall mean NBFC-BL and all references to NBFC-D and NBFC-ND-SI shall mean NBFC-ML or NBFC-UL, as the case may be. SBR Framework clarified that existing NBFC-ND-SIs having asset size of ₹500 crores and above but below ₹1,000 crores (except those necessarily featuring in NBFC-Middle Layer) will be known as NBFC-BL.

The Revised Regulatory Framework for NBFCs also prescribes specific regulatory changes for each of the different layers in the regulatory structure, that is, capital guidelines, prudential guidelines, governance guidelines and the transition path, as elucidated on above.

As on the date of filing of this Prospectus, our Company falls under the category of NBFC ML, as its assets size is above ₹ 1,000 crore, as per the last audited balance sheet. SBR Framework provide that NBFCs in the middle layer (NBFC-UL) shall continue to follow regulations as currently applicable for NBFC-ND-SIs, NBFC-Ds, CICs, SPDs and HFCs, as the case may be, except for the regulatory changes under SBR Framework applicable on NBFC-ML.

Reserve Bank of India's Guidelines on Digital Lending dated September 2, 2022 ("Digital Lending Guidelines")

The RBI released the Digital Lending Guidelines requiring regulated entities to adhere to the customer protection and conduct requirements, technology and data requirements along with the prescribed regulatory framework.

a. Customer Protection and Conduct: The regulated entities are required to ensure that all loan servicing, repayment and related services are executed directly by the borrower without the involvement of a third-party pool account. Further, all collection of fees and charges shall be paid directly by such regulated entity. Further, all penal interest and charges levied shall be calculated on the outstanding amount of the loan and shall be disclosed upfront on an annualized basis. All regulated entities shall provide the borrower with a standardized Key Fact Statement as prescribed in the Digital Lending Guidelines, populated with the prescribed details. In addition to the above, regulated entities shall appoint a suitable grievance redressal officer to address issues raised by borrowers including digital lending and fin tech-related complaints. Each borrower's creditworthiness is required to be ascertained in an auditable way, ahead of extending any loan.

b. Technology and Data Requirement: All information collated by the regulated entities shall be on a need-based principle with prior and explicit consent of the borrower. No personal data of any of the borrowers shall be stored except as required for the purpose of carrying out their operations, as necessary. To this effect, regulated entities shall also formulate guidelines to govern data storage, privacy and usage in line with the Digital Lending Guidelines.

c. Regulatory Framework: Regulated entities are required to comply with reporting requirements to credit information companies along with other prescribed rules and regulations as laid down in the Digital Lending Guidelines.

Reserve Bank of India's Guidelines on Default Loss Guarantee in Digital Lending dated June 8, 2023 ("DLG in Digital Lending Guidelines")

The RBI released the Guidelines on Default Loss Guarantee (DLG) which are applicable to DLG arrangements in digital lending operations undertaken by the regulated entities including Non- Banking Financial Companies. The guidelines lay down the eligibility conditions for DLG provider and provide for the structure of DLG arrangements. Further, the guidelines provide for the due diligence requirements in respect of the DLG provider. The guidelines further clarify that the customer protection measures and grievance redressal issues pertaining to DLG arrangements shall be guided by RBI's instructions contained in 'Guidelines on Digital Lending' dated September 02, 2022, along with other applicable norms.

Reserve Bank of India (Know Your Customer (KYC)) Master Directions, 2016 dated February 25, 2016, as amended ("RBI KYC Directions")

The RBI KYC Directions are applicable to every entity regulated by the RBI, specifically, scheduled commercial banks, regional rural banks, local area banks, primary (urban) co-operative banks, state and central co-operative banks, all India financial institutions, NBFCs, miscellaneous non-banking companies and residuary non-banking companies, amongst others.

In terms of the RBI KYC Directions, every entity regulated thereunder is required to formulate a KYC policy which is duly approved by the board of directors of such entity or a duly constituted committee thereof. The KYC policy formulated in terms of the RBI KYC Directions is required to include four key elements, being customer acceptance policy, risk management, customer identification procedures and monitoring of transactions. It is advised that all NBFCs' adopt the same with suitable modifications depending upon the activity undertaken by them and ensure that a proper policy framework of anti-money laundering measures is put in place. The RBI KYC Directions provide for a simplified procedure for opening accounts by NBFCs. It also provides for an enhanced and simplified due diligence procedure. It has prescribed detailed instructions in relation to, inter alia, the due diligence of customers, record management, and reporting requirements to Financial Intelligence Unit – India.

The RBI KYC Directions have also issued instructions on sharing of information while ensuring secrecy and confidentiality of information held by Banks and NBFCs. The regulated entities must also adhere to the reporting requirements under Foreign Account Tax Compliance Act and Common Reporting Standards. The RBI KYC Directions also require the regulated entities to ensure compliance with the requirements/obligations under international agreements. The regulated entities must also pay adequate attention to any money-laundering and financing of terrorism threats that may arise from new or developing technologies and ensure that appropriate KYC procedures issued from time to time are duly applied before introducing new products/services/technologies.

The RBI KYC Directions were updated on April 20, 2018, to enhance the disclosure requirements under the Prevention of Money-Laundering Act, 2002 and in accordance with the Prevention of Money-Laundering Rules vide Gazette Notification GSR 538 (E) dated June 1, 2017 and the final judgment of the Supreme Court in the case of Justice K.S. Puttaswamy (Retd.) & Another v. Union of India (Writ Petition (Civil) 494/2012). The Directions were updated to accommodate authentication as per the AADHAR (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 and use of an Indian resident's Aadhar number as a document for the purposes of fulfilling KYC requirement.

The RBI KYC Directions were further updated on January 9, 2020 with a view to leveraging the digital channels for customer identification process by regulated entities, whereby the RBI has decided to permit video based customer identification process as a consent based alternate method of establishing the customer's identity, for customer onboarding.

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

The circular puts in place ownership-neutral regulations, ensuring independence of auditors, avoiding conflict of interest in auditor's appointments and to improve the quality and standards of audit in RBI Regulated Entities. These guidelines shall streamline the procedure for appointment of Statutory Auditors across all the Regulated Entities and ensure that appointments are made in a timely, transparent and effective manner.

Master Direction dated September 29, 2016 on Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016

All NBFC-MLs shall put in place a reporting system for frauds and fix staff accountability in respect of delays in reporting of fraud cases to the RBI. An NBFC-ML is required to report all cases of fraud of ₹ 1,00,000 and above, and if the fraud is of ₹1,00,00,000 or above, the report should be sent in the prescribed format within three weeks from the

date of detection thereof. The NBFC-ML shall also report cases of fraud by unscrupulous borrowers and cases of attempted fraud.

Master Direction – Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 dated September 29, 2016

In addition to the report made by the auditor under Section 143 of the Companies Act, 2013 on the accounts of an NBFC-ND-SI (NBFC-ML), the auditor shall make a separate report to the Board of Directors of the company on inter alia examination of validity of certificate of registration obtained from the RBI, whether the NBFC is entitled to continue to hold such certificate of registration in terms of its Principal Business Criteria (financial asset / income pattern) as on 31st March of the applicable year, whether the NBFC is meeting the required net owned fund requirement, whether the board of directors has passed a resolution for non-acceptance of public deposits, whether the company has accepted any public deposits during the applicable year, whether the company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it, whether the capital adequacy ratio as disclosed in the return submitted to the Bank in form NBS- 7, has been correctly arrived at and whether such ratio is in compliance with the minimum CRAR prescribed by the Bank, whether the company has furnished to the Bank the annual statement of capital funds, risk assets/exposures and risk asset ratio (NBS-7) within the stipulated period.

Master Direction - Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016 dated September 29, 2016

All NBFCs are required to put in place a reporting system for filing various returns with the RBI. An NBFC-ND-SI (NBFC-ML) is required to file on a quarterly basis a return on important financial parameters, including components of assets and liabilities, profit and loss account, exposure to sensitive sectors etc., NBS-7 on prudential norms on a quarterly basis, multiple returns on asset-liability management to address concerns regarding inter alia asset liability mismatches and interest rate risk, quarterly report on branch information, and Central Repository of Information on Large Credits ("**CRILC**") on a quarterly basis as well as all Special Mention Accounts-2 ("**SMA-2**") status on a weekly basis to facilitate early recognition of financial distress, prompt steps for resolution and fair recovery for lenders.

Master Direction on Information Technology Framework for the NBFC Sector, 2017 dated June 8, 2017

All systemically important NBFCs must implement the security enhancement requirements under the Master Direction with respect to enhancing security of its Information Technology/Information Security Framework ("IT") business continuity planning, disaster recovery and management. NBFCs must constitute an IT Strategy Committee and IT Steering Committee and formulate an IT and Information Security Policy in furtherance of the same. Further, a Cyber Crisis Management Plan must be formulated to address cyber intrusions and attacks. It has to be implemented by applicable NBFCs by June 2018.

Ombudsman Scheme for Non-Banking Financial Companies, 2018 dated February 23, 2018

The RBI has on February 23, 2018, introduced the Ombudsman Scheme for Non-Banking Financial Companies, 2018 (the "Scheme"). The stated objective of the Scheme is to enable the resolution of complaints free of cost, relating to certain aspects of services rendered by certain categories of NBFCs registered with the RBI to facilitate the satisfaction or settlement of such complaints, and matters connected therewith.

The Scheme provides for the appointment by RBI of one or more officers not below the rank of general manager as ombudsmen (the "Ombudsmen") for a period not exceeding three years at a time, to carry out the functions entrusted to Ombudsmen under the Scheme. The Scheme describes the nature of complaints which any person could file with an Ombudsman alleging deficiency in services by an covered NBFC, which include inter alia failure to convey in writing the amount of loan sanctioned along with the terms and conditions including annualised rate of interest and method of application thereof, failure or refusal to provide adequate notice on proposed changes being made in the sanctioned terms in vernacular or a language understood by the borrower, levying of charges without adequate prior notice to the borrower/customer and failure or inordinate delay in releasing the securities documents to the borrower on repayment of all dues. The complaints may be settled by the covered NBFC within a specified period or may be decided by an award passed by Ombudsman after affording the parties a reasonable opportunity to present their case, either in writing or in a meeting. Where the Ombudsman decides to allow the complaint, the award passed is required to contain the direction/s, if any, to the covered NBFC for specific performance of its obligations and in addition to or otherwise, the amount, if any, to be paid by the covered NBFC to the complainant by way of compensation for any loss suffered by the complainant, arising directly out of the act or omission of the covered NBFC. The covered NBFC is required to implement the settlement arrived at with the complainant or the award passed by the Ombudsman when it becomes final and send a report in this regard to the RBI within 15 days of the award becoming final.

The Ombudsman is required to send a report to the RBI governor annually (as on June 30 every year) containing general review of the activities of his office during the preceding financial year and provide such other information as may be required by the RBI. On November 15, 2021 RBI issued circular on appointment of Internal Ombudsman for all deposit taking NBFC with 10 or more branches and for Non-deposit taking NBFCs with asset size of ₹ 500000 lakh and above and having public customer interface.

Risk-Based Internal Audit (RBIA)

An independent and effective internal audit function in a financial entity provides vital assurance to the board of directors and its senior management of NBFC regarding the quality and effectiveness of the entity's internal control, risk management and governance framework. The essential requirements for a robust internal audit function include, inter alia, sufficient authority, proper stature, independence, adequate resources and professional competence. RBI vide its circular dated February 03, 2021, inter-alia mandated all non-deposit taking NBFCs (including Core Investment Companies) with asset size of ₹ 5,000 crore and above to implement the RBIA framework by March 31, 2022.

Prevention of Money Laundering Act, 2002 ("PMLA")

The PMLA was enacted to prevent money laundering and to provide for confiscation of property derived from, or involved, in money laundering, and for incidental matters connected therewith. Section 12 of the PMLA inter alia casts certain obligations on reporting entities (as defined under the PMLA) in relation to preservation of records and reporting of transactions.

In addition to the above, the following directions and circulars issued by the RBI are also relevant to our business:

a. Directions on Managing Risks and Code of Conduct in Outsourcing of Financial Services by NBFCs, 2017 dated November 9, 2017;
b. Circular dated June 24, 2021 on Declaration of Dividends by NBFCs;
c. RBI's Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications dated November 12, 2021;
d. RBI's Prompt Corrective Action Framework for NBFCs dated December 14, 2021;
e. Master Direction on External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019;
f. Loans and Advances – regulatory restrictions – NBFCs, dated April 19, 2022 as amended;
g. Registration of Factors (Reserve Bank) Regulations, 2022

Aadhar (Targeted Delivery of Financial and other Subsidies, Benefits and Services) Act (the "Aadhaar Act"), 2016 and the rules and regulations made thereunder

The Aadhaar Act, aims to provide for, as good governance, efficient, transparent and targeted delivery of subsidies, benefits and services, the expenditure for which is incurred from the Consolidated Fund of India, to individuals residing in India, through assigning of unique identity numbers to such individuals and for matters connected herewith. The Aadhar Act establishes Unique Identification Authority of India ("**UIDAI**"), which is responsible for authentication and enrolment of individuals under the Aadhaar programme. The Aadhar Act also provides for the appointment of Enrolling Agency, which would be responsible for the enrolment of individuals. The Aadhar Act, to authenticate the Aadhar Numbers, appoints a requesting entity, that would submit the Aadhar Number along with demographic information or biometric information to the Central Identities Data Repository. Lastly, the Aadhar Act also provides for the protection and confidentiality of identity information and authentication records of individuals.

The Aadhaar (Data Security) Regulations, 2016 ("**Data Security Regulations**") provides for measures to ensure that the information of individuals is secured. Data Security Regulations also enumerates the obligation of service provides to keep the information secure and confidential.

The Aadhaar (Sharing of Information) Regulations, 2016 ("**SI Regulations**") provides for restriction on sharing of biometric information by UIDAI. SI Regulations also restricts the sharing, circulating, or publishing of the aadhar number.

The Aadhaar (Authentication) Regulations, 2016 ("**Authentication Regulations**") provides an Aadhaar Authentication Framework, which has two kinds and four modes of authentication. Authentication Regulations also makes it mandatory for the requesting entity to obtain the consent of the aadhar number holder. Authentication Regulations list provisions and the entire process for the appointment of Requesting Entities and Authentication Service Agencies along with their roles and responsibilities and code of conduct.

Information Technology Act, 2000 and the rules made thereunder ("IT Act")

The IT Act has been enacted with the intention of providing legal recognition to transactions that are undertaken electronically. The IT Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third-party information made available to or hosted by them and creates liability for failure to protect sensitive personal data. The IT Act has created a mechanism for authenticating electronic documentation by means of digital signatures and provides for civil and criminal liability including fines and imprisonment for various offences. By means of an amendment in 2008, the IT Act legalized the validity of contracts formed through electronic means. The IT Act prescribes various offences, including those offences relating to unauthorized access of computer systems, unauthorized disclosure of confidential information and frauds emanating from computer applications. The IT Act also empowers the Government of India to intercept, monitor or decrypt any information in the furtherance of sovereignty, integrity, defence and security of India. The IT Act empowers the Government of India to formulate rules with respect to electronic signatures, reasonable security practices and procedures and sensitive personal data.

In exercise of this power, the Department of Electronics and Information Technology under the Ministry of Communications & Information Technology, Government of India, promulgated the Use of Electronic Records and Digital Signatures Rules, 2004, Digital Signature (End Entity) Rules, 2015, and Information Technology (Certifying Authorities) Rules, 2000. These rules govern the issuance and creation of digital and electronic signatures, their verification, and issuance of license to issue digital signature certificates.

Digital Personal Data Protection Act, 2023 ("DPDP Act")

The Parliament passed the DPDP Act on August 9, 2023. The DPDP Act, once notified, will replace the existing data protection provision, as contained in Section 43A of the IT Act. The DPDP Act seeks to balance the rights of individuals to protect their personal data, with the need to process personal data for lawful and other incidental purposes. The DPDP Act provides that personal data may be processed only for a lawful purpose after obtaining the consent of the individual and a notice has to be given before seeking consent. It further imposes certain obligations on data fiduciaries including (i) make reasonable efforts to ensure the accuracy and completeness of data, (ii) build reasonable security safeguards to prevent a data breach, (iii) inform the Data Protection Board of India (the "**DPB**") and affected persons in the event of a breach, and (iv) erase personal data as soon as the purpose has been met and retention is not necessary for legal purposes (storage limitation). In case of government entities, storage limitation and the right of the data principal to erasure will not apply. The Central Government will establish the DPB. Key functions of the DPB include: (i) monitoring compliance and imposing penalties, (ii) directing data fiduciaries to take necessary measures in the event of a data breach, and (iii) hearing grievances made by affected persons. The DPB members will be appointed for two years and will be eligible for re-appointment. The Central Government will prescribe details such as the number of members of the DPB and the selection process.

II. COVID-19 Regulatory Framework

In view of the outbreak of the COVID-19 pandemic, the RBI issued various circulars and prescribed other regulatory frameworks and relaxations governing NBFCs to deal with the disruptions caused by the COVID-19 pandemic.

Circular dated March 16, 2020

Pursuant to its circular dated March 16, 2020 (Reference No. RBI/2019-20/172 DoS.CO.PPG.BC.01/1L0T005/2019-20), the RBI provided an indicative list of actions to be taken by NBFCs as part of their operations and business continuity plans. Among others, the actions included taking steps to share important instructions/strategy with the staff members at all levels and sensitizing the staff members about preventive measures/steps to be taken in suspected cases, based on the instructions received from health authorities from time-to-time, taking stock of critical processes and revisiting business continuity plan in the emerging situations/scenarios with the aim of continuity in critical interfaces and preventing any disruption of services, due to absenteeism either driven by the individual cases of infections or preventive measures.

Circulars dated March 27, 2020 and April 17, 2020

The RBI, pursuant to its circular dated March 27, 2020 (Reference No. RBI/2019-20/186 DOR.No.BP.BC.47/21.04.048/2019-20), announced certain regulatory measures, including, inter alia, to mitigate the burden of debt servicing brought about by disruptions on account of the COVID-19 pandemic and to ensure the continuity of viable businesses. In furtherance of such circular, lending institutions were permitted to grant a moratorium of three months on payment of all instalments (including all (i) principal and/or interest components; (ii) bullet repayments; (iii) equated monthly instalments; and (iv) credit card dues) falling due between March 1, 2020 and May 31, 2020 in respect of all term loans (including agricultural term loans, retail and crop loans) ("**Moratorium**

Period"). Additional relaxations were granted in relation to the calculation of 'drawing power' in respect of working capital facilities sanctioned in the form of cash credit/overdraft ("**CC/OD**") to borrowers. Under the circular, such measures were not to be treated as a concession or change in terms and conditions of loan agreements due to financial difficulty of the borrower under paragraph 2 of the Annexure to the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 ("**Prudential Framework**") and availing of such measures, by itself, was not to result in asset classification downgrade. The rescheduling of payments, including interest, did not qualify as a default for the purposes of supervisory reporting and reporting to credit information companies ("**CICs**") by the lending institutions. CICs were instructed to ensure that the actions taken by lending institutions pursuant to the above announcements do not adversely impact the credit history of the beneficiaries. The circular also stated that wherever the exposure of a lending institution to a borrower is ₹50 million or above as on March 1, 2020, the lending institution was required to develop an MIS on the reliefs provided to its borrowers which was required to, inter alia, include borrower-wise and credit-facility wise information regarding the nature and amount of relief granted. Further, pursuant to its circular dated April 17, 2020 (Reference No. RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2019-20), the RBI provided detailed instructions in relation to (i) asset classification under the prudential norms on income recognition, asset classification and (ii) provisioning requirements.

Circular dated May 23, 2020

Pursuant to its circular dated May 23, 2020 (Reference No. RBI/2019-20/244 DOR.No.BP.BC.71/21.04.048/2019-20), the RBI further permitted lending institutions (including NBFCs) to extend the Moratorium Period on payment of all instalments in respect of term loans (including agricultural term loans, retail and crop loans) by another three months, i.e., from June 1, 2020 to August 31, 2020. Such circular also permitted certain relaxations in respect of working capital facilities sanctioned in the form of cash credit/overdraft, lending institutions, subject to certain conditions.

The measures in relation to working capital facilities under the RBI circular dated May 23, 2020, were contingent on the lending institutions satisfying themselves that such measures are necessitated on account of the economic fallout from COVID-19. Further, accounts provided relief under this relaxation were subject to subsequent supervisory review with regard to their justifiability on account of the economic fallout from COVID-19. Lending institutions, accordingly, could put in place a board approved policy to implement the above measures.

Special Liquidity Scheme for NBFCs/HFCs dated July 1, 2020 and the Partial Credit Guarantee Scheme

The Government of India approved the Special Liquidity Scheme for NBFCs and HFCs to improve the liquidity position of NBFCs through a special purpose vehicle to avoid potential systemic risks to the financial sector. In order to avail the scheme, NBFCs are required to, inter alia, (a) have made a net profit in one of the two preceding financial years; and (b) be rated investment grade by a SEBI registered rating agency. In accordance with the circular, the scheme is managed by a special purpose vehicle set up by a subsidiary of the State Bank of India, SBI Capital Markets Limited.

The Partial Credit Guarantee Scheme ("**PCGS**") was introduced on December 11, 2019 to offer a sovereign guarantee for "first loss" to public sector banks for the purchase of pooled assets, from financially sound NBFCs, subject to certain conditions. Pursuant to a press release dated May 20, 2020, the PCGS was amended to increase the coverage offered by the scheme and the window under the PCGS was extended up to March 31, 2021.

Statement on Development and Regulatory Policies dated August 6, 2020

The RBI, through its 'Statement on Developmental and Regulatory Policies' dated August 6, 2020, stated that with the intent to facilitate revival of real sector activities and mitigate the impact on the ultimate borrowers, provided a window under the Prudential Framework to enable the lenders to implement a resolution plan in respect of eligible corporate exposures without change in ownership, and personal loans, while classifying such exposures as standard (as set out under the Prudential Framework) subject to specified conditions.

Resolution Framework for COVID-19-related Stress dated August 6, 2020

The RBI has also issued a notification on August 6, 2020 titled 'Resolution Framework for COVID-19-related Stress' ("**COVID-19 Resolution Framework**"), Reference No. RBI/2020-21/16 DOR.No.BP. BC/3/21.04.048/2020-21). Under the COVID-19 Resolution Framework, lending institutions were required to frame policies, as approved by their board of directors, for implementation of viable resolution plans for eligible borrowers pursuant to the COVID-19 Resolution Framework and ensure that the resolution plans under this facility were extended only to borrowers bearing stress on account of the COVID-19 pandemic. The resolution plan extended to eligible borrowers could be invoked anytime till December 31, 2020 and was to be implemented within 180 days from the date of invocation (within 90 days in case of personal loans.).

Circular dated September 7, 2020 on resolution framework for COVID-19 related Stress - Financial Parameters

The RBI, pursuant to its circular dated September 7, 2020 (Reference No. RBI/2020-21/34 DOR.No.BP. BC/13/21.04.048/2020-21) on "Resolution Framework for COVID-19-related Stress - Financial Parameters", set out key ratios to be mandatorily considered while finalizing the resolution plans in respect of COVID-19 Resolution Framework. Further, it also prescribed sector specific thresholds to be considered by the lending institutions, intended as floors or ceilings. The resolution plans were required to take into account the pre- COVID-19 operating and financial performance of the borrower and impact of COVID-19 on its operating and financial performance at the time of finalizing the resolution plan, to assess the cash flows in subsequent years, while stipulating appropriate ratios in each case. Lending institutions were free to consider other financial parameters as well while finalizing the resolution assumptions in respect of eligible borrowers apart from the above mandatory key ratios and the sector-specific thresholds that have been prescribed.

TLTRO on Tap Scheme

The targeted long-term repo operations on tap scheme of the RBI ("**TLTRO on Tap Scheme**"), announced on October 9, 2020 focuses on liquidity measures and revival of activity in specific sectors and, allows banks to avail liquidity to be deployed in corporate bonds, commercial paper and non-convertible debentures issued by entities in such specified sectors. The liquidity availed by banks could also be used to extend bank loans and advances to these sectors. The RBI through its 'Statement on Developmental and Regulatory Policies' and its press release dated February 5, 2021 stated that NBFCs are well recognised conduits for reaching out last mile credit and act as a force multiplier in expanding credit to various sectors and accordingly, permitted funds from banks under the TLTRO on Tap Scheme to be provided to NBFCs for incremental lending to these sectors until March 31, 2021. The TLTRO on Tap Scheme has further been extended by a period of nine months i.e., up to December 31, 2021 with a view to increasing the focus of liquidity measures on revival of activity in specified sectors.

Scheme for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts

On October 23, 2020, the Ministry of Finance, Government of India announced a scheme for grant of ex-gratia payment of difference between compound interest and simple interest by way of reliefs for the six months period from March 1, 2020 to August 31, 2020, to borrowers in specified loan accounts ("**October 2020 Scheme**"), benefits of which would be routed through lending institutions. The October 2020 Scheme was applicable to all lending institutions, including, inter alia, banking companies, NBFCs and housing finance companies. Borrowers who had loan accounts with sanctioned limits and outstanding amounts not exceeding ₹20 million as on February 29, 2020 were eligible under the October 2020 Scheme, subject to certain conditions. Borrowers of the following classes of loans were eligible, namely (i) MSME loans; (ii) education loans; (iii) housing loans; (iv) consumer durable loans; (v) credit card dues; (vi) automobile loans; (vii) personal loans to professionals; and (viii) consumption loans.

Circular dated April 7, 2021 on Asset Classification and Income Recognition

The RBI, pursuant to the decision of the Supreme Court of India in Small Scale Industrial Manufactures Association v. Union of India, dated March 23, 2021, has issued a circular dated April 7, 2021 (the "**April 2021 Circular**", Reference No. RBI/2021-22/17 DOR.STR.REC.4/21.04.048/2021-22). The April 2021 Circular stipulates that all lending institutions (including NBFCs) are required to implement a board-approved policy to refund/adjust the "interest on interest" charged to the borrowers during the moratorium period, i.e. March 1, 2020 to August 31, 2020 in conformity with the above judgement. In order to ensure that the above judgement is implemented uniformly in letter and spirit by all lending institutions, the methodology for calculation of the amount to be refunded/adjusted for different facilities is required to be finalised by the Indian Banks Association in consultation with other industry participants/bodies, which shall be adopted by all lending institutions. The above reliefs shall be applicable to all borrowers, including those who had availed of working capital facilities during the moratorium period, irrespective of whether moratorium had been fully or partially availed, or not availed, in terms of the circulars dated March 27, 2020 and May 23, 2020.

Further, in relation to asset classification, the April 2021 Circular stipulates that, (i) in respect of accounts which were not granted any moratorium in terms of the COVID-19 regulatory relief provided, asset classification is to be undertaken in terms of the criteria laid out in the Master Circular - Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances dated July 1, 2015 (Reference No. RBI/2015-16/101 DBR.No.BP.BC.2/21.04.048/2015-16) or other relevant instructions as applicable to the specific categories of lending institutions; and (ii) in respect of accounts in relation to which a moratorium was granted in terms of the COVID-19 regulatory relief, the asset classification for the period from March 1, 2020 to August 31, 2020 shall be governed in terms of the circular dated April 17, 2020 (Reference No. RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2019-20), read with circular dated May 23, 2020 (Reference No. RBI/2019-20/244 DOR.No.BP.BC.71/21.04.048/2019-20). For

the period commencing September 1, 2020, asset classification for all such accounts shall be as per the applicable income recognition and asset classification norms.

Circular dated May 5, 2021 on Resolution Framework for Advances to Individuals and Small Businesses

Through its circular dated May 5, 2021 titled 'Resolution Framework - 2.0: Resolution of COVID-19 related stress of Individuals and Small Businesses' (Reference No. RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021- 22), the RBI has permitted lending institutions to offer a limited window to individual borrowers and small businesses to implement resolution plans in respect of their credit exposures while classifying such credit exposures as 'standard' upon implementation of the resolution plan, subject to certain conditions specified under the circular. The lending institutions are required to frame policies, approved by the board of directors, pertaining to the implementation of viable resolution plans for eligible borrowers ensuring that the resolution under this facility is provided only to the borrowers having stress on account of COVID-19. The last date for invocation of resolutions under the window provided was September 30, 2021. The resolution plans implemented under this window may, inter alia, include rescheduling of payments, conversion of any interest accrued or to be accrued into another credit facility, revisions in working capital sanctions, and granting of moratorium, based on income streams of the borrower. The moratorium period, if granted, may be for a maximum of two years, and shall come into force immediately upon implementation of the resolution plan. The extension of the residual tenor of the loan facilities may also be granted to borrowers, with or without payment moratorium. The overall cap on extension of residual tenor, inclusive of moratorium period if any permitted, shall be two years.

III. Foreign Exchange Laws

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999, as amended, along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, and the consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time. The Foreign Exchange Management (Debt Instruments) Regulations, 2019 notified by RBI on October 17, 2019, regulate investments in India by a person resident outside India.
As per the sector specific guidelines of the Government of India, 100 per cent FDI/ Non-Resident Indian ("**NRI**") investments are allowed under the automatic route in certain NBFC activities subject to compliance with guidelines of the RBI in this regard.

IV. Laws Relating to Taxation

In addition to the aforementioned material legislations which are applicable to our Company, some of the tax legislations that may be applicable to the operations of our Company include:

a. Central Goods and Service Tax Act, 2017 and various state-wise legislations made thereunder;
b. Integrated Goods and Services Tax Act, 2017;
c. Income Tax Act 1961, as amended by the Finance Act in respective years; and
d. State-wise legislations in relation to professional tax.

In addition to the above, our Company is also required to comply with the provisions of the Companies Act, various SEBI regulations, banking and insolvency laws, intellectual property laws, labour laws, taxation statutes, environmental laws, shops and establishment legislations in various states, and other applicable statutes for its day-to-day operations like any other company.

PROVISIONS OF ARTICLES OF ASSOCIATION

1. In these Articles, unless the context otherwise requires:

   a. "**Board of Directors**" or "**Board**", in relation to the company, means the collective body of the directors of the company.
   b. "**month**" and "**year**" means a calendar month and a calendar year respectively.
   c. "**securities**" means the securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956.
   d. "**Table F**" shall have meaning as referred to in the Companies Act, 2013 and "Regulations" where used shall mean regulations contained in Table F.
   e. "**the Act**" shall mean the Companies Act, 2013 or any previous company law (to the extent applicable) and includes any statutory modification or re-enactment thereof for the time being in force and as amended from time to time and the relevant rules framed thereunder, as amended from time to time.
   f. "**the Company**" or "**this Company"** means **ADITYA BIRLA FINANCE LIMITED.**
   g. "**the Office"** means the registered office of the Company for the time being.
   h. "**these Articles"** means these Articles of Association as originally framed or as altered from time to time.
   i. "**the Seal**" means the common Seal of the Company.
   j. Words importing the singular shall include the plural and vice versa, words importing the masculine gender shall include the feminine gender and words importing persons shall include bodies corporate and all other persons recognized by law as such.
   k. Expressions referring to writing shall be construed as including references to printing, lithography, photography, and other modes of representing or reproducing words in a visible form.

2. Unless the context otherwise requires, the words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modifications thereof in force at the date at which these Articles become binding on the Company: The Regulations contained in Table "F" of the Companies Act, 2013 (so far as in force from time to time) shall not apply to the Company, save and except so far such Regulations are embodied in these Articles and the Articles herein contained shall be the regulations for the management of the Company and for the observance of its members and their representatives. They shall be binding on the Company and its members as if they are the terms of an agreement between them.

3. A. (a) The authorised share capital of the Company will be as provided in Clause V of the memorandum of association of the Company with the power to the Board to increase or reduce the capital of the Company and/or the nominal value of the shares and to classify and/or re-classify from time to time such shares into any class of shares and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions and to decide on the extent of variation in such rights as may be determined by/or in accordance with these Articles or as may be decided by the Board of Directors of the Company in general meeting, as applicable, in conformity with the provisions of the Act and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions and to consolidate or sub-divide the shares and to issue shares of higher or lower denominations in such manner as may be for the time being herein provided.

   (b) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound up, be varied with consent in writing of the holders of 3/4th (three-fourth) of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

   (c) To every such separate meeting, the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least 1/3rd (one-third) of the issued shares of the class in question.

   (d) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

   (e) Subject to the provisions of Section 55 of the Act, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of shares may, by special resolution, determine.

3. B. (1) The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

   (2) Subject to the provisions of Section 61, the Company may, by ordinary resolution,-

a. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
b. convert all or any of its fully paid- up shares into stock, and reconvert that stock into fully paid up shares of any denomination;
c. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
d. cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

(3) Where shares are converted into stock,—

a. the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit: Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
b. the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
c. such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

(4) The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law:
a. its share capital;
b. any capital redemption reserve account; or
c. any share premium account.

4. Every share in the Company shall be distinguished by its distinctive number. The shares in the capital shall be numbered progressively according to their several denominations and except in the manner hereinbefore mentioned no share shall be sub-divided, every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

5. The Board shall observe the restriction as to allotment of shares to the public contained in Section 39 of the Act and shall cause to be made the return as to allotment provided for therein.

6. (1) Where at any time, the Board decides to increase the capital of the Company by the issue of new shares, then subject to any directions to the contrary which may be given by the Company in the general meeting and subject only to those directions, such further shares shall be offered to (a) the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion as nearly as circumstances admit to the paid-up share capital on those shares by sending a letter of offer subject to the conditions stipulated in Section 62 of the Act (b) to employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to such conditions as may be prescribed in the Act (c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in (a) or (b); either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered value, subject to such conditions as may be prescribed in the Act.

(2) Nothing contained in clause 6 (1) of these Articles shall apply to the increase of the subscribed capital caused by exercise of option as a term attached to debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company, provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loans by a special resolution passed by the Company in the general meeting except as otherwise stipulated in Section 62 (4) and Section 62 (5) of the Act.

7. Subject to the provisions of these Articles and of the Act, the shares shall be under the control of the Board of Directors, which may allot or otherwise dispose of the same to such persons on such terms and conditions and at such times as it thinks fit and (subject to the provisions of Sections 52and 53 of the Act) either at a premium or at par or at discount.

8. Any application signed by or on behalf of any applicant for shares in the Company, followed by an allotment of any share herein shall be an acceptance of shares within the meaning of these Articles; and every person who thus or otherwise accepts any shares and whose name is on the register of members and every person holding shares of the company and whose name is entered as a beneficial owner in the records of a depository shall for the purpose of these Articles be called a member.

9. (1) The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them, shall immediately on the inscription of the name of the allottee in the registrar of members as the name of the holder of such shares become a debt due to and recoverable by the Company from the allottee thereof and shall be paid by him accordingly.

   (2) Every member or his heirs, executors or administrators shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being remain unpaid thereon, in such amounts, at such time or times and in such manner, as the Board shall, from time to time, in accordance with these Articles, require or fix for the payment thereof.

10. Except as required by law or ordered by a court of competent jurisdiction, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any benami, equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share (except only by these presents or by law otherwise provided) or any other rights in respect of ,any share, except in an absolute right to the entirely thereof in the registered holder.

11. (a) None of the funds of the Company shall be applied in the purchase of applied in the any shares of the Company and it shall not give any financial assistance purchase or its own shares for or in connection with the purchase or subscription of any shares in the Company or in the company save as provided by Section 67 of the Act.

    (b) Notwithstanding anything contained in these Articles but subject to the provisions of Sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified Securities.

12. Share certificate shall be issued/ reissued in accordance with the provision of the Companies (Share Capital and Debenture) Rules, 2014 or any statutory modification or enactment thereof.

13. Every member shall be entitled to one certificate for all the shares registered in his name or if the Board so approves to several certificates each for one or more of such shares, but in respect of each additional certificate requested for there shall be paid to the Company fee of Rs.2/-or such less sum as the Board may determine. The Board may in any case or generally waive the charging of such fees. Every certificate of shares shall specify the number and distinctive numbers of the shares in respect of which it is issued, and the amount paid up thereon.

14. If any certificate be worn out or defaced, then upon production thereof to the Board, it may order the same to be cancelled and may issue a new certificate in lieu thereof and if any certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the Board deem adequate being given a new certificate in lieu thereof shall be given to the registered holder of the shares to which such lost or destroyed certificate shall relate.

15. For every certificate issued under the last preceding Article there shall be paid to the Company the sum of Rs. 2/- or such smaller sum as the Board may determine. The Board may in any case or generally waive the charging of such fee.

16. Subject to the provisions of Section 40 of the Act, the Company may pay commission to any person in connection with subscription or procurement of subscription, whether absolute or conditional, to its Securities subject to such conditions as may be prescribed under the Act. The rate of ’commission shall not exceed in the case of shares five per cent of the price at which the shares are issued, and in the case of debentures two and a half per cent of the price at which the debentures are issued. Such commission may be paid out of proceeds of the issue or the profit of the Company or both, and no commission shall be paid to any underwriter on Securities which are not offered to the public for subscription.

CALLS

17. The Board may, from time to time, subject to Section 49 of the Act and subject to the terms on which any shares may have been issued, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or byway of premium) and not by the conditions of allotment thereof made payable at fixed times.
    Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call A call may be made payable by installments or as

otherwise prescribed. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares. A call may be revoked or postponed at the discretion of the Board.

18. A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorizing such call was passed. Not less than fourteen days' notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid.

19. The Board may, from time to time, insofar as permitted under the Act, at its discretion extend the time fixed for the payment of any call and may extend such time as to call of any of the members who from residence at distance or other cause, the Board may deem fairly entitled to such extension; but no member shall be entitled to such extension save as a matter of grace and favour.

20. If any member fails to pay any call due from him on the day appointed for payment thereof as aforesaid or any such extension thereof as aforesaid insofar as permitted under the Act, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine and the Board shall be at liberty to waive payment of such interest either wholly or in part.

21. If by the terms of issue of any shares or otherwise any amount is made payable on allotment or any fixed date at fixed times, whether on account of the nominal value of the share or by way of premium, every such amount or instalment shall be payable as If it were a call duly made and payable on the date on which by the terms of issue such sum becomes payable. In case of non-payment of such sum, all the relevant provisions of the Act shall apply as if such sum had become payable by virtue of a call duly made and notified. No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid.

22. On the trial or hearing of any action or suit brought by the Company against any shareholder or his representatives to recover any debt of or money claimed to be due to the Company in respect of his shares, it shall be prima facie evidence for the matter that the name of the defendant is or was when the claim arose on the register of members of the Company as a holder as one of the holders of the number of shares in respect of which such claim is made and that the amount claimed is not entered as said in the books of the Company and it shall not be necessary to prove the appointment of the directors who made any call, nor that quorum of directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of matters aforesaid shall be conclusive evidence of the debt.

23. The Board (a) may if they think fit, receive from any member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any shares held by him due upon the shares held by him; and (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance. Moneys so paid more than the amount of calls shall not rank for dividends or participate in profits. The Board may at any time repay the amount so advanced upon giving to such members three months' notice in writing.

JOINT HOLDERS

24. Where two or more persons are registered as holders of any shares, they shall be deemed to hold the same as joint holders with benefits of survivorship subject to the following and other provisions contained in these Articles.

    a. Shares may be registered in the name of any person, company, or other body corporate but not more than three persons shall be registered jointly as members in respect of any shares.
    b. The certificate of shares registered in the names of two or more persons shall be delivered to the person first named on the register and deliver of a certificate for a share to one of several joint holders shall be sufficient delivery to the joint holders.
    c. The joint holders of share shall be jointly and severally liable to pay all calls in respect thereof.
    d. Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
    e. In the case of the death of anyone or more of the persons named in the register of members as the joint holders of any share, the survivors shall be the only persons authorized by the Company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.

f. The vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members. Several executors or administrators of a deceased member in whose name shares stand shall for the purpose of these Articles be deemed joint holders thereof.

g. A document or notice may be served or given by the Company on or to the joint holders of a share by serving or giving the document or notice on or to the joint holder named first in the register of members in respect of the share.

FOREFEITURE AND LIEN

25. If any member fails to pay any calls or installment on or before appointed day for the payment of the same, the Board may at any time thereafter during such time as the call or installment remains unpaid, serve a notice on such member requiring him to pay the same, together with any interest that may have accrued.

26. The notice shall name a further day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment of at or before the time and at the place appointed, the shares in respect of which such call was made or installment is payable will be liable to be forfeiture.

27. If the requirements of any such notice as aforesaid be not complied with, any shares in respect of which such notice has been given may, at any time thereafter, before the payment required under the notice has been made be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture

28. When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name is stood immediately prior to the forfeiture and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register but in so far as permissible under law, no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

29. Any share so forfeited shall be deemed to be property of the Company and the board may sell, re-allot or otherwise dispose of the same in such manner as it thinks fit.

30. The Board may at any time before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof on such conditions as it thinks fit.

31. Any member whose shares have been forfeited shall notwithstanding be liable to pay and shall forthwith pay to the Company all calls installments interest and expenses, owing upon or in respect of such shares at the time of the forfeiture together with interest thereon, from the time of forfeiture until payment at 18 per cent per annum, and the Board may enforce the payment thereof without any deduction of allowance for the value of the shares at the time of forfeiture but shall not be under any obligation to do so.

32. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of the share and all other rights incidental to the share, except only such of those rights as by the Act or these Articles are expressly saved.

33. A duly verified declaration in writing, that the declarant is a director or secretary of the Company and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons, claiming to be entitled to the shares and such declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposal thereof shall constitute a good title to such shares and the person to whom the shares are sold shall be registered as the holder of such shares and shall not be bound to see to the application of the purchase money nor shall his title to such shares be effected by any irregularity or invalidity in the proceeding in reference to such forfeiture, sale or disposal.

34. (a) The Company shall have first and paramount lien upon all the shares (not being fully paid) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for moneys called or payable at a fixed time in respect of such shares solely or jointly with any other person to the Company whether the period for the payment thereof shall have actually arrived or not and no equitable interest in any share shall be created. Such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. No member shall exercise any voting right in respect of any shares registered in his name in regard to which the company has exercised any right of lien.

(b) The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made –

(i) unless a sum in respect of which the lien exists is presently payable; or

(ii) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

(c) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

(d) The purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

35. For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as they think fit, but no sale shall be 'made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member, his executors or administrators or his committee, curators bonis or other legal curator and default shall have been made by him or them in the payment of moneys called in respect of such shares for seven days after such notice.

36. The net proceeds of any such sale under Article 35 shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and residue, if any, shall (subject to alike lien for sums not presently payable, as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

37. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person upon forfeiture to execute an instrument of transfer of the shares sold and cause the purchasers name to be entered in the Register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money.

38. Upon any sale, re-allotment or other disposal under the provisions for forfeiture under the Act or these Articles, the certificate or certificates originally issued in certificate respect of the relative/share shall (unless the shares shall on demand, by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Board shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitle thereto distinguishing it or them in such manner as they may think fit from the old certificate and certificates.

TRANSFER AND TRANSMISSION OF SHARES AND DEBENTURES

39. a. The 'instrument of transfer of any shares or debentures in the Company shall be executed by or on behalf of both the transferor and the transferee and the transferor shall be deemed to remain holder of the shares or debentures as the case may be until the name of the transferee is entered I the register of members or debenture holders in respect thereof.

40. The Company shall not register a transfer of Securities of the Company, unless proper instrument of transfer, in such form as may be prescribed under the Act, duly stamped and executed by or on behalf of the transferor and transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company by the transferor or the transferee within a period of sixty days from the date of execution, along with the certificate relating to the Securities or if no such certificate is in existence, along with the letter of allotment of Securities;provided that where on an application made in writing to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that instrument of transfer signed by or on behalf of the transferor and transferee has been lost or the instrument of transfer has not been delivered within the period prescribed under the Act, the Company may register the transfer on such terms as to indemnity or otherwise as the Board may think fit.

41. An application for the registration of the transfer of any share or shares may be made either by the transferor or by the transferee, provided, that where such application is made by the transferor alone and relates to partly paid shares, no registration shall be effected unless the Company gives notice of the application, in the manner prescribed under the Act, to the transferee in accordance with Section 56 of the Act.

    a. For the purpose of sub-clause (c) notice to the transferee shall be deemed to have been duly given if despatched in the form as may be prescribed under the Act.

    b. Nothing In sub-clause (d) shall prejudice any power of Company to register, on receipt of an intimation of transmission of any right to Securities by operation of law from any person to whom such right has been transmitted.

42. The Board shall have power on giving not less than seven days previous notice by advertisement in a newspaper circulating in the district in which the Office of the Company is situated to close the transfer books, the register of members or register of debentures at such time or times and exceeding not in the aggregate forty-five days in each year, as it may seem expedients.

43. Subject to the provisions of Section 58 of the Act, the Company may without assigning any reason, within thirty days from the date on which the instrument of transfer was delivered to the Company, refuse to register any transfer of a share upon which the Company has a lien 'provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any person or persons indebted to the Company on any account whatsoever unless the Company has a lien on the shares. In case of refusal to transfer shares of the Company shall within two months from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer.

44. (1) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person authorized by the company as having any title to his interest in the shares.

    (2) Nothing in clause (1) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

45. (1) Any persons becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence bring produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either:

    a) to be registered himself as holder of the share; or
    b) to make such transfer of the share as the deceased or insolvent member could have made.

    (2) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

46. (1) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or sent to the company notice in writing signed by him stating that he so elects.

    (2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

    (3) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

47. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership In relation to meeting of the company:

    Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice have been complied with.

48. Every instrument of transfer which is registered shall remain in the custody of the Company until destroyed by order of the Board.

49. No fee shall be payable to the Company in respect of the transfer or transmission of any shares in the Company

BORROWING POWERS

50. Subject to the provisions of Section 179 and 180 of the Act and of these Articles, the Board may, from time to time, at its discretion, by a resolution passed at a meeting of the Board, accept deposits from members, either in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of money from the Company.

51. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit and in particular by a resolution passed at a meeting of the Board,

or by special resolution in the event that the moneys borrowed exceed the limit as prescribed under the Act (and not by circular resolution) of the issue of debentures or debenture-stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being and debentures, debenture-stock and other Securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

52. Any debentures, debentures-stock or other Securities may be issued at a discount, premium or otherwise and subject to the provisions of the Act may be issued on condition that they shall be convertible into shares of any denomination and with any privileges or conditions as to redemption surrender, drawing, allotment of shares and otherwise debentures with the right to conversion into or allotment of shares shall be issued, only with the consent of the Company in general meeting.

53. Subject to the provisions of these articles and further subject to the receipt of the approvals as may be prescribed in this regard, including any resolution of the members of the Company as may be required, any debentures, debentures-stock or other Securities issued or to be issued/ re-issued/consolidated/ early redemption/ carry out such other action by the Company shall be under the control of the Board who may issue/ re-issue/ consolidate/carry out such other action upon such terms and conditions (including the granting of a power/right to the Company to undertake early redemptions of debentures prior to the maturity of the same as well as the granting of a power/right to the Company to re-issue any debentures that had been redeemed by the Company) and in such manner and for such consideration as the Board may deem fit for the benefit of the Company.

54. The Company shall comply with all the provisions of the Act in respect of the mortgages or charges created by the Company and the registration thereof and the transfer of the debentures of the Company and the register required to be kept in respect of such mortgages charges and debentures.

55. If the directors or any of them or any other persons shall become personally liable for the payment of any sum primarily due from the Company, the Board of Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the directors or persons so becoming liable as aforesaid from any loss in respect of such liability.

RESERVE AND DEPRECIATION FUNDS

56. The Board of Directors may from time to time before recommending any dividend set apart any and such portion of the profits of the Company as may be statutorily required and besides as it thinks fit as a reserve fund to meet contingencies or for the liquidation of any debentures, debts or other liabilities of the Company, for equalization of dividends or for repairing, improving and maintaining any of the property of the Company and for such other purposes of the Company as the Board in its absolute discretion think conducive to the interest of the Company and may invest the several sums so set aside upon such investments (other than shares of the Company) as they may think fit and from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company and may divide the reserve fund into such specific fund as they think fit, with full power to transfer the whole or any portion of a reserve fund to another reserve fund or a division of a reserve fund, with full powers carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve, and also with full power to employ the reserve fund or any part thereof in the business of the Company and that without being bound to kept the same separate from the other assets and without being bound to pay interest on the same with power however, to the Board in its discretion to pay or allow to the credit or such funds interest at such rate as the Board may think proper.

57. The Board of Directors may, from time to time before recommending any dividend set apart any and such portion of the profits of the Company, as required under the Act and further as it thinks fit, as a depreciation fund applicable at the discretion of the Board, for providing against any depreciation in the investments of the Company or for re-building resorting, replacing or for altering any part of the buildings, work, plant machinery or other property of the Company, destroyed or damage by fire, flood, storm, tempest, earthquake, accident, riot, wear and tear or any other means whatsoever and for repairing, altering and keeping in good condition and property of the Company or for extending and enlarging tile building, machinery and property of the Company with full power to employ the assets constituting such depreciation fund in the business of the Company and that without being bound to keep the same separate from the other assets.

58. All moneys earned to any reserve fund and depreciation fund respectively shall nevertheless remain and be profits of the Company applicable subject to due provisions being made for actual loss or depreciation, for the payment of dividend and such moneys and all other moneys of the Company, insofar as permitted under the Act and applicable law, may be invested by the Board in or upon such investments or securities as it selects or may be used as working capital or may be kept at any bank on deposit or otherwise as the Board may from time to time think proper.

GENERAL MEETINGS

59. (1) In addition to any other meetings, general meetings of the Company shall be held at such intervals as are specified in Section 96(1) of the Act and subject to the provisions of Section 96(2) of the Act at such times and places as may be determined by the Board.

    (2) Each such general meeting shall be called annual general meeting. Every annual general meeting shall be called during business hours on a day that is not a national holiday and shall be held either at the Office of the Company or at some other place within the city, town or village in which the Office of the Company is situated.

60. All meetings of the Company other than those referred to in the preceding clause shall be called extraordinary general meeting.

61. The Board of Directors may, wherever it thinks fit and it shall, on the requisition of the holders, on the date of the receipt of the requisition, of not less than one tenth of the paid up capital of the Company as the date carries right of voting in regard to the matter in respect of which the requisition is made, forthwith proceed to convene an extraordinary general meeting of the Company and in the case of such requisition the provisions of Section 100of the Act shall apply. The requisitions as made shall set out the matters for the consideration of which the meeting is to be called and shall be signed by the requisitionists and sent to the registered office of the Company.

62. A notice of not less than clear twenty one days' shall be provided for every general meeting, annual or extraordinary and by whomsoever called, either in writing or through electronic mode, in such manner as may be prescribed under the Act, specifying the day, place and hour of meeting and the general nature of the business to be transacted thereat shall be given in the manner hereinafter provided to such persons as are under these Articles or the Act entitled to receive notice from the Company provided that a meeting may be convened, by a shorter notice in the case of an annual general meeting, with consent in writing of all the members entitled to vote thereat and in case of any other meeting with consent of the members holding not less than 95 percent (95%) of the members entitled to vote at such meeting. In the case of an annual general meeting, if any business other than (i) the consideration of the financial statements and the reports of the Board of Directors and the auditors, (ii) the declaration of dividend, (iii) the appointment of directors in place of those retiring, and (iv) the appointment of and fixing of the remuneration of the auditors is to be transacted and in the case of any other meeting in any event, there shall be annexed to the notice of the meeting a statement setting out all the material facts concerning each such item of special business to be transacted, including in particular the nature and extent of the interest, if any, therein of (a) every director and the manager (if any); (b) every other key managerial personnel and (c) relatives of the persons at (a) and (b) . Where any item of business consists of the accord of approval to any documents by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid. Provided that where any item of special business to be transacted at a meeting of the Company relates to or affects any other company, the extent of shareholding interest in that other Company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned Company shall, if the extent of such shareholding is not less than two percent of the paid-up share capital of that Company, also be set out in the statement.

63. The accidental omission to give any such notice to or the non-receipt of notice by any of the members of persons entitled to receive the, same shall not invalidate the proceedings at any such meeting.

64. Five members present in person if the number of members as on the date of the meeting is not more than one thousand (b) fifteen members present in person if the number of members as on the date of the meeting is more than one thousand but up to five thousand and (c) thirty members present in person if the number of members as on the date of the meeting exceeding five thousand shall be a quorum for a general meeting.

    A corporation being a member shall be deemed to be personally present if it is represented, in accordance with Section 113 of the Act. The President of India or the Governor of a State shall be deemed to be personally present if represented in accordance with Section 112 of the Act.

65. If, at the expiration of half an hour from the time appointed for holding a meeting of the Company quorum shall not be present, the meeting, if convened by the requisition of members shall stand cancelled, but in any other case, the meeting shall stand adjourned to the same day in the next succeeding week which is not a public holiday at the same time and place or to such other day and at such other time and place as the Board may determine in which case the Company shall give not less than three days' notice to the members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the Company is situated and if at such adjourned meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum and may transact the business for which the meeting was called.

66. The Chairman (if any) of the Board of Directors shall be entitled to take the Chair at every general meeting, whether annual or extra ordinary. If there be no such chairman of the Board of Directors or if at any meeting he shall not be present within ten minutes of the time appointed for holding such meeting or shall decline to take the chair, then any other director present thereat shall be entitled to take the chair and the members present shall elect another director as chairman and if no director be present or if all the directors present decline to take chair, then the members present shall elect one of the members to be the chairman.

67. The election of the chairman, if necessary, shall be carried out in accordance with Section 104 of the Act.

68. No business shall be discussed at any general meeting except election of a chairman, whilst the chair is vacant.

69. The chairman with the consent of the meeting may and shall if so directed by the meeting adjourn any meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. Subject to the provisions of the Act, it shall not be necessary to give any notice of an adjournment or of the date, the time or the place of the adjourned meeting or of the business to be transacted there at.

70. At any general meeting, a resolution put to the vote of the meeting, questions at shall be decided on a show of hands, unless a poll is demanded under section 109 or the voting is carried out electronically and a declaration by the chairman that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority or lost and an entry to that effect in the minutes book of the Company shall be conclusive evidence of the passing of such resolution or otherwise.

71. In the case of an equality of vote, the chairman shall, both on a show of hands, and at a poll (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a member.

72. (1) Before or on the declaration of the result of the voting on any resolution on show of hands, a poll may be ordered to be taken by the chairman of the meeting on his own motion, and shall be ordered to be taken by him on a demand made in that behalf —

    (a) in the case a company having a share capital, by the members present in person or by proxy, here allowed, and having not less than one-tenth of the total voting power or holding shares on which an aggregate sum of not less than five lakh rupees or such higher amount as may be prescribed has been paid-up; and

    (b) in the case of any other company, by any member or members present in person or by proxy, where allowed, and having not less than one-tenth of the total voting power.

    (2) The demand for a poll may be withdrawn at any time by the persons who made the demand.

    (3) A poll demanded for adjournment of the meeting or appointment of chairman of the meeting shall be taken forthwith.
    (4) A poll demanded on any question other than adjournment of the meeting or appointment of chairman shall be taken at such time, not being later than forty-eight hours from the time when the demand was made, as the chairman of the meeting may direct.

73. Where a poll is to be taken, the chairman of the meeting shall appoint such number of persons, as he deems necessary, to scrutinize the votes given on the poll to report thereon to him in the manner as may be prescribed. One of the scrutineers so appointment shall always be a member (not being an officer or employee of the Company) present at the meeting, provided such a member is available and willing to be appointed. The chairman shall have power at any time before the result of the poll is declared to remove a scrutineer from the office and full vacancies in the office of scrutineer arising from such removal or from any other cause. Subject to the provisions of this section, the chairman of the meeting shall have power to regulate the manner in which the poll shall be taken.

74. Any poll duly demanded on the election of a chairman of a meeting or on any question of adjournment shall be taken at the meeting forthwith. A poll demanded on any question other than adjournment of the meeting or appointment of chairman shall be taken at such time, not being later than forty-eight hours from the time when the demand was made, as the chairman of the meeting may direct.

75. The demand for a poll, except on the question of the election of the chairman and of an adjournment, shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

VOTES OF MEMBERS

76. No member shall be entitled to vote either personally or by proxy for another member at any general meeting or meeting of a class of shareholders either upon a show of hands or upon poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has any right to lien and has exercised the same.

77. (a) On a show of hands, every member present shall have one vote and on a poll the voting right of every member shall be in proportion to his share in the paid up equity capital of the Company.

    (b) Every member of the Company limited by shares and holding any preference share capital therein shall, in respect of such capital, have a right to vote only on resolutions placed before the Company which directly affect the rights attached to his preference shares and, any resolution for the winding up of the Company or for the repayment or reduction of its equity or preference share capital and his voting right on a poll shall be in proportion to his share in the paid-up preference share capital of the Company: Provided that the proportion of the voting rights of equity shareholders to the voting rights of the preference shareholders shall be in the same proportion as the paid-up capital in respect of the equity shares bears to the paid-up capital in respect of the preference shares:

    Provided further that where the dividend in respect of a class of preference shares has not been paid for a period of two years or more, such class of preference shareholders shall have a right to vote on all the resolutions placed before the Company.

78. On a poll taken at a meeting the Company, a member entitled to more than one vote, or his proxy, or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

79. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or a poll by his committee or other legal guardian and any such committee or guardian may on a poll, vote by proxy; if any member be a minor, the vote in respect of his share be given by his guardian or any one of his guardians, if more than one

80. (1) Subject to the provisions of the Act and these Articles, votes may be given either personally or by proxy. A corporation being a member may vote by representative duly authorized in accordance with Section 113 of the Act, and such representative shall be entitled to speak, demand a poll, vote, appoint a proxy and in all other respects exercise the rights of a member and shall be reckoned as a member for all purposes.

    (2) Every proxy (whether a member or not),shall be appointed, in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the common seal of such corporation, or the hand of its officer or an attorney, duly authorized by it and any committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meetings.

    (3) The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or authorized copy of that power or authority, shall be deposited at the Office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

    (4) An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

    (5) A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

    Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of themeeting or adjourned meeting at which the proxy is used.

81. (1) No objection shall be made to the qualification of any voter, except at the meeting or the adjourned meeting or poll at which such vote shall be tendered, and every vote, whether given personally or by proxy, not disallowed at such meeting or adjourned meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever unless otherwise provided in the Act.

    (2) Any objection made in due time shall be referred to the chairperson of the meeting, whose decision shall be final and conclusive.

82. Subject to the provisions of Section 118 of the Act, the Company shall cause to be kept minutes of all proceedings of general meetings of any class of shareholders or creditors, and every resolution passed by postal ballot and every meeting of its Board of Directors or of every committee of the Board which shall contain a fair and correct summary of the proceedings thereat and a book containing such minutes shall be kept at the Office of the Company and shall be open during business hours, for such periods not being less in the aggregate than two hours in each day as the Board may determine for the inspection of any member without charge. The minutes aforesaid shall be kept by making within thirty days of the conclusion of every such meeting concerned entries thereof in the said book which shall have its pages consecutively numbered. Each page of the book shall initialed or signed and the last page of the record of the proceedings of each meeting in the book shall be dated and signed and the last page of the record of the proceedings of each meeting in the book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of the Chairman to sign as aforesaid within that period, by a director duly authorized by the Board for that purpose. In no case shall be minutes be attached to any such book by pasting or otherwise.

DIRECTORS

83. (1) Until otherwise determined by a general meeting and subject to section 149, the number of Directors shall not be more than fifteen, provided that a company may appoint more than fifteen directors after passing a special resolution.

    (2) The first directors of the Company shall be:

    1. MR. GIRISH BHUTRA

    2. MRS. MOHINI BHUTRA

84. The Board of the Directors of the Company may appoint an alternate director to Act for as a director (hereinafter in this Article called "the original director") during the absence for a period of not less than three months from India. Provided that no person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the Act.

    An alternate director appointed under this Article shall not hold office as such for a period longer than that permissible to the original director in whose place he has been appointed and shall vacate office if and when the original director returns to India. Provided also that if the term of office of the original director is determined before he returns to India, any provision for the automatic re-appointment of retiring director in default of another appointment shall apply to the original and not to the alternate director.

85. The Board shall have the power at any time and from time to time to appoint any qualified person, other than a person who fails to get appointed as a director in a general meeting, as an additional director at any time who shall hold office up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier. If the office of any director appointed by the Company in a general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date upto which the director in whose place he is appointed would have held office, if it had not been vacated as aforesaid but he shall then be eligible for re-election.

86. The Board shall also have power at any time and from time to time to appoint any other qualified person to be a director as an addition to the Board but so that the total number of directors shall not at any time exceed maximum fixed above. Any person so appointed as an addition to the Board shall retain his office only upto the date of the next annual general meeting, but shall be eligible for re-election at such meeting.

87. The Company may agree with any financial institution, company or any other authority, person, state or institution that in consideration of any loan or financial assistance of any kind whatsoever which may be rendered by it, it shall have power to nominate such number of directors on the Board of Directors of the Company as may be agreed and from time to time remove and reappoint them and to fill in vacancy caused by such directors otherwise ceasing to hold office. Such nominated directors shall not be required to hold any qualification shares and shall, subject to the provisions of the Act, not be liable to retire by rotation.

88. Any Trust Deed for securing debentures or debenture-stock may, if so arranged, provide for the appointment from time to time by the trustees thereof or by the holders of the debentures or debenture-stock of some person to be a Director of the Company and may empower such trustees or holders of debentures or debenture-stock from time to time to remove any Director so appointed. A Director appointed under this Article is herein referred to as a “Debenture Director” and the term “Debenture Director” means a Director for the time being in office under this Article. A

Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company.

The trust deed may contain such ancillary provisions as may be arranged between the Company and the trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

89. No share qualifications will be necessary for being appointed as or holding the office of a director of the Company.

90. Subject to the provisions of Section 197 of the Act as applicable the remuneration payable to the directors of the Company may be as hereinafter provided. The remuneration of each director for attending the meetings of the Board or Committee thereof shall be such sum not exceeding Rs.250/- (Rupees two hundred fifty) or such higher amount as may be prescribed as maximum sitting fee under the Act for attending the Board meeting as may from time to time be fixed by the Board for each such meeting of the Board or Committee thereof attended by him. Subject to the provisions of the Act, the directors shall be paid such further remuneration (if any) as the Company in general meeting shall from time to time determine and such additional and, in default of such determination shall be divided among the directors equally.

91. Subject to limitations provided by the Act, the Board of Directors may allow and pay to any director who is not a resident of the place where the Office for the time being of the Company is situated or where the meeting of the Board is held and who shall come to such place for the purpose of attending a meeting of the Board or a Committee thereof such sum as the Board may consider fair compensation for travelling and incidental expenses, in addition to his fees for attending such meeting as specified above.

92. Subject to the provisions of the Act and these Articles, if any director be called upon to perform extra service or special exertions or efforts (which expression shall include work done by a director as a member of any committee formed by the directors) the Board may arrange with such director for such special remuneration for such extra services or special exertions or efforts by a fixed sum or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration above provided.

93. The continuing directors may act notwithstanding any vacancy in their body but so that if the number falls below the minimum number fixed, the directors shall not, except in emergencies or for the purpose of filling up vacancies or for summoning general meeting of the Company act as long as the number is below the minimum.

94. In so far as permitted under the Act, a director of a company may be or become a director of any company promoted by the Company or in which he may be interested as vendor, member or otherwise and no such director may be accountable for any benefit received as director or member of such company.

95. Except as otherwise provided under the Act or by these Articles the directors of the Company shall have in all matters equal rights and privileges and be subject to equal obligations and duties in respect of the affairs of the Company.

96. The provisions of subsections (6) and (7) of Section 152 of the Act read with sub-section (13) of Section 149 of the Act shall apply to retirement of directors by rotation.

97. Subject to provisions of the Act the Company at the general meeting at which a director retires in manner aforesaid may fill up the vacated office by electing a person thereto. Further, Company may provide for the appointment of not less than two-thirds of the total number of the directors of a company in accordance with the principle of proportional representation, whether by the single transferable vote or by a system of cumulative voting or otherwise and such appointments may be made once in every three years and casual vacancies of such directors shall be filled as provided in sub-section (4) of section 161 of the Act.

98. Subject to the provisions of the Act, the Company may, by ordinary resolution, from time to time, increase or reduce the number of directors and may alter their qualifications and the Company may (subject to the provisions of the Act) remove any director before the expiration of his period of office and appoint another qualified person in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been so removed.

99. (a) No person, not being a retiring director, shall be eligible for election to the office of director at any general meeting unless he or some other member intending to propose him has at least fourteen clear days before the meeting, left at the Office a notice in writing under his hand signifying his candidature for the office of director or the intention of such member to propose him as a candidate for that office.

(b) On the receipt of the notice referred to the Clause (a) of this Article, the Company shall inform its members of the candidature of a person for the office of director or the intention of a member to propose such person as a candidate for that office, by serving individual notice on the members, through electronic mode to such members who have

provided their e-mail addresses to the company and in writing to all other members, not less than seven days before the meeting providing that it shall not be necessary for the Company to serve individual notice upon the member if the Company advertises such candidature or intention not less than seven days before the meeting in at least two newspapers circulating in the district in which the Office of the Company is situated of which one is published in the English language and the other in the regional language.

100.(a) Every director, managing director, secretary and key managerial personnel of the Company shall, within twenty days of his appointment to or as the case may be, relinquishment of any of the above office in any other body corporate disclose to the Company the particulars relating to his office as maybe prescribed under the Act.

(b) On the receipt of the notice referred to in Clause (a) of this Article, every managing director, secretary and key managerial personnel of the Company shall respond to the notice issued by the Company furnishing such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of the Act.

PROCEEDINGS OF THE DIRECTORS

101.(1) Subject to the provisions of Section 173 of the Act, the Board of Directors may meet for the dispatch of business, adjourn and otherwise regulate its meeting as it thinks fit.

(2) Subject to Section 174 of the Act, quorum for a meeting of the Board shall be one-third of its total strength (any fraction contained in that one-third being rounded off as one), or two directors, whichever is higher provided that where at any time the number of interested directors exceeds or is equal to two-thirds of the total strength the number of the remaining directors, that is to say, the number of directors who are not interested shall be the quorum during such time provided such number is not less than two.

(3) The participation of directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, which are capable of recording the participation of the directors and of recording and storing the proceedings of such meetings along with date and time.

102.If a meeting of the Board could not be held for want of quorum, then the meeting shall stand adjourned to such other time, date and place as may be fixed by the directors present not being later than fifteen days from the date originally fixed for the meeting.

103.The chairman, if any or the managing director of his own motion or the secretary of the Company shall upon the request in writing of two directors of the Company or if directed by the managing director or chairman, if any, convene a meeting of the Board by giving a notice at his registered address to every other director.

104.Directors may from time to time elect from among their number, a chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the chairman is not present within fifteen minutes after the time appointed for holding the same, the directors present may choose one of their members to be chairman of the meeting.

105.Questions arising at any meeting of the Board shall be decided by a majority of votes and in case of equality of votes, the chairman shall have a second or casting vote.

106.A meeting of the Board for the time being at which quorum is present shall be competent to exercise all or any of the authorities power and discretions which by or under the Act or the Articles of the Company are for the time being vested in or exercisable by the Board generally.

107.Subject to the restrictions contained in Section 179 of the Act, the Board may delegate any of their powers to a committee consisting of such director or directors as it thinks fit or to the managing directors, the manager or any other principal officer of the Company or a branch office or to one or more of them together and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes.

Provided that such delegation shall not be in respect of matters enumerated in sub-clauses (d) to (f) of sub-section (3) of Section 179 save and except that the said powers may be delegated only to the extent permitted by and subject to the restrictions and limitations contained in clauses the proviso to sub-section (3) of Section 179 of the Act.

108.The meetings and proceedings of any such committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the directors so far as the same are applicable thereto and are not superseded by any regulations made by the directors under the last preceding Article.

109. A resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation, if the resolution, has been circulated in draft, together with the necessary papers, if any, to all the directors or to all the members of the committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or committee, as the case may be) and to all other directors or members of the committee at their latest address registered with the Company in India by hand delivery, or by post or by courier or by electronic means has been approved by such of the directors or members of the committee as are then in India or by a majority of such of them as are entitled to vote on the resolution.

110. All acts done by any meeting of the Board or by a committee of the Board or by any person acting as a director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such director or persons acting as aforesaid or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, was qualified to be a director and had not vacated his office or his appointment had not been terminated; provided that nothing in this Article shall be deemed to give validity to acts done by a director after his appointment has been shown to the Company to be invalid or to have terminated.

111. The Company shall cause minutes to be duly entered in a book or books provided for the purpose:

i. Of the names of the directors present at such meetings of the Board, and of any committee of the Board;
ii. Of all orders made by the Board and committees of the Board;
iii. Of all resolutions and proceedings of the meetings of the Board and committees of the Board; and
iv. In the case of each resolution passed at a meeting of the Board, or committees of the Board, or committees of the Board the names of those directors, if any dissenting from or not concurring in the resolution. Every such book shall be maintained, and the minutes entered therein and signed in the manner laid down by Section 118 of the Act and the minutes as conclusive evidence of the proceedings recorded therein.

POWERS OF THE BOARD

112. Subject to the provisions of the Act, the control of the Company shall be vested in the Board which shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorized to exercise and do provided that the Board shall not exercise any power or do any act or thing which is directed or required whether by the Act or any other statute or by the memorandum of the Company or by these Articles or otherwise to be exercised or done by the Company in general meeting provided further that in exercising any such power or doing any such act or things, the Board shall be subject to the provisions in that behalf contained in the Act or in any other Act or in the memorandum of the Company or these Articles or any regulations not inconsistent therewith and duly made thereunder including regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if those regulations had not been made.

113. Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers and without prejudice to the other powers conferred by the Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Board shall have the following powers, that is to say, power :

(1) To pay the costs, charges, and expenses preliminary and incidental to the promotion, formation, establishment, and registration of the Company.
(2) To pay and charge to the capital account of the Company any commission or interest lawfully payable under the provisions of Sections 40(6) of the Act.
(3) Subject to Sections 179 and 188 of the Act, to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire at or for such price or consideration and generally on such terms and conditions as they may think fit and if any such purchase or other acquisition to accept such title as the Board may believe or may be advised to be reasonably satisfactory.
(4) Subject to Section 188 of the Act, at their discretion and subject to the provisions of the Act, to pay for any property, rights or privileges acquired by or services rendered to the Company either wholly or partly in cash or in shares, bonds, debentures, mortgages or other Securities of the Company and any such shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon and any such bonds, debentures, mortgages, or other Securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or may not be so charged upon.
(5) To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.
(6) To accept from any member, so far as may be permissible by law, surrender of his shares or any part thereof, on such terms and conditions as shall be agreed.
(7) To accept any person to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purposes and to execute and do all such deeds and things as may be required in relation to any such trust and to provide for the remuneration of such trustee or trustees.

(8) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Company and to refer any differences to arbitration either according to Indian law or according to any foreign law and either in India or abroad, and observe, perform or challenge any award made thereon.

(9) To act on behalf of the Company in all matters relating to bankruptcy or insolvency.

(10) To make and give receipts, release, and other discharges for moneys payable to the Company for the claims and demands of the Company.

(11) Subject to the provisions of Section 179, 181(b), 186, 187(1) of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security (not being shares of this Company), or without security and in such manner as they may think fit and from time to time to vary or realize such investments. Save as provided in Section 187 of the Act, all investment shall be made and held in the Company's own name.

(12) To execute in the name and on behalf of the Company in favour of any director or other person who may incur any personal liability whether as principal or surety for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, provisions, covenants and arrangements as shall be agreed upon.

(13) To determine from time to time who shall be entitled to sign, on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts, and documents and to give the necessary authority for such purpose.

(14) To distribute by way of bonus amongst the staff of the Company a share in the profits of the Company and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as part of the working expenses of the Company.

(15) To provide for the welfare of directors or ex-directors or employees or ex-employees of the Company and the wives, widows and families or the dependants or connection of such persons by building or contributing to the building of houses, dwelling or chawls or by grants of money, pension, gratuities, allowances, bonus or other payments or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, or trust and by providing or subscribing or contributing towards places of interest and recreation, hospitals and dispensaries, medical and other attendance and other assistance subject to the limits laid down by Section 180 and 181 of the Act as the Board shall think fit and subject to provisions of the Act to subscribe or contribute or otherwise to assist or to guarantee moneys to charitable, benevolent, religious, scientific, national, or other institutions, bodies and objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation or public and general utility or otherwise.

(16) To appoint and at their discretion, remove or suspend such general managers, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties and fix their salaries or emoluments or remuneration and to require security in such instances and of such amount as they may think fit and from time to time to provide for the management and transaction of the affairs of the company in any specified locality in India or elsewhere in such manner as they think fit.

(17) To comply with the requirements of any local law which in their opinion it shall, in the interest of the Company, be necessary or expedient to comply with.

(18) From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of such local Board and to fix their remuneration.

(19) Subject to Section 179 of the Act, from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Board and authorize the members for the time being of any such Local Board or any of them to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and subject to such conditions as the Board thinks fit and may at any time remove any persons so appointed and may annual or vary such delegation.

(20) At any time and from time to time by their resolution or by powers of attorney under the Seal of the Company to appoint any person or persons to be the attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorized by the Board the powers to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit and any such appointment may (if the Board think fit) be made in favour of the members of any of the members of any local Board established as aforesaid or in favour of any company or the shareholders, directors, nominees or managers of any company or firm or otherwise in favour any fluctuating body of persons whether nominated directly or indirectly by the Board and any such power of attorney may contained such powers enabling any such delegate or attorney as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.

(21) Subject to Section 174 and 188 of the Act, for or in relation to any of the matters or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.

(22) Subject to Section 180 of the Act, to sell, lease or otherwise dispose any of the properties or undertakings of the Company.

(23) Upon the Company entering into a partnership with any other person or company for the purposes of carrying on the business as per the object clause of the memorandum and Articles of Association the Company may obtain, possess, have or retain all such powers as are available to partners under the Indian Partnership Act, 1932 ("the Act") or under any other law which may for the time being be in force and may perform, execute and/or do all such acts and things that a partner is required to or can or may perform, execute and/or do all such acts and things that a partner is required to or can or may perform, execute and/or do.

For this purpose, the Board of Directors may authorize and/or appoint such one or more directors, officers or other representatives from time to time to do such acts, deeds or things as may be necessary for the purpose of obtaining, holding, exercising or enforcing the rights and powers of a partner and performing will apply mutatis mutandis where a company becomes member of an association of persons or a body of individuals, including representing the Company at a meeting of the partners.

(24) The Board of Directors may authorize from time to time or accept to act as constituted attorney for any person or persons resident or non-resident in India and exercise through any director or directors or any person authorized by a resolution of the Board, all powers obtained in Company by the document of power of attorney.

MANAGING DIRECTORS, WHOLTE-TIME DIRECTORS, CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIRF FINANCIAL OFFICER

114. (a) The Board may from time to time with such sanction of the Central Government as may be required by law and if applicable, appoint any person as a managing director or managing directors or whole-time director(s) and the terms and conditions of such appointment and remuneration shall be subject to approval by a resolution at the next general meeting of the Company.

(b) The Board may from time to time resolve that there shall be either one or more managing directors or whole-time directors or Manger.

(c) In the event of any vacancy arising in the office of a managing director or whole-time directors or Manager, the vacancy shall be filled by the Board of Directors at a meeting of the Board within a period of six months from the date of such vacancy and the managing director or whole-time director or Manager so appointed shall hold the office for such period as the Board of Directors may fix.

(d) If the managing director or whole-time director or Manager ceases to hold office as director, he shall ipso facto and immediately cease to be a managing director/whole-time director.

(e)The managing director or whole-time director or manager shall not be liable to retirement by rotation as long as he holds office as managing director or whole-time director.

115. Subject to the provisions of Section 152, 196 and 203 of the Act, the Board may, from time to time appoint one or more directors to be managing director or managing directors of the Company, either for a fixed term or without any limitation as to the period for which he or they is/are to hold such office, and may, from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

116. Subject to the provisions of Section 179 and 197 of the Act a managing director shall, in addition to any remuneration that might be payable to him as a director of the Company under these Articles, receive such remuneration as may from time to time be approved by the Company.

117. Subject to the provisions of the Act and in particular to the prohibitions and restrictions contained in Section 179 thereof the Board may from time to time entrust to and confer upon the managing director or managing directors for the time being such of the powers exercisable under these presents by the directors as they may think fit; and may confer such powers for such time and to be exercised for such objects and purpose and upon such terms and conditions and with such restrictions as they think fit; and they may confer such powers, either collaterally with, or the exclusion of, and in substitution for all or any of the powers of the Board in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

118. Subject to the provisions of the Act the managing director or managing directors shall not, while he or they continue to hold that office, be subject to retirement by rotation in accordance with Section 152(6) of the Act.

B.(a) Subject to the provisions of the Act,-

a. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

b. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

(b) A provision of the Act or these Articles requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

SEAL

119. The Board shall provide a common Seal for the purpose of the Company and shall have powers from time to time to destroy the same and substitute a new seal in lieu thereof and the Board shall provide for the safe custody of the Seal for the time being and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given and in the presence of director of the Company or some other person appointed by the directors for the purpose as stipulated in Article 126. The Company shall also be at liberty to have an official Seal for use in any territory, district or place outside India if so, approved by the directors in a meeting of the Board of Directors.

120. Every deed or other instruments to which the Seal of the Company is required to be affixed shall unless the same is executed by a duly constituted attorney be signed by one director and the secretary or some other person appointed by the Board for the purposes, provided nevertheless that certificate of shares may be sealed in accordance with the provisions of the Companies (Share Capital and Debenture) Rules, 2014 or the statutory modification or re-enactment thereof for the time being in force.

DIVIDENDS

121. Subject to the provisions of the Act and the Companies (Declaration and Payment of Dividend) Rules, 2014 to the rights of members entitled to shares (if any) with preferential or special rights attached thereto the profits of the Company which it shall from time to time be determined to divide in respect of any year or other period shall be applied in the payment of a dividend on the equity shares of the Company but so that a partly paid-up share shall only entitle the holder with respect thereto such proportion of the distribution upon a fully paid-up share as the amount paid thereon bears to the nominal amount of such share and so that where capital is paid-up in advance of calls upon the footing that the same shall carry interest, such capital shall not whilst carrying interest, confer a right to participate in profits.

122. The Company in general meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and may fix the time for payment.

123. No larger dividend shall be declared than is recommended by the Board but the Company in general meeting may declare a smaller dividend than that recommended by the Board.

124. No dividend shall be payable except out of the profits of the Company of the year or any other undistributed profits and no dividend shall carry interest as against the Company.

125. Where any assets, business or property is bought by the Company as from a past date upon the terms that the Company shall as from the date take the profits and bear the losses thereof, such profits and losses as the case may be shall, at the discretion of the Board, be so credited or debited wholly or in part to the profit and loss account and in that case the amounts so credited or debited shall for the purpose of ascertaining the fund available for dividend be treated as a profit or loss arising from the business of the Company and available for dividend accordingly. If any shares or Securities are purchased with dividend or interest such dividend or interest when paid may at the discretion of the Board be treated as revenue and it shall not be obligatory to capitalize the same or any part thereof.

126. The declaration of the Board as to the amount of the net profits of the Company shall be conclusive.

127. The Board may from time to time pay to the members such interim dividends as in its judgment the position of the Company justifies.

128. The Board may retain dividends on which the Company has a lien and may apply the same in or towards satisfaction of the debt's liabilities or engagements in respect of which the lien exits.

129. No member shall be entitled to receive payment of any interest or receive dividend in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise

howsoever, either alone or jointly with any other person or persons and the Board may deduct from the interest or dividend payable to any member all sums of money so due from him to the Company.

130. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

131. Unless otherwise directed any dividend may be paid by cheque or warrant or by a pay slip or receipt having the force of a cheque or warrant, sent through the post to the registered address of the, member or person entitled or in case of joint holders to that one of them first named in the register of members in respect of the joint-holding or through any electronic mode. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any pay slip or receipt or the fraudulent recovery of the dividend by any other means. If several persons are registered as joint-holders of any shares, any one of them can give effectual receipts for any dividends or other moneys payable in respect thereof. The Board may annul such forfeiture and pay any such dividend.

CAPITALISATION

132. A general meeting may resolve that any surplus moneys arising from the realization of any capital assets of the Company or any investment representing the same or any other undistributed profits of the Company not subject to charge for income-tax, be distributed among the members on the footing that they receive the same as capital.

133. For the purpose of giving effect to any resolution under the preceding two Articles, the Board may settle any difficulty which may arise in regard to the distribution as they think expedient and in particular may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest such cash or specific assets in trustees upon such trusts for the persons entitled to the dividend capitalized fund as may seem expedient to the Board. Where requisite a proper contract shall be tiled in accordance with Section 39 of the Act and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend capitalized fund and such appointment shall be effective.

BOOKS AND DOCUMENTS

134. The Board shall cause to be kept proper books of accounts in accordance with Section 128 of the Act with respect to:
    a. all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place;
    b. all sales and purchases of goods by the Company;
    c. the assets and liabilities of the Company;
    d. the items of cost as may be prescribed under section 148 of the Act read with Companies (Cost Accounting Records) Rules, 2013 if applicable to the Company from time to time.

135. The books of accounts shall be kept at the Office or subject to the provision of Section 128 of the Act at such other place as the Board think fit and shall be open to inspection by the directors during the business hours.

136. The Board shall from time to time determine whether and to what extent and at what time and places and under what conditions of these Articles, the account and books of the Company or any of them shall be open to the inspection of the members not being directors and no member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Board.

137. The Board of Directors shall from time to time, in accordance with Sections 128, 129 and 134 of the Act, cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheet and reports as are referred to in those Sections.

138. A copy of every such profit and loss account and balance sheet (including the auditor's' report and every other document required by law to be annexed or attached to the balance sheet) shall, at least twenty-one days before the meeting at which the same are to be laid before the members, be sent to the members of the Company, (to holders of debentures issued by the Company not being debentures which ex-facie are payable to the bearer of the thereof) to trustees for the holders of such debentures and to all persons entitled to receive notices of general meeting of the Company. Provided that so long as the shares of the Company are listed on any recognized stock exchange, the provisions of this clause shall be deemed to be complied with, if the copies of the documents are made available for inspection at the office during working hours for a period of twenty-one days before the date of the meeting and a statement containing the salient features of such documents in the prescribed form or copies of the documents, as the

Company may deem fit, is sent to every member of the company and to every trustee for the holders of any debentures issued by the company not less than twenty-one days before the date of the meeting unless the shareholders ask for full financial statements.

AUDIT

139. Auditors shall be appointed, and their rights and duties regulated in accordance with Section 141 to 146 of the Act.

140. The accounts of the Company when audited and approved by general meeting shall be conclusive except as regards any error discovered therein. When any such error is discovered the accounts shall forthwith conclusive.

DOCUMENTS AND NOTICE

141. (1) A documents or notice may be served or given by the Company on any member or an officer thereof either personally or by sending it by registered post, speed post or by courier service or by electronic transmission to him to his registered address for serving documents or notices on him.

(2) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a member has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to have been effected unless it is sent in the manner intimated by the member and such service shall be deemed to have been effected in the case of a notice of a meeting at the expiration of forty-eight hours after the letter containing the document or notice is posted.

142. A document or notice advertised in a newspaper circulating in the neighborhood of the office shall be deemed to be duly served or sent on the day on which the advertisement appears on or to every member who has no registered address in India for the service of documents on him or the sending or notice to him.

143. A document or notice may be served or given by the Company on a member or to a person entitled to a shares in consequence of the death or insolvency of a member by sending it through the registered post, speed post or by courier service or by electronic mode addressed to him by name or by the title or representative of the deceased or assignee of the insolvent or by any like description, at the registered address (supplied for the purpose by the person claiming to be so entitled or (until such an address has been so supplied) by serving the document or notice in any manner in which the same might have been if the death or insolvency had not occurred.

144. Documents or notices of every general meeting shall be served or given in same manner hereinbefore authorized on or to (a) every member (b) every person entitled to the shares in consequence of the death or insolvency of a member and (c) the auditor or auditors for the time being of the Company.

145. Every person who, by operation of IA, transfer on other means whatsoever, shall become entitled to any shares, shall be bound by every document or notice in respect of each share, prior to his name and address being entered on the register of members, shall have been duly served on the person from whom he derives his title to such share.

146. Any document or notice to be served or given by the Company may be signed by a director or such person duly authorized by the Board for such purpose and the signature may be written, printed or lithographed.

147. Any document or notice to be served or given by the members on or to the Company or any officer thereof shall be served or given by sending them to the Company or officer at the office by post under a certificate of posting or by registered post or by leaving it at the Office.

AUTHENTICATION OF DOCUMENTS

148. Save as otherwise expressly provided in the Act or these articles documents or proceedings requiring authentication by the Company may be signed by a director, key managerial personnel or authorized officer of the Company and need not be under its Seal.

149. To liquidator or any winding-up (whether voluntary, under supervision, or compulsory) may with the sanction of a special resolution but subject to the rights attached to any preference share capital, divide among the contributories in specie any part of the assets of the Company and may, with the like sanction, vest any part of the Company in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit.

BUY BACK OF SHARES

150. Notwithstanding anything contained in these Articles but subject to the provisions of Sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

INDEMNITY AND RESPONSIBILITY

151. Subject to provisions of the Act, every director, manager, officer or servant of the Company or any person (whether an officer of the Company or not) employed by the Company as auditor shall be indemnified out of the funds of the Company against all claims out of the funds of the Company and the Company shall pay all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own willful misconduct, neglect or default including expenses and in particulars and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such director, manager, officer or auditor in defending any proceedings whether civil and criminal in which judgment is in his favor or in which he is acquitted or in connection with any application under Section 463 of the Act in which relief is granted to him by the court.

152. Subject to the provisions of the Act, no director, auditor or other officer of the Company shall be liable for the act, receipts, neglects or defaults of any other director or officer or for joining in any receipt or other act or conformity or for any loss or expenses or happening to the Company through the insufficiency or deficiency of title to any property acquired by the order of the director for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damages arising from the bankruptcy, insolvency or tortuous act of any person, firm or company with whom any moneys, Securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgment, omission, default or oversight on his part or for any other loss, damage or misfortune whatever which shall happen in relation to the execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.

153. No member shall be entitled to visit or inspect any works of the Company without the permission of the Board or to require discovery or of any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade secret process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Board would be inexpedient in the interest of the Company to disclose.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts which are or may be deemed material have been entered or are to be entered into by our Company. These contracts and also the documents for inspection referred to hereunder, may be inspected at the following office of our Company situated at R-Tech Park, 10th Floor, Nirlon Complex, Off Western Express Highway, Goregaon East, Mumbai 400063, Maharashtra, India, from 10:00 a.m. to 5:00 p.m. on any Working Day from the date of this Prospectus until the Issue Closing Date.

A. ***Material Contracts***

1. Issue Agreement dated September 7, 2023 entered into by our Company, AK Capital and Trust Investments.

2. Amendment agreement to the Issue Agreement dated September 16, 2023 entered into by our Company and the Lead Managers.

3. Registrar Agreement dated September 5, 2023 entered into between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue.

4. Amendment agreement to the Registrar Agreement entered into between our Company and the Registrar to the Issue dated September 16, 2023 pursuant to the appointment of JMFL and Nuvama as Lead Managers along with AK Capital and Trust Investments.

5. Debenture Trustee Agreement dated September 5, 2023 executed between our Company and the Debenture Trustee.

6. Agreed form of Debenture Trust Deed to be executed between our Company and the Debenture Trustee.

7. Tripartite Agreement dated March 28, 2008 entered into between our Company, Registrar to the Issue and NSDL and Tripartite Agreement dated September 19, 2008 entered into between our Company, Registrar to the Issue and CDSL.

8. Public Issue Account and Sponsor Bank Agreement dated September 21, 2023 entered into between our Company, the Registrar to the Issue, the Public Issue Account Bank, Refund Bank and Sponsor Bank, and the Lead Managers.

9. Consortium Agreement dated September 21, 2023 entered into between the Company, Lead Managers and Consortium Members.

B. ***Material Documents***

1. Memorandum of Association and Articles of Association of our Company.

2. Certificate of incorporation dated August 28, 1991 issued to our Company, under the name 'Town Finance & Investments Private Limited' by the Additional Registrar of Companies, Maharashtra.

3. Certificate of incorporation dated March 17, 1994 issued to our Company, under the name 'Town Finance & Investments Limited' by the Registrar of Companies, Maharashtra at Mumbai.

4. Certificate of incorporation dated April 27, 1995 issued to our Company, under the name 'BGFL Finance & Investments Limited' by the Registrar of Companies, Maharashtra at Mumbai.

5. Certificate of incorporation dated March 14, 2001 issued to our Company, under the name 'Birla Global Asset Finance Company Limited' by the Registrar of Companies, Maharashtra at Mumbai.

6. Certificate of incorporation dated July 21, 2006 issued to our Company, under the name 'Birla Global Finance Company Limited' by the Deputy Registrar of Companies, Maharashtra at Mumbai.

7. Certificate of incorporation dated December 21, 2009 issued to our Company, under the name 'Aditya Birla Finance Limited' by the Registrar of Companies, Maharashtra at Mumbai.

8. Certification of registration of Company Law Board for the change of state dated March 30, 2011 issued by the Deputy Registrar of Companies, Gujarat, Dadra and Nagar Haveli, at Ahmedabad.

9. The certificate of registration bearing number 13.01163 dated February 12, 1999 issued by the RBI to carry on the business of non-banking financial institution without accepting public deposits under Section 45IA of the RBI Act, 1934.

10. The certificate of registration bearing number N-01.00500 dated August 9, 2011 issued by the RBI to carry on the business of non-banking financial institution without accepting public deposits under Section 45IA of the RBI Act, 1934.

11. Credit rating letter and credit rating rationale dated July 28, 2023 (and revalidation letter dated August 25, 2023) from ICRA Limited assigning a rating of [ICRA]AAA (Stable) to the NCDs.

12. Credit rating letter and credit rating rationale dated August 30, 2023 from India Ratings assigning a rating of IND AAA Outlook Stable to the NCDs.

13. Copy of the resolution passed at a meeting of Board of Directors held on May 9, 2023 authorising an issue of non-convertible debentures for an amount aggregating up to ₹5,000 crores.

14. Copy of the resolution passed at a meeting of the Finance Committee held on September 7, 2023 authorizing this Issue for an amount aggregating up to ₹2,000 crores and approving the Draft Prospectus.

15. Copy of the resolution passed by way of a circular resolution by the Finance Committee held on September 16, 2023 approving the Addendum, and appointing JMFL and Nuvama as Lead Managers in addition to Trust Investments and AK Capital.

16. Copy of the resolution passed at a meeting of the Finance Committee held on September 21, 2023 approving this Prospectus.

17. Copy of the resolution passed by our Shareholders, pursuant to Section 180 (1)(c) of the Companies Act, 2013, at the EGM held on November 7, 2022 approving the overall borrowing limit and security creation limits of our Company.

18. Copy of the resolution passed by our Board approving the overall borrowing limit and security creation limits at the meeting held on November 5, 2022.

19. Copy of the resolution designating our Company Secretary as our Compliance Officer passed by our Board at its meeting dated April 22, 2015.

20. Consents of our Directors, Lead Managers to the Issue, Key Managerial Personnel, Chief Financial Officer, Compliance Officer and Company Secretary for the issue, Debenture Trustee for the NCDs, Credit Rating Agency(ies) for this Issue, Legal Advisor to the Issue, banker to the Company, the Registrar to the Issue, Bankers to the Issue, Consortium Members, Public Issue Account Bank, to include their names in this Prospectus in their respective capacity.

21. The consent dated September 7, 2023 from MSKA & Associates, Chartered Accountants for inclusion of their names as a Joint Statutory Auditors.

22. The consent dated September 21, 2023 from Deloitte Haskins & Sells LLP, Chartered Accountants to include their name as an "expert" for (a) inclusion of their names as the Previous Joint Statutory Auditors and Previous Statutory Auditors; (b) the report dated May 9, 2023 relating to 2023 Audited Financial Statements; (c) the report dated May 11, 2022 relating to 2022 Audited Financial Statements; (d) the report dated July 31, 2023 relating to Limited Review Financial Results; and (e) the report dated May 13, 2021 relating to 2021 Audited Financial Statements.

23. The consent dated September 7, 2023 from Singhi & Co., Chartered Accountants to include their name as an "expert" for inclusion of their name as a Joint Statutory Auditor.

24. The consent dated September 21, 2023 from Singhi & Co., Chartered Accountants to include their name as an "expert" for (a) inclusion of their names as a Joint Statutory Auditor and the Previous Joint Statutory Auditors; (b) the report dated May 9, 2023 relating to 2023 Audited Financial Statements; (c) the report dated May 11, 2022 relating to 2022 Audited Financial Statements; (d) the report dated July 31, 2023 relating to Limited Review Financial Results.

25. Consent letter from ICRA dated September 18, 2023 in respect of permission to use and disclose the contents (along with the extracts of the content) of the industry reports titled 'Non-banking Financial Companies:

Well-placed for strong performance in FY2024 as well' dated July 2023 and 'NBFC-Infrastructure Finance Companies: Earnings profile improves, driven by better asset quality: Entities well-poised for growth' dated April 2023 for the section on 'Industry Overview' in this Prospectus.

26. Statement of possible tax benefits dated September 16, 2023 issued by Mukund M Chitale & Co.

27. Annual reports of our Company for the last three financial years.

28. Limited review report dated July 31, 2023 on the unaudited financial results for the quarter ended June 30, 2023, pursuant to Regulation 52 of the SEBI Listing Regulations.

29. Due diligence certificate dated September 21, 2023 filed by the Trust Investments, JMFL and Nuvama with SEBI.

30. Due diligence certificates dated September 7, 2023 filed by the Debenture Trustee to the Issue.

31. In-principle approvals each dated September 18, 2023 for the Issue issued by BSE and NSE.

DECLARATION

We, the Directors of the Company, hereby certify and declare that all the applicable legal requirements in connection with the Issue including the all relevant provisions of the Companies Act, 2013, as amended, and the rules prescribed thereunder, to the extent applicable and the guidelines issued by the Government of India and/or the regulations/guidelines/circulars issued by the Reserve Bank of India, National Housing Bank and the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as applicable, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, provisions under the Securities Contracts (Regulation) Act, 1956, as amended, and rules made thereunder, including the Securities Contracts (Regulation) Rules, 1957, as amended, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable, as the case may be have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be. We hereby confirm that the compliance with the Securities and Exchange Board of India Act, 1992 or rules made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

We further certify that all the disclosures and statements made in this Prospectus are true, correct and complete in all material respects, are in conformity with Companies Act, 2013, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, the Securities Contracts (Regulation) Act, 1956, as amended and rules made thereunder including the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be and do not omit disclosure of any material information which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Prospectus does not contain any misstatements. Furthermore, all the monies received under this Issue shall be used only for the purposes and objects indicated in this Prospectus. No information material to the subject matter of this form has been suppressed or concealed and whatever is stated in this Prospectus thereto is true, correct, and complete and is as per the original records maintained by the Promoter subscribing to the Memorandum of Association and Articles of Association.

Signed by the Directors of our Company

Rakesh Singh *Managing Director and Chief Executive Officer* *DIN: 07006067*		***Subhash Chandra Bhargava*** *Independent Director* *DIN: 00020021*	
Vishakha Mulye *Non-Executive Director* *DIN: 00203578*		***Rajat Jain*** *Independent Director* *DIN: 00046053*	
Nagesh Pinge *Independent Director* *DIN: 00062900*			

Place: Mumbai
Date: September 21, 2023

ANNEXURE A

FINANCIAL STATEMENTS

Financial Statements
Audited Financial Statements as at and for the year ended March 31, 2023
Audited Financial Statements as at and for the year ended March 31, 2022
Audited Financial Statements as at and for the year ended March 31, 2021
Limited Review Financial Results as at and for the quarter ended June 30, 2023

Deloitte Haskins & Sells LLP
Chartered Accountants
One International Centre,
Tower 3, 32nd Floor,
Senapati Bapat Marg,
Elphinstone Road (West)
Mumbai, 400 013
Maharashtra, India
Tel: +91 22 6185 4000
Fax: +91 22 6185 4001

Singhi & CO.
Chartered Accountants
B2 402B Marathon Innova, 4th Floor,
Off Ganpatrao Kadam Marg,
Lower Parel,
Mumbai 400013
Maharashtra, India
Tel: +91 22 6662 5537

INDEPENDENT AUDITORS' REPORT

To the Members of Aditya Birla Finance Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Aditya Birla Finance Limited (the "Company"), which comprise the Balance Sheet as at 31st March 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity and for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the 'financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023, and its profit, total 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 specified under section 143(10) of the Act ("SA"s). Our responsibilities under those Standards are further described in the Auditors' Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

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

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Sr. No.	Key Audit Matter	Auditors' Response
1.	**Allowances for Expected Credit Losses ("ECL"):** As at March 31, 2023, the carrying value of loan assets measured at amortised cost, aggregated ₹78,84,950.10 lakh (net of allowance of expected credit loss ₹1,60,328.71 lakh) constituting approximately 94% of the Company's total assets. Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. ECL allowance on such loan assets measured at amortised cost is a critical estimate involving a greater level of management judgement. As part of our risk assessment, we determined that the allowance for ECL on loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements. The elements of estimating ECL which involved increased level of audit focus are the following: • Qualitative and quantitative factors used in staging the loan assets measured at amortised cost. • Basis used for estimating Probabilities of Default ("PD"), Loss Given Default ("LGD") and Exposure at Default ("EAD") at product level with past trends; • Judgements used in projecting economic scenarios and probability weights applied to reflect future economic conditions; and • Adjustments to model driven ECL results to address emerging trends. (Refer Note 4.1, 10 and 52 to the Financial Statements)	**We performed the following audit procedures:** We have examined the policies approved by the Board of Directors of the Company that articulate the objectives of managing each portfolio and their business models. We have also verified the methodology adopted for computation of ECL ("ECL Model") that addresses policies approved by the Board of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures measured at amortised cost. Additionally, we have confirmed that adjustments to the output of the ECL Model is consistent with the documented rationale and basis for such adjustments and that the amount of adjustment have been approved by the Audit Committee of the Board of Directors. Our audit procedures related to the allowance for ECL included the following, among others: • Testing the design and operating effectiveness of the following: – completeness and accuracy of the Exposure at Default ("EAD") and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the qualitative factors to be applied. – completeness, accuracy and appropriateness of information used in the estimation of the PD and LGD for the different stages depending on the nature of the portfolio; and – accuracy of the computation of the ECL estimate including reasonableness of the methodology used to determine macro-economic overlays and adjustments to the output of the ECL Model. • Test of details on a sample in respect of the following: – we tested accuracy and completeness of the input data such as ratings and period of default and other related information used in estimating the PD; – completeness and accuracy of the staging of the loans and the underlying

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Sr. No.	Key Audit Matter	Auditors' Response
		data based on which the ECL estimates have been computed. – we evaluated reasonableness of LGD estimates by comparing actual recoveries post the loan asset becoming credit impaired with estimates of LGD; and – we evaluated the incorporation of the applicable assumptions into the ECL Model and tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company. • We also evaluated the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL Model and ensured that the adjustment was in conformity with the amount approved by the Audit Committee. • We also assessed the disclosures made in relation to the ECL allowance to confirm compliance with the provisions of Ind AS 107.
2.	**Key Information Technology and General Controls** The Company is dependent on its Information Technology ("IT") systems due to the significant number of transactions that are processed daily across such multiple and discrete IT systems. Also, IT application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner and under controlled environments. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data. On account of the pervasive use of its IT systems, the testing of the general computer controls of the key IT systems used in financial reporting was considered to be a Key Audit Matter	With the assistance of our IT specialists, we obtained an understanding of the Company's IT applications, databases and operating systems relevant to financial reporting and the control environment. For these elements of the IT infrastructure the areas of our focus included access security (including controls over privileged access), program change controls, database management and network operations. In particular: • we tested the design, implementation and operating effectiveness of the Company's general IT controls over the key IT systems relevant to financial reporting. This included evaluation of Company's controls over segregation of duties and access rights being provisioned / modified based on duly approved requests, access for exit cases being revoked in a timely manner and access of all users being recertified during the period of audit; • We also tested key automated business cycle controls and logic for the reports generated through the IT infrastructure that were relevant for financial reporting or were used in the exercise of internal financial controls with reference to financial

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS
SINGHI & CO. Chartered Accountants

Sr. No.	Key Audit Matter	Auditors' Response
		statements. Our tests included testing of the compensating controls or alternate procedures to assess whether there were any unaddressed IT risks that would materially impact the financial statements.

Information Other than the Financial Statements and Auditors' Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures thereto, Management Discussion and Analysis ("MD&A") (collectively referred to as "other information") but does not include the financial statements and our auditors' report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Auditors' Responsibility for the Audit of the Financial Statements

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the Key Audit Matters. We describe these matters in our auditor's report unless law or regulation

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit of the financial statements, we report that:

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

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

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

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

   e. On the basis of the written representations received from the directors as on 31 March 2023, taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 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 financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

   g. With respect to the other matters to be included in the Auditors' report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note 46 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;

      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, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

(b) The Management has represented, that, to the best of its' knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedures performed that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's RegistrationNo.117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826
UDIN: 23039826BGXRZL8181

Place: Mumbai
Date: May 9, 2023

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

Amit Hundia
Partner
Membership No.120761
UDIN: 23120761BGYVTW2656

Place: Mumbai
Date: May 9, 2023

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Deloitte Haskins & Sells LLP **Singhi & Co.**

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

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

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to financial statements of Aditya Birla Finance Limited (the "Company") as of 31st March 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 with reference to financial statements based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's Internal Financial Controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls 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 if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

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.

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023 based on the criteria for internal financial control with reference to financial statement established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's RegistrationNo.117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826
UDIN: 23039826BGXRZL8181

Place: Mumbai
Date: May 9, 2023

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

Amit Hundia
Partner
Membership No.120761
UDIN: 23120761BGYVTW2656

Place: Mumbai
Date: May 9, 2023

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date) to the members of Aditya Birla Finance Limited on the Financial Statements as at and for the year ended March 31, 2023)

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

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

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

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

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

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

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

(e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) In respect of the Company's inventories:

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

(b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, by banks or financial institutions on the basis of security of loans (assets) during the year. As disclosed in Note 72 to the financial statements, the differences between the items reported in the quarterly returns / statements filed by the Company (including subsequent revisions thereto) with such banks or financial institutions and the books of account maintained by the Company, were not material. However, we have not carried out a specific audit of such statements.

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

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

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

(b) In our opinion, having regard to the nature of the Company's business, the investments made, guarantees provided, security given and the terms and conditions for the grant of

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

all loans and advances in the nature of loans and guarantees provided during the year are, prima facie, not prejudicial to the Company's interest;

(c) In respect of loans and advances in the nature of loans (together referred to as "loan assets"), the schedule of repayment of principal and payment of interest has been stipulated. Note 4.1(v) to the Financial Statements explains the Company's accounting policy relating to impairment of financial assets which include loans assets. In accordance with that policy, loan assets with balances as at 31 March, 2023, aggregating ₹250,709.88 lakh were categorised as credit impaired ("Stage 3") and ₹ 218,735.72 lakh were categorised as those where the credit risk has increased significantly since initial recognition ("Stage 2"). Disclosures in respect of such loans have been provided in Note 10 to the Financial Statements. Additionally, out of loans and advances in the nature of loans with balances as at the year-end aggregating ₹ 75,75,784.68 lakhs, where credit risk has not significantly increased since initial recognition (categorised as "Stage 1"), delinquencies in the repayment of principal and payment of interest aggregating ₹11,393.19 lakh were also identified, albeit for a period of less than 31 days. In all other cases, the repayment of principal and interest is regular. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified.

(d) The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at the year-end is ₹ 1,38,898.34 lakh. Reasonable steps are being taken by the Company for recovery of the principal and interest.

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

(f) The Company has not granted any loans or advances in the nature of loans that were either repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion, the Company has complied with the provisions of Section 185 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees provided or security given, as applicable and the provisions of Section 186 of the Companies Act 2013 are not applicable to the Company.

(v) In our opinion and according to the information and explanations given to us, the Company being Non-Banking Finance Company registered with RBI, provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, are not applicable to the Company. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.

(vi) The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013, for business activities carried out by the Company. Hence, reporting under paragraph 3 (vi) of the order is not applicable.

(vii) In respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Cess and other material statutory dues applicable to it, with the appropriate authorities. As explained to us, the Company did not have any dues payable on account of sales tax, service tax, duty of customs, duty of excise and value added tax.

(b) There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax Cess and any other material statutory dues in arrears as at 31 March 2023, for a period of more than six months from the date they became payable.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

(c) The Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31 March 2023, on account of disputes are given below:

(₹ in Lakhs)

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

*Includes interest and penalty

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) With respect to reporting requirements of paragraph 3(ix) of the Order:

(a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, term loans availed by the Company during the year, were applied by the Company for the purposes for which the loans were obtained.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

(d) On the basis of the maturity profile of financial assets and financial liabilities provided in Note 44 to the Financial Statements, financial liabilities maturing within the 12 months following the reporting date (i.e. 31 March 2023) falls short of the expected recoveries from financial assets during that period. Further, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.

(f) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under paragraph 3(x)(a) of the Order is not applicable.

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

(xi) (a) To the best of our knowledge, no material fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under section 143(12) of the Companies Act, 2013, has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report) and provided to us, while determining the nature, timing and extent of our audit procedures.

(xii) The Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion, the Company has complied with the provisions of Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements, etc., as required by the applicable accounting standards.

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

(b) We have considered, the internal audit reports, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 ("RBI Act") and it has obtained the registration.

(b) The Company has conducted the Non-Banking Financial activities with a valid Certificate of Registration ("CoR") from the RBI as per the RBI Act. The Company has not conducted any housing finance activities and is not required to obtain CoR for such activities from the RBI.

(c) The Company is not a Core Investment Company ("CIC") and hence reporting under paragraph 3(xvi)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has 1 CIC which is registered with the

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Reserve Bank of India and 2 CICs which are in the process of registration with Reserve Bank of India.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

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

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

(xxi) The Company did not have any Subsidiary, Associate or Joint Venture and hence, reporting under the clause (xxi) of the Order is not applicable.

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

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826
UDIN: 23039826BGXRZL8181

Place: Mumbai
Date: May 9, 2023

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

Amit Hundia
Partner
Membership No.120761
UDIN: 23120761BGYVTW2656

Place: Mumbai
Date: May 9, 2023

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Limited
Balance Sheet as at 31 March, 2023
(Currency: ₹ in Lakhs)

Particulars	Note No.	As at 31 March, 2023	As at 31 March, 2022
I ASSETS			
1 Financial assets			
(a) Cash and cash equivalents	6	38,763.43	59,571.14
(b) Bank balance other than included in (a) above	7	-	9,681.37
(c) Derivative financial instruments	8	83.64	19.02
(d) Receivable			
(I) Trade receivables	9	4,030.61	1,243.96
(II) Other receivables		-	-
(e) Loans	10	78,84,950.10	53,60,746.02
(f) Investments	11	3,70,269.62	1,69,403.56
(g) Other financial assets	12	14,751.79	5,361.81
2 Non-financial assets			
(a) Current tax assets (net)	13	15,150.75	34,239.10
(b) Deferred tax assets (net)	41	40,653.14	25,954.92
(c) Property, plant and equipment	14	5,130.16	1,881.37
(d) Right of use Lease Assets	15	18,749.72	12,187.33
(e) Intangible assets under development	16	890.07	1,089.05
(f) Other intangible assets	17	6,244.06	7,008.52
(g) Other non-financial assets	18	12,615.32	8,533.26
Total assets		**84,12,282.41**	**56,96,920.43**
II LIABILITIES AND EQUITY			
Liabilities			
1 Financial liabilities			
(a) Derivative financial instruments	8	1,369.24	7,799.24
(b) Payables			
(I) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	19	288.81	696.87
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	19	69,467.65	23,524.76
(II) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(c) Debt securities	20	23,53,485.51	15,78,125.70
(d) Borrowings (other than debt securities)	21	44,78,597.46	27,71,715.04
(e) Subordinated liabilities	22	2,44,990.45	2,48,733.99
(f) Lease liabilities	23	19,648.20	12,910.38
(g) Other financial liabilities	24	68,919.82	47,013.29
2 Non-financial liabilities			
(a) Current tax liabilities (Net)	25	13,664.09	1,513.10
(b) Provisions	26	6,463.72	10,421.69
(c) Other non-financial liabilities	27	12,766.33	8,424.39
Total liabilities		**72,69,661.28**	**47,10,878.45**
Equity			
(a) Equity share capital	28	66,210.08	66,210.08
(b) Other equity	29	10,76,411.05	9,19,831.90
Total equity		**11,42,621.13**	**9,86,041.98**
Total liabilities and equity		**84,12,282.41**	**56,96,920.43**

Summary of significant accounting policies 4

The accompanying notes are forming part of the financial statements.

As per our report of even date attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm Reg. No: 117366W/W-100018

per Sanjiv V. Pilgaonkar
Partner
Membership No: 039826

Place: Mumbai
Date: 09 May, 2023

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

per Amit Hundia
Partner
Membership No: 120761

Place: Mumbai
Date: 09 May, 2023

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

Vishakha Mulye
Director
DIN - 00203578

Rakesh Singh
Managing Director and
DIN - 07006067

Pradeep Agrawal
Chief Financial Officer

Ankur Shah
Company Secretary

Place: Mumbai
Date: 09 May, 2023

Aditya Birla Finance Limited
Statement of Profit and Loss for the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Particulars	Note No.	Year ended 31 March, 2023	Year ended 31 March, 2022
Revenue from operations			
(i) Interest income	31	7,80,603.81	5,53,128.87
(ii) Dividend income	32	284.97	285.31
(iii) Fees and commission income	33	41,098.09	24,880.80
(iv) Net gain on fair value changes	34	1,699.96	190.62
(I) Total revenue from operations		**8,23,686.83**	**5,78,485.60**
(II) Other income	35	3,080.88	1,201.65
(III) Total income (I + II)		**8,26,767.71**	**5,79,687.25**
Expenses			
(i) Finance costs	36	3,85,717.77	2,70,909.59
(ii) Impairment on financial instruments	37	90,347.54	65,346.00
(iii) Employee benefit expenses	38	72,283.39	52,072.80
(iv) Depreciation, amortization and impairment	39	8,613.28	6,835.39
(v) Other expenses	40	60,787.35	35,811.83
(IV) Total expenses		**6,17,749.33**	**4,30,975.61**
(V) Profit before exceptional items and tax (III - IV)		**2,09,018.38**	**1,48,711.64**
(VI) Exceptional items		-	-
(VII) Profit before tax (V- VI)		**2,09,018.38**	**1,48,711.64**
(VIII) Tax expense:			
(1) Current tax	41	68,583.07	38,609.10
(2) Deferred Tax Expenses / (Benefits)- (Net)	41	(14,940.44)	(730.52)
(IX) Profit for the year		**1,55,375.75**	**1,10,833.06**
(X) Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement gain on defined benefit plan		428.00	531.55
Income tax impact of above		(107.72)	(133.78)
		320.28	**397.77**
Changes in fair value of equity instruments carried at FVTOCI		73.47	24.22
income tax impact of above		(18.49)	(6.10)
		54.98	**18.12**
Items that will be reclassified to profit or loss			
Fair Value change on derivatives designated as cash flow hedge		460.95	2,578.79
Income tax impact on above		(116.01)	(649.03)
		344.94	**1,929.76**
Other comprehensive income for the year		**720.20**	**2,345.65**
Total comprehensive income for the year		**1,56,095.95**	**1,13,178.71**
(XI) Earnings per equity share (Face Value ₹ 10 per equity share)			
Basic (₹)	42	**23.47**	**16.74**
Diluted (₹)	42	**23.46**	**16.74**

Summary of significant accounting policies 4

The accompanying notes are forming part of the financial statements.

As per our report of even date attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm Reg. No: 117366W/W-100018

per Sanjiv V. Pilgaonkar
Partner

Membership No: 039826

Place: Mumbai
Date: 09 May, 2023

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

per Amit Hundia
Partner

Membership No: 120761

Place: Mumbai
Date: 09 May, 2023

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

Vishakha Mulye
Director

DIN - 00203578

Rakesh Singh
Managing Director and
Chief Executive Officer
DIN - 07006067

Pradeep Agrawal
Chief Financial Officer

Ankur Shah
Company Secretary

Place: Mumbai
Date: 09 May, 2023

Aditya Birla Finance Limited
Statement of changes in Equity for the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

a. Equity Share Capital
For the year ended 31 March, 2023

Particulars	Balance as at 1 April, 2022	Changes in equity share capital due to prior period errors	Restated balance as at 1 April, 2022	Changes in equity share capital during the year	Balance as at 31 March, 2023
Equity shares of ₹ 10 each issued, subscribed and fully paid	66,210.08	-	66,210.08	-	66,210.08

For the year ended 31 March, 2022

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

b. Other Equity

Particulars	Reserves and Surplus							Other comprehensive income		Total other equity
	Special reserve	Securities premium account	Capital reserve	General reserve	Capital redemption reserve	Share Options Outstanding Account	Retained earnings	Equity instruments through other comprehensive income	Cash flow hedge reserve	
Balance as at 1 April, 2021	97,984.64	3,63,738.29	(10,452.11)	13,660.95	1,000.00	-	3,53,991.63	154.40	(2,499.94)	8,17,577.86
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-
Restated balance as at 1 April, 2021	97,984.64	3,63,738.29	(10,452.11)	13,660.95	1,000.00	-	3,53,991.63	154.40	(2,499.94)	8,17,577.86
Profit for the year	-	-	-	-	-	-	1,10,833.06	-	-	1,10,833.06
Fair Value change on derivatives designated as cash flow hedge	-	-	-	-	-	-	-	-	1,929.76	1,929.76
Dividend Paid (Interim)	-	-	-	-	-	-	(10,924.66)	-	-	(10,924.66)
Other comprehensive income	-	-	-	-	-	-	397.77	18.12	-	415.89
Total comprehensive Income	-	-	-	-	-	-	1,00,306.17	18.12	1,929.76	1,02,254.05
Transfer to/from retained earnings	24,366.61	-	-	-	-	-	(24,366.61)	-	-	-
Balance as at 31 March, 2022	1,22,351.25	3,63,738.29	(10,452.11)	13,660.95	1,000.00	-	4,29,931.19	172.52	(570.18)	9,19,831.90
Balance as at 1 April, 2022	1,22,351.25	3,63,738.29	(10,452.11)	13,660.95	1,000.00	-	4,29,931.19	172.52	(570.18)	9,19,831.90
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-
Restated balance as at 1 April, 2022	1,22,351.25	3,63,738.29	(10,452.11)	13,660.95	1,000.00	-	4,29,931.19	172.52	(570.18)	9,19,831.90
Profit for the year	-	-	-	-	-	-	1,55,375.75	-	-	1,55,375.75
Fair Value change on derivatives designated as cash flow hedge	-	-	-	-	-	-	-	-	344.94	344.94
ESOP Charge for the Year	-	-	-	-	-	483.19	-	-	-	483.19
Other comprehensive income	-	-	-	-	-	-	320.28	54.98	-	375.26
Total comprehensive Income	-	-	-	-	-	483.19	1,55,696.03	54.98	344.94	1,56,579.14
Transfer to/from retained earnings	31,075.15	-	-	-	-	-	(31,075.15)	-	-	-
Balance as at 31 March, 2023	1,53,426.40	3,63,738.29	(10,452.11)	13,660.95	1,000.00	483.19	5,54,552.07	227.50	(225.24)	10,76,411.05

Summary of significant accounting policies: Note 4

The accompanying notes are forming part of the financial statements.

As per our report of even date attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm Reg. No: 117366W/W-100018

per Sanjiv V. Pitgaonkar
Partner
Membership No: 039826

Place: Mumbai
Date: 09 May, 2023

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

per Amit Hundia
Partner
Membership No: 120761

Place: Mumbai
Date: 09 May, 2023

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

Vishakha Mulye
Director
DIN - 00203578

Pradeep Agrawal
Chief Financial Officer

Place: Mumbai
Date: 09 May, 2023

Rakesh Singh
Managing Director and Chief Executive Officer
DIN - 07006067

Ankur Shah
Company Secretary

Aditya Birla Finance Limited
Cash flows statement for the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Particulars	Year ended 31 March, 2023	Year ended 31 March, 2022
Operating activities		
Profit before tax	2,09,018.38	1,48,711.64
Adjustments for reconcile profit before tax to net cash flow:		
Depreciation/amortisation and impairment	8,613.28	6,835.39
Impairment on financial instruments	90,347.54	65,346.00
Interest on deposit with banks	(274.52)	(1,262.58)
Net loss/(gain) on fair value changes	(1,699.96)	(190.62)
(Gain)/loss on sale of property, plant and equipment	33.10	6.00
Dividend income	(284.97)	(285.31)
Interest income on investment	(12,095.99)	(7,336.05)
Finance cost on lease liability	1,005.54	892.61
Profit on surrender of lease liability/income from rent concession	(124.76)	(392.09)
Share based payment expenses	483.19	-
Operating Profit before working capital changes	**2,95,020.83**	**2,12,324.99**
Adjustment for working capital changes		
(Increase) in loans	(26,13,183.94)	(6,69,763.97)
Decrease/(increase) in trade receivables	(2,828.68)	(329.79)
(Increase)/decrease in other financial assets	(9,889.86)	(568.03)
(Increase)/decrease in other non-financial assets	(3,142.52)	(12.69)
Increase in trade payables	45,534.83	13,049.32
Increase/(decrease) in other financial liabilities	21,279.01	(12,420.51)
(Decrease)/increase in provisions	(3,529.97)	2,890.73
(Decrease) in other non-financial liabilities	4,341.94	3,361.16
	(22,66,398.36)	**(4,51,468.79)**
Income taxes paid (Net)	(37,343.73)	(48,830.08)
Net cash flow from/(used in) operating activities	**(23,03,742.09)**	**(5,00,298.87)**
Investing activities		
Purchase of intangible assets including assets under development	(2,975.69)	(3,302.51)
Proceeds from sale of property, plant and equipment	74.00	155.15
Purchase of property, plant and equipment	(6,009.91)	(1,646.48)
Proceeds from sale of long term investments	1,841.72	1,500.91
Purchase of long term investments	(25,736.84)	(3,014.37)
Net (purchase)/sale of short term investments	(1,71,877.62)	(83,985.92)
Dividend received	284.97	285.31
Interest received on deposit with banks	306.16	1,244.03
Deposit placed/Redemption during the year	9,649.73	(7,749.73)
Interest received on investment	7,461.35	6,450.11
Net cash flow from/(used in) investing activities	**(1,86,982.13)**	**(90,063.50)**
Financing activities		
Proceeds from long term borrowings	31,67,898.63	12,65,274.81
Repayment of long term borrowings	(11,66,686.01)	(9,44,403.00)
Short-term borrowings (Net)	4,71,869.05	1,91,743.51
Lease payments	(3,165.16)	(2,855.71)
Dividend paid	-	(10,924.66)
Net cash flow from/(used in) financing activities	**24,69,916.51**	**4,98,834.95**
Net increase/(decrease) in cash and cash equivalents	**(20,807.71)**	**(91,527.42)**
Cash and cash equivalents at beginning of the year	59,571.14	1,51,098.56
Cash and cash equivalents at the end of the year	**38,763.43**	**59,571.14**
Components of cash and cash equivalents		
Balance with banks		
In current accounts	38,763.43	59,571.14
Total cash and cash equivalents	**38,763.43**	**59,571.14**
Cash Flow from Operations includes:		
Interest received	7,37,452.44	5,42,780.97
Interest paid	3,78,447.38	2,98,603.08

Aditya Birla Finance Ltd. Mumbai

Additional disclosure pursuant to Ind AS 7		
Particulars	**Year ended 31 March, 2023**	**Year ended 31 March, 2022**
Opening balance of Debt securities, borrowings (other than debt securities) and subordinated liabilities	**45,98,574.73**	**41,21,518.38**
Cash flow	24,73,081.67	5,12,615.32
Fair value adjustment	(847.84)	(6,972.87)
Interest accrued on borrowings	6,264.85	(28,586.10)
Closing balance of Debt securities, borrowings (other than debt securities) and subordinated liabilities	**70,77,073.42**	**45,98,574.73**

* The above Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.
* Purchase of investments is after adjustments of proceeds from sale / redemption of mutual fund.
* Borrowings includes proceeds and repayment of debt securities, borrowings (other than debt securities) and subordinate liabilities.

Summary of significant accounting policies: Note 4

The accompanying notes are forming part of the financial statements.

As per our report of even date attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm Reg. No: 117366W/W-100018

per Sanjiv V. Pilgaonkar
Partner

Membership No: 039826

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

per Amit Hundia
Partner

Membership No: 120761

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

Vishakha Mulye
Director

DIN - 00203578

Rakesh Singh
Managing Director and
Chief Executive Officer
DIN - 07006067

Pradeep Agrawal
Chief Financial Officer

Ankur Shah
Company Secretary

Place: Mumbai
Date: 09 May, 2023

Place: Mumbai
Date: 09 May, 2023

Place: Mumbai
Date: 09 May, 2023

Aditya Birla Finance Limited
Notes to the Financial Statements
For the year ended 31 March, 2023

Note 1: Corporate information - Brief description about the Company

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

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

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

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

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

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

The audited financial statements were subject to review and recommendation of Audit Committee and approval of Board of Directors. On 09 May, 2023 Board of Directors of the Company approved and recommended the audited financial statements for consideration and adoption by the shareholders in its Annual General Meeting.

Note 2: Basis of Preparation

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

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

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

Note 3: Presentation of financial statements:

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

i. The normal course of business

ii. The event of default

iii. The event of insolvency or bankruptcy of the Company and/or its counterparties

Functional and Presentation currency

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

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements
For the year ended 31 March, 2023

Note 4: Significant accounting policies:

Note 4.1: Financial Instruments

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

Note 4.1 (i): Classification of financial instruments

The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets.
The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company classifies its financial assets into the following measurement categories:
1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial assets to be measured at fair value through profit or loss account

The business model is assessed on the basis of aggregated portfolios based on observable factors. These factors include:
► Reports reviewed by the entity's key management personnel on the performance of the financial assets.
► The risks impacting the performance of the business model (and the financial assets held within that business model) and its management thereof.
► The compensation of the managing teams (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
► The expected frequency, value and timing of trades.
The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account.

The Company also assesses the contractual terms of financial assets on the basis of its contractual cash flow characteristics that are solely for the payments of principal and interest on the principal amount outstanding.
'Principal' is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).
In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.
Sales that are infrequent and insignificant in value both individually and in aggregate are considered to be consistent with the business model whose objective is to hold and collect the contractual cash flows.
The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 4.1 (ii): Financial assets

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

Subsequent measurement - Financial assets measured at amortised cost
A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely for the payments of principal and interest on the principal amount outstanding.

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

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

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

Debt instruments: A 'debt instrument' is classified as at the Fair Value through Other Comprehensive Income (FVTOCI) if both of the following criteria are met:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent Solely Payment of Principal and Interest(SPPI).

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

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

If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.
Equity instruments included within the Fair Value through Profit or Loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Subsequent measurement - Items at fair value through profit or loss
FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified at FVTPL.
In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').
Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 4.1 (iii): Financial Liabilities

Initial recognition and measurement

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

Subsequent measurement

The measurement of financial liabilities depends on their classification.

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

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

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

Recognition:

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

Derecognition:

Financial assets

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

(a) The right to receive cash flows from the asset have expired, or

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

Financial Liabilities

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

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

Note 4.1 (v): Impairment of financial assets

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

a) Financial assets that are debt instruments are measured at amortised cost e.g., loans, debt securities, deposits, and other balances

b) Financial assets that are measured as at FVTOCI

c) Loan commitments which are not measured as at FVTPL

d) Financial guarantee contracts which are not measured as at FVTPL.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.
The Company has established a policy to perform an assessment at the end of each reporting period of whether credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument.
To calculate ECL, the Company estimate the risk of a default occurring on the financial instrument during its expected life. ECLs are estimated based on the present value of all cash shortfalls over the remaining expected life of the financial asset i.e., the difference between the contractual cash flows that are due to the Company under the contract, and the cash flows that the Company expects to receive are discounted at the effective interest rate of the loan.

The Company groups its loans into Stage 1, Stage 2 and Stage 3, based on the applied impairment methodology, as described below:
Stage 1: 12-months ECL
For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised.
Stage 2: Lifetime ECL – not credit impaired
For exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset) is recognised.
Stage 3: Lifetime ECL – credit impaired
Exposures are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount.

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

In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March, 2020 on Implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the company exceeds the total provision required under IRACP (including standard asset provisioning), as at 31 March, 2023 and accordingly, no amount is required to be transferred to impairment reserve.

Note 4.1 (vi): Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS
SINGHI & CO. Chartered Accountants
Aditya Birla Finance Ltd. Mumbai

Note 4.1 (vii): Write-offs

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

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

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

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

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

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

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

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

Note 4.1 (ix): Determination of fair value

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

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

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

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

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

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

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

S.N. GHOSH & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

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.

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

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

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

Note 4.2: Revenue from operations

Note 4.2 (i): Interest Income: For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the EIR. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.
Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of provision) of the financial asset.

Note 4.2 (ii): Dividend Income
Dividend income is recognised
a. When the right to receive the payment is established which is generally when shareholders approve the dividend,
b. it is probable that the economic benefits associated with the dividend will flow to the entity and
c. the amount of the dividend can be measured reliably

Note 4.2 (iii): Rental Income
Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases where the increase is in line with expected general inflation. Rental Income is recognised as per the contractual terms.
Operating leases are leases where the Company does not transfer substantially all of the risk and benefits of ownership of the asset.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 4.2 (iv): Fees & Commission Income

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

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

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

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

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

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

Note 4.2 (v): Net gain/(loss) on Fair value changes

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

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

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

Note 4.3: Expenses

Note 4.3 (i): Finance Costs

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

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

Note 4.3 (ii): Retirement and other employee benefits

Short term employee benefit

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

Post employment employee benefit

a) Defined contribution schemes

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

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

S.R. BATLIBOI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

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

b) Defined benefit expenses

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

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

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

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

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

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

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

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

Other long-term employee benefits

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

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

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 4.3 (iii): Share-based payments

The Parent Company (Aditya Birla Capital Limited) issues stock options to certain employees of the Company. These transactions are recognised as equity-settled share based payment transactions by Parent company. The stock compensation expense is determined based on grant date fair value of options and is recognised on a straight line basis over the vesting period in the statement of profit and loss.
Equity-settled share-based payments to employees are measured by reference to the fair value of the equity instruments at the grant date using Black–Scholes Model.
The fair value, determined at the grant date of the equity settled share-based payments, is charged to profit and loss on the straight-line basis over the vesting period of the option, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.
In case of forfeiture/lapse stock option, which is not vested, amortised portion is reversed by credit to employee compensation expense. In situation where the stock option expires unexercised, the related balance standing to the credit of the Employee Stock Options Outstanding Account is transferred within equity.

Note 4.3 (iv): Rent expense
In case of short term leases and leases for which the underlying asset is of low value, the company has elected not to apply the requirements of Ind AS 116 and the lease payments associated with those leases are recognised as rent expense on a straight line basis.

Note 4.3 (v): Leases

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

At the date of commencement of the lease, the Company recognizes right – of – use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.
Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

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

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

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

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

The weighted average incremental borrowing rate applied to lease liabilities as at 01 April, 2022 is between the range of 4.83% p.a. to 7.05% p.a. for a period varying from 1 to 10 years.

Critical accounting judgements and key sources of estimation uncertainty

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

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

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

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

Note 4.3 (vi): Other income and expenses

All Other income and expense are recognized in the period they occur.

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

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

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

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

Note 4.3 (viii): Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalised as a part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.
All other borrowing costs are expensed in the period in which they occur at amortised cost using Effective Interest Rate (EIR).

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

Note 4.3 (ix): Taxes

Current tax

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

Deferred tax

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

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

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

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

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

Note 4.4: Cash and Cash Equivalents

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

Note 4.5: Property, Plant and Equipments

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

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as Intangible assets under development.

Note 4.7: Provisions and Contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Note 4.8: Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Note 4.9: Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share.

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to ordinary equity holders of Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to ordinary equity holders of Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, inclusive of tax) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Note 4.10: Segment Reporting

The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Ind AS 108 dealing with Operating Segment. The Company has its operations within India and all revenue is generated within India.

Note 4.11: Dividend

The Company recognises a liability to make cash to equity holders of the Company when the dividend is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, an interim dividend is authorised when it is approved by the Board of Directors and final dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 4.12: Business Combination under Common Control

A common control business combination, involving entities or businesses in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where the control is not transitory, is accounted for in accordance with Appendix C to Ind AS 103 'Business Combinations'.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made only to harmonize significant accounting policies.
- The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.
- The identity of the reserves are preserved and appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

Note 5: Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

Note 5.1: Business Model Assessment

Classification and measurement of financial assets depends on the results of the Solely Payments of Principal and Interest and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated.

The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 5.2: Estimation of defined benefit plans (gratuity benefits)
Refer Note 4.3 (ii)

Note 5.3: Fair value measurement:
When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Note 5.4: Impairment of loans portfolio
The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes which can result in different levels of allowances.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary. The impairment loss on loans and advances is disclosed in more detail in Note 10.

Note 5.5: Provisions other than impairment on loan portfolio and contingent liabilities
The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and proceedings in the ordinary course of the Company's business.
When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.
Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

Note 5.6: Effective Interest Rate (EIR) method
The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount. The future cash flows are estimated taking into account all the contractual terms of the instrument. The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets measured at fair value through profit and loss ("FVTPL"), transaction costs are recognised in the statement of profit and loss at initial recognition.

Note 5.7: Recognition of deferred tax assets for carried forward losses
Refer Note 4.3 (ix)

Note 5.8: Estimation of useful life of property, plant and equipments and intangible assets
Refer note 4.5 and 4.6

Note 5.9: Accounting policy for Long Term Incentive Plan
The company pays Long Term Incentives to certain employees on fulfilment of prescribed criteria/conditions. The Company's liability towards Long Term Incentive is determined actuarially based on certain assumptions regarding rate of Interest, staff attrition and mortality as per Projected Unit Credit Method. Expenses towards long term incentive are recognised in the Statement of Profit and Loss.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

S.N. GHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 6: Cash and cash equivalents

Particulars	As at 31 March, 2023	As at 31 March, 2022
Balances with bank in		
- Current Accounts	38,763.43	59,571.14
Total	**38,763.43**	**59,571.14**

Note 7: Bank balance other than cash and cash equivalents

Particulars	As at 31 March, 2023	As at 31 March, 2022
Fixed Deposits (with original maturity more than 3 months)	-	9,681.37
Total	**-**	**9,681.37**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 8: Derivative financial instruments

Derivatives held for risk management purposes include hedges that meet the hedge accounting requirements. The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

Particulars	As at 31 March, 2023			As at 31 March, 2022		
	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Currency derivatives:						
Forward	-	-	-	7.72	-	0.52
(ii) Interest rate derivatives:						
Cross Currency Interest Rate swaps	93,148.62	-	715.02	1,46,367.54	-	7,770.64
INR Interest Rate swaps	1,00,000.00	83.64	654.22	25,000.00	19.02	28.08
Total	**1,93,148.62**	**83.64**	**1,369.24**	**1,71,375.26**	**19.02**	**7,799.24**
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
(i) Fair Value hedging						
-Interest Rate derivatives	90,000.00	50.96	654.22	25,000.00	19.02	28.08
(ii) Cash flow hedging						
-Cross Currency Interest Rate derivatives	93,148.62	-	715.02	1,46,367.54	-	7,770.64
-Currency derivatives	-	-	-	7.72	-	0.52
-Interest Rate derivatives	10,000.00	32.68	-	-	-	-
Total	**1,93,148.62**	**83.64**	**1,369.24**	**1,71,375.27**	**19.02**	**7,799.24**

Note 8.1 : Hedging activities and derivatives

The Company is exposed to certain risks relating to its external commercial borrowings and Non Convertible Debentures. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. The Company's risk management strategy and how it is applied to manage risk is explained in Note 52.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 8.2 : Derivatives designated as hedging instruments

Cash flow hedges

The Company is exposed to foreign currency risk arising from its External Commercial borrowings amounting to ₹ 93,148.62 lakhs. Interest on the borrowing is payable at a floating rate. The Company economically hedged the foreign currency risk arising from the debt with a 'receive floating pay fixed' cross-currency interest rate swap ('swap'). The notional amount of swap is disclosed in the table below. The swap contract converts the cash outflows of the foreign currency borrowing as per table below to cash outflows in INR with a notional amount of ₹ 93,148.62 lakhs at fixed interest rate.

Name of Lender	Foreign Currency Denominated Borrowing Amount		Interest rate type		Notional Amount of swap (₹)		Interest rate swap type	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
JPY Denominated (in JPY lakhs) (Maturity range : Feb 2026 to March 2026)	83,893.50	1,89,366.25	Floating rate interest	Floating rate interest	51,983.62	1,24,089.54	Fixed rate interest	Fixed rate interest
USD Denominated (in USD lakhs) (Maturity in Mar 2026)	500.00	300.00	Floating rate interest	Floating rate interest	41,165.00	22,278.00	Fixed rate interest	Fixed rate interest

There is an economic relationship between the hedged item and the hedging instrument as the terms of the cross currency swap contract match that of the foreign currency borrowing (notional amount, interest payment dates, principal repayment date etc.). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the cross currency swap are identical to the hedged risk components. To test the hedge effectiveness, the Company uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks. The hedge ineffectiveness can arise mainly if there is a change in the credit risk of the Company or the counterparty.

The company has also taken overnight index swap deals to hedge it's cashflows for underlying NCDs. The details are disclosed in the table below:

Particulars	Borrowing Amount		Interest rate type		Notional Amount of swap (₹)		Interest rate swap type	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Interest rate swaps	10,000.00	-	Floating rate interest	-	10,000.00	-	Fixed rate interest	-

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

The impact of the hedging instruments and hedge items on the balance sheet is, as follows

Hedging Instruments

Particulars	Notional Amounts		Carrying amount of hedging instruments Assets/(Liabilities)		Line item in the Financial Statement		Change in fair value used for measuring ineffectiveness for the year (net of tax)	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Cross currency interest rate swaps	93,148.62	1,46,367.54	(715.02)	(7,770.64)	Derivative financial instruments		4,474.51	(3,518.78)
Currency forward	-	7.72	-	(0.52)	Derivative financial instruments		0.39	0.55
Interest rate swaps	10,000.00	-	32.68	-	Derivative financial instruments		20.92	-
Total	**1,03,148.62**	**1,46,375.26**	**(682.34)**	**(7,771.16)**			**4,495.82**	**(3,518.23)**

Hedge Items

Particulars	Change in fair value used for measuring ineffectiveness for the year (net of tax)		Cash flow hedge reserve as at	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Foreign currency denominated floating rate borrowing	(4,150.88)	5,447.99	(246.16)	(570.18)
Debt securities (NCDs)	-	-	20.92	-
Total	**(4,150.88)**	**5,447.99**	**(225.24)**	**(570.18)**

The effect of the cash flow hedge in the statement of profit or loss and other comprehensive income is, as follows:

Particulars	Total hedging gain / (loss) recognised in OCI (net of tax)		Hedge ineffectiveness recognised in statement of profit and loss (net of tax)	
	Year ended 31 March, 2023	Year ended 31 March, 2022	Year ended 31 March, 2023	Year ended 31 March, 2022
Debt securities (NCDs)	-	-	3.53	-
Foreign currency denominated floating rate borrowing	344.94	1,929.76	-	-
Total	**344.94**	**1,929.76**	**3.53**	**-**

Movements in Cash Flow Hedging Reserve

Particulars	As at 1 April, 2022	Add/Less: Changes in fair value	Add/Less: Deferred Tax	As at 31 March, 2023	As at 1 April, 2021	Add/Less: Changes in fair value	Add/Less: Deferred Tax	As at 31 March, 2022
Cash flow Hedging Reserve	(570.18)	460.95	(116.01)	(225.24)	(2,499.94)	2,578.79	(649.03)	(570.18)
Total	**(570.18)**	**460.95**	**(116.01)**	**(225.24)**	**(2,499.94)**	**2,578.79**	**(649.03)**	**(570.18)**

HASKINS & CHARTERED ACCOUNTANTS LLP

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Fair Value Hedge

Fair value hedges hedge the exposure to changes in the fair value of a recognised asset or liability, or an identified portion of such an asset, liability, that is attributable to a particular risk and could affect profit or loss. For designated and qualifying fair value hedges, the cumulative change in the fair value of a hedging derivative is recognised in the statement of profit and loss under Net gain on fair value changes. Meanwhile, the cumulative change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item in the balance sheet and is also recognised in the statement of profit and loss under Net gain on fair value changes. The Company classifies a fair value hedge relationship when the hedged item (or group of items) is a distinctively identifiable asset or liability hedged by one or a few hedging instruments.

The impact of the hedging instruments and hedged items on the balance sheet is as follows

Hedging Instruments

Particulars	Notional Amounts		Carrying amount of hedging instruments Assets/(Liabilities)		Line item in the Balance Sheet		Change in fair value used for measuring ineffectiveness for the year	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Interest rate swaps	90,000.00	25,000.00	(603.26)	(9.06)	Derivative financial instruments		(594.20)	(9.06)

Hedge Items

Particulars	Notional Amounts		Accumulated fair value adjustment - Liability		Line item in the Balance Sheet		Change in fair value used for measuring ineffectiveness for the year	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Debt securities (NCDs)	90,000.00	25,000.00	(575.17)	(3.44)	Derivative financialinstruments		578.61	(3.44)

The effect of the fair value hedge in the statement of profit or loss is, as follows:

Particulars	Hedge ineffectiveness recognised in statement of profit and loss		Line in the statement of profit and loss that includes hedge ineffectiveness
	31 March 2023	31 March 2022	
Interest rate swaps	(15.59)	(12.50)	Net gain on fair value changes

Note 8.3 : The following table shows the maturity profile of hedging derivatives based on their notional amounts.

Particulars	As at 31 March, 2023				As at 31 March, 2022			
	0 to 12 months	1 to 5 years	Over 5 years	Total	0 to 12 months	1 to 5 years	Over 5 years	Total
(i) Cross Currency Interest Rate swaps	-	93,148.62	-	93,148.62	1,46,367.54	-	-	1,46,367.54
(ii) Currency forward	-	-	-	-	7.72	-	-	7.72
(iii) Interest Rate swaps	40,000.00	60,000.00	-	1,00,000.00	-	25,000.00	-	25,000.00
Total	**40,000.00**	**1,53,148.62**	**-**	**1,93,148.62**	**1,46,375.27**	**25,000.00**	**-**	**1,71,375.26**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 9: Trade Receivables

As at 31 March, 2023

Particulars	Outstanding for following periods from date of transaction						Total Exposure	Loss Allowance	Total
	Unbilled	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years			
Unsecured:									
(i) Undisputed Trade receivables – considered good	866.92	3,153.50	-	-	-	-	4,020.42	(34.57)	3,985.84
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	89.53	-	-	-	-	89.53	(44.77)	44.77
(iii) Undisputed Trade Receivables – credit impaired	-	88.68	5.10	0.58	-	-	94.36	(94.36)	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-	-
Total	**866.92**	**3,331.71**	**5.10**	**0.58**	**-**	**-**	**4,204.31**	**(173.70)**	**4,030.61**

As at 31 March, 2022

Particulars	Outstanding for following periods from date of transaction						Total Exposure	Loss Allowance	Total
	Unbilled	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years			
Unsecured:									
(i) Undisputed Trade receivables – considered good	905.23	376.80	-	-	-	-	1,282.03	(38.08)	1,243.96
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	24.32	26.83	1.60	28.39	12.46	93.59	(93.59)	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-	-
Total	**905.23**	**401.12**	**26.83**	**1.60**	**28.39**	**12.46**	**1,375.62**	**(131.67)**	**1,243.96**

Note:

1. No Trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.
2. Date of transaction considered as due date of payment.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

S.R. BATLIBOI & CO. LLP Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 10: Loans

Particulars	As at 31 March, 2023						As at 31 March, 2022					
	Amortised Cost	At fair value				Total	Amortised Cost	At fair value				Total
		Through Other Comprehensive Income	Through profit and loss account	Designated at through profit and loss account	Sub-total			Through Other Comprehensive Income	Through profit and loss account	Designated at through profit and loss account	Sub-total	
Loans	80,45,230.28	-	-	-	-	80,45,230.28	54,68,207.51	-	-	-	-	54,68,207.51
Other Advances	48.53	-	-	-	-	48.53	21.04	-	-	-	-	21.04
Total (A) - Gross	**80,45,278.81**	-	-	-	-	**80,45,278.81**	**54,68,228.55**	-	-	-	-	**54,68,228.55**
Less: Impairment loss allowance	1,60,328.71	-	-	-	-	1,60,328.71	1,07,482.53	-	-	-	-	1,07,482.53
Total (A) - Net	**78,84,950.10**	-	-	-	-	**78,84,950.10**	**53,60,746.02**	-	-	-	-	**53,60,746.02**
i) Secured by tangible assets	47,15,065.63	-	-	-	-	47,15,065.63	36,91,252.56	-	-	-	-	36,91,252.56
ii) Secured by intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
iii) Covered by bank and government guarantee	3,23,304.18	-	-	-	-	3,23,304.18	3,17,075.12	-	-	-	-	3,17,075.12
iv) Secured by book debts, inventories, fixed deposit and other working capital items	82,937.72	-	-	-	-	82,937.72	1,05,876.53	-	-	-	-	1,05,876.53
v) Unsecured	29,23,971.29	-	-	-	-	29,23,971.29	13,54,024.34	-	-	-	-	13,54,024.34
Total (B) - Gross	**80,45,278.81**	-	-	-	-	**80,45,278.81**	**54,68,228.55**	-	-	-	-	**54,68,228.55**
Less: Impairment loss allowance	1,60,328.71	-	-	-	-	1,60,328.71	1,07,482.53	-	-	-	-	1,07,482.53
Total (B) - Net	**78,84,950.10**	-	-	-	-	**78,84,950.10**	**53,60,746.02**	-	-	-	-	**53,60,746.02**
Loans in India												
i) Public Sector	41,907.39	-	-	-	-	41,907.39	42,408.79	-	-	-	-	42,408.79
ii) Others	80,03,371.42	-	-	-	-	80,03,371.42	54,25,819.76	-	-	-	-	54,25,819.76
Total - Gross	**80,45,278.81**	-	-	-	-	**80,45,278.81**	**54,68,228.55**	-	-	-	-	**54,68,228.55**
Less: Impairment loss allowance	1,60,328.71	-	-	-	-	1,60,328.71	1,07,482.53	-	-	-	-	1,07,482.53
Total - Net	**78,84,950.10**	-	-	-	-	**78,84,950.10**	**53,60,746.02**	-	-	-	-	**53,60,746.02**
Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
Total - Net	-	-	-	-	-	-	-	-	-	-	-	-
Total (C)	**78,84,950.10**	-	-	-	-	**78,84,950.10**	**53,60,746.02**	-	-	-	-	**53,60,746.02**

Note :
1. There are no loans or advances, in the nature of loans, which are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act 2013), either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.
2. Impairment loss allowance includes non-fund based exposure's impairment loss allowance of ₹ 29.95 lakhs (refer note: 10.1(d))

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

S.R. BATLIBOI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 10: Loans (continued)

Note 10.1: Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"
(a) Reconciliation of Gross carrying amount - Loans:

Loans	As at 31 March, 2023				As at 31 March, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance of Gross carrying amount	49,77,028.10	2,95,575.99	1,95,603.41	54,68,207.50	43,53,665.99	3,65,907.30	1,42,247.24	48,61,820.53
New assets originated or purchased	47,29,349.26	35,498.03	31,548.81	47,96,396.10	24,27,295.24	22,914.07	16,115.47	24,66,324.78
Assets derecognised or repaid (excluding write offs)	(20,74,466.07)	(58,620.04)	(39,942.71)	(21,73,028.82)	(17,13,767.84)	(59,110.65)	(23,372.08)	(17,96,250.57)
Transfers to Stage 1	1,21,954.37	(1,16,005.59)	(5,948.78)	-	1,16,820.00	(1,13,411.08)	(3,408.92)	-
Transfers to Stage 2	(1,08,095.41)	1,08,692.31	(596.90)	-	(1,44,932.18)	1,45,473.36	(541.18)	-
Transfers to Stage 3	(47,493.20)	(37,833.71)	85,326.91	-	(44,517.45)	(57,965.63)	1,02,483.08	-
Amounts written-off	(22,492.38)	(8,571.26)	(15,280.87)	(46,344.51)	(17,535.66)	(8,231.37)	(37,920.20)	(63,687.23)
Closing Balance of Gross carrying amount	**75,75,784.67**	**2,18,735.73**	**2,50,709.87**	**80,45,230.27**	**49,77,028.10**	**2,95,575.99**	**1,95,603.41**	**54,68,207.50**

(b) Reconciliation of loss allowance provision - Loans:

ECL	As at 31 March, 2023				As at 31 March, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance of ECL allowance	15,999.84	14,194.05	77,288.64	1,07,482.53	23,022.07	20,101.02	58,995.56	1,02,118.65
Increase in new / existing assets originated or purchased	48,250.78	6,218.26	55,349.37	1,09,818.41	17,698.11	11,602.97	54,867.40	84,168.48
Assets derecognised or repaid (excluding write offs)	(7,980.79)	(922.75)	(1,776.72)	(10,680.26)	(8,300.97)	(4,213.60)	(2,602.80)	(15,117.37)
Transfers to Stage 1	4,134.24	(2,708.13)	(1,426.11)	-	1,797.50	(975.67)	(821.82)	-
Transfers to Stage 2	(254.79)	501.19	(246.41)	-	(417.36)	468.97	(51.61)	-
Transfers to Stage 3	(187.78)	(1,645.72)	1,833.50	-	(263.85)	(4,558.27)	4,822.11	-
Amounts written-off	(22,492.84)	(8,571.26)	(15,227.87)	(46,291.97)	(17,535.66)	(8,231.37)	(37,920.20)	(63,687.23)
Closing Balance of ECL allowance	**37,468.66**	**7,065.64**	**1,15,794.41**	**1,60,328.71**	**15,999.84**	**14,194.05**	**77,288.64**	**1,07,482.53**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

S.R. GHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 10.1: Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures" (continued)

(c) Expected credit loss - Loans:

Particulars	As at 31 March, 2023				As at 31 March, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	75,75,784.67	2,18,735.73	2,50,709.87	80,45,230.27	49,77,028.10	2,95,575.99	1,95,603.41	54,68,207.50
Less: Impairment loss allowance	37,468.66	7,065.64	1,15,794.41	1,60,328.71	15,999.84	14,194.05	77,288.64	1,07,482.53
Net carrying amount	**75,38,316.01**	**2,11,670.09**	**1,34,915.46**	**78,84,901.56**	**49,61,028.26**	**2,81,381.94**	**1,18,314.77**	**53,60,724.97**

(d) An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to non-fund based exposures is as follows:

Non-funded exposures	Total Non-fund Exposures (not included in the tables above)				ECL on Non-fund exposures (included in the tables above)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance as on 31 March, 2022	11,748.84	200.00	-	11,948.84	36.47	6.87	-	43.34
Net Movement	(3,636.99)	(100.00)	200.00	(3,536.99)	(6.58)	(6.81)	-	(13.39)
Closing Balance as on 31 March, 2023	**8,111.85**	**100.00**	**200.00**	**8,411.85**	**29.89**	**0.06**	**-**	**29.95**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 11: Investments

As at 31 March, 2023

Particulars	Amortised Cost	At Fair value			Sub-total	Others	Total
		Through Other Comprehensive Income	Through profit and loss account	Designated at through profit and loss account			
i) Investment in Govt Securities	-	-	2,47,031.28	-	2,47,031.28	-	2,47,031.28
ii) Investment in Equity instruments	-	308.73	34.82	-	343.55	-	343.55
iii) Investment in Preference Shares	-	-	3,500.00	-	3,500.00	-	3,500.00
iv) Investment in Alternate Funds	-	-	24,643.33	-	24,643.33	-	24,643.33
v) Investment in Debentures	7,490.86	-	85,430.31	-	85,430.31	-	92,921.17
vi) Investment in Security Receipts	2,635.00	-	-	-	-	-	2,635.00
vii) Investment in Mutual Funds	-	-	520.91	-	520.91	-	520.91
Total Gross (A)	**10,125.86**	**308.73**	**3,61,160.65**	**-**	**3,61,469.38**	**-**	**3,71,595.24**
(i) Investments in India	10,125.86	308.73	3,61,160.65	-	3,61,469.38	-	3,71,595.24
(ii) Investments outside India	-	-	-	-	-	-	-
Total (B)	**10,125.86**	**308.73**	**3,61,160.65**	**-**	**3,61,469.38**	**-**	**3,71,595.24**
Less : Impairment loss allowance (C)	1,325.62	-	-	-	-	-	1,325.62
Total - Net [D= (A)-(C)]	**8,800.24**	**308.73**	**3,61,160.65**	**-**	**3,61,469.38**	**-**	**3,70,269.62**

As at 31 March, 2022

Particulars	Amortised Cost	At Fair value			Sub-total	Others	Total
		Through Other Comprehensive Income	Through profit and loss account	Designated at through profit and loss account			
i) Investment in Govt Securities	-	-	47,137.87	-	47,137.87	-	47,137.87
ii) Equity instruments	-	235.26	45.17	-	280.43	-	280.43
iii) Investment in Preference Shares	-	-	3,500.00	-	3,500.00	-	3,500.00
iv) Investment in Alternate Funds	-	-	8,225.19	-	8,225.19	-	8,225.19
v) Investment in Debentures	-	-	1,10,260.07	-	1,10,260.07	-	1,10,260.07
Total Gross (A)	**-**	235.26	1,69,168.30	-	**1,69,403.56**	**-**	**1,69,403.56**
(i) Investments in India	-	235.26	1,69,168.30	-	1,69,403.56	-	1,69,403.56
(ii) Investments outside India	-	-	-	-	-	-	-
Total (B)	**-**	**235.26**	**1,69,168.30**	**-**	**1,69,403.56**	**-**	**1,69,403.56**
Less : Impairment loss allowance (C)	-	-	-	-	-	-	-
Total - Net [D= (A)-(C)]	**-**	**235.26**	**1,69,168.30**	**-**	**1,69,403.56**	**-**	**1,69,403.56**

Note:

1. The Company received dividends of ₹ 284.97 lakhs (31 March, 2022: ₹ 285.31 lakhs) from its FVTPL securities, recorded as dividend income.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 11: Investments (continued)

Note 11.1: Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"
(a) Reconciliation of Gross carrying amount - Investment:

Loans	As at 31 March, 2023				As at 31 March, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance of Gross carrying amount	-	-	-	-	-	-	-	-
New assets originated or purchased	7,490.86	-	2,635.00	10,125.86	-	-	-	-
Assets derecognised or repaid (excluding write offs)	-	-	-	-	-	-	-	-
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Amounts written-off	-	-	-	-	-	-	-	-
Closing Balance of Gross carrying amount	**7,490.86**	**-**	**2,635.00**	**10,125.86**	**-**	**-**	**-**	**-**

(b) Reconciliation of loss allowance provision - Investment:

ECL	As at 31 March, 2023				As at 31 March, 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance of ECL allowance	-	-	-	-	-	-	-	-
Increase in new / existing assets originated or purchased	8.12	-	1,317.50	1,325.62	-	-	-	-
Assets derecognised or repaid (excluding write offs)	-	-	-	-	-	-	-	-
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Amounts written-off	-	-	-	-	-	-	-	-
Closing Balance of ECL allowance	**8.12**	**-**	**1,317.50**	**1,325.62**	**-**	**-**	**-**	**-**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 12: Other financial assets

Particulars	As at 31 March, 2023	As at 31 March, 2022
Security Deposits (Carried at amortised cost, unless otherwise stated).	3,774.41	2,772.59
Other Receivables	2,469.50	2,589.22
Collateralized Borrowing and Lending Obligation	8,507.88	-
Total	**14,751.79**	**5,361.81**

Note 13: Current tax assets (net)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Advance Payment of Taxes (Net of provision for taxation ₹ 1,17,279.69 lakhs; 31 March, 2022 ₹ 1,46,294.86 lakhs)	15,150.75	34,239.10
Total	**15,150.75**	**34,239.10**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 14: Property, plant and equipments

Particulars	Building	Plant & Equipments	Furniture & Fixtures	Vehicles	Office Equipments	Leasehold Improvements	Total
Gross book value:							
At 1 April, 2021	20.92	1,124.36	148.69	1,508.54	466.76	690.23	3,959.50
Additions	-	139.72	64.20	485.31	172.56	414.66	1,276.45
Disposals	-	83.93	25.27	435.33	119.21	62.59	726.33
At at 31 March, 2022	**20.92**	**1,180.15**	**187.62**	**1,558.52**	**520.11**	**1,042.30**	**4,509.62**
Additions	-	2,531.50	371.67	571.60	339.43	1,256.17	5,070.37
Disposals	-	227.32	24.63	312.28	55.06	155.50	774.79
As at 31 March, 2023	**20.92**	**3,484.33**	**534.66**	**1,817.84**	**804.48**	**2,142.97**	**8,805.20**
Depreciation and impairment:							
At 1 April, 2021	1.84	913.98	101.40	720.15	295.16	461.17	2,493.70
Depreciation charge for the year	0.46	136.03	46.49	297.05	92.57	127.12	699.72
Disposals	-	83.93	25.27	278.34	116.68	60.95	565.17
At at 31 March, 2022	**2.30**	**966.08**	**122.62**	**738.86**	**271.05**	**527.34**	**2,628.25**
Depreciation charge for the year	0.46	600.69	199.92	305.66	155.13	452.60	1,714.46
Disposals	-	226.66	24.25	207.76	55.06	153.94	667.67
As at 31 March, 2023	**2.76**	**1,340.11**	**298.29**	**836.76**	**371.12**	**826.00**	**3,675.04**
Net book value:							
At at 31 March, 2022	**18.62**	**214.07**	**65.00**	**819.66**	**249.06**	**514.96**	**1,881.37**
As at 31 March, 2023	**18.16**	**2,144.22**	**236.37**	**981.08**	**433.36**	**1,316.97**	**5,130.16**

Note:
1. Redeemable Non Convertible Debentures are secured by charge on immovable property of the Company.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 15: Right of use Lease Assets

Particulars	Amount
Gross book value:	
As at 1 April, 2021	13,912.45
Additions	7,065.31
Disposals	4,374.94
As at 31 March, 2022	**16,602.82**
Additions	10,501.68
Disposals	1,429.49
As at 31 March, 2023	**25,675.01**
Accumulated amortisation:	
As at 1 April, 2021	4,507.14
Additions	2,583.08
Disposals	2,674.73
As at 31 March, 2022	**4,415.49**
Additions	2,959.69
Disposals	449.89
As at 31 March, 2023	**6,925.29**
Net book value:	
As at 31 March, 2022	12,187.33
As at 31 March, 2023	**18,749.72**

Note 16: Intangible assets under development

Particulars	Amount
Gross book value:	
As at 1 April, 2021	1,197.92
Additions	932.03
Disposals	-
Transfers	1,040.90
As at 31 March, 2022	**1,089.05**
Additions	866.08
Disposals	-
Transfers	1,065.06
As at 31 March, 2023	**890.07**

Note 16: Intangible assets under development aging schedule:

As at 31 March, 2023

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	866.07	24.00	-	-	890.07
Total	**866.07**	**24.00**	**-**	**-**	**890.07**

As at 31 March, 2022

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	932.03	157.02	-	-	1,089.05
Total	**932.03**	**157.02**	**-**	**-**	**1,089.05**

The Company does not have any project temporarily suspended whose completion is overdue or has exceeded its cost compared to its original plan.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 17: Other intangible assets

Particulars	Software
Gross book value:	
At 1 April, 2021	15,506.54
Additions	3,420.36
Disposals	8.99
At 31 March, 2022	**18,917.91**
Additions	3,215.55
Disposals	40.88
As at 31 March, 2023	**22,092.58**
Accumulated	
At 1 April, 2021	8,356.80
Additions	3,552.59
Disposals	-
At 31 March, 2022	**11,909.39**
Additions	3,939.13
Disposals	-
As at 31 March, 2023	**15,848.52**
Net book value:	
As at 31 March, 2022	**7,008.52**
As at 31 March, 2023	**6,244.06**

All intangible assets are other than internally generated.

Note 18: Other non-financial assets

Particulars	As at 31 March, 2023	As at 31 March, 2022
Prepaid expenses	2,030.44	4,240.10
Capital advances	1,336.25	396.71
Goods and Service Tax/Service Tax Receivable	3,177.07	1,734.46
Reimbursement Rights of Gratuity Fund	2,735.20	2,161.99
Others	3,336.36	-
Total	**12,615.32**	**8,533.26**

Note 19: Trade Payables

Particulars	As at 31 March, 2023	As at 31 March, 2022
- Micro and small enterprises	288.81	696.87
- Other than Micro and small enterprises	69,467.65	23,524.76
Total	**69,756.46**	**24,221.63**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 19: Trade Payables

Trade Payables ageing schedule
As at 31 March, 2023

Particulars	Outstanding for following periods from date of transaction					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	288.70	0.09	0.02	-	288.81
(ii) Others	57,972.87	11,342.07	100.39	5.75	46.57	69,467.65
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-
Total	**57,972.87**	**11,630.77**	**100.48**	**5.77**	**46.57**	**69,756.46**

As at 31 March, 2022

Particulars	Outstanding for following periods from date of transaction					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	694.04	0.02	2.81	-	696.87
(ii) Others	18,827.81	4,586.24	22.47	57.73	30.51	23,524.76
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-
Total	**18,827.81**	**5,280.27**	**22.49**	**60.54**	**30.51**	**24,221.63**

Notes:

1. Date of transaction considered as due date of payment.
2. The disclosures regarding micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 20: Debt securities

Particulars	As at 31 March, 2023				As at 31 March, 2022			
	At amortised cost	At fair Value through profit and loss Account	Designated at fair value through profit and loss account	Total	At amortised cost	At fair Value through profit and loss account	Designated at fair value through profit and loss account	Total
Redeemable non-convertible debentures (Secured)	15,86,126.94	-	89,406.83	16,75,533.77	12,28,682.37	-	24,954.31	12,53,636.68
Redeemable non-convertible debentures (Unsecured)	16,100.36	-	-	16,100.36	10,960.04	-	-	10,960.04
Commercial papers (Unsecured)	6,61,851.38	-	-	6,61,851.38	3,13,528.98	-	-	3,13,528.98
Total	**22,64,078.68**	**-**	**89,406.83**	**23,53,485.51**	**15,53,171.39**	**-**	**24,954.31**	**15,78,125.70**
Debt securities in India	22,64,078.68	-	89,406.83	23,53,485.51	15,53,171.39	-	24,954.31	15,78,125.70
Debt securities outside India	-	-	-	-	-	-	-	-
Total	**22,64,078.68**	**-**	**89,406.83**	**23,53,485.51**	**15,53,171.39**	**-**	**24,954.31**	**15,78,125.70**

Note:

1. Redeemable Non-Convertible Debentures are secured by way of mortgage on the immovable property and/or first pari-passu charge on certain Financial Assets of the company.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'B1' FY 2021-22-MATURITY DATE – 05/05/2023	10,00,000	May 7, 2021	26,634.74	5.11% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	May 5, 2023	Redeemable at par at end of 728 days from the date of allotment
7.75% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A1 FY 2020-21. MATURITY DATE – 17/05/2023	10,00,000	April 17, 2020	22,015.76	7.75% p.a.	May 17, 2023	Redeemable at par at end of 1125 days from the date of allotment
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE – 30/05/2023	10,00,000	February 25, 2021	77,927.81	6.15% p.a.	May 30, 2023	Redeemable at par at end of 824 days from the date of allotment
5.1500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES C1.DATE OF MATURITY 16/06/2023	10,00,000	June 17, 2021	5,201.20	5.15% p.a.	June 16, 2023	Redeemable at par at end of 729 days from the date of allotment
7.57% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A2 FY 2020-21. MATURITY DATE – 28/06/2023	10,00,000	April 28, 2020	24,022.93	7.75% p.a.	June 28, 2023	Redeemable at par at end of 1156 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	10,00,000	December 11, 2018	15,325.87	8.90% p.a	July 27, 2023	Redeemable at par at end of 1689 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	10,00,000	July 27, 2018	1,585.44	8.90% p.a	July 27, 2023	Redeemable at par at end of 1826 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	January 7, 2019	1,637.07	9.15% p.a.	December 21, 2023	Redeemable at par at end of 1809 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	December 27, 2018	8,287.67	9.15% p.a.	December 21, 2023	Redeemable at par at end of 1820 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	December 21, 2018	7,162.18	9.15% p.a.	December 21, 2023	Redeemable at par at end of 1826 days from the date of allotment
5.9000% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD G1 FY 2020-21. MATURITY DATE – 29/12/2023	10,00,000	October 22, 2020	33,842.87	5.90% p.a.	December 29, 2023	Redeemable at par at end of 1163 days from the date of allotment
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD L3 FY 2020-21 MATURITY DATE – 28/03/2024	10,00,000	March 31, 2021	41,995.12	6.15% p.a	March 28, 2024	Redeemable at par at end of 1093 days from the date of allotment
PRINCIPAL PROTECTED (10 YEAR G-SEC PRICE LINKED) SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES PPMLD B1 FY 2022-23 – MAY 04, 2022. DATE OF MATURITY 03/05/2024	10,00,000	May 4, 2022	4,753.52	Coupon linked to performance of Underlying / Reference Index Scenario If performance of underlying on final fixing date Coupon 1. Greater than 50% of Digital Level 6.82% p.a. (6.00% XIRR (Annualized yield)) 2. Less than or equal to 50% of Digital Level 0 %	May 3, 2024	Redeemable at par at end of 730 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	July 24, 2019	10,534.45	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1785 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	June 28, 2019	11,911.29	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1811 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	June 24, 2019	21,132.94	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1815 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	June 12, 2019	18,464.64	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1827 days from the date of allotment
Zero Coupon SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES C2.DATE OF MATURITY 14/06/2024	10,00,000	June 17, 2021	8,286.26	5.75% on XIRR	June 14, 2024	Redeemable at par at end of 1093 days from the date of allotment

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
PRINCIPAL PROTECTED (10 YEAR G-SEC PRICE LINKED) SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES PPMLD C4 FY 2022-23 – JUNE 28, 2022. DATE OF MATURITY 27/06/2024	10,00,000	June 28, 2022	2,636.50	Coupon linked to performance of Underlying / Reference Index Scenario If performance of underlying on final fixing date Coupon 1. Greater than 50% of Digital Level 7.34% p.a. (7.33% XIRR (Annualized yield)) 2. Less than or equal to 50% of Digital Level 0 %	June 27, 2024	Redeemable at par at end of 730 days from the date of allotment
5.8500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES E1.DATE OF MATURITY 02/08/2024	10,00,000	August 5, 2021	25,939.78	5.85% p.a.	August 2, 2024	Redeemable at par at end of 1093 days from the date of allotment
Zero Coupon SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES E2 FY2022-23.DATE OF MATURITY 23/08/2024	10,00,000	August 24, 2022	14,181.33	7.26% p.a. on XIRR basis	August 23, 2024	Redeemable at par at end of 730 days from the date of allotment
Zero Coupon SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES H1 FY2022-23.DATE OF MATURITY 28/11/2024	10,00,000	November 18, 2022	5,139.34	7.92% p.a. on XIRR basis	November 28, 2024	Redeemable at par at end of 741 days from the date of allotment
3M TBILL LINKED SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES 'J1' FY2021-22.DATE OF MATURITY 21/01/2025	10,00,000	January 21, 2022	50,745.22	5.22% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	January 21, 2025	Redeemable at par at end of 1096 days from the date of allotment
PRINCIPAL PROTECTED (10 YEAR G-SEC PRICE LINKED) SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES PPMLD E3 FY 2022-23 – DATE OF MATURITY 09/04/2025	10,00,000	August 26, 2022	10,653.96	Coupon linked to performance of Underlying / Reference Index Scenario If performance of underlying on final fixing date Coupon 1. Greater than 50% of Digital Level 7.2941% p.a. (7.31% XIRR (Annualized yield)) 2. Less than or equal to 50% of Digital Level 0 %	April 9, 2025	Redeemable at par at end of 957 days from the date of allotment
7.69% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A3 FY 2020-21. MATURITY DATE – 25/04/2025	10,00,000	April 28, 2020	2,675.51	7.69% p.a.	April 25, 2025	Redeemable at par at end of 1823 days from the date of allotment
7.6000% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. FURTHER ISSUANCE II ABFL NCD SERIES C1 FY2022-23.DATE OF MATURITY 06/06/2025	10,00,000	July 1, 2022	26,478.35	7.60% p.a.	June 6, 2025	Redeemable at par at end of 1071 days from the date of allotment
7.6000% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. FURTHER ISSUANCE I ABFL NCD SERIES C1 FY2022-23.DATE OF MATURITY 06/06/2025	10,00,000	June 14, 2022	26,478.35	7.60% p.a.	June 6, 2025	Redeemable at par at end of 1088 days from the date of allotment
7.6000% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES C1 FY2022-23.DATE OF MATURITY 06/06/2025	10,00,000	June 8, 2022	11,650.48	7.60% p.a.	June 6, 2025	Redeemable at par at end of 1094 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (IV) SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025	10,00,000	February 9, 2023	3,257.51	8.90% p.a.	June 26, 2025	Redeemable at par at end of 868 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (III) SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025	10,00,000	November 29, 2022	2,714.59	8.90% p.a.	June 26, 2025	Redeemable at par at end of 940 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (II) SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025	10,00,000	September 28, 2022	2,714.59	8.90% p.a.	June 26, 2025	Redeemable at par at end of 1002 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (I) SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025	10,00,000	July 12, 2022	32,575.08	8.90% p.a.	June 26, 2025	Redeemable at par at end of 1080 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025	10,00,000	June 26, 2018	5,537.76	8.90 % p.a.	June 26, 2025	Redeemable at par at end of 2557 days from the date of allotment
Zero Coupon SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES G1.DATE OF MATURITY 11/07/2025	10,00,000	July 12, 2022	34,289.94	7.80% p.a. on XIRR basis	July 11, 2025	Redeemable at par at end of 1095 days from the date of allotment

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
6.4000% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES J2.DATE OF MATURITY 22/07/2025	10,00,000	January 21, 2022	35,409.31	6.40% p.a.	July 22, 2025	Redeemable at par at end of 1278 days from the date of allotment
7.5000% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. Further Issuance (I) ABFL NCD Series E1 FY 2022-23.DATE OF MATURITY 18/08/2025	10,00,000	September 19, 2022	48,599.59	7.50% p.a.	August 18, 2025	Redeemable at par at end of 1064 days from the date of allotment
7.5000% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES E1 FY2022-23.DATE OF MATURITY 18/08/2025	10,00,000	August 18, 2022	41,806.10	7.50% p.a.	August 18, 2025	Redeemable at par at end of 1096 days from the date of allotment
7.9000% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES G1 FY2022-23.DATE OF MATURITY 19/09/2025	10,00,000	October 14, 2022	52,799.61	7.90% p.a.	September 19, 2025	Redeemable at par at end of 1071 days from the date of allotment
8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD Q1 FY 2015-16. DATE OF MATURITY 17/10/2025	10,00,000	October 19, 2015	1,556.82	8.77% p.a.	October 17, 2025	Redeemable at par at end of 3651 days from the date of allotment
8.71% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD S1 FY 2015-16. DATE OF MATURITY 31/10/2025	10,00,000	November 3, 2015	50,647.56	8.71% p.a.	50% on November 01, 2024 & 50% on October 31, 2025	Redeemable in installments at par - 50% at end of 3286 days and 50% at end of 3650 days from the date of allotment
6.2500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1 FY 2020-21. MATURITY DATE – 23/12/2025	10,00,000	December 23, 2020	7,619.92	6.25% p.a.	December 23, 2025	Redeemable at par at end of 1826 days from the date of allotment
7.9300% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES H4 FY2022-23.DATE OF MATURITY 15/01/2026	10,00,000	November 29, 2022	31,278.46	7.93% p.a.	January 15, 2026	Redeemable at par at end of 1143 days from the date of allotment
7.8800% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. Further Issuance (I)ABFL NCD SERIES I3 FY2022-23.DATE OF MATURITY 12/02/2026	10,00,000	February 2, 2023	15,259.82	7.88% p.a.	February 12, 2026	Redeemable at par at end of 1106 days from the date of allotment
7.8800% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. Further Issuance (I)ABFL NCD SERIES I3 FY2022-23.DATE OF MATURITY 12/02/2026	10,00,000	February 2, 2023	15,432.77	7.88% p.a.	February 12, 2026	Redeemable at par at end of 1106 days from the date of allotment
7.8800% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES I3 FY2022-23.DATE OF MATURITY 12/02/2026	10,00,000	December 30, 2022	40,692.86	7.88% p.a.	February 12, 2026	Redeemable at par at end of 1140 days from the date of allotment
8.85% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD W3 FY 2015-16. DATE OF MATURITY 23/02/2026	10,00,000	February 23, 2016	1,007.90	8.85% p.a.	February 23, 2026	Redeemable at par at end of 3653 days from the date of allotment
8.90% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD X1 FY 2015-16. DATE OF MATURITY 06/03/2026	10,00,000	March 9, 2016	1,004.63	8.90% p.a.	March 6, 2026	Redeemable at par at end of 3649 days from the date of allotment
7.9500% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES H2 FY2022-23.DATE OF MATURITY 28/03/2026	10,00,000	November 18, 2022	61,371.00	7.95% p.a.	March 18, 2026	Redeemable at par at end of 1216 days from the date of allotment
8.90% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD Z3 FY 2015-16. DATE OF MATURITY 20/03/2026	10,00,000	March 21, 2016	500.92	8.90% p.a.	March 20, 2026	Redeemable at par at end of 3651 days from the date of allotment
6.5500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES D1.DATE OF MATURITY 24/07/2026	10,00,000	July 26, 2021	51,790.18	6.55% p.a.	July 24, 2026	Redeemable at par at end of 1824 days from the date of allotment
8.3000% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES L2 FY2022-23.DATE OF MATURITY 16/09/2026	1,00,000	March 21, 2023	21,036.47	8.30% p.a.	September 16, 2026	Redeemable at par at end of 1275 days from the date of allotment
6.4500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES G2.DATE OF MATURITY 01/10/2026	10,00,000	October 4, 2021	11,853.91	6.45% p.a.	October 1, 2026	Redeemable at par at end of 1823 days from the date of allotment
8% XIRR SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C1 FY 2017-18. DATE OF MATURITY 11/06/2027	10,00,000	June 13, 2017	781.44	8.00% p.a. on XIRR	June 11, 2027	Redeemable at par at end of 3650 days from the date of allotment
7.9500% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES I1 FY2022-23.DATE OF MATURITY 03/12/2027	10,00,000	December 5, 2022	5,121.60	7.95% p.a.	December 3, 2027	Redeemable at par at end of 1824 days from the date of allotment
7.9200% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES I2 FY2022-23.DATE OF MATURITY 27/12/2027	10,00,000	December 27, 2022	41,803.88	7.92% p.a.	December 27, 2027	Redeemable at par at end of 1826 days from the date of allotment
8.1200% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. FURTHER ISSUANCE (I)ABFL NCD SERIES L1 FY2022-23.DATE OF MATURITY 06/03/2028	1,00,000	March 21, 2023	7,568.58	8.12% p.a.	March 6, 2028	Redeemable at par at end of 1812 days from the date of allotment
8.1200% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES L1 FY2022-23.DATE OF MATURITY 06/03/2028	1,00,000	March 6, 2023	52,428.72	8.12% p.a.	March 6, 2028	Redeemable at par at end of 1827 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. FURTHER ISSUANCE IV SERIES ABFL NCD I2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	September 8, 2022	2,602.13	9.15% p.a.	December 21, 2028	Redeemable at par at end of 2296 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	March 29, 2019	15,612.81	9.15% p.a.	December 21, 2028	Redeemable at par at end of 3555 days from the date of allotment

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

S.R. BATLIBOI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	February 12, 2019	4,007.29	9.15% p.a.	December 21, 2028	Redeemable at par at end of 3600 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	December 27, 2018	7,181.89	9.15% p.a.	December 21, 2028	Redeemable at par at end of 3647 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	December 21, 2018	1,561.28	9.15% p.a.	December 21, 2028	Redeemable at par at end of 3653 days from the date of allotment
9% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD B2 FY 2019-20. MATURITY DATE – 18/05/2029	10,00,000	May 20, 2019	1,61,572.86	9.00% p.a.	50% - May 19, 2028 50% - May 18, 2029	Redeemable in installments at par - 50% at end of 3287 days and 50% at end of 3651 days from the date of allotment
8.70% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD D1 FY 2019-2020. DATE OF MATURITY July 04, 2029	10,00,000	July 4, 2019	3,103.99	8.70% p.a.	July 4, 2029	Redeemable at par at end of 3653 days from the date of allotment
8.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD J1 FY 2019-20. MATURITY DATE – 18/01/2030	10,00,000	January 20, 2020	1,01,514.96	8.15% p.a.	25% at the end of 7th Year (Wednesday, January 20, 2027), 25% at the end of 8th Year (Thursday, January 20, 2028), 25% at the end of 9th Year (Friday, January 19, 2029) & 25% at the end of 10th Year (Friday, January 18, 2030)	Redeemable in installments at par - 25% at end of 2557 days, 25% at end of 2922 days 25% at end of 3287 days 25% at end of 3651 days from the date of allotment
7.2400% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K1 FY 2020-21. MATURITY DATE – 18/02/2031	10,00,000	February 18, 2021	2,517.25	7.24% p.a.	February 18, 2031	Redeemable at par at end of 3652 days from the date of allotment
7.2600% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES B2.DATE OF MATURITY 30/05/2031	10,00,000	May 31, 2021	79,497.64	7.26% p.a.	25% at the end of 7th Year (Wednesday, May 31, 2028) 25% at the end of 8th Year (Thursday, May 31, 2029) 25% at the end of 9th Year (Friday, May 31, 2030) 25% at the end of 10th Year (Friday, May 30, 2031)	Redeemable in installments at par - 25% at end of 2557 days, 25% at end of 2922 days 25% at end of 3287 days 25% at end of 3652 days from the date of allotment
7.100% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES G1.DATE OF MATURITY 03/10/2031	10,00,000	October 4, 2021	5,163.59	7.10% p.a.	October 3, 2031	Redeemable at par at end of 3651 days from the date of allotment
8.1200% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. Further Issuance (III) ABFL NCD Series H3 FY 2022-23 .DATE OF MATURITY 18/11/2032	10,00,000	March 15, 2023	10,317.40	8.12% p.a.	November 18, 2032	Redeemable at par at end of 3536 days from the date of allotment
8.1200% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. Further Issuance (II) ABFL NCD Series H3 FY 2022-23 .DATE OF MATURITY 18/11/2032	10,00,000	February 9, 2023	23,214.16	8.12% p.a.	November 18, 2032	Redeemable at par at end of 3570 days from the date of allotment
8.1200% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. Further Issuance (I) ABFL NCD Series H3 FY 2022-23 .DATE OF MATURITY 18/11/2032	10,00,000	December 21, 2022	41,269.62	8.12% p.a.	November 18, 2032	Redeemable at par at end of 3620 days from the date of allotment
8.1200% SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES H3 FY2022-23.DATE OF MATURITY 18/11/2032	10,00,000	November 18, 2022	20,634.81	8.12% p.a.	November 18, 2032	Redeemable at par at end of 3653 days from the date of allotment
Total			**16,75,533.77**			

Note 20(b): Redeemable non-convertible debentures (Unsecured) as on 31 March, 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
7.57% UNSECURED RATED LISTED REDEEMABLE NON CONVERTIBLE PARTLY PAID DEBENTURES SERIES ABFL NCD 'EP1' FY 2020-21. DATE OF MATURITY 03/08/2035	4,40,000.00	06-Aug-20	16,100.36	7.57%	03-Aug-35	Redeemable at par at end of 5475 days from the date of allotment

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
7.100% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES G1.DATE OF MATURITY 03/10/2031	10,00,000	October 4, 2021	5,163.31	7.10% p.a.	October 3, 2031	Redeemable at par at end of 3651 days from the date of allotment
7.2600% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES B2.DATE OF MATURITY 30/05/2031	10,00,000	May 31, 2021	79,501.44	7.26% p.a.	25% at the end of 7th Year (May 31, 2028) 25% at the end of 8th Year (May 31, 2029) 25% at the end of 9th Year (May 31, 2030) 25% at the end of 10th Year (May 30, 2031)	Redeemable in instalment's at par - 25% at end of 2557 days, 25% at end of 2922 days 25% at end of 3287 days 25% at end of 3652 days from the date of allotment
7.2400% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K1 FY 2020-21. MATURITY DATE – 18/02/2031	10,00,000	February 18, 2021	2,517.10	7.24% p.a.	February 18, 2031	Redeemable at par at end of 3652 days from the date of allotment
8.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD J1 FY 2019-20. MATURITY DATE – 18/01/2030	10,00,000	January 20, 2020	1,01,521.87	8.15% p.a.	1)25% at the end of 7th Year (Wednesday, January 20, 2027), 2)25% at the end of 8th Year (Thursday, January 20, 2028), 3)25% at the end of 9th Year (Friday, January 19, 2029) & 4)25% at the end of 10th Year (Friday, January 18, 2030)	Redeemable in instalment's at par - 25% at end of 2557 days, 25% at end of 2922 days 25% at end of 3287 days 25% at end of 3651 days from the date of allotment
8.70% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD D1 FY 2019-2020. DATE OF MATURITY July 04, 2029	10,00,000	July 4, 2019	3,104.01	8.70% p.a.	July 4, 2029	Redeemable at par at end of 3653 days from the date of allotment
9% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD B2 FY 2019-20. MATURITY DATE – 18/05/2029	10,00,000	May 20, 2019	1,61,585.61	9.00% p.a.	50% - May 19, 2028 50% - May 18, 2029	Redeemable in instalment's at par - 50% at end of 3287 days and 50% at end of 3651 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	December 21, 2018	1,557.37	9.15% p.a.	December 21, 2028	Redeemable at par at end of 3653 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	December 27, 2018	7,163.92	9.15% p.a.	December 21, 2028	Redeemable at par at end of 3647 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	February 12, 2019	3,997.26	9.15% p.a.	December 21, 2028	Redeemable at par at end of 3600 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	March 29, 2019	15,573.75	9.15% p.a.	December 21, 2028	Redeemable at par at end of 3555 days from the date of allotment
8% XIRR SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C1 FY 2017-18. DATE OF MATURITY 11/06/2027	10,00,000	June 13, 2017	723.19	8.00% p.a.	June 11, 2027	Redeemable at par at end of 3650 days from the date of allotment
6.4500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES G2.DATE OF MATURITY 01/10/2026	10,00,000	October 4, 2021	11,854.01	6.45% p.a.	October 1, 2026	Redeemable at par at end of 1823 days from the date of allotment
6.5500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES D1.DATE OF MATURITY 24/07/2026	10,00,000	July 26, 2021	52,152.76	6.55% p.a.	July 24, 2026	Redeemable at par at end of 1824 days from the date of allotment
8.90% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD Z3 FY 2015-16. DATE OF MATURITY 20/03/2026	10,00,000	March 21, 2016	500.89	8.90% p.a.	March 20, 2026	Redeemable at par at end of 3651 days from the date of allotment
8.90% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD X1 FY 2015-16. DATE OF MATURITY 06/03/2026	10,00,000	March 9, 2016	1,004.57	8.90% p.a.	March 6, 2026	Redeemable at par at end of 3649 days from the date of allotment
8.85% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD W3 FY 2015-16. DATE OF MATURITY 23/02/2026	10,00,000	February 23, 2016	1,007.84	8.85% p.a.	February 23, 2026	Redeemable at par at end of 3653 days from the date of allotment

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SUNDARAM & SRINIVASAN Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
6.2500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1 FY 2020-21. MATURITY DATE – 23/12/2025	10,00,000	December 23, 2020	7,619.44	6.25% p.a.	December 23, 2025	Redeemable at par at end of 1826 days from the date of allotment
8.71% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD S1 FY 2015-16. DATE OF MATURITY 31/10/2025	10,00,000	November 3, 2015	50,645.32	8.71% p.a.	50% on November 01, 2024 & 50% on October 31, 2025	Redeemable in instalment's at par - 50% at end of 3285 days and 50% at end of 3650 days from the date of allotment
8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD Q1 FY 2015-16. DATE OF MATURITY 17/10/2025	10,00,000	October 19, 2015	1,556.76	8.77% p.a.	October 17, 2025	Redeemable at par at end of 3651 days from the date of allotment
6.4000% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES J2.DATE OF MATURITY 22/07/2025	10,00,000	January 21, 2022	35,403.86	6.40% p.a.	July 22, 2025	Redeemable at par at end of 1278 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025	10,00,000	June 26, 2018	5,442.04	8.90 % p.a.	June 26, 2025	Redeemable at par at end of 2557 days from the date of allotment
7.69% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A3 FY 2020-21. MATURITY DATE – 25/04/2025	10,00,000	April 28, 2020	2,675.13	7.69% p.a.	April 25, 2025	Redeemable at par at end of 1823 days from the date of allotment
3M TBILL LINKED SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES 'J1' FY2021-22.DATE OF MATURITY 21/01/2025	10,00,000	January 21, 2022	50,464.85	5.22% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	January 21, 2025	Redeemable at par at end of 1096 days from the date of allotment
5.8500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES E1.DATE OF MATURITY 02/08/2024	10,00,000	August 5, 2021	25,939.67	5.85% p.a.	August 2, 2024	Redeemable at par at end of 1093 days from the date of allotment
Zero Coupon SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES C2.DATE OF MATURITY 14/06/2024	10,00,000	June 17, 2021	7,834.59	Zero Coupon	June 14, 2024	Redeemable at par at end of 1093 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	June 12, 2019	18,484.74	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1827 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	June 24, 2019	21,155.95	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1815 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	June 28, 2019	11,924.26	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1811 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	July 24, 2019	10,545.92	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1785 days from the date of allotment
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD L3 FY 2020-21. MATURITY DATE – 28/03/2024	10,00,000	March 31, 2021	41,990.04	6.15% p.a.	March 28, 2024	Redeemable at par at end of 1093 days from the date of allotment
5.9000% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD G1 FY 2020-21. MATURITY DATE – 29/12/2023	10,00,000	October 22, 2020	33,835.95	5.90% p.a.	December 29, 2023	Redeemable at par at end of 1163 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	December 21, 2018	7,171.61	9.15% p.a.	December 21, 2023	Redeemable at par at end of 1826 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	December 27, 2018	8,298.58	9.15% p.a.	December 21, 2023	Redeemable at par at end of 1820 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	January 7, 2019	1,639.23	9.15% p.a.	December 21, 2023	Redeemable at par at end of 1809 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	10,00,000	July 27, 2018	1,580.49	8.90% p.a.	July 27, 2023	Redeemable at par at end of 1826 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	10,00,000	December 11, 2018	15,278.09	8.90% p.a.	July 27, 2023	Redeemable at par at end of 1689 days from the date of allotment

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

S.R. Batliboi & Co. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
7.57% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A2 FY 2020-21. MATURITY DATE – 28/06/2023	10,00,000	April 28, 2020	24,073.08	7.75% p.a.	June 28, 2023	Redeemable at par at end of 1156 days from the date of allotment
5.1500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES C1.DATE OF MATURITY 16/06/2023	10,00,000	June 17, 2021	5,200.32	5.15% p.a.	June 16, 2023	Redeemable at par at end of 729 days from the date of allotment
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE – 30/05/2023	10,00,000	February 25, 2021	77,932.47	6.15% p.a.	May 30, 2023	Redeemable at par at end of 824 days from the date of allotment
7.75% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A1 FY 2020-21. MATURITY DATE – 17/05/2023	10,00,000	April 17, 2020	22,009.78	7.75% p.a.	May 17, 2023	Redeemable at par at end of 1125 days from the date of allotment
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'B1' FY 2021-22-MATURITY DATE – 05/05/2023	10,00,000	May 7, 2021	26,170.69	5.11% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	May 5, 2023	Redeemable at par at end of 728 days from the date of allotment
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L2' FY 2020-21-MATURITY DATE – 19/03/2023	10,00,000	March 19, 2021	25,050.01	5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	March 17, 2023	Redeemable at par at end of 728 days from the date of allotment
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L1' FY 2020-21-MATURITY DATE – 16/03/2023	10,00,000	March 16, 2021	50,124.84	5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	March 16, 2023	Redeemable at par at end of 730 days from the date of allotment
7.75% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1. DATE OF MATURITY 09/12/2022	10,00,000	December 4, 2019	15,361.33	7.75% p.a.	December 9, 2022	Redeemable at par at end of 1101 days from the date of allotment
8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD O1 FY 2015-16. DATE OF MATURITY 12/10/2022	10,00,000	October 12, 2015	2,183.72	8.77% p.a.	October 12, 2022	Redeemable at par at end of 2557 days from the date of allotment
8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD N1 FY 2015-16. DATE OF MATURITY 07/10/2022	10,00,000	October 7, 2015	6,246.41	8.77% p.a.	October 7, 2022	Redeemable at par at end of 2557 days from the date of allotment
8.85% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD L1 FY 2015-16. DATE OF MATURITY 09/09/2022	10,00,000	September 10, 2015	2,096.02	8.85% p.a.	September 9, 2022	Redeemable at par at end of 2556 days from the date of allotment
7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD F1 FY 2017-18. DTE OF MATURITY 07/09/2022	10,00,000	September 7, 2017	33,865.63	7.60% p.a.	September 7, 2022	Redeemable at par at end of 1826 days from the date of allotment
7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E3 FY 2017-18. DTE OF MATURITY 18/08/2022	10,00,000	August 18, 2017	10,462.09	7.60% p.a.	August 18, 2022	Redeemable at par at end of 1826 days from the date of allotment
7.70% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E2 FY 2017-18. DTE OF MATURITY 12/08/2022	10,00,000	August 14, 2017	5,237.92	7.70% p.a.	August 12, 2022	Redeemable at par at end of 1824 days from the date of allotment
7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E4 FY 2017-18. DTE OF MATURITY 19/07/2022	10,00,000	August 23, 2017	15,680.69	7.60% p.a.	July 19, 2022	Redeemable at par at end of 1791 days from the date of allotment
7.8% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C4 FY 2017-18. DATE OF MATURITY 29/06/2022	10,00,000	June 29, 2017	21,163.43	7.80% p.a.	June 29, 2022	Redeemable at par at end of 1826 days from the date of allotment
7.80% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C3 FY 2017-18. DATE OF MATURITY 17/06/2022	10,00,000	June 19, 2017	5,301.86	7.80% p.a.	June 17, 2022	Redeemable at par at end of 1824 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD B1 FY 2019-20. MATURITY DATE - 25/05/2022	10,00,000	May 8, 2019	4,774.73	1 Greater than 50% of Digital Level 8.3026% p.a. (8.30% XIRR (Annualized yield)) 2 Less than or equal to 50% of Digital Level 0 %	May 25, 2022	Redeemable at par at end of 1113 days from the date of allotment

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
6.7834% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2020-21. MATURITY DATE – 26/04/2022	10,00,000	June 26, 2020	26,288.84	6.78% p.a.	April 26, 2022	Redeemable at par at end of 669 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	October 26, 2018	21,707.87	Zero Coupon	April 8, 2022	Redeemable at par at end of 1260 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	November 6, 2018	2,443.84	Zero Coupon	April 8, 2022	Redeemable at par at end of 1249 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	December 11, 2018	16,246.77	Zero Coupon	April 8, 2022	Redeemable at par at end of 1214 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	December 27, 2018	6,826.37	Zero Coupon	April 8, 2022	Redeemable at par at end of 1198 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	January 7, 2019	4,368.88	Zero Coupon	April 8, 2022	Redeemable at par at end of 1187 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	January 25, 2019	4,164.09	Zero Coupon	April 8, 2022	Redeemable at par at end of 1169 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	April 25, 2019	10,239.58	Zero Coupon	April 8, 2022	Redeemable at par at end of 1079 days from the date of allotment
Total			**12,53,636.68**			

Note 20(b): Redeemable non-convertible debentures (Unsecured) as on 31 March, 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
7.57% UNSECURED RATED LISTED REDEEMABLE NON CONVERTIBLE PARTLY PAID DEBENTURES. SERIES ABFL NCD 'EP1' FY 2020-21. DATE OF MATURITY 03/08/2035	3,00,000	August 6, 2020	10,960.04	7.57 % p.a.	August 3, 2035	Redeemable at par at end of 5475 days from the date of allotment

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 20(c): Commercial papers (Unsecured) as at 31 March, 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL/2022-23/CP121	5,00,000	30-Jan-23	49,713	7.55%	28-Apr-23	Redeemable at par at end of 88 days from the date of allotment
ABFL/2022-23/CP073 - 074	5,00,000	02-Nov-22	72,025	7.57%	02-May-23	Redeemable at par at end of 181 days from the date of allotment
ABFL/2022-23/CP075	5,00,000	07-Nov-22		7.57%		Redeemable at par at end of 176 days from the date of allotment
ABFL/2022-23/CP122	5,00,000	31-Jan-23		7.55%		Redeemable at par at end of 91 days from the date of allotment
ABFL/2022-23/CP125	5,00,000	17-Feb-23	2,477	7.63%	15-May-23	Redeemable at par at end of 87 days from the date of allotment
ABFL/2022-23/CP126 - 130	5,00,000	17-Feb-23	97,501	7.63%	19-May-23	Redeemable at par at end of 91 days from the date of allotment
ABFL/2022-23/CP131	5,00,000	24-Feb-23	59,289	7.63%	26-May-23	Redeemable at par at end of 91 days from the date of allotment
ABFL/2022-23/CP139	5,00,000	27-Feb-23		7.84%		Redeemable at par at end of 88 days from the date of allotment
ABFL/2022-23/CP081 - 085	5,00,000	17-Nov-22	1,13,520	7.57%	31-May-23	Redeemable at par at end of 195 days from the date of allotment
ABFL/2022-23/CP141 - 144	5,00,000	02-Mar-23		7.84%		Redeemable at par at end of 90 days from the date of allotment
ABFL/2022-23/CP145 - 146	5,00,000	03-Mar-23	44,390	7.95%	02-Jun-23	Redeemable at par at end of 91 days from the date of allotment
ABFL/2022-23/CP101	5,00,000	08-Dec-22	83,815	7.57%	07-Jun-23	Redeemable at par at end of 181 days from the date of allotment
ABFL/2022-23/CP113	5,00,000	13-Jan-23		7.62%		Redeemable at par at end of 145 days from the date of allotment
ABFL/2022-23/CP115 - 120	5,00,000	16-Jan-23		7.62%		Redeemable at par at end of 142 days from the date of allotment
ABFL/2022-23/CP147	5,00,000	13-Mar-23	9,843	7.95%	12-Jun-23	Redeemable at par at end of 91 days from the date of allotment
ABFL/2022-23/CP109	5,00,000	04-Jan-23	2,951	7.47%	20-Jun-23	Redeemable at par at end of 167 days from the date of allotment
ABFL/2022-23/CP110 - 111	5,00,000	13-Jan-23	24,954	7.72%	13-Jul-23	Redeemable at par at end of 181 days from the date of allotment
ABFL/2022-23/CP112	5,00,000	16-Jan-23		7.72%		Redeemable at par at end of 178 days from the date of allotment
ABFL/2022-23/CP123 - 124	5,00,000	10-Feb-23	10,699	7.80%	10-Aug-23	Redeemable at par at end of 181 days from the date of allotment
ABFL/2022-23/CP132 - 133	5,00,000	21-Feb-23	50,423	7.99%	21-Aug-23	Redeemable at par at end of 181 days from the date of allotment
ABFL/2022-23/CP134	5,00,000	22-Feb-23		7.99%		Redeemable at par at end of 180 days from the date of allotment
ABFL/2022-23/CP135-136	5,00,000	23-Feb-23		7.99%		Redeemable at par at end of 179 days from the date of allotment
ABFL/2022-23/CP137-138	5,00,000	24-Feb-23		7.99%		Redeemable at par at end of 178 days from the date of allotment
ABFL/2022-23/CP140	5,00,000	28-Feb-23	19,377	7.99%	25-Aug-23	Redeemable at par at end of 178 days from the date of allotment
ABFL/2022-23/CP148 -149	5,00,000	15-Mar-23	20,874	8.14%	14-Mar-24	Redeemable at par at end of 365 days from the date of allotment
Total			**6,61,851.38**			

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 20(c): Commercial papers (Unsecured) as at 31 March, 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL/2021-22/CP201	5,00,000	14 February, 2022	19,153.81	5.10%	10 February, 2023	Redeemable at par at end of 361 days from the date of allotment
ABFL/2021-22/CP196	5,00,000	07 January, 2022	9,636.28	4.91%	06 January, 2023	Redeemable at par at end of 364 days from the date of allotment
ABFL/2021-22/CP195	5,00,000	04 January, 2022	19,280.35	4.91%	03 January, 2023	Redeemable at par at end of 364 days from the date of allotment
ABFL/2021-22/CP204	5,00,000	18 February, 2022	2,410.77	4.97%	27 December, 2022	Redeemable at par at end of 312 days from the date of allotment
ABFL/2021-22/CP169	5,00,000	16 December, 2021	14,507.95	4.85%	12 December, 2022	Redeemable at par at end of 361 days from the date of allotment
ABFL/2021-22/CP204	5,00,000	18 February, 2022	14,540.01	4.97%	18 November, 2022	Redeemable at par at end of 273 days from the date of allotment
ABFL/2021-22/CP092	5,00,000	26 October, 2021	19,511.90	4.50%	21 October, 2022	Redeemable at par at end of 360 days from the date of allotment
ABFL/2021-22/CP041	5,00,000	12 July, 2021	4,942.40	4.40%	07 July, 2022	Redeemable at par at end of 360 days from the date of allotment
ABFL/2021-22/CP208	5,00,000	15 March, 2022	32,206.78	4.40%	14 June, 2022	Redeemable at par at end of 91 days from the date of allotment
ABFL/2021-22/CP206	5,00,000	24 February, 2022	54,678.17	4.27%	20 May, 2022	Redeemable at par at end of 85 days from the date of allotment
ABFL/2021-22/CP201	5,00,000	14 February, 2022	59,719.04	4.28%	10 May, 2022	Redeemable at par at end of 85 days from the date of allotment
ABFL/2021-22/CP168	5,00,000	07 December, 2021	62,941.52	4.25%	08 April, 2022	Redeemable at par at end of 122 days from the date of allotment
Total			**3,13,528.98**			

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 21: Borrowings other than debt securities

Particulars	As at 31 March, 2023				As at 31 March, 2022			
	Amortised cost	At fair value through profit and loss account	Designated at fair value through profit and loss account	Total	Amortised cost	At fair value through profit and loss account	Designated at fair value through profit and loss account	Total
Term Loan from Banks (Secured)	37,34,866.82	-	-	37,34,866.82	21,00,005.16	-	-	21,00,005.16
Cash Credit from Banks (Secured)	40,064.61	-	-	40,064.61	26,262.23	-	-	26,262.23
External Commercial Borrowings from foreign banks (secured)	1,95,022.40	-	-	1,95,022.40	2,41,699.63	-	-	2,41,699.63
Inter Corporate borrowing (Unsecured)	56,966.13	-	-	56,966.13	-	-	-	-
Book Overdraft	1,01,275.70	-	-	1,01,275.70	1,84,848.14	-	-	1,84,848.14
Collateralised borrowing and lending obligation (CBLO) against Government securities (secured)	20,002.99	-	-	20,002.99	-	-	-	-
Working Capital Demand Loan from Bank (Secured)	3,30,398.81	-	-	3,30,398.81	2,18,899.88	-	-	2,18,899.88
Total	**44,78,597.46**	**-**	**-**	**44,78,597.46**	**27,71,715.04**	**-**	**-**	**27,71,715.04**
Borrowings in India	42,83,575.06	-	-	42,83,575.06	25,30,015.41	-	-	25,30,015.41
Borrowings outside India	1,95,022.40	-	-	1,95,022.40	2,41,699.63	-	-	2,41,699.63
Total	**44,78,597.46**	**-**	**-**	**44,78,597.46**	**27,71,715.04**	**-**	**-**	**27,71,715.04**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 21(a): Term Loan from Banks as at 31 March, 2023 : Secured

Repayment Term	Tenure	Interest Range	Amount
Bullet	Up to 5 years	Up to 7.00%	-
		7.01% - 8.00%	70,283.98
		8.01% - 9.00%	67,033.68
		9.01% - 10.00%	-
Annually	Up to 5 years	Up to 7.00%	-
		7.01% - 8.00%	6,66,433.89
		8.01% - 9.00%	2,82,925.21
		9.01% - 10.00%	1,00,935.46
Half Yearly	Up to 5 years	Up to 7.00%	-
		7.01% - 8.00%	3,13,608.09
		8.01% - 9.00%	10,81,065.48
		9.01% - 10.00%	-
	Above 5 Years	Up to 7.00%	45,153.92
		7.01% - 8.00%	2,91,106.10
		8.01% - 9.00%	67,844.12
		9.01% - 10.00%	-
Quarterly	Up to 5 years	Up to 7.00%	-
		7.01% - 8.00%	1,63,337.36
		8.01% - 9.00%	3,87,702.09
		9.01% - 10.00%	33,377.55
	Above 5 Years	Up to 7.00%	-
		7.01% - 8.00%	23,050.58
		8.01% - 9.00%	1,10,128.13
		9.01% - 10.00%	-
Monthly	Up to 5 years	Up to 7.00%	-
		7.01% - 8.00%	-
		8.01% - 9.00%	12,467.18
		9.01% - 10.00%	18,414.00
Total			**37,34,866.82**

Nature of Security: Term Loan from Bank is secured by hypothecation of receivables.

Note 21(b): External Commercial Borrowings as at 31 March, 2023 : Secured

Repayment Term	Tenure	Interest Range	Amount
Bullet	Up to 5 years	Up to 7.00%	-
		7.01% - 8.00%	27,138.46
		8.01% - 9.00%	65,271.11
	Above 5 Years	Up to 7.00%	-
		7.01% - 8.00%	-
		8.01% - 9.00%	1,02,612.83
Total			**1,95,022.40**

Nature of Security: External Commercial Borrowings are secured by hypothecation of receivables.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 21(c): Loan repayable on Demand from Banks as at 31 March, 2023: Secured

Nature	Repayment Term	Tenure	Interest Range	Amount
Working Capital Demand Loan	Bullet	Up to 5 years	Upto 7.00%	-
			7.01% - 8.00%	3,30,398.81
Cash Credit	Bullet	Up to 5 years	Upto 7.00%	-
			7.01% - 8.00%	40,064.61
Total				**3,70,463.42**

Nature of Security: Loan repayable on demand from Bank is secured by hypothecation of receivables.

Note 21(d): Loan repayable on Demand from Banks as at 31 March, 2023: Unsecured

Nature	Repayment Term	Tenure	Interest Range	Amount
Inter Corporate borrowing	Bullet	Up to 1 year	Up to 7.00%	-
			7.01% - 8.00%	44,269.55
			8.01% - 9.00%	12,696.58
Total				**56,966.13**

Note 21(e): Loan repayable on Demand from Banks as at 31 March, 2023: Secured

Nature	Repayment Term	Tenure	Interest Range	Amount
Collateralised borrowing and lending obligation (CBLO)	Bullet	3 Days	Up to 7.00%	20,002.99
Total				**20,002.99**

Nature of Security: Loan repayable on demand from Bank is secured by Government Securities.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 21(a): Term Loan from Banks as at 31 March, 2022 : Secured

Repayment Term	Tenure	Interest Range	Amount
Bullet	Up to 5 years	Up to 7.00%	1,48,840.16
		7.01% - 8.00%	1,67,378.68
Annually	Up to 5 years	Up to 7.00%	2,81,570.31
		7.01% - 8.00%	1,23,888.39
Half Yearly	Up to 5 years	Up to 7.00%	3,01,658.18
		7.01% - 8.00%	3,42,180.96
	Above 5 Years	Up to 7.00%	1,22,735.57
Quarterly	Up to 5 years	Up to 7.00%	4,26,022.84
		7.01% - 8.00%	94,294.29
	Above 5 Years	7.01% - 8.00%	14,163.32
Monthly	Up to 5 years	Up to 7.00%	77,272.46
Total			**21,00,005.16**

Nature of Security: Term Loan from Bank is secured by hypothecation of receivables.

Note 21(b): External Commercial Borrowings as at 31 March, 2022 : Secured

Repayment Term	Tenure	Interest Range	Amount
Bullet	Up to 5 years	Up to 7.00%	22,741.50
		7.01% - 8.00%	1,17,554.55
	Above 5 Years	Up to 7.00%	1,01,403.58
Total			**2,41,699.63**

Nature of Security: External Commercial Borrowings are secured by hypothecation of receivables.

Note 21(c): Loan repayable on Demand from Banks as at 31 March, 2022: Secured

Nature	Repayment Term	Tenure	Interest Range	Amount
Working Capital Demand Loan	Bullet	Up to 5 years	Upto 7.00%	2,18,899.88
Cash Credit	Bullet	Up to 5 years	7.01% - 8.00%	26,262.23
Total				**2,45,162.11**

Nature of Security: Loan repayable on demand from Bank is secured by hypothecation of receivables.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 22: Subordinated liabilities

Particulars	As at 31 March, 2023				As at 31 March, 2022			
	Amortised cost	At fair value through profit and loss account	Designated at fair value through profit and loss account	Total	Amortised cost	At fair value through profit and loss account	Designated at fair value through profit and loss account	Total
Perpetual debt instruments to the extent they do not qualify as equity instruments (Unsecured)								
(i) from banks	-	-	-	-	-	-	-	-
(ii) from other parties	21,123.13	-	-	21,123.13	21,111.98	-	-	21,111.98
Subordinate debt (Unsecured)	2,23,867.32	-	-	2,23,867.32	2,27,622.01	-	-	2,27,622.01
Total	**2,44,990.45**	-	-	**2,44,990.45**	**2,48,733.99**	-	-	**2,48,733.99**
Subordinate liabilities in India	2,44,990.45	-	-	2,44,990.45	2,48,733.99	-	-	2,48,733.99
Subordinate liabilities outside India	-	-	-	-	-	-	-	-
Total	**2,44,990.45**	-	-	**2,44,990.45**	**2,48,733.99**	-	-	**2,48,733.99**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 22(a): Perpetual debt instruments as at 31 March, 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL Perpetual 'PD1' FY2017-18	10,00,000.00	July 21, 2017	21,123.13	8.70%	July 21, 2027	Redeemable at par at end of 3652 days from the date of allotment

Note 22(b): Subordinate debt (Unsecured) as at 31 March, 2023

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL Sub Debt Series '1' FY 2013-14	10,00,000.00	June 4, 2013	10,801.83	9.85% p.a.	June 2, 2023	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'A' FY 2014-15	10,00,000.00	December 12, 2014	5,134.16	9.75% p.a.	December 12, 2024	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'B' FY 2014-15	10,00,000.00	January 9, 2015	4,584.93	9.45% p.a.	January 9, 2025	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'A1' FY 2015-16	10,00,000.00	June 17, 2015	2,680.71	9.25% p.a.	June 6, 2025	Redeemable at par at end of 3642 days from the date of allotment
ABFL Sub Debt Series 'B1' FY 2015-16	10,00,000.00	July 14, 2015	3,190.29	9.25% p.a.	July 11, 2025	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'C1' FY 2015-16	10,00,000.00	August 25, 2015	3,474.41	9.25% p.a.	August 22, 2025	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'D1' FY 2015-16	10,00,000.00	March 8, 2016	2,508.55	9.10% p.a.	March 6, 2026	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'E1' FY 2015-16	10,00,000.00	March 10, 2016	803.30	9.10% p.a.	March 10, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'F1' FY 2015-16	10,00,000.00	March 18, 2016	2,552.70	9.10% p.a.	March 10, 2026	Redeemable at par at end of 3644 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2016-17	10,00,000.00	June 23, 2016	5,602.15	9.10% p.a.	June 23, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD1' FY 2016-17	10,00,000.00	July 28, 2016	10,578.11	8.97% p.a.	July 28, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD2' FY 2016-17	10,00,000.00	July 28, 2016	7,924.46	8.95% p.a.	July 28, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SF1' FY 2016-17	10,00,000.00	September 29, 2016	20,815.42	8.90% p.a.	September 29, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SH1' FY 2016-17	10,00,000.00	November 21, 2016	20,557.13	8.90% p.a.	November 20, 2026	Redeemable at par at end of 3651 days from the date of allotment
ABFL Sub Debt Series 'SL1' FY 2016-17	10,00,000.00	March 9, 2017	1,001.00	8.25% p.a.	March 9, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SB1' FY 2017-18	10,00,000.00	May 18, 2017	17,654.84	8.50% p.a.	May 18, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SI1' FY 2018-19	10,00,000.00	December 4, 2018	25,688.39	9.76% p.a	December 4, 2028	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	10,00,000.00	June 6, 2019	21,516.93	8.95% p.a	June 6, 2029	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	10,00,000.00	December 30, 2019	10,758.47	8.95% p.a.	June 6, 2029	Redeemable at par at end of 3446 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	10,00,000.00	February 13, 2020	5,379.23	8.95% p.a.	June 6, 2029	Redeemable at par at end of 3401 days from the date of allotment
ABFL SUBDEBT Series 'SI 1' FY 20-21	10,00,000.00	December 29, 2020	8,111.26	7.43% p.a.	December 27, 2030	Redeemable at par at end of 3650 days from the date of allotment
ABFL SUBDEBT Series 'SC 1' FY 20-21	10,00,000.00	June 11, 2021	7,902.16	7.34% p.a.	June 11, 2031	Redeemable at par at end of 3652 days from the date of allotment
ABFL Subdebt NCD Series 'S11' FY2021-22	1,00,00,000.00	December 6, 2021	3,520.99	7.43% p.a.	December 5, 2031	Redeemable at par at end of 3651 days from the date of allotment
ABFL Subdebt NCD Series 'S11' FY2021-22	1,00,00,000.00	February 28, 2022	21,125.90	7.43% p.a.	December 5, 2031	Redeemable at par at end of 3567 days from the date of allotment
Total			**2,23,867.32**			

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 22(a): Perpetual debt instruments as at 31 March, 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL Perpetual 'PD1' FY2017-18	10,00,000.00	July 21, 2017	21,111.98	8.70% p.a.	July 21, 2027	Redeemable at par at end of 3652 days from the date of allotment

Note 22(b): Subordinate debt (Unsecured) as at 31 March, 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL Sub debt NCD Series 'S11' FY2021-22	1,00,00,000.00	December 6, 2021	3,516.51	7.43% p.a.	December 5, 2031	Redeemable at par at end of 3651 days from the date of allotment
ABFL Sub debt NCD Series 'S11' FY2021-22	1,00,00,000.00	February 28, 2022	21,099.06	7.43% p.a.	December 5, 2031	Redeemable at par at end of 3567 days from the date of allotment
ABFL Sub Debt Series 'SC 1' FY 20-21	10,00,000.00	June 11, 2021	7,899.19	7.3400% p.a.	June 11, 2031	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub debt Series 'SI 1' FY 20-21	10,00,000.00	December 29, 2020	8,108.50	7.4300% p.a.	December 27, 2030	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	10,00,000.00	June 6, 2019	21,526.55	8.95% p.a.	June 6, 2029	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	10,00,000.00	December 30, 2019	10,763.27	8.95% p.a.	June 6, 2029	Redeemable at par at end of 3446 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	10,00,000.00	February 13, 2020	5,381.64	8.95% p.a.	June 6, 2029	Redeemable at par at end of 3401 days from the date of allotment
ABFL Sub Debt Series 'SI1' FY 2018-19	10,00,000.00	December 4, 2018	25,681.34	9.76% p.a.	December 4, 2028	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'SB1' FY 2017-18	10,00,000.00	May 18, 2017	17,645.00	8.50% p.a.	May 18, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SL1' FY 2016-17	10,00,000.00	March 9, 2017	1,000.30	8.25% p.a.	March 9, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SH1' FY 2016-17	10,00,000.00	November 21, 2016	20,545.15	8.90% p.a.	November 20, 2026	Redeemable at par at end of 3651 days from the date of allotment
ABFL Sub Debt Series 'SF1' FY 2016-17	10,00,000.00	September 29, 2016	20,803.39	8.90% p.a.	September 29, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD1' FY 2016-17	10,00,000.00	July 28, 2016	10,574.49	8.97% p.a.	July 28, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD2' FY 2016-17	10,00,000.00	July 28, 2016	7,919.72	8.95% p.a.	July 28, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2016-17	10,00,000.00	June 23, 2016	5,599.55	9.10% p.a.	June 23, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'E1' FY 2015-16	10,00,000.00	March 10, 2016	803.17	9.10% p.a.	March 10, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'F1' FY 2015-16	10,00,000.00	March 18, 2016	2,551.40	9.10% p.a.	March 10, 2026	Redeemable at par at end of 3644 days from the date of allotment
ABFL Sub Debt Series 'D1' FY 2015-16	10,00,000.00	March 8, 2016	2,507.29	9.10% p.a.	March 6, 2026	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'C1' FY 2015-16	10,00,000.00	August 25, 2015	3,473.06	9.25% p.a.	August 22, 2025	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'B1' FY 2015-16	10,00,000.00	July 14, 2015	3,188.75	9.25% p.a.	July 11, 2025	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'A1' FY 2015-16	10,00,000.00	June 17, 2015	2,678.76	9.25% p.a.	June 6, 2025	Redeemable at par at end of 3642 days from the date of allotment
ABFL Sub Debt Series 'B' FY 2014-15	10,00,000.00	January 9, 2015	4,584.67	9.45% p.a.	January 9, 2025	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'A' FY 2014-15	10,00,000.00	December 12, 2014	5,133.94	9.75% p.a.	December 12, 2024	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series '1' FY 2013-14	10,00,000.00	June 4, 2013	10,795.08	9.85% p.a.	June 2, 2023	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series '1' FY 2011-12	10,00,000.00	February 22, 2012	1,117.72	10.60% p.a.	May 20, 2022	Redeemable at par at end of 3740 days from the date of allotment
ABFL Sub Debt Series '1' FY 2012-13	10,00,000.00	May 25, 2012	2,724.51	10.50% p.a.	May 20, 2022	Redeemable at par at end of 3647 days from the date of allotment
Total			**2,27,622.01**			

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 23: Lease Liability

Particulars	As at 31 March, 2023	As at 31 March, 2022
Lease liability for right to use assets	19,648.20	12,910.38
Total	**19,648.20**	**12,910.38**

Note 24: Other financial liabilities

Particulars	As at 31 March, 2023	As at 31 March, 2022
Advance from customers	37,764.48	17,211.02
Payables for salaries, bonus and other employee benefits	14,737.46	8,708.88
Other payable	16,417.88	21,093.39
Total	**68,919.82**	**47,013.29**

Note 25: Current tax liabilities (Net)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Provision for income tax (Net of advance tax ₹ 90,047.08 lakhs; 31 March, 2022 ₹ 39,672.70 lakhs)	13,664.09	1,513.10
Total	**13,664.09**	**1,513.10**

Note 26: Provisions

Particulars	As at 31 March, 2023	As at 31 March, 2022
Employee benefit		
Gratuity	3,662.62	3,217.03
Provision for compensated absences	1,138.07	1,659.29
Long term Incentive Plans (LTIP)	1,663.03	5,545.37
Total	**6,463.72**	**10,421.69**

Note 27: Other non-financial liabilities

Particulars	As at 31 March, 2023	As at 31 March, 2022
Revenue received in advance	3,817.18	3,640.22
Tax deducted at source payable	2,234.52	2,213.67
Goods and service tax payable	6,253.43	2,270.42
Other statutory dues payable	461.20	300.08
Total	**12,766.33**	**8,424.39**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 28: Equity share capital

Particulars	As at 31 March, 2023	As at 31 March, 2022
Authorised		
1,270,000,000 (March 31, 2022: 1,270,000,000) equity shares of ₹ 10/- each	1,27,000.00	1,27,000.00
100,00,00,000 (March 31, 2022: 100,00,00,000) Preference Shares of ₹ 10/- each	1,00,000.00	1,00,000.00
1,00,00,000 (March 31, 2022: 1,00,00,000) 8 % Compulsory Convertible Cumulative Preference Shares of ₹ 10/- each	1,000.00	1,000.00
Total	**2,28,000.00**	**2,28,000.00**
Issued, Subscribed and fully paid up		
662,100,822 (March 31, 2022: 662,100,822) equity shares of ₹ 10/- each	66,210.08	66,210.08
Total	**66,210.08**	**66,210.08**

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

Particulars	Number	Amount
As at 1 April, 2021	**66,21,00,822**	**66,210.08**
Issued during the year	-	-
As at 31 March, 2022	**66,21,00,822**	**66,210.08**
Issued during the year	-	-
As at 31 March, 2023	**66,21,00,822**	**66,210.08**

Terms/ rights attached to equity shares

The Company has only one class of equity shares having a face value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the Company, the holders of equity shares will be receiving remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 28: Equity share capital (Continued)

Shares held by holding/ultimate holding company and/or their subsidiaries/associates:

Name of Share holder	As at 31 March, 2023		As at 31 March, 2022	
	Number	Amount	Number	Amount
Aditya Birla Capital Limited, holding company*	66,21,00,772	66,210.08	66,21,00,772	66,210.08
	66,21,00,772	**66,210.08**	**66,21,00,772**	**66,210.08**

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

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Number	% of total paid-up equity capital	Number	% of total paid-up equity capital
Aditya Birla Capital Limited, holding company*	66,21,00,772	100%	66,21,00,772	100%
Total	**66,21,00,772**	**100%**	**66,21,00,772**	**100%**

Details of Shareholding of Promoters:

Shares held by promoters at the end of the year				% Change during the year
S. No.	Promoter name	No. of Shares	%of total shares	
1	Aditya Birla Capital Limited, holding company*	66,21,00,772	100%	-
Total		**66,21,00,772**	**100%**	

*Balance shares are held by nominees on behalf of the holding Company.

NBFC's objectives, policies and processes for managing capital:
For above disclosures Refer Note 48.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 29: Other equity

Securities Premium Account	
As at 1 April, 2021	3,63,738.29
Add: Additions during the year	-
As at 31 March, 2022	**3,63,738.29**
Add: Additions during the year	-
As at 31 March, 2023	**3,63,738.29**
Special Reserve pursuant to Section 45-IC of the RBI Act, 1934	
As at 1 April, 2021	97,984.64
Add: Transferred during the year	24,366.61
As at 31 March, 2022	**1,22,351.25**
Add: Transferred during the year	31,075.15
As at 31 March, 2023	**1,53,426.40**
Capital Reserve	
As at 1 April, 2021	(10,452.11)
Add: Other Additions/ Deductions during the year	-
As at 31 March, 2022	**(10,452.11)**
Add: Other Additions/ Deductions during the year	-
As at 31 March, 2023	**(10,452.11)**
Capital Redemption Reserve	
As at 1 April, 2021	1,000.00
Add: Transferred during the year	-
As at 31 March, 2022	**1,000.00**
Add: Transferred during the year	-
As at 31 March, 2023	**1,000.00**
Share Options Outstanding Account	
As at 1 April, 2021	-
Add: Employee Stock Options Amortisation for the Year	-
Less: Transferred to Securities Premium on ESOPs Exercised	-
Less: On Account of Lapse of Unvested Options	-
Less: Transfer to General Reserve on account of Lapse of Vested Options	-
As at 31 March, 2022	**-**
Add: Employee Stock Options Amortisation for the Year	483.19
Less: Transferred to Securities Premium on ESOPs Exercised	-
Less: On Account of Lapse of Unvested Options	-
Less: Transfer to General Reserve on account of Lapse of Vested Options	-
As at 31 March, 2023	**483.19**
General Reserve	
As at 1 April, 2021	13,660.95
Add: Transferred during the year	-
As at 31 March, 2022	**13,660.95**
Add: Transferred during the year	-
As at 31 March, 2023	**13,660.95**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 29: Other equity

Retained Earnings	
As at 1 April, 2021	3,53,991.63
Add: Profit for the year	1,10,833.06
Less: Appropriations	
Re-measurement reserves on defined benefit plans	397.77
Transfer to Capital Redemption Reserve	-
Dividend paid (Interim)	(10,924.66)
Transfer to Special Reserve	(24,366.61)
Total appropriations	(34,893.50)
As at 31 March, 2022	**4,29,931.19**
Add: Profit for the year	1,55,375.75
Less: Appropriations	
Re-measurement reserves on defined benefit plans	320.28
Dividend paid (Interim)	-
Transfer to Special Reserve	(31,075.15)
Total appropriations	(30,754.87)
As at 31 March, 2023	**5,54,552.07**
Other Comprehensive Income	
As at 1 April, 2021	**(2,345.54)**
Add: Changes in fair value of equity instruments carried at FVTOCI	18.12
Add: Fair Value change on derivatives designated as cash flow hedge	1,929.76
As at 31 March, 2022	**(397.66)**
Add: Changes in fair value of equity instruments carried at FVTOCI	54.98
Add: Fair Value change on derivatives designated as cash flow hedge	344.94
As at 31 March, 2023	**2.26**
Total other equity	
As at 1 April, 2021	8,17,577.86
As at 31 March, 2022	**9,19,831.90**
As at 31 March, 2023	**10,76,411.05**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 30: Nature and purpose of reserve

Securities Premium Reserve: Security premium reserve is used to record the premium on the issue of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

Special Reserve: Special reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act"). Appropriation from this Reserve Fund is permitted only for the purposes specified by RBI.

Capital Reserve: Capital reserve refers to difference on account of net assets taken over and purchase consideration paid for merger of wealth management undertaking of Aditya Birla Money Mart Limited with the Company and the difference on account of net assets taken over and purchase consideration paid for merger of transaction business of Aditya Birla Capital Technology Services Limited, ABCTSL (formerly known as Aditya Birla My Universe Limited, ABMUL) undertaking with the Company.

Capital Redemption reserve : Preference shares of Rs. 10 Crore were redeemed at the Board meeting held on January 30, 2020. As per the provisions of Companies Act, 2013, the preference shares were redeemed out of the profits of the company and therefore a sum equivalent to the nominal amount of shares redeemed were transferred to capital redemption reserve.

Share options outstanding account: Share options outstanding account is created as required by Ind AS 102 'Share Based Payments' on the Employee Stock Option Scheme operated by the Company for employees of the Company.

General Reserve: This reserve is created on account of merger. As per court order, this reserve can be utilised for distribution of dividends.

Retained Earnings: Retained earnings refer to the percentage of net earnings not paid out as dividends, but retained by the Company to be reinvested in its core business, or to pay debts.

Other Comprehensive Income : The Company has elected to recognise changes in the fair value of certain instruments in equity securities and debt instruments in other comprehensive income. These changes are accumulated with the FVTOCI reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are de-recognised.

The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated on borrowings. For hedging foreign currency and interest rate risk, the Company uses foreign currency forward contracts and cross currency interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to the statement of profit or loss when the hedged item affects profit or loss (e.g. interest payments).

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 31: Interest income

Particulars	For the year ended 31 March, 2023				For the year ended 31 March, 2022			
	On Financial Assets measured at Amortised cost	On Financial Assets classified at FVTPL	On Financial Assets measured at FVTOCI	Total	On Financial Assets measured at Amortised cost	On Financial Assets classified at FVTPL	On Financial Assets measured at FVTOCI	Total
Interest on Loans	7,62,284.20	-	-	7,62,284.20	5,45,792.82	-	-	5,45,792.82
Interest income from investments	39.17	12,056.82	-	12,095.99	-	6,073.47	-	6,073.47
Interest on deposits with Banks	274.52	-	-	274.52	1,262.58	-	-	1,262.58
Other interest income	5,949.10	-	-	5,949.10	-	-	-	-
Total	**7,68,546.99**	**12,056.82**	**-**	**7,80,603.81**	**5,47,055.40**	**6,073.47**	**-**	**5,53,128.87**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 32: Dividend income

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Dividend from Long Term Investment	284.97	285.31
Total	**284.97**	**285.31**

Note 33: Fees and commission income

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Syndication and Other Fee Income	33,010.05	16,763.20
Brokerage and Commission Income	8,088.04	8,117.60
Total	**41,098.09**	**24,880.80**

Note 34: Net gain on fair value changes

Net gain/ (loss) on financial instruments at fair value through profit or loss

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
On Trading portfolio		
- Investments	1,710.83	203.12
Derivatives	4.72	-
On financial instruments designated at fair value through profit or loss	(15.59)	(12.50)
Total	**1,699.96**	**190.62**
Fair Value changes:		
- Realised	765.60	884.10
- Unrealised	934.36	(693.48)
Total	**1,699.96**	**190.62**

Note 35: Other Income

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Miscellaneous Income	3,080.88	1,201.65
Total	**3,080.88**	**1,201.65**

HASKINS & SELLS LLP DELOITTE CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 36: Finance Costs

Particulars	For the year ended 31 March, 2023			For the year ended 31 March, 2022		
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	Total	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	Total
Interest on debt securities	5,549.56	1,32,712.26	1,38,261.82	181.22	1,15,731.45	1,15,912.67
Interest on borrowings other than debt securities	-	2,25,301.00	2,25,301.00	-	1,34,119.67	1,34,119.67
Interest on subordinated liabilities	-	20,769.48	20,769.48	-	19,403.09	19,403.09
Finance cost on lease liability	-	1,005.54	1,005.54	-	892.61	892.61
Others	-	379.93	379.93	-	581.55	581.55
Total	**5,549.56**	**3,80,168.21**	**3,85,717.77**	**181.22**	**2,70,728.37**	**2,70,909.59**

Note 37: Impairment on financial instruments

The below table shows impairment loss on financial instruments charged to statement of profit and loss based on category of financial instrument :

Particulars	For the year ended 31 March, 2023			For the year ended 31 March, 2022		
	On Financial instruments measured at Fair Value through OCI	On Financial instruments measured at Amortised cost	Total	On Financial instruments measured at Fair Value through OCI	On Financial instruments measured at Amortised cost	Total
Bad debts/Advances Written off (net of recoveries)	-	36,133.71	36,133.71	-	59,897.44	59,897.44
Loans	-	52,846.18	52,846.18	-	5,363.88	5,363.88
Trade Receivable	-	42.03	42.03	-	84.68	84.68
Investments	-	1,325.62	1,325.62	-	-	-
Total	**-**	**90,347.54**	**90,347.54**	**-**	**65,346.00**	**65,346.00**

HASKINS & SELLS LLP CHARTERED ACCOUNTANTS DELOITTE

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 38: Employee benefit expenses

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Salaries and Wages	65,197.04	47,795.93
Contribution to Provident and other Funds	2,376.80	1,670.74
Contribution to Gratuity Funds	705.01	733.07
Share based payments to Employees	1,729.90	200.76
Staff welfare expenses	2,274.64	1,672.30
Total	**72,283.39**	**52,072.80**

Note 39: Depreciation, amortization and impairment

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Depreciation of tangible assets	1,714.46	699.72
Amortization of intangible assets	3,939.13	3,552.59
Depreciation and amortisation on lease assets	2,959.69	2,583.08
Total	**8,613.28**	**6,835.39**

Note 40: Other expenses

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Rent	2,249.53	1,166.82
Repairs and maintenance		
- Plant and machinery	82.30	62.91
- Others	1,526.51	1,703.33
Communication costs	690.06	512.15
Printing and stationery	506.97	320.51
Advertisement and publicity	582.71	474.81
Directors' fees, allowances and expenses	89.34	92.41
Auditors' fees and expenses	209.62	187.90
Legal and professional charges	9,864.94	5,820.09
Insurance	3,745.75	2,696.58
Business Support Expenses	10,706.63	8,119.76
Travelling and conveyance	2,356.60	831.67
Water and Electricity expenses	488.21	322.89
Rates and taxes	131.64	105.09
Contract Service Charges	1,243.54	655.58
Information Technology Expenses	6,042.91	3,389.62
Postage Expenses	270.23	224.97
Bank charges	253.43	88.29
Brokerage and Commission	204.66	123.42
Corporate Social Responsibility (CSR) Expenses	2,226.19	2,094.85
Sub-Brokerage and Fees	580.70	450.06
Recruitment Expenses	703.60	436.55
Loss on property, plant and equipment's (net)	33.10	6.00
Collection cost	13,818.66	4,468.50
Miscellaneous expenses	2,179.52	1,457.07
Total	**60,787.35**	**35,811.83**

HASKINS & SELLS LLP DELOITTE CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Auditors' Fees and Expenses

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
As auditor:		
For Statutory Audit (including Limited Review, Internal Control Financial Reporting (ICFR))	198.73	169.05
For Tax audit	6.54	6.54
In any other capacity		
For Other Services (including certification and other services)	4.35	12.31
Total	**209.62**	**187.89**

Details of CSR Expenditure

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
a) Gross amount required to be spent by the Company during the year	2,226.19	2,085.00
b) Amount spent during the year	2,801.89	1,517.79
c) Shortfall/ (Excess spent after adjusting the shortfall of the earlier year)	(8.49)	*567.21
d) Total of previous years shortfall/(Excess)	(8.49)	-
e) Reason for shortfall	NA	NA
f) Nature of CSR activities	Refer Note 1	Refer Note 1
g) Details of related party transactions	NA	NA
h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	NA	NA

CSR Activities: Note:1

For FY 2022-23: Promoting education including for children of covid impacted families and scholarship to underprivileged girls and children of martyred soldiers, Health care, Employment enhancing vocation skills to youths, Training to promote nationally recognised and olympic sports including athlete mentorship programs and Empowering women.

For FY 2021-22: Promoting education including for children of covid impacted families, health care, Employment enhancing vocation skills to youths, Training to promote nationally recognised and olympic sports, Measures for the benefit of armed forces veterans, war widows and their dependents, Conservation of natural resources and maintaining quality of soil and water.

*There is a change in the Regulation stating that if the CSR contribution of ABFL lying in the bank account of the respective NGO is unspent at the end of a FY, the same is required to be returned to ABFL and has to be maintained in a separate bank account by ABFL. The balance shown here is the same unspent amounts transferred back by NGOs.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 41: Income Tax

The components of income tax expense are as under:

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Current tax*	68,583.07	38,609.10
Deferred tax relating to origination and reversal of temporary differences	(14,940.44)	(730.52)
Total tax charge	**53,642.63**	**37,878.58**

* Includes tax of earlier years of ₹ 4,893.06 lakhs.

OCI section - Deferred tax related to items recognised in OCI are as under:

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Net loss/(gain) on remeasurements	242.22	788.91
Income tax expense charged to OCI	**242.22**	**788.91**

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at enacted corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by enacted domestic tax rate for the year ended 31 March, 2023 and 31 March, 2022 are as follows:

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Accounting profit before tax	2,09,018.38	1,48,711.64
At enacted corporate tax rate of 25.168% (As at 31 March 2022 - 25.168%)	52,605.75	37,427.75
The effects of disallowances of earlier years net of adjustments to DTA	583.51	344.60
Tax on non deductible expenses	453.37	106.23
Income tax expense reported in the statement of profit and loss	**53,642.63**	**37,878.58**
Effective income tax rate for the year	25.66%	25.47%

Deferred Tax

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

Particulars	Deferred Tax Assets	Deferred Tax Liabilities	Profit and Loss (Income)/Loss	OCI	Transition Reserve
	31 March, 2023	31 March, 2023	31 March, 2023	31 March, 2023	31 March, 2023
Expected Credit Loss Allowances	39,057.18	-	(16,540.59)	-	-
Employee benefit provisions and other residual	551.62	-	1,889.79	242.22	-
Depreciation/Amortisation	1,044.34	-	(289.64)	-	-
Total	**40,653.14**	-	**(14,940.44)**	**242.22**	-
Net	**40,653.14**				

Particulars	Deferred Tax Assets	Deferred Tax Liabilities	Profit and Loss (Income)/Loss	OCI	Transition Reserve
	31 March 2022	31 March 2022	31 March 2022	31 March 2022	31 March 2022
Expected Credit Loss Allowances	22,516.59	-	(1,159.30)	-	-
Employee benefit provisions and other residual	2,683.63	-	347.11	788.91	-
Depreciation/Amortisation	754.70	-	81.67	-	-
Total	**25,954.92**	-	**(730.52)**	**788.91**	-
Net	**25,954.92**				

HASKINS & SELLS LLP DELOITTE CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 42: Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares of the Company.

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Net Profit after Tax	1,55,375.75	1,10,833.06
Less: Interest on Financial Liabilities (including taxes)	-	-
Net Profit after Tax available for equity shareholders	1,55,375.75	1,10,833.06
Weighted average number of ordinary shares for basic earnings per share	66,21,00,822	66,21,00,822
Weighted average number of ordinary shares for diluted earnings per share	66,21,89,640	66,21,00,822
Earnings per share		
Basic earnings per share (₹)	23.47	16.74
Diluted earnings per share (₹)	23.46	16.74

HASKINS & SELLS LLP DELOITTE CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 43(A): Retirement benefit plan

Defined Contribution Plan

The Company makes Provident Fund, Pension Fund, Superannuation Fund, Employee State Insurance Scheme, Maharashtra Labour Welfare Fund, and National Pension Scheme contributions which are defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

Particulars	31 March, 2023	31 March, 2022
(i) Contribution to Employees Provident Fund	1,683.54	1,208.10
(ii) Contribution to Employees Pension Fund	514.26	342.45
(iii) Contribution to Employees State Insurance Corporation	4.89	0.20
(iv) Contribution to Maharashtra Labour Welfare Fund	1.55	0.86
(v) Contribution to National Pension Scheme	172.56	119.13
Total	**2,376.80**	**1,670.74**

Defined Benefit Plan

The Company has a defined benefit gratuity plan (funded). The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and last drawn salary. The fund is managed by Aditya Birla Sun Life Insurance Company Limited which is fellow subsidiary of the Company.

The following tables summarizes the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.

Changes in the defined benefit obligation and fair value of Reimbursement Rights as at 31 March, 2023 are as under:

	Gratuity cost charged to profit or loss						Remeasurement gains/(losses) in other comprehensive income								
Particulars	1 April, 2022	Service cost	Net interest expense	Group Company Allocation	Sub-total included in profit or loss	Benefits paid	Return on Reimbursement Rights (excluding amounts included in net interest expense)	Group Company Allocation	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience variance	Sub-total included in OCI	Contributions by employer	Transfer in/out	31 March, 2023
Defined benefit obligation	(3,217.03)	(696.56)	(194.49)	55.33	(835.72)	(95.36)	-	(55.33)	22.70	356.85	161.27	485.49	-	-	(3,662.62)
Fair value of Reimbursement Rights	2,161.98	-	130.71	-	130.71	-	(57.49)	-	-	-	-	(57.49)	500.00	-	2,735.20
Benefit / (Liability)	**(1,055.05)**	**(696.56)**	**(63.78)**	**55.33**	**(705.01)**	**(95.36)**	**(57.49)**	**(55.33)**	**22.70**	**356.85**	**161.27**	**428.00**	**500.00**	**-**	**(927.42)**

HASKINS & SELLS LLP DELOITTE CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Changes in the defined benefit obligation and fair value of Reimbursement Rights as at 31 March, 2022 are as under:

	Gratuity cost charged to profit or loss						Remeasurement gains/(losses) in other comprehensive income								
Particulars	**1 April, 2021**	**Service cost**	**Net interest expense**	**Group Company Allocation**	**Sub-total included in profit or loss**	**Benefits paid**	**Return on Reimbursement Rights (excluding amounts included in net interest expense)**	**Group Company Allocation**	**Actuarial changes arising from changes in demographic assumptions**	**Actuarial changes arising from changes in financial assumptions**	**Experience variance**	**Sub-total included in OCI**	**Contributions by employer**	**Transfer in/out**	**31 March, 2022**
Defined benefit obligation	(3,085.29)	(648.03)	(194.24)	(12.42)	(854.68)	232.55	-	12.42	556.32	(101.71)	23.37	490.40	-	-	(3,217.03)
Fair value of Reimbursement Rights	1,931.76	-	121.62	-	121.62	(232.55)	41.15	-	-	-	-	41.15	300.00	-	2,161.98

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	**31 March, 2023**	**31 March, 2022**
Expected return on Reimbursement Rights	7.25%	6.05%
Discount Rate	7.25%	6.05%
Salary Escalation Rate	7.00%	7.00%
Retirement age	60 Years	60 years
Mortality rate	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2012-14)

Attrition / Withdrawal rates, based on age: (per annum)

Particulars	**31 March, 2023**	**31 March, 2022**
Up to 30 years	34.00%	34.00%
31 - 40 years	25.00%	25.00%
41 - 50 years	13.00%	13.00%
Above 50 years	2.00%	2.00%

Note: The above information is certified by actuary, and this has been relied upon by the auditors.

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields as at Balance Sheet date.

Disaggregation of Reimbursement Rights:

Particulars	**31 March, 2023**	**31 March, 2022**
Unquoted investments:		
Insurer managed funds (Investments with Aditya Birla Sun Life Insurance Company Limited)	2,735.20	2,161.98
Total	**2,735.20**	**2,161.98**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

A quantitative sensitivity analysis for significant assumption is as shown below:

Assumptions	Discount rate		Salary	
Sensitivity level	**0.5% increase**	**0.5% decrease**	**0.5% increase**	**0.5% decrease**
Impact on defined benefit obligation - (31 March, 2023)	3,531.50	3,802.15	3,802.11	3,530.33
Impact on defined benefit obligation - (31 March, 2022)	3,097.68	3,344.33	3,342.82	3,097.92

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the year.

The following payments are expected contributions to the defined benefit plan in future years:

Expected payment for future years	31 March, 2023	31 March, 2022
Within the next 12 months (next annual reporting year)	410.06	425.07
Between 2 and 5 years	1,614.09	1,312.51
Between 6 and 9 years	1,273.08	959.86
10 years and above	3,710.88	2,858.52
Total expected payments	**7,008.11**	**5,555.96**

The Company expects to contribute ₹ 1,618.73 lakhs (31 March, 2022 : ₹ 1,588.37 lakhs) to the fund in the next financial year.
The weighted average duration of the defined benefit obligation as at 31 March, 2023 is 7 years (31 March, 2022: 8 years)

Other Long Term Incentive Benefits
Liability for long term incentive benefits and for compensated absences are determined based on actuarial valuations.

Employee Stock Option Plan (ESOP) by Aditya Birla Capital Limited
Pursuant to ESOP Plan being established by the holding company (i.e. Aditya Birla Capital Limited), stock options were granted to the employees (including key management personnel) of the Company. Total cost incurred by the holding company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of ₹ 1,244.83 lakhs (31st March, 2022 ₹ 198.86 lakhs) has been recovered from the Company during the year, which has been charged to the Statement of Profit and Loss. The balance sum of ₹ 6,662.89 lakhs will be recovered in future years.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 43(B): Share Based Payments

The Nomination and Remuneration Committee of the Company has approved the following grants to select senior level executives of the Company in accordance with the Stock Option Scheme. Details of grants are given as under:

As on 31 March 2023

Grant date	Exercise price (₹)	Fair value of Options	Options granted	Options vested and exercisable	Options unvested	Options exercised	Options cancelled	Options outstanding
05 November 2022	283.20	131.90	21,78,706	-	21,78,706	-	-	21,78,706
31 January 2023	283.20	141.10	10,169	-	10,169	-	-	10,169
			21,88,875	-	**21,88,875**	-	-	**21,88,875**

Weighted average fair value of stock options granted during the year is as follows:

Particulars	31 March, 2023	31 March, 2022
Scheme Name : ABFL Scheme 2022		
No. of options granted	21,88,875.00	-
Weighted average fair value (₹)	131.94	-

Following table depicts range of exercise prices and weighted average remaining contractual life:
As on 31 March 2023

For all grants	No. of options	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (years)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	21,88,875.00	283.20	283.20	2.11
Cancelled during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	21,88,875.00	283.20	283.20	2.11
Exercisable at the end of the year	-	-	-	-

Method used for accounting for share based payment plan:

The Company has used the fair value method to account for the compensation cost of stock options to employees. The fair value of options used are estimated on the date of grant using the Black–Scholes Model. The key assumptions used in Black–Scholes Model for calculating fair value as on the date of respective grants are:

Grant date	Life of Option (in Years)	Risk Free Rate	Dividend Yield	Volatility
05 November 2022	4.10	7.50%	0.70	36.3%
31 January 2023	3.80	7.40%	0.70	37.3%

Characteristics of ESOPs issued

Grant date	05-Nov-22	31-Jan-23
Conversion	On exercise, 1 ESOP converts to 1 equity share of ABFL	on exercise, 1 ESOP ,converts to 1 equity share of ABFL
Vesting date*	50% each at the end of 2nd and 3rd year from Grant Date	50% each at the end of 2nd and 3rd year from grant date
Additional condition	ESOPs can be exercise only once equity share of ABFL are listed on stock exchange	ESOPs can be exercise only once equity share of ABFL are listed on stock exchange
Exercise price (in INR) per ESOP	283.2	283.2
Exercise Period*	5 year from the date of vesting	5 year from the date of 1st grant i.e. 5th November 2022
Settlement	settlement of equity shares of ABFL	Settlement in Equity shares of ABFL

* Exercise period as per management's assessment

Details related to Share based payments for KMPs

Count of ABFL ESOP's Granted as on	31 March, 2023	31 March, 2022
Rakesh Singh	2,84,742	-
Pradeep Kumar Agrawal	42,650	-
Ankur Deepak Bhai Shah	9,063	-
Tushar Shah	1,22,032	-

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 44: Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations.

Particulars	31 March, 2023			31 March, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	38,763.43	-	38,763.43	59,571.14	-	59,571.14
Bank balance other than cash and cash equivalents	-	-	-	9,681.37	-	9,681.37
Derivative financial instruments	9.81	73.83	83.64	19.02	-	19.02
Trade and Other Receivables	4,030.61	-	4,030.61	1,243.96	-	1,243.96
Loans*	21,49,618.63	57,35,331.47	78,84,950.10	13,18,611.61	40,42,134.41	53,60,746.02
Investments	3,41,516.04	28,753.58	3,70,269.62	1,57,397.94	12,005.62	1,69,403.56
Other financial assets	11,740.15	3,011.64	14,751.79	3,987.16	1,374.65	5,361.81
Non-financial Assets						
Current tax asset (net)	-	15,150.75	15,150.75	-	34,239.10	34,239.10
Deferred tax assets (net)	-	40,653.14	40,653.14	-	25,954.92	25,954.92
Property, plant and equipments	-	5,130.16	5,130.16	-	1,881.37	1,881.37
Intangible assets under development	-	890.07	890.07	-	1,089.05	1,089.05
Other intangible assets	-	6,244.06	6,244.06	-	7,008.52	7,008.52
Right of use Lease Assets	-	18,749.72	18,749.72	-	12,187.33	12,187.33
Other non financial assets	8,345.89	4,269.43	12,615.32	6,837.64	1,695.62	8,533.26
Total assets	**25,54,024.56**	**58,58,257.85**	**84,12,282.41**	**15,57,349.84**	**41,39,570.58**	**56,96,920.43**
Liabilities						
Financial Liabilities						
Derivative financial instruments	27.74	1,341.50	1,369.24	7,799.24	-	7,799.24
Trade payables	69,756.46	-	69,756.46	24,221.63	-	24,221.63
Debt Securities	9,77,818.72	13,75,666.79	23,53,485.51	6,36,206.50	9,41,919.20	15,78,125.70
Borrowings (other than debt security)	14,89,474.28	29,89,123.18	44,78,597.46	11,74,711.92	15,97,003.12	27,71,715.04
Subordinated Liabilities	20,590.45	2,24,400.00	2,44,990.45	14,333.99	2,34,400.00	2,48,733.99
Lease liabilities	4,359.45	15,288.75	19,648.20	2,911.98	9,998.40	12,910.38
Other Financial liabilities	68,919.82	-	68,919.82	47,013.29	-	47,013.29
Non-financial Liabilities						
Current tax liabilities (net)	13,664.09	-	13,664.09	1,513.10	-	1,513.10
Provisions	734.66	5,729.06	6,463.72	10,421.69	-	10,421.69
Other non-financial liabilities	12,766.33	-	12,766.33	8,424.39	-	8,424.39
Total Liabilities	**26,58,112.00**	**46,11,549.28**	**72,69,661.28**	**19,27,557.73**	**27,83,320.72**	**47,10,878.47**

* Stage 3 loans have been considered in after 12 months bucket.

Note: Classification of Loans under the different maturity buckets is based on the due date, which has been relied upon by the auditors.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 45: Change in liabilities arising from financing activities

Particulars	As at 1 April, 2022	Cash Flows	Other (Non-Cash)	As at 31 March, 2023
Debt Securities	15,78,125.70	7,81,720.00	(6,360.19)	23,53,485.51
Borrowings other than debt securities	27,71,715.04	16,94,861.67	12,020.75	44,78,597.46
Subordinate Liabilities	2,48,733.99	(3,500.00)	(243.54)	2,44,990.45
Total liabilities from financing activities	**45,98,574.73**	**24,73,081.67**	**5,417.02**	**70,77,073.42**

Particulars	As at 1 April, 2021	Cash Flows	Other (Non-Cash)	As at 31 March, 2022
Debt Securities	16,57,875.04	(53,850.00)	(25,899.34)	15,78,125.70
Borrowings other than debt securities	22,45,460.08	5,36,465.32	(10,210.36)	27,71,715.04
Subordinate Liabilities	2,18,183.26	30,000.00	550.73	2,48,733.99
Total liabilities from financing activities	**41,21,518.38**	**5,12,615.32**	**(35,558.97)**	**45,98,574.73**

Note :

1. The above amounts are including interest accrued but not due.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 46: Contingent liabilities, commitments and leasing arrangements

(A) Contingent Liabilities

Particulars	As at 31 March, 2023	As at 31 March, 2022
Disputed Income Tax Liability*	4,081.05	7,072.17
Disputed Service Tax Liability**	69.84	131.49
Claims against the Company not acknowledged as debts	768.47	638.00
Corporate guarantees, Guarantee on Overdraft, Letter of credit and Letter of comfort given by the Company on behalf of the clients***	8,007.94	11,533.84
Total	**12,927.30**	**19,375.50**

*** (i) Disputed Income Tax Liability**

Particulars	As at 31 March, 2023	As at 31 March, 2022
Disallowances of Depreciation on Intangibles, Disallowance of Donation forming part of CSR expenditure u/s 80G, Disallowance of certain Expenses, Disallowance under Section 14A, Disallowance of PF/ESIC, Disallowance of CENVAT Credit w/off.	1,049.41	806.41
Disallowances of exceptional losses of Wealth Business	-	3,234.12
Interest on Non Performing Assets (NPA)	3,031.64	3,031.64
Total	**4,081.05**	**7,072.17**

Note: Interest and consequential changes, if any arising on settlement of those contingent liabilities are not ascertainable.
**(ii) Show Cause cum demand Notice No. ST/Audit-III/P-3/Gr-7/Aditya Birla/SCN/2016 dated 09 May, 2017 was issued to the Company demanding Service Tax of ₹ 69.84 lakhs on penal/ default interest.

*** Represents the limit utilized by client of the Guarantee/ Overdraft/Letter of Credit and Letter of Comfort given by the Company.

(B) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) on account of property, plant and equipment ₹ 1,420.62 lakhs (31 March, 2022: ₹ 814.53 lakhs) and on account of intangible assets ₹ 1,275.20 lakhs (31 March, 2022: ₹ 1,575.92 lakhs).

Undisbursed commitments where the Company does not have an unconditional rights to cancel the undrawn/un-availed/unused portion of the loan at any time during the subsistence of the loan ₹ Nil.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

(C) Lease Disclosures

(i) Following are the changes in the carrying value of right of use assets for the year ended 31 March, 2023:

Particulars	Amount
Gross Carrying Value	
Balance as at 1st April, 2021	13,912.45
Additions	7,065.31
Deletion	4,374.94
Balance as at 31st March, 2022	**16,602.82**
Additions	10,501.68
Deletion	1,429.49
Balance as at 31st March, 2023	**25,675.01**
Accumulated Amortisation	
As at 1st April, 2021	4,507.14
Additions	2,583.08
Deletion	2,674.73
Balance as at 31st March, 2022	**4,415.49**
Additions	2,959.69
Deletion	449.89
Balance as at 31st March, 2023	**6,925.29**
Net Carrying Value as at 31st March, 2022	**12,187.33**
Net Carrying Value as at 31st March, 2023	**18,749.72**

(ii) Amounts recognised in profit and loss for the year ended 31 March, 2023

Particulars	Year Ended 31 March, 2023	Year Ended 31 March, 2022
Depreciation expense on right-of-use assets	2,959.69	2,583.08
Interest expense on lease liabilities	1,005.54	892.61
Expense relating to leases of low value assets	2,249.53	1,165.56
Income from subleasing right-of-use assets	(1,067.78)	(373.63)

(iii) The Maturity analysis of lease liabilities as at 31 March, 2023 :

Particulars	As at 31 March 2023	As at 31 March 2022
Within 12 months	4,359.45	2,911.98
After 12 months	15,288.75	9,998.40
Total	**19,648.20**	**12,910.38**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

(iv) The following is the movement in lease liabilities during the year ended March 31, 2023:

Particulars	Year Ended 31 March, 2023	Year Ended 31 March, 2022
Balance as at 1st April, 2022	**12,910.38**	**10,224.64**
Additions	9,944.49	6,700.12
Surrender of premises	(1,047.04)	(2,051.28)
Finance Cost accrued during the year	1,005.54	892.61
Payment of Lease Liabilities	(3,165.16)	(2,855.71)
Balance as at 31st March, 2023	**19,648.21**	**12,910.38**

(v) The table below provides details regarding the contractual maturities of lease liabilities as at 31 March, 2023 on an undiscounted basis:

Particulars	As at 31 March 2023	As at 31 March 2022
Less than one year	4,502.29	3,009.34
One to Five years	13,968.01	9,770.89
More than Five years	5,614.53	2,942.75
Total	**24,084.83**	**15,722.98**

When measuring lease liabilities of the Company, lease payments have been discounted using its incremental borrowing rate at 01 April 2022. The weighted average rate applied ranges between 4.83% p.a. - 7.05% p.a.

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 47: Related party disclosures

I)List of Related Parties as per IND AS -24 :

(A) Ultimate Holding Company:
Grasim Industries Limited

(B) Holding Company:
Aditya Birla Capital Limited

(C)Subsidiaries / Fellow Subsidiaries:
Fellow Subsidiaries
Aditya Birla Money Limited
Aditya Birla Money Insurance Advisory Services Limited
Aditya Birla Capital Technology Services Limited
Aditya Birla Wellness Private Limited
Aditya Birla Sun Life Insurance Company Limited
Aditya Birla Financial Shared Services Limited
Aditya Birla Housing Finance Limited
Aditya Birla Sunlife AMC Limited
Aditya Birla ARC Limited
Aditya Birla Money Mart Limited
Aditya Birla Sun Life Pension Management Limited
Aditya Birla Stressed Asset AMC Private Limited
Aditya Birla PE Advisors Private Limited
Aditya Birla Insurance Brokers Limited
Waacox Energy Private Limited
Ultratech Cement Limited
Essel Mining & Industries Limited
Aditya Birla Special Situations Fund - I
ABREL EPC Limited(ABREPC)

(D) Associates of holding company
Aditya Birla Capital Foundation
Aditya Birla Health Insurance Co. Limited (w.e.f. 21 Oct, 2022)

(E) Other related parties in which Directors of Ultimate Holding Company are interested
Aditya Birla Management Corporation Private Limited

(F) Promoter group company
Hindalco Industries Limited

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 47: Related party disclosures

(G)Key managerial personnel/Directors

Mr. Rakesh Singh (Managing Director & Chief Executive Officer)
Mr. Tushar Shah (Appointed as Chief Executive Officer-PFSG with effect from 08 October, 2021)
Mr. Sanjay Kumar Miranka (Ceased as Chief Financial Officer with effect from 22 June, 2021)
Mr. Pradeep Kumar Agrawal (Appointed as Chief Financial Officer with effect from 08 October, 2021)
Mr. Kamlesh Rao (Director)
Mr. Ankur Deepak Shah (Company Secretary)
Mr. D J Kakalia (Ceased to be a Director with effect from 8 March, 2023)
Mr. Jitender Balakrishnan (Ceased to be a Director with effect from 8 March, 2023)
Mr. Ashwani Puri (Ceased to be a Director with effect from 8 March, 2023)
Ms. Alka Bharucha (Director)
Ms. Vishakha Mulye (Director with effect from 21 October 2022)
Mr. Nagesh Pinge (Director with effect from 9 March, 2023)
Mr. Ajay Srinivasan (Ceased to be a Director with effect from 3 August, 2022)
Mr. Baldev Raj Gupta (Ceased to be a Director with effect from 27 July, 2021)
Mr. S C Bhargava (Director)
Mr. Rajat Jain (Director Director with effect from 9 march 2023)

(H)Relative of key managerial personnel/Directors

Ms. Anahita Singh (Daughter - Mr. Rakesh Singh)
Ms. Anushka Singh (Daughter - Mr. Rakesh Singh)
Ms. Vibha Singh (Spouse - Mr. Rakesh Singh)

Notes:-

a) The related party relationships have been as identified by the management on the basis of the requirements of the Indian Accounting Standard IND AS–24 'Related Party Disclosures' and the same have been relied upon by the Auditors.

b) The relationships disclosed above are for the entities where control exists and with whom transactions have taken place during the year.

c) Transactions shown above are excluding GST, if any.

d) Managerial Remuneration excludes provision for gratuity, pension and compensated absences, since it is provided on actuarial basis for the company as a whole and includes director sitting fees.

e) The NCD balance shown above includes purchase and sale from secondary market and are held by related party as on reporting dates.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 47: Related party disclosures (Continued)
II)Disclosure in respect of transactions with related parties during the year & balance oustanding as at reporting date:

(₹ in Lakhs)

Particulars	Year Ended	
	31 Mar, 2023 (Audited)	31 Mar, 2022 (Audited)
Reimbursement of Legal and Professional expenses		
Aditya Birla Capital Limited	-	66.50
Dividend		
Aditya Birla Capital Limited	-	10,924.66
Reimbursement of Employee cost		
Aditya Birla Capital Limited- ESOP	1,244.83	198.86
Business Support Expenses		
Aditya Birla Capital Limited	3,676.62	2,911.16
Employee Cost Recovered		
Aditya Birla Capital Limited	26.96	-
Paid up Equity Share Capital Outstanding		
Aditya Birla Capital Limited	66,210.08	66,210.08
Equity Share Premium Outstanding		
Aditya Birla Capital Limited	3,21,096.08	3,21,096.08
Payable		
Aditya Birla Capital Limited	493.77	362.45
Statutory Dues (GST)		
Aditya Birla Capital Limited	37.26	35.06
Ultimate Holding Company		
Reimbursement of Employee cost	-	-
Grasim Industries Limited	15.43	3.08
MF/FD Commission Received on Behalf of investment done by Related Party		
Hindalco Industries Limited	41.86	49.55
Grasim Industries Limited	35.63	65.35

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 47: Related party disclosures (Continued)
II)Disclosure in respect of transactions with related parties during the year & balance oustanding as at reporting date:

(₹ in Lakhs)

Particulars	Year Ended	
	31 Mar, 2023 (Audited)	31 Mar, 2022 (Audited)
Subsidiary/Associate of Ultimate Holding Company		
Sale of Assets		
Grasim Industries Limited	20.97	-
Ultratech Cement Limited	-	7.65
MF/FD Commission Received on Behalf of investment done by Related Party		
Ultratech Cement Limited	25.99	90.89
Reimbursement of Employee cost		
Hindalco Industries Limited	0.78	
Ultratech Cement Limited	-	0.85
Remuneration to KMPs*		
Mr. Rakesh Singh (MD & CEO)	1,420.60	870.79
Mr. Tushar Shah (Appointed as CEO-PFSG w.e.f. 08 October, 2021)	929.36	158.10
Mr. Sanjay Kumar Miranka (Ceased as CFO w.e.f. 22 June, 2021)	-	133.25
Mr. Pradeep Kumar Agrawal (Appointed as CFO w.e.f. 08 October, 2021)	209.56	34.51
Mr. Ankur Deepak Shah (CS)	76.23	55.80
Paid to CSR Fund		
Aditya Birla Capital Foundation	2,727.06	1,482.94
Brokerage Expenses/ Service Charges		
Aditya Birla Money Limited	22.29	27.66
Aditya Birla Money Insurance Advisory Services Limited	911.25	782.76
Reimbursement of Administrative expenses		
Aditya Birla Wellness Private Limited	34.17	0.34
Aditya Birla Money Limited	1.07	0.35
Aditya Birla Capital Technology Services Limited	8.29	5.70
Aditya Birla Sunlife AMC Limited	3.62	-
Aditya Birla Sun Life Insurance Company Limited	0.05	0.36
Aditya Birla Financial Shared Services Limited	475.27	428.28
Aditya Birla Management Corporation Private Limited	-	1.14
Business Support Expenses		
Aditya Birla Management Corporation Private Limited	3,828.25	3,162.17
Aditya Birla Financial Shared Services Limited	2,221.50	1,654.20
Aditya Birla Housing Finance Limited	159.22	199.72

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 47: Related party disclosures (Continued)
II)Disclosure in respect of transactions with related parties during the year & balance oustanding as at reporting date:

(₹ in Lakhs)

Particulars	Year Ended	
	31 Mar, 2023 (Audited)	31 Mar, 2022 (Audited)
Scholarship Expenses		
Anahita Singh (Director's relative)	23.81	-
IT Support Expenses		
Aditya Birla Capital Technology Services Limited	253.06	303.25
Custodian Charges Expenses		
Aditya Birla Money Limited	3.88	5.90
Director sitting fees		
Mr. D J Kakalia	15.00	18.25
Mr. Jitender Balakrishnan	12.50	14.00
Mr. Ashwani Puri	11.00	14.75
Ms. Alka Bharucha	10.25	11.50
Mr. Baldev Raj Gupta	-	2.50
Mr. Subhash Chandra Bhargava	12.75	10.00
Mr. Nagesh Pinge	1.75	-
Mr. Rajat Kumar Jain	1.00	-
Insurance Premium paid		
Aditya Birla Sun Life Insurance Company Limited	313.86	352.29
Interest expenses		
Aditya Birla Sun Life Insurance Company Limited	1,528.36	2,313.06
Reimbursement of Rent expenses		
Aditya Birla Insurance Brokers Limited	2.62	3.84
Aditya Birla Health Insurance Company Limited	4.70	-
Aditya Birla Sunlife AMC Limited	208.39	41.16
Aditya Birla Sun Life Insurance Company Limited	629.19	43.07

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 47: Related party disclosures (Continued)
II)Disclosure in respect of transactions with related parties during the year & balance oustanding as at reporting date:

(₹ in Lakhs)

Particulars	Year Ended	
	31 Mar, 2023 (Audited)	31 Mar, 2022 (Audited)
MF/FD/Alternate asset Commission Received on Behalf of investment done by		
Waacox Energy Private Limited	2.81	3.70
Mr. Rakesh Singh (MD & CEO)	32.36	15.68
Mr. Ajay Srinivasan-Director(Resigned w.e.f 3rd Aug'2022)	1.47	10.38
Aditya Birla Health Insurance Company Limited	1.78	2.32
Reimbursement of Employee cost		
Aditya Birla Money Limited	331.97	221.16
Aditya Birla Wellness Private Limited	-	-
Aditya Birla Health Insurance Company Limited	2.43	3.03
Aditya Birla Money Insurance Advisory Services Limited	-	4.35
Aditya Birla Financial Shared Services Limited	31.91	10.22
Aditya Birla Housing Finance Limited	95.62	72.12
Aditya Birla Sun Life Insurance Company Limited	0.39	0.39
Aditya Birla ARC Limited	39.48	-
Aditya Birla Insurance Brokers Limited	-	0.92
Aditya Birla Sunlife AMC Limited	1.73	1.07
Interest Income		
ABREL EPC Limited(ABREPC)	338.81	-
Waacox Energy Private Limited	394.09	388.78
Employee cost recovered		
Aditya Birla Money Limited	24.75	3.77
Aditya Birla Sun Life Insurance Company Limited	68.83	31.09
Aditya Birla Capital Technology Services Limited	2.93	2.30
Aditya Birla Sunlife AMC Limited	17.90	4.76
Aditya Birla Money Mart Limited	3.86	28.35
Aditya Birla Management Corporation Private Limited	-	1.46
Aditya Birla Housing Finance Limited	59.43	123.82
Aditya Birla Money Insurance Advisory Services Limited	9.91	1.38
Aditya Birla Insurance Brokers Limited	2.87	23.99
Aditya Birla Sun Life Pension Management Limited	-	0.19
Grasim Industries Limited	3.51	-
Aditya Birla Wellness Private Limited	3.62	5.59
Aditya Birla Health Insurance Company Limited	0.97	-
Aditya Birla Financial Shared Services Limited	64.71	5.85
Referral Fees Income		
Aditya Birla Money Limited	20.19	20.99

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 47: Related party disclosures (Continued)
II)Disclosure in respect of transactions with related parties during the year & balance oustanding as at reporting date:

(₹ in Lakhs)

Particulars	Year Ended	
	31 Mar, 2023 (Audited)	31 Mar, 2022 (Audited)
Brokerage / Commission Income		
Aditya Birla Money Limited	383.55	427.88
Ashwani Kumar Puri(Director) (Resigned w.e.f 8 March, 2023)	6.78	10.17
Aditya Birla Sunlife AMC Limited	642.36	115.05
Rent recovered		
Aditya Birla Money Insurance Advisory Services Limited	76.48	18.00
Aditya Birla Insurance Brokers Limited	2.39	2.29
Aditya Birla Sunlife AMC Limited	60.19	7.17
Aditya Birla Money Limited	19.34	-
Aditya Birla Sun Life Insurance Company Limited	189.06	-
Aditya Birla Health Insurance Company Limited	76.13	-
Aditya Birla Housing Finance Limited	644.19	328.88
Administrative Expenses Recovered		
Aditya Birla Money Insurance Advisory Services Limited	50.25	2.20
Aditya Birla Money Limited	0.50	-
Aditya Birla ARC Limited	10.02	0.21
Aditya Birla Insurance Brokers Limited	0.79	0.43
Aditya Birla Financial Shared Services Limited	236.42	126.51
Aditya Birla Sun Life Insurance Company Limited	4.73	-
Aditya Birla Health Insurance Company Limited	1.93	-
Aditya Birla Sunlife AMC Limited	2.51	-
Aditya Birla Stressed Asset AMC Private Limited	1.93	-
Business Support Expenses Recovered		
Aditya Birla Housing Finance Limited	616.31	871.91
Sale of assets		
Aditya Birla ARC Limited	0.65	-
Aditya Birla Housing Finance Limited	-	22.37
Purchase of assets		
Aditya Birla Capital Technology Services Limited	-	4.11
Aditya Birla Management Corporation Private Limited	-	0.56
Aditya Birla Housing Finance Limited	0.09	0.45
Aditya Birla Money Mart Limited	-	4.44
Aditya Birla Insurance Brokers Limited	9.71	0.71
Aditya Birla Wellness Private Limited	-	17.41
Aditya Birla Sun Life Insurance Company Limited	24.80	-
Redemption of NCDs		
Aditya Birla Sun Life Insurance Company Limited	-	15,000.00

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 47: Related party disclosures (Continued)
II)Disclosure in respect of transactions with related parties during the year & balance oustanding as at reporting date:

(₹ in Lakhs)

Particulars	Year Ended	
	31 Mar, 2023 (Audited)	31 Mar, 2022 (Audited)
Investment in fund made		
Aditya Birla Special Situations Fund - I	20.41	15.26
Redemption from Investment		
Aditya Birla Special Situations Fund - I	5.75	2.17
Prepaid Expenses		
Aditya Birla Capital Technology Services Limited	4.68	3.77
Aditya Birla Financial Shared Services Limited	129.58	85.39
Redeemable NCDs		
Aditya Birla Sun Life Insurance Company Limited	25,704.22	15,466.86
Investment in fund outstanding		
Aditya Birla Special Situations Fund - I	22,535.12	33.32
Loans and Advances		
ABREL EPC Limited(ABREPC)	20,507.00	-
Waacox Energy Private Limited	5,602.16	4,356.58
Repayment of Loans and Advances		
Waacox Energy Private Limited	257.84	-
Payable		
Aditya Birla Capital Technology Services Limited	13.20	100.96
Aditya Birla Insurance Brokers Limited	-	11.17
Aditya Birla Sun Life Insurance Company Limited	35.45	2.97
Aditya Birla Financial Shared Services Limited	389.18	241.07
Aditya Birla Management Corporation Private Limited	538.86	751.16
Aditya Birla Sunlife AMC Limited	-	160.60
Hindalco Industries Limited	0.78	-
Aditya Birla Money Insurance Advisory Services Limited	108.77	681.31
Aditya Birla Health Insurance Company Limited	-	3.03

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 47: Related party disclosures (Continued)
II)Disclosure in respect of transactions with related parties during the year & balance oustanding as at reporting date:

(₹ in Lakhs)

Particulars	Year Ended	
	31 Mar, 2023 (Audited)	31 Mar, 2022 (Audited)
Receivable		
Aditya Birla Money Limited	43.45	182.09
Aditya Birla Housing Finance Limited	250.20	362.92
Aditya Birla Health Insurance Company Limited	66.34	-
Aditya Birla Sunlife AMC Limited	13.68	-
Aditya Birla Wellness Private Limited	0.24	0.04
Deposit Payable		
Aditya Birla Money Limited	9.93	-
Aditya Birla Sun Life Insurance Company Limited	54.67	-
Aditya Birla Sunlife AMC Limited	14.96	-
Aditya Birla Housing Finance Limited	30.28	-
Aditya Birla Health Insurance Company Limited	21.69	-
Deposit Receivable		
Aditya Birla Management Corporation Private Limited	615.12	615.12
Aditya Birla Sunlife AMC Limited	120.00	-
Aditya Birla Health Insurance Company Limited	3.68	-
Aditya Birla Money Limited	5.24	-
Aditya Birla Sun Life Insurance Company Limited	158.01	94.60
Deposit Placed (Transaction during the period)		
Aditya Birla Sun Life Insurance Company Limited	63.42	94.60
Aditya Birla Health Insurance Company Limited	3.68	-
Aditya Birla Money Limited	5.24	
Aditya Birla Sunlife AMC Limited	-	120.00
Deposit Received		
Aditya Birla Money Limited	9.93	-
Aditya Birla Sun Life Insurance Company Limited	54.67	-
Aditya Birla Sunlife AMC Limited	14.96	-
Aditya Birla Housing Finance Limited	30.28	-
Aditya Birla Health Insurance Company Limited	21.69	-

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2023
(Currency: ₹ in Lakhs)

Note 47: Related party disclosures (Continued)
II)Disclosure in respect of transactions with related parties during the year & balance oustanding as at reporting date:

(₹ in Lakhs)

Particulars	Year Ended	
	31 Mar, 2023 (Audited)	31 Mar, 2022 (Audited)
Deposit Received back (Transaction during the period)		
Aditya Birla Sun Life Insurance Company Limited	-	88.30
Purchase of Aditya Birla Special Situations Fund I		
Aditya Birla Money Mart Ltd	14,383.01	-
Aditya Birla Capital Technology Services Ltd	7,501.29	-
Insurance Claim Sttlement received		
Aditya Birla Sun Life Insurance Company Limited	293.49	155.03
Loans and advances given		
ABREL EPC Limited(ABREPC)	20,507.00	-
Waacox Energy Pvt Ltd	1,503.42	-

Notes:-

a) The related party relationships have been as identified by the management on the basis of the requirements of the Indian Accounting Standard IND AS–24 'Related Party Disclosures' and the same have been relied upon by the Auditors.

b) The relationships disclosed above are for the entities where control exists and with whom transactions have taken place during the year.

c) Transactions shown above are excluding GST, if any.

d) Managerial Remuneration excludes provision for gratuity, pension and compensated absences, since it is provided on actuarial basis for the company as a whole and includes director sitting fees.

e) The NCD balance shown above includes purchase and sale from secondary market and are held by related party as on reporting dates.

*The above numbers is in the nature of short term employee benefits as per Ind AS 24

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 48: Capital

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a capital adequacy ratio, which is weighted assets divided by total capital derived as per the RBI requirements. As per the RBI guidelines, Company being a Non Banking Finance Company has to maintain 15% of capital adequacy ratio.

The actual Capital Adequacy Ratio is as under:

Particulars	31 March, 2023	31 March, 2022
Capital Adequacy Ratio	16.38%	21.77%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.
No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2023 and 31 March, 2022.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 49: Financial Instruments

Note 49.1: Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures":

(a) Category-wise classification for applicable financial assets:

Particulars	As at 31 March, 2023	As at 31 March, 2022
(I) Measured at amortised cost:		
i) Cash and cash equivalents	38,763.43	59,571.14
ii) Bank balance other than Cash and cash equivalents	-	9,681.37
iii) Trade receivables	4,030.61	1,243.96
iv) Loans	78,84,950.10	53,60,746.02
v) Investment in Debentures	7,482.74	-
vi) Investment in Security Receipts	1,317.50	-
vii) Other financial assets	14,751.79	5,361.81
Sub Total	**79,51,296.17**	**54,36,604.30**
(II) Measured at fair value through profit or loss (FVTPL)		
i) Investment in Govt Securities	2,47,031.28	47,137.87
ii) Investment in Equity instruments	34.82	45.17
iii) Investment in Preference Shares	3,500.00	3,500.00
iv) Investment in Alternate Funds	24,643.33	8,225.19
v) Investment in Debentures	85,430.31	1,10,260.07
vi) Investment in Mutual Funds	520.91	-
Sub Total	**3,61,160.65**	**1,69,168.30**
(III) Designated at fair value through profit or loss (FVTPL)		
i) Derivative financial instruments	50.96	19.02
Sub Total	**50.96**	**19.02**
(IV) Measured at fair value through other comprehensiveincome (FVTOCI):		
i) Investment in Equity instruments	308.73	235.26
ii) Derivative financial instruments	32.68	
Sub Total	**341.41**	**235.26**
Total (I+II+III+IV)	**83,12,849.19**	**56,06,026.88**

(b) Category-wise classification for applicable financial liabilities:

Particulars	As at 31 March, 2023	As at 31 March, 2022
(I) Measured at amortised cost:		
i) Trade Payables	69,756.46	24,221.63
ii) Debt securities	22,64,078.68	15,53,171.39
iii) Borrowings (other than debt securities)	44,78,597.46	27,71,715.04
iv) Subordinated liabilities	2,44,990.45	2,48,733.99
v) Lease Liabilities	19,648.20	12,910.38
vi) Other financial liabilities	68,919.82	47,013.29
Sub Total	**71,45,991.07**	**46,57,765.72**
(II) Measured at fair value through profit or loss (FVTPL)		
Sub Total	-	-
(III) Designated at fair value through profit or loss (FVTPL)		
i) Derivative financial Instruments not designated as cash flow hedges	654.22	28.08
ii) Debt securities	89,406.83	24,954.31
Sub Total	**90,061.05**	**24,982.39**
(IV) Measured at fair value through other comprehensiveincome (FVTOCI):		
i) Derivative financial Instruments designated as cash flow hedges	715.02	7,771.16
Sub Total	**715.02**	**7,771.16**
Total (I+II+III+IV)	**72,36,767.14**	**46,90,519.27**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 49: Financial Instruments (continued)

(c) Fair value of financial assets and financial liabilities measured at amortised cost:

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Loans	78,84,950.10	78,84,950.10	53,60,746.02	53,60,746.02
Investment in Debentures	7,482.74	7,482.74	-	-
Investment in Security Receipts	1,317.50	1,317.50	-	-
Total	**78,93,750.34**	**78,93,750.34**	**53,60,746.02**	**53,60,746.02**
Financial liabilities				
Debt securities	22,64,078.68	22,58,590.22	15,53,171.39	16,00,965.62
Borrowings (other than debt securities)	44,78,597.46	44,78,597.46	27,71,715.04	27,71,715.04
Subordinated liabilities	2,44,990.45	2,39,559.35	2,48,733.99	2,55,952.13
Lease Liabilities	19,648.20	19,648.20	12,910.38	12,910.38
Total	**70,07,314.79**	**69,96,395.23**	**45,86,530.80**	**46,41,543.17**

Valuation methodologies of financial instruments not measured at fair value: Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only.

Short-term financial assets and liabilities: The carrying amounts of cash & cash equivalents, other bank balance, trade receivables, other financial assets, trade payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

Borrowings

Floating Rate Borrowings: Floating rate borrowings are valued on the basis of Applicable Benchmark (viz; Tenor Linked T-Bill, Repo Rate, Tenor Linked MCLR, or any external benchmark as the case may be) + Spread, if applicable.

Fixed Rate Borrowings: Fixed rated borrowing are valued on the basis of valuation report shared by ICRA.

Note 49.2: Disclosure pursuant to Ind AS 113 "Fair Value Measurement"

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method, market comparable method, recent transactions happened in the company and other valuation models.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below :

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, units of mutual funds (open ended) and traded bonds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

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

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

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 49: Financial Instruments (continued)

(A) Fair value hierarchy of financial assets and financial liabilities
(a) Measured at amortised cost:
As at 31 March, 2023

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Loans	-	-	78,84,950.10	**78,84,950.10**	Discounted cashflow approach
Investment in Debentures	-	7,482.74	-	**7,482.74**	
Investment in Security Receipts	-	-	1,317.50	**1,317.50**	Discounted cashflow approach
Total financial assets	**-**	**7,482.74**	**78,86,267.60**	**78,93,750.34**	
Financial liabilities:					
Debt securities	-	15,96,738.84	6,61,851.38	**22,58,590.22**	Discounted cashflow approach
Borrowings (other than debt securities)	-	-	44,78,597.46	**44,78,597.46**	Discounted cashflow approach
Subordinated liabilities	-	2,39,559.35	-	**2,39,559.35**	
Lease Liabilities	-	-	19,648.20	**19,648.20**	Discounted cashflow approach
Total financial liabilities	**-**	**18,36,298.19**	**51,60,097.04**	**69,96,395.23**	

As at 31 March, 2022

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Loans	-	-	53,60,746.02	**53,60,746.02**	Discounted cashflow approach
Total financial assets	**-**	**-**	**53,60,746.02**	**53,60,746.02**	
Financial liabilities:					
Debt securities	-	12,87,436.64	3,13,528.98	**16,00,965.62**	Discounted cashflow approach
Borrowings (other than debt securities)	-	-	27,71,715.04	**27,71,715.04**	Discounted cashflow approach
Subordinated liabilities	-	2,55,952.13	-	**2,55,952.13**	
Lease Liabilities	-	-	12,910.38	**12,910.38**	Discounted cashflow approach
Total financial liabilities	**-**	**15,43,388.77**	**30,98,154.40**	**46,41,543.17**	

(b) Measured at fair value through profit or loss (FVTPL)
As at 31 March, 2023

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Investment in Govt Securities	-	2,47,031.28	-	**2,47,031.28**	
Investment in Equity instruments	34.82	-	-	**34.82**	
Investment in Preference Shares	-	3,500.00	-	**3,500.00**	
Investment in Alternate Funds	-	24,643.33	-	**24,643.33**	
Investment in Debentures	-	85,430.31	-	**85,430.31**	
Investment in Mutual Funds	520.91	-	-	**520.91**	
Total financial assets	**555.73**	**3,60,604.92**	**-**	**3,61,160.65**	

As at 31 March, 2022

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Investment in Govt Securities	-	47,137.87	-	**47,137.87**	
Investment in Equity instruments	45.17	-	-	**45.17**	
Investment in Preference Shares	-	3,500.00	-	**3,500.00**	
Investment in Alternate Funds	-	8,225.19	-	**8,225.19**	
Investment in Debentures	-	1,10,260.07	-	**1,10,260.07**	
Total financial assets	**45.17**	**1,69,123.13**	**-**	**1,69,168.30**	

(c) Designated at fair value through profit or loss (FVTPL)
As at 31 March, 2023

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Derivative financial instruments		50.96		**50.96**	
Total financial assets	**-**	**50.96**	**-**	**50.96**	
Financial liabilities:					
Derivative financial Instruments not designated as cash flow hedges		654.22		**654.22**	
Debt securities		89,406.83		**89,406.83**	
Total financial liabilities	**-**	**90,061.05**	**-**	**90,061.05**	

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 49: Financial Instruments (continued)

(d) Measured at fair value through other comprehensive income (FVTOCI):
As at 31 March, 2023

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Investment in Equity instruments	-	-	308.73	**308.73**	refer (e)
Derivative financial instruments	-	32.68	-	**32.68**	
Total financial assets	-	**32.68**	**308.73**	**341.41**	
Financial liabilities:					
Derivative financial Instruments designated as cash flow hedges	-	715.02	-	**715.02**	
Total financial liabilities	-	**715.02**	-	**715.02**	

As at 31 March, 2022

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Investment in Equity instruments	-	-	235.26	**235.26**	refer (e)
Total financial assets	-	-	**235.26**	**235.26**	
Financial liabilities:					
Derivative financial Instruments designated as cash flow hedges	-	7,771.16	-	**7,771.16**	
Total financial liabilities	-	**7,771.16**	-	**7,771.16**	

(e) Valuation techniques

Equity instruments: The listed equity instrument are actively traded on stock exchanges with readily available active prices on a regular basis. Such instruments are classified as Level 1. Unlisted equity securities are classified at Level 3.

Investment in Preference Shares: Investment made in preference share is not actively traded on stock exchange and such instrument are classified as level 2.

Investment in Govt Securities : The fair values of investments made in Government Securities is based on valuation report from ICRA as at the reporting period and the same are classified under Level 2.

Investment in Alternate funds and Mutual funds : Units held in funds of AIF and Mutual funds are measured based on their net asset value (NAV), taking into account redemption and/or other restrictions. Such instruments are generally Level 2. NAV represents the price at which the issuer will issue further units of AIF and the price at which issuers will redeem such units from the investors.

Investment in Debt Securities: Fair value of these instrument is derived based on the indicative quote of price and yields prevailing in the market as at reporting date. Company has used quoted price of national stock exchange wherever bonds are traded actively. In cases where debt securities are not actively traded company has used CRISIL corporate bond valuer model for measuring fair value i.e. fair value has been computed using the Fixed Income Money Market and Derivatives Association of India ('FIMMDA') data on corporate bond spreads and such instruments are classified as Level 2.

Derivative Financial Instruments : A generally accepted framework for the valuation of the swap explains the position in each leg of the swap as a 'bond'. Therefore, a receive floating - pay fixed swap can be viewed as a portfolio consisting a short position in fixed bond and long position a floating rate bond. The value of the swap is the net proceeds from such bond positions i.e. Receipt – Payment. The swaps were valued on and with inputs from the swap providers using the terms of the swap contract.

Equity shares measured at Fair Value through Other Comprehensive Income: Unquoted equity shares are measured at fair value through other comprehensive income on the basis of the net worth of the investee company and are classified as Level 3.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 49: Financial Instruments (continued)

(B) Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value:

For the year ended 31 March, 2023

Particulars	As at 1 April, 2022	Purchase / (Sales)	Transfers into / (from) Level 3	Net interest income, net trading income and other income	Other comprehensive income	At 31 March, 2023
Investment in Equity Instrument	235.26	-	-	-	73.47	308.73
Total financial investments classified in Level 3	**235.26**	-	-	-	**73.47**	**308.73**
Total financial assets measured at fair value on a recurring basis	**235.26**	-	-	-	-	**308.73**

For the year ended 31 March, 2022

Particulars	As at 1 April, 2021	Purchase / (Sales)	Transfers into / (from) Level 3	Net interest income, net trading income and other income	Other comprehensive income	At 31 March, 2022
Investment in Equity Instrument	211.04	-	-	-	24.22	235.26
Total financial investments classified in Level 3	**211.04**	-	-	-	**24.22**	**235.26**
Total financial assets measured at fair value on a recurring basis	**211.04**	-	-	-	-	**235.26**

(C) Sensitivity of fair value measurements to changes in unobservable market data

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

Particulars	Fair value as at		Rates for Sensitivity	Impact of Increase in Rates on Total Comprehensive Income statement			
	March 31, 2023	March 31, 2022		March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
				Favourable	Unfavourable	Favourable	Unfavourable
Investment in Equity Instrument	308.73	235.26	5.00%	15.44	(15.44)	11.76	(11.76)

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 50: Registration of charges or satisfaction with Registrar of Companies (ROC)

Company has complied with the charge creation or satisfaction registration with ROC within the statutory year.

Note 51: Relationship with Struck off Companies

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding		Relationship with the Struck off company (if any)
		31 March, 2023	31 March, 2022	
Maxin Hydro Dynamic India Private Limited	Outstanding balance (Loan given)	-	3.89	-
Emirate Fashions Private Limited	Outstanding balance (Loan given)	10.00	10.28	-
Thanco Natural Foods Private Limited	Outstanding balance (Loan given)	-	19.88	-
Bee Luxe Private Limited	Outstanding balance (Loan given)	-	9.34	-
Alaric Healthcare Private Limited	Outstanding balance (Loan given)	-	8.28	-
Chennai School Of Ship Management Private Limited	Outstanding balance (Loan given)	81.00	-	-
Uttam Consultancy Private Limited	Outstanding balance (Loan given)	659.00	-	-
Total		**750.00**	**51.67**	

The above disclosure has been prepared basis the relevant information compiled by the Company on best effort basis which has been relied upon by the auditors.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 52: Risk management

(a) Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings (Including Debt Securities & Subordinate Libilities) and trade and other payables. The main purpose of these financial liabilities is to finance and support the company's operations. The Company's principal financial assets include loans, investments, cash and cash equivalents and other receivables that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Risk Management Committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Risk Committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors review and agree policies for managing each of these risks, which are summarised below.

The Company has identified and implemented comprehensive policies and procedures to assess, monitor and manage risk throughout the Company. The risk management process is continuously reviewed, improved and adapted in the changing risk scenario and the agility of the risk management process is monitored and reviewed for its appropriateness in the changing risk landscape. The process of continuous evaluation of risks includes taking stock of the risk landscape on an event-driven basis.
The Company has an elaborate process for risk management. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Operational & Business Risk

Loss of Risk that is related to activities carried out within an entity, arising from incomplete structure, failure of systems, untrained people, inefficient products or processes. To make the structure more robust a Board approved Operational Risk Management Framework has been put in place which is implemented by a dedicated team within the Risk Management function. A bottom up risk control self-assessment process identifies high risk areas, potential gaps and serves as an early warning system so that remedial measures can be initiated in a timely manner.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. In the case of the Company, market risk primarily comprises of interest rate risk. Financial instruments affected by market risk include loans and borrowings.
The analyses exclude the impact of movements in market variables on the carrying values of gratuity, other post-retirement obligations and provisions.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March, 2023 and 31 March, 2022.

Interest rate risk

Interest rate risk is the risk of loss in company's net income out of change in level of interest rates and/or their implied volatility. To mitigate the interest rate risk, ALM policy of the company stipulates interest rate sensitivity gap of all the time buckets. The Interest rate sensitivity statement is prepared every month and placed before ALCO. The statement captures the duration of rate sensitive assets & liabilities of the company. The impact of change in interest rate on the earning of the company is also measured every month and same is presented to ALCO.

Market indices	Change in Interest rate	31 March, 2023		31 March, 2022	
		Impact on profit before tax	Impact on equity	Impact on profit before tax	Impact on equity
Interest rate	25 Basis Point down	11,196.49	8,323.02	6,929.29	5,164.32
	50 Basis Point down	22,392.99	16,646.03	13,858.58	10,328.64
	25 Basis Point Up	(11,196.49)	(8,323.02)	(6,929.29)	(5,164.32)
	50 Basis Point Up	(22,392.99)	(16,646.03)	(13,858.58)	(10,328.64)

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 52: Risk management (continued)

Foreign Exchange Risk

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of fluctuation in foreign exchange rates primarily relates to its External Commercial Borrowings. The Company uses derivative instruments like cross currency swaps to hedge exposure to foreign currency risk.

The Company has taken foreign currency floating rate borrowings, which are linked to USD SOFR or JPY TONA. For managing the foreign currency risk and interest rate risk, arising from changes in applicable benchmark (USD SOFR or JPY TONA) on such borrowings, the Company has entered into Cross Currency Swap (CCS) for the entire loan liability covering the entire tenor of the loan along with the interest payable. Under the terms of the CCS, the Company pays interest at the fixed rate to the swap counterparty in INR and receives the floating interest payments based on the applicable benchmark (USD SOFR or JPY TONA) in foreign currency.

Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

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

Impairment assessment

The ECL model Credit loss provisioning approach has now moved from incurred model. This forces entity to understand the significance of credit risk and its movement since its initial recognition. This model ensures (a) timely recognition of ECLs (b) assessment of significant increase in credit risk which will provide better disclosure (c) ascertainment of better business ratios.

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies in Note 4.

-An explanation of the Company's internal grading system (Note 'Definition of default below)
-How the Company defines, calculates and monitors the probability of default, exposure at default and loss given default)
(Note 'The Company's internal rating and PD estimation process', 'Probability of Default', 'Exposure at Default' below)
-When the Company considers there has been a significant increase in credit risk of an exposure (Note 'Significant increase in credit risk' below)

-The Company's policy of segmenting financial assets where ECL is assessed on a collective basis (Note 'Grouping financial assets measured on a collective basis' below)
-The details of the ECL calculations for Stage 1, Stage 2 and Stage 3 assets (Notes 'Probability of default', 'Exposure at default' and 'loss given default' below)

Definition of default

The Company considers a financial instrument defaulted and therefore Stage 3 (credit impaired) for ECL calculations generally in most cases when the borrower becomes 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikeness to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:
a) Significant financial difficulty of the borrower or issuer;
b) A breach of contract such as a default or past due event;
c) The restructuring of a loan or advance by the company on terms that the company would not consider otherwise;
d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
e) The disappearance of an active market for a security because of financial difficulties and the customer has delay in his repayments over a month.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 52: Risk management (continued)

The Company's internal rating and PD estimation process

a. Internal Rating: A robust internal credit rating framework is vital for effective credit risk management. It is specified by RBI on credit risk management that lenders should have an internal rating framework and the lenders must have independent Credit Risk Control Units (CRCU) or equivalents that are responsible for the design or selection, implementation and performance of their internal rating systems. Accordingly the Company also have an internal rating framework developed along with CRISIL, with ratings being assigned to all the customer/ portfolio pool – (eligible customers for Ratings) and used extensively in internal decision-making.

b. It is further specified in the policy that Internal rating/grading/scoring of the borrower/client is at least Investment grade rating as per the Company's internal credit rating model or valid/live external rating.

Probability of Default (PD)

PD is calculated basis likelihood that the borrower will default within one year horizon (Basis for Stage 1), For Stage 2 – it is defined as significant increase in credit risk and probability is defined as borrower's probability to default in lifetime.

Exposure at Default

Gross exposure/potential gross exposure under a facility (i.e. the amount that is legally owed to the lender) at the time of default by a borrower. Exposure at Default gives an estimate of the amount outstanding.

Loss Given Default (LGD)

LGD is usually shown as the percentage of Exposure at Default that the lender might lose in case the borrower defaults. It depends, among others, on the type of collateral, it's value and the expected proceeds from the sale (e.g. sales proceeds from sales of collaterals/securities) of the assets, NPV net of recovery costs.

Significant increase in credit risk

a. There is significant increase in credit risk, when there is deterioration in account performance and expected resolution is not available.

b. Further, for large borrowers after assessing the following Risks in totality and deterioration in each factor, it is then assessed whether there is a significant increase in credit risk

i. Industry Risk
ii. Business Risk
iii. Management Risk
iv. Financial Risk
v. Banking Conduct & Facility level Conduct.

c. Significant increase in credit risk is also gauged through Credit rating. Credit rating is an opinion of capacity of borrower to meet its financial obligations to the depositor or bondholder (i.e. lender of money) on a particular issue or type of instrument (i.e. a domestic or foreign currency: short-term or medium or long-term, etc.) in a timely manner. The rating measures the relative risk of an issuers ability and willingness to repay both interest and principal over the period of the rated instrument. i.e. rating signifies the risk of default of the borrower that is rated.

Collateral Security:

The Company's net exposure to credit risk, after taking into account credit risk mitigation, have been tabulated below:

Particulars	As at 31 March, 2023			As at 31 March, 2022		
	Outstanding	Cash collateral	Nature of Non-cash collateral	Outstanding	Cash collateral	Nature of Non-cash collateral
Financial assets						
Cash and cash equivalents	38,763.43	-		59,571.14	-	
Bank balance other than cash and cash equivalents	-	-		9,681.37	-	
Derivative financial instruments	83.64			19.02		
Trade Receivables	4,030.61	-		1,243.96	-	
Loans	78,84,950.10	-	Refer footnote below	53,60,746.02	-	Refer footnote below
Investments	3,70,269.62	-		1,69,403.56	-	
Other financial assets	14,751.79	-		5,361.81	-	
Total	**83,12,849.19**	-		**56,06,026.88**		

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 52: Risk management (continued)

The Company by way of loan sanction letter and other loan securing documents agrees with its customers on collateral security to be provided by the customers in secured loan exposures that are subject to credit risk. Collateral security enables us to recover all or part of the outstanding exposure by liquidating the collateral asset provided, in cases where the borrower is unable or unwilling to fulfil its primary obligations.

Collateral security accepted by the Company could be in the form of:

a) Financial collateral in the form of pledge of equity shares, units of mutual funds, assignment of life insurance policies;
b) Current assets in the form of inventories meant for sale or receivables arising out of the sale of finished goods
c) Fixed asset (in the form of immovable properties – real estate, Plant and Machinery, Equipment's)
d) Third-party obligation (in the form of Irrevocable Unconditional Guarantee issued by Bank, Third party);
e) Risk participation from Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)
f) Assignment of borrower's rights and interests under agreements with third parties.

In addition, the Company also stipulates escrow of cash flows and a Debt Service Reserve Account (DSRA) for project loans

Collateral serves to mitigate the inherent risk of credit loss in an exposure, by either improving recoveries in the event of a default or substituting the borrower.

As part of the assessment of a credit transaction the availability, adequacy and suitability of collateral for the transaction is evaluated and decided upon. The Company's processes includes verification of the title to the collateral offered and valuation by technical experts where warranted. The Company accept as collateral only securities of good quality and have in place legally effective and enforceable documentation. For guarantee's taken, the guarantor's creditworthiness is assessed during the credit assessment process of the transaction. The Company has collateral type specific haircuts in place which are reviewed at intervals as appropriate to the type of collateral.

The Company recognises that collateral can be a credit mitigant (alternative source of repayment), but does not replace or dilute the underwriting standards the company adopts to underwrite credit exposures.

(b) Forward looking Information :

The Company is required to provide for impairment allowance basis expected credit loss (ECL), which is calculated using empirical portfolio performance and adjusted for forward looking macroeconomic factors, as prescribed by Ind AS. The overall provisioning made through this approach, continues to be in excess of the floor provisions as prescribed by RBI for NBFCs.

The assessment of credit risk and estimation of ECL is statistically validated. It considers all relevant information about past events, current conditions and some elements of predicted performance of the portfolio.

ECL has been calculated using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD).

In the process of determining the PD, the macro economic impact is intrinsically built in in our current approach. The overall performance through the life cycle of the loan, considers the impact of macro-economic parameters like GDP or once in events like de-monetisation etc. Most of the portfolios have seen one to two complete economic cycles and hence the default probabilities experienced by the Company takes into account the upturn, downturn and central (balanced) economic scenario.

In the internally rated portfolio, the Industry rating module (sourced from CRISIL under agreement) recognizes factors like demand prediction, supply side glut / constraints, impact of imports and exports and the government policies which are more forward looking and making the through-the-cycle default probabilities to point-in-time default probability.

Grouping financial assets measured on a collective basis

The Company calculates ECLs either on a collective or an individual basis.

Asset classes where the Company calculates ECL on an individual basis include:
1. Corporate Portfolio

Asset classes where the Company calculates ECL on a collective basis include:
1. Retail Portfolio

The ECL methodology allows for individual assessment for corporates and therefore these loans are generally measured individually as each of these exposures have unique characteristics and structuring. For retail exposures and exposures which can be clubbed in homogenous pools, ECL is measured on a collective basis. This has been arrived at based on common characteristics like nature of product, customer profile etc .

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 52: Risk management (continued)

(c) Analysis of risk concentration

Concentration analysis are presented for Portfolio pool, Location, Top borrower exposures, Group exposures etc. These are regularly analysed and presented for further review/action. Based on the exposures of the company towards various sectors, analysis is as follows :

Top 20 Industry Sectors	**As at 31 March, 2023**
	(%)
Real Estate Activities - Builders and Contractors	17.28%
Other Trade (Wholesale/ Retail)	3.17%
NBFCs	3.73%
Hotels, Motels and Resorts	2.86%
Construction - Infrastructure	2.57%
Finance - Investment / Others	2.41%
Lease Rental Discounting	2.30%
Textiles, Readymade Garments, Apparels - Spinning, Mfg and Trading	2.26%
Energy Renewable	2.24%
Energy Trans & Distr	2.20%
Construction/Maintenance of Roads	2.16%
Food & Beverages	1.65%
Education	1.54%
Transportation, Logistics & Allied Services	1.44%
Hospital & medical business	1.18%
Professional Services (except Medical)	1.03%
Electricals & Electronics equipments	0.97%
Chemical & related products	0.96%
Automobiles & Ancillaries	0.95%
Metals (Mfg of Basic & Structural, casting)	0.81%
Top 20 Industry Exposures	**53.71%**

Top 20 Industry Sectors	**As at 31 March, 2022**
	(%)
Real Estate Activities - Builders and Contractors	15.48%
Lease Rental Discounting	4.53%
Energy Renewable	4.05%
Construction/Maintenance of Roads	3.82%
Hotels, Motels and Resorts	3.36%
Education	3.36%
Textiles, Readymade Garments, Apparels - Spinning, Mfg and Trading	3.23%
NBFCs	3.13%
Transportation, logistics & allied services	2.54%
Other Trade (Wholesale/ Retail)	2.10%
Domestic Commercial Banks	1.87%
Automobiles & Ancillaries	1.81%
Hospital & medical business	1.46%
Food & Beverages	2.50%
Brokers / Traders - Shares, securities	1.32%
Energy Trans & Distr	1.14%
Pharmaceuticals & intermediates	1.14%
Chemical & related products	1.12%
Electricals & Electronics equipments	1.03%
Mining and Quarrying	1.03%
Top 20 Industry Exposures	**60.01%**

Note:

1. Industry Sectors tagging on loans is done by the Company's management as per internal MIS which have been relied upon by the auditors.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 52: Risk management (continued)

(d) Liquidity risk and funding management

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances.

The Company manages its liquidity requirement by analysing the maturity pattern of Company's cash flows of financial assets and financial liabilities. The Asset Liability Management of the Company is periodically reviewed by its Asset Liability Management Committee.
The Company maintains a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flow. The Company also has lines of credit that it can access to meet liquidity needs. In accordance with the Company's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company. Net liquid assets consist of cash. The ratios during the year were, as follows:

Advances to borrowings ratios

Particulars	2023	2022
Year-end	111.42%	116.57%
Maximum	114.84%	118.99%
Minimum	111.42%	116.57%
Average	113.08%	118.16%

Borrowings from banks and financial institutions and issue of debentures are considered as important sources of funds to finance lending to customers. They are monitored using the advances to borrowings ratio, which compares loans and advances to customers as a percentage of secured and unsecured borrowings.

Analysis of financial liabilities by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial liabilities:

As at 31 March, 2023

Particulars	Within 12 months	After 12 months	Total
Financial liabilities			
Derivative Financial Liability	27.74	1,341.50	1,369.24
Trade Payables (refer note 1 below)			
- Micro and small enterprises	288.81	-	288.81
- Other than micro and small enterprises	69,467.65	-	69,467.65
Debt securities (refer note 2 below)	10,48,893.02	17,72,258.94	28,21,151.96
Borrowings (other than debt securities)	17,06,994.67	34,85,831.54	51,92,826.21
Subordinated liabilities	30,606.83	3,11,737.40	3,42,344.23
Lease liabilities	4,502.29	19,582.53	24,084.82
Other financial liabilities	68,919.82	-	68,919.82

As at 31 March, 2022

Particulars	Within 12 months	After 12 months	Total
Financial liabilities			
Derivative Financial Liability	7,799.24	-	7,799.24
Trade Payables (refer note 1 below)			
- Micro and small enterprises	696.87	-	696.87
- Other than micro and small enterprises	23,524.76	-	23,524.76
Debt securities (refer note 2 below)	6,53,366.24	10,31,194.25	16,84,560.49
Borrowings (other than debt securities)	13,13,012.19	17,61,219.85	30,74,232.04
Subordinated liabilities	24,513.02	3,42,344.23	3,66,857.25
Lease liabilities	3,009.34	12,713.64	15,722.98
Other financial liabilities	47,013.29	-	47,013.29

Notes :

1. Trade payables is based on the estimate of payment.
2. Commercial papers shown are net of unamortised discounting charges ₹ 10,648.62 lakhs (31 March, 2022 ₹ 4,471.02 lakhs).

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 52: Risk management (continued)

The table below shows the contractual expiry by maturity of the Corporate guarantees and Letter of comfort given by the Company on behalf of clients.

As at 31 March, 2023

Particulars	Within 12 months	After 12 months	Total
Corporate guarantees and Letter of comfort given by the Company on behalf of clients	4,332.94	3,675.00	8,007.94
Total	**4,332.94**	**3,675.00**	**8,007.94**

As at 31 March, 2022

Particulars	Within 12 months	After 12 months	Total
Corporate guarantees and Letter of comfort given by the Company on behalf of clients	11,501.18	32.66	11,533.84
Total	**11,501.18**	**32.66**	**11,533.84**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 53: Disclosure in terms of Direction 19 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016.

Sr No.	Particulars	31 March, 2023		31 March, 2022	
	Liabilities side :	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
1)	**Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:**				
	(a) Debentures : Secured (including interest accrued but not due of ₹ 61,458.93 lakhs; 31 March 2022 : ₹ ₹ 61,303.24 lakhs)	16,75,533.77	-	12,53,636.68	-
	: Unsecured (including interest accrued but not due of ₹ 700.36 lakhs ; 31 March 2022 : ₹ 460.04 lakhs) (other than falling within the meaning of public deposits) (see note 1)	16,100.36	-	10,960.04	-
	(b) Term Loans, External commercial borrowings and Working Capital Demand loans (including interest accrued but not due of ₹ 6,267.57 lakhs ; 31 March 2022 : ₹ 1,080.15 lakhs)	42,60,288.03	-	25,60,604.67	-
	(c) Inter corporate Loans and borrowing (including interest accrued but not due of ₹ 921.13 lakhs ; 31 March 2022 : Nil)	56,966.13	-	-	-
	(d) Commercial Paper (net of unamortised discount of ₹ 10,648.62 lakhs; 31 March, 2022 : ₹ 4,471.02 lakhs)	6,61,851.38	-	3,13,528.98	-
	(e) Subordinate Debt (including interest accrued but not due of ₹ 9,467.32 lakhs; 31 March 2022 : ₹ 9,722.01 lakhs)(see note 2)	2,23,867.32	-	2,27,622.01	-
	(f) Perpetual Debts (including interest accrued but not due of ₹ 1,123.13 lakhs; 31 March 2022 : ₹ 1,111.98 lakhs)(see note 2)	21,123.13	-	21,111.98	-
	(g) Other Loans (Cash Credit, Book overdraft & CBLO) (including interest accrued but not due of ₹ 3.84 lakhs; 31 March 2022 : ₹ Nil)(see note 2)	1,61,343.30	-	2,11,110.37	-
	Total	**70,77,073.42**	-	**45,98,574.73**	-

Note :

1. As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank of India) Directions, 1998.
2. During the year ended 31 March, 2023 the Company has raised ₹ Nil (31 March, 2022 ₹ Nil) through perpetual debt instrument. Closing balance as on 31 March, 2023 is ₹ 21,123.13 lakhs (31 March, 2022 ₹ 21,111.98 lakhs), the same is 1.90% (31 March, 2022 2.18%) of tier I Capital as on 31 March, 2023.

	Assets side :	31 March, 2023	31 March, 2022
		Amount outstanding	Amount outstanding
2)	**Break-up of Loans and Advances including bills receivables (other than those included in (4) below) :**		
	(a) Secured :	51,21,307.52	41,14,204.21
	(b) Unsecured : (includes those in nature of loans and excludes Advances Recoverable in cash or kind or for value to be received, Advance Payment of Taxes and Other Deposits)	29,23,971.29	13,54,024.34
		80,45,278.81	**54,68,228.55**
3)	**Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities :**		
	(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial lease	-	-
	(b) Operating lease	-	-
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	-	-
	(b) Repossessed Assets	-	-
	(iii) Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-
		-	-
	Total	**80,45,278.81**	**54,68,228.55**

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 53: Disclosure in terms of Direction 19 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016. (continued)

	Assets side :	31 March, 2023	31 March, 2022
		Amount outstanding	Amount outstanding
4)	**Break-up of Investments :**		
	Short Term investments :		
	1. Quoted :		
	(i) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	520.91	-
	(iv) Government Securities	-	-
	(v) Others	-	-
	2. Unquoted :		
	(i) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	92,913.05	1,10,260.07
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	2,47,031.28	47,137.87
	(v) Others (Alternate Fund)	1,050.80	-
	Long Term investments :		
	1. Quoted :		
	(i) Shares : (a) Equity	34.82	45.17
	(b) Preference	3,500.00	3,500.00
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (Please specify)	-	-
	2. Unquoted :		
	(i) Shares : (a) Equity	308.73	235.26
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (Securiy Receipts and Alternate Fund)	24,910.03	8,225.19
	Total	**3,70,269.62**	**1,69,403.56**

5)	**Borrower group-wise classification of assets financed as in (2) and (3) above :**						
	Category	**31 March, 2023**			**31 March, 2022**		
		Secured	**Unsecured**	**Total**	**Secured**	**Unsecured**	**Total**
	1) Related Parties						
	(a) Subsidiaries	-	-	-	-	-	-
	(b) Companies in the same group	26,109.16	-	26,109.16	4,356.58	-	4,356.58
	(c) Other related parties	-	-	-	-	-	-
	2) Other than related parties						
	(a) Companies in the same group	-	-	-	-	-	-
	(b) Other	50,95,198.36	29,23,971.29	80,19,169.65	41,09,847.63	13,54,024.34	54,63,871.97
	Total	**51,21,307.52**	**29,23,971.29**	**80,45,278.81**	**41,14,204.21**	**13,54,024.34**	**54,68,228.55**

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 53: Disclosure in terms of Direction 19 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016. (continued)

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

Category	31 March, 2023		31 March, 2022	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions) (see note 1)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1) Related Parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	22,535.12	22,535.12	-	-
(c) Other related parties	-	-	-	-
2) Other than related parties				
(a) Companies in the same group	829.64	829.64	337.30	336.32
(b) Other	3,46,904.86	3,46,904.86	1,69,066.26	1,67,473.92
Total	**3,70,269.62**	**3,70,269.62**	**1,69,403.56**	**1,67,810.24**

Note:

1. Book value represents carrying value of investment.

7) Other information :

	31 March, 2023	31 March, 2022
(i) Gross Non-Performing Assets (Stage 3) :		
(a) Related parties	-	-
(b) Other than related parties	2,50,709.87	1,95,603.41
(ii) Net Non-Performing Assets (Stage 3) :		
(a) Related parties	-	-
(b) Other than related parties	1,34,915.46	1,18,314.77
(iii) Assets acquired in satisfaction of debt :	-	-

The above amounts are including Interest Accrued.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 54: Disclosure in terms of Direction 73 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016.

a) Capital Risk Adequacy Ratio (CRAR)

Sr. No.	Particulars	31 March, 2023	31 March, 2022
(i)	CRAR (%)	16.38	21.77
(ii)	CRAR - Tier I capital (%)	13.92	18.07
(iii)	CRAR - Tier II Capital (%)	2.46	3.70
(iv)	Tier I capital	11,13,219.98	9,68,727.75
(v)	Tier II capital	1,96,679.02	1,98,090.07
(vi)	Amount of subordinated debt raised as Tier-II capital	2,23,867.32	2,27,622.01
(vii)	Amount raised by issue of Perpetual Debt Instruments	21,123.13	21,111.98

Notes :

1) Amount of Subordinated debt and Perpetual Debt shown above are outstanding balances (including interest accrued thereon) as on 31 March, 2023 and 31 March, 2022.

b) Derivatives

Forward Rate Agreement / Interest Rate Swap (also includes currency interest rate swaps)

Sr. No.	Particulars	31 March, 2023	31 March, 2022
(i)	The notional principal of swap agreements	1,93,148.62	1,71,375.26
(ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	83.64	19.02
(iii)	Collateral required by the applicable NBFC upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from the swaps	-	-
(v)	The fair value of the swap book	(1,285.60)	(7,780.22)

Exchange Traded Interest Rate (IR) Derivatives: The Company has not traded in Exchange Traded Interest Rate Derivative during the financial year ended 31 March,2023 (Previous year: NIL).

Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure - The Company enters into derivative agreements to mitigate the foreign exchange risk and interest rate risk pertaining to its external commercial borrowings & Non convertible debenture. Detailed description of the policies and risk mitigation strategies are also disclosed in Note 4.1(viii), Note 8 and Note 52 to the financial statements.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 54: Disclosure in terms of Direction 73 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016. (continued)

Quantitative Disclosures -

Sr. No.	Particulars	31 March, 2023		31 March, 2022	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount) for Hedging	-	1,93,148.62	7.72	1,71,367.54
(ii)	Marked to Market Positions				
	(a) Asset (+)	-	83.64	-	19.02
	(b) Liability (-)	-	(1,369.24)	(0.52)	(7,798.72)
(iii)	Credit Exposure	-	-	-	-
(iv)	Unhedged Exposures	-	-	-	-

Note: The above disclosure includes non convertible debentures in Indian currency at variable interest rate amounting to Rs. 10,000 lakhs, which is hedged.

c) Unsecured Advances

Sr. No.	Particulars	31 March, 2023	31 March, 2022
(i)	Unsecured Advances (Inclusive of doubtful advances)	29,23,971.29	13,54,024.34

Out of the above amount, advances for which intangible securities such as charge over the rights, licences, authority, etc. are taken as collateral : NIL

d) Exposures

d.i) Exposure to Real Estate Sector

Category		31 March, 2023	31 March, 2022
Direct exposure			
i)	Residential Mortgages (see note) Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented Exposure would also include non-fund based (NFB) limits.	-	-
ii)	Commercial Real Estate Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.) Exposure would also include non-fund based (NFB) limits	21,85,344.20	15,48,981.87
iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures a. Residential b. Commercial Real Estate	- -	- -
Indirect exposure			
i)	Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	-
Total Exposure to Real Estate Sector		**21,85,344.20**	**15,48,981.87**

Note : The above excludes loan against property which are not for the purpose of acquiring residential property that is or will be occupied by the borrower or that is rented.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 54: Disclosure in terms of Direction 73 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016. (continued)

d.ii) Exposure to Capital Market

Particulars		31 March, 2023	31 March, 2022
i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt; (see note)	34.82	45.17
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	45,540.16	37,392.88
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	2,41,871.36	2,50,602.33
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	392.77	1,157.57
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources.	-	58,108.53
(vii)	Bridge loans to companies against expected equity flows / issues;	-	-
(viii)	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(ix)	Financing to stockbrokers for margin trading	-	-
(x)	All exposures to Alternative Investment Funds: (i) Category I (ii) Category II (iii) Category III	 - 24,643.33 -	 - 8,225.19 -
Total Exposure to Capital Market		**3,12,482.44**	**3,55,531.67**

Note : The amount comprises investment in listed securities only.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 54: Disclosure in terms of Direction 73 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016. (continued)

d.iii) Asset Liability Management
Maturity pattern of certain items of Assets and Liabilities
As at 31 March, 2023

Particulars	1 to 7 days	8 to 14 days	15 day to 30 days	Over 1 month and up to 2 months	Over 2 months and up to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	Total
Deposits	713.67	-	-	-	-	17.83	31.27	1,948.36	400.20	663.08	**3,774.41**
Advances**	2,03,564.26	26,629.00	83,161.55	2,18,979.94	2,05,818.85	4,68,292.18	12,10,666.86	21,07,819.22	12,45,536.60	21,14,481.64	**78,84,950.10**
Investments	2,47,552.19	-	-	-	92,913.05	-	1,050.80	1,057.41	-	27,696.17	**3,70,269.62**
Borrowings*	1,08,906.97	1,02,666.67	2,15,095.68	6,00,266.34	3,07,713.98	4,54,433.04	6,98,767.46	27,39,435.07	13,19,718.20	5,30,070.01	**70,77,073.42**
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	**-**
Foreign Currency Liabilities (also included in borrowings above)	-	-	-	-	-	95.92	2,259.84	1,92,666.64	-	-	**1,95,022.40**

As at 31 March, 2022

Particulars	1 to 7 days	8 to 14 days	15 day to 30 days	Over 1 month and up to 2 months	Over 2 months and up to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	Total
Deposits	-	1,266.58	17.90	37.75	-	36.49	39.23	190.63	861.98	322.03	**2,772.59**
Advances**	1,36,006.59	17,338.91	78,363.63	1,89,721.39	1,02,377.40	2,34,242.14	6,22,369.59	14,72,617.02	8,60,946.05	16,46,763.30	**53,60,746.02**
Investments	-	47,137.87	-	-	1,12,865.41	-	2,862.70	2,084.13	4,070.98	382.47	**1,69,403.56**
Borrowings*	1,03,399.97	1,96,105.49	3,02,290.61	1,59,004.72	1,41,558.02	3,57,615.08	5,68,510.59	15,55,508.37	6,24,188.68	5,90,393.19	**45,98,574.73**
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	**-**
Foreign Currency Liabilities (also included in borrowings above)	-	-	-	738.91	-	71,298.53	68,258.61	-	-	-	**1,40,296.05**

Note: Classification of assets and liabilities under the different maturity buckets is based on the same estimates and assumptions as used by the Company for Compiling the return submitted to RBI.

* Commercial papers shown net of unamortised discounting charges ₹ 10,648.62 lakhs (31 March, 2022 ₹ 4,471.02 lakhs).

** a) Overdue Receivable on account of Corporate Finance Activities have been slotted in respective time bucket category as per instructions contained in Appendix 1 of Guidelines for Assets Liabilities Management (ALM) system in NBFC.

b) Advances includes Loan and Advances in the nature of Loans (net of ECL provisions) and excludes deposits.

d.iv): The Company has no specific program for financing its parent company products. However, in its general lending business, the Company may have funded some entities which may have been customer(s) of its ultimate parent company: Grasim Industries Limited. Single Borrower Limit (SGL) or Group Borrower Limit (GBL) did not exceed the limits prescribed under the prudential norms.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 55: Disclosure on liquidity risk under RBI circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies as on 31 March, 2023.

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

As at 31 March 2023

Sr. No	No of Significant Counterparties	Amount (see note 2)	% of total Deposits	% of Total Liabilities
1	19	53,56,021.13	NA	73.68%

As at 31 March 2022

Sr. No	No of Significant Counterparties	Amount (see note 2)	% of total Deposits	% of Total Liabilities
1	22	33,68,770.36	NA	71.51%

Notes:

1. A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFCNDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.
2. The amount represents the outstanding principals as of the reporting date.

ii) Top 20 large deposits – Not Applicable for 31 March 2023 & 31 March 2022

iii) Top 10 Borrowings

As at 31 March 2023

Amount (see note 1)	% of Total Liabilities
44,72,669.95	61.53%

As at 31 March 2022

Amount (see note 1)	% of Total Liabilities
24,31,255.26	51.61%

1. The amount represents the outstanding principals as of the reporting date.

iv) Funding Concentration based on significant instrument/product

Sr.	Name of the instrument	As at 31 March 2023		As at 31 March 2022	
		Amount (see note 3)	% of Total Liabilities	Amount (see note 3)	% of Total Liabilities
1	Term Loan	37,34,866.82	51.38%	21,00,005.16	44.58%
2	Non Convertible Debentures (secured)	16,75,533.77	23.05%	12,53,636.68	26.61%
3	Commercial Paper	6,61,851.38	9.10%	3,13,528.98	6.66%
4	Working capital / short term facilities	4,47,432.54	6.15%	2,45,162.11	5.20%
5	External Commercial Borrowings	1,95,022.40	2.68%	2,41,699.63	5.13%
6	Subordinate Debt	2,23,867.32	3.08%	2,27,622.01	4.83%
	Total	**69,38,574.23**	**95.45%**	**43,81,654.57**	**93.01%**

Note:

1. A "Significant instrument/product" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFCNDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.
2. Above table does not includes Book overdraft.
3. Amount includes accrued interest.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 55: Disclosure on liquidity risk under RBI circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies as on 31 March, 2023. (continued)

v) Stock Ratios

Sr No	Particulars	As at 31 March 2023	As at 31 March 2022
1	Commercial Papers to Total Liabilities	9.10%	6.66%
2	Commercial Papers to Total Assets	7.87%	5.50%
3	NCDs (Original Maturity < 1 year) to Total Liabilities	Nil	Nil
4	NCDs (original Maturity < 1 year) to Total Assets	Nil	Nil
5	Other Short Term Liabilities** to Total Liabilities	27.45%	34.03%
6	Other Short Term Liabilities** to Total Assets	23.72%	28.14%

** Other Short Term Liabilities excludes Commercial Paper as considered in 1 & 2.

vi) Institutional set-up for liquidity risk management:

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk management. The ALCO meetings are held at periodic intervals. At the apex level, the Risk Committee (RC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RC subsequently updates the Board of Directors on the same.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 56: Liquidity Coverage Ratio : The daily average LCR of the Company for the quarter ended 31 March, 2023 was 153% vis-à-vis 71% for the quarter ended 31 March, 2022. The calculation of the last four quarter as below.

Sr. No.	Particulars	Quarter ended 31 Mar, 2023		Quarter ended 31 Dec, 2022		Quarter ended 30 Sep, 2022		Quarter ended 30 Jun, 2022	
		Total Unweighted (Average)	Total Weighted (Average)	Total Unweighted (Average)	Total Weighted (Average)	Total Unweighted (Average)	Total Weighted (Average)	Total Unweighted (Average)	Total Weighted (Average)
	Total High Quality Liquid Assets (HQLA)								
1	Total High Quality Liquid Assets (HQLA)	4,13,207.80	4,13,207.80	2,26,268.86	2,18,951.17	1,44,603.13	1,24,621.21	1,06,902.57	1,06,902.57
	Cash Outflows								
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	2,14,200.85	2,46,330.98	1,96,253.20	2,25,691.18	1,29,870.14	1,49,350.66	1,51,544.34	1,74,275.99
4	Secured wholesale funding	1,32,207.36	1,52,038.47	74,802.26	86,022.60	1,01,313.96	1,16,511.05	82,417.90	94,780.59
5	Additional requirements, of which	-	-	-	-	-	-	-	-
	(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
	(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
	(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	4,28,236.78	4,92,472.30	38,899.43	44,734.35	2,32,968.01	2,67,913.21	1,62,799.35	1,87,219.25
7	Other contingent funding obligations	32,009.77	36,811.24	3,00,299.18	3,45,344.05	28,139.31	32,360.20	39,475.79	45,397.16
8	**Total Cash Outflows**	**8,06,654.76**	**9,27,652.99**	**6,10,254.07**	**7,01,792.18**	**4,92,291.42**	**5,66,135.12**	**4,36,237.38**	**5,01,672.99**
	Cash Inflow								
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	2,76,156.39	2,07,117.29	2,31,165.23	1,73,373.93	2,13,769.21	1,60,326.91	1,92,577.78	1,44,433.34
11	Other cash inflows	6,00,726.65	4,50,544.99	6,01,906.56	4,51,429.92	5,37,748.44	4,03,311.33	5,12,296.48	3,84,222.36
12	**Total Cash Inflows**	**8,76,883.04**	**6,57,662.28**	**8,33,071.79**	**6,24,803.85**	**7,51,517.65**	**5,63,638.24**	**7,04,874.26**	**5,28,655.70**
		Total Adjusted Value							
13	**Total HQLA**	**4,13,207.80**	**4,13,207.80**	**2,26,268.86**	**2,18,951.17**	**1,44,603.13**	**1,24,621.21**	**1,06,902.57**	**1,06,902.57**
14	**Total Net Cash Outflows**	**(70,228.28)**	**2,69,990.71**	**(2,22,817.72)**	**1,75,448.04**	**(2,59,226.24)**	**1,41,533.78**	**(2,68,636.88)**	**1,25,418.25**
15	**Liquidity Coverage Ratio (%)**		**153%**		**125%**		**88%**		**85%**

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 56: Liquidity Coverage Ratio : (continued)

Sr. No.	Particulars	Quarter ended 31 Mar, 2022		Quarter ended 31 Dec, 2021		Quarter ended 30 Sep, 2021		Quarter ended 30 Jun, 2021	
		Total Unweighted (Average)	Total Weighted (Average)	Total Unweighted (Average)	Total Weighted (Average)	Total Unweighted (Average)	Total Weighted (Average)	Total Unweighted (Average)	Total Weighted (Average)
	Total High Quality Liquid Assets (HQLA)								
1	Total High Quality Liquid Assets (HQLA)	1,74,510.91	1,74,510.91	2,19,542.96	2,19,542.96	1,61,177.91	1,61,177.91	1,07,974.74	1,07,974.74
	Cash Outflows								
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	1,03,177.84	1,18,654.52	1,21,401.11	1,39,611.28	2,53,170.57	2,91,146.15	1,13,901.40	1,30,986.61
4	Secured wholesale funding	1,05,875.79	1,21,757.16	53,645.45	61,692.27	76,193.25	87,622.24	1,11,961.72	1,28,755.98
5	Additional requirements, of which	-	-	-	-	-	-	-	-
	(i) Outflows related to derivative exposures	-	-	-	-	-	-	-	-
	(ii) Outflows related to loss of funding on	-	-	-	-	-	-	-	-
	(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	1,40,420.70	1,61,483.81	3,78,963.31	4,35,807.80	1,85,389.56	2,13,198.00	1,33,486.52	1,53,509.50
7	Other contingent funding obligations	1,44,683.95	1,66,386.54	15,809.49	18,180.92	20,072.97	23,083.91	390.65	449.25
8	**Total Cash Outflows**	**4,94,158.27**	**5,68,282.03**	**5,69,819.36**	**6,55,292.27**	**5,34,826.35**	**6,15,050.30**	**3,59,740.29**	**4,13,701.33**
	Cash Inflow								
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	1,87,393.40	1,40,545.05	3,16,047.14	2,37,035.36	3,62,216.53	2,71,662.40	2,18,853.67	1,64,140.25
11	Other cash inflows	2,42,426.23	1,81,819.67	1,42,612.90	1,06,959.68	1,67,079.37	1,25,309.52	3,04,666.67	2,16,119.32
12	**Total Cash Inflows**	**4,29,819.63**	**3,22,364.72**	**4,58,660.04**	**3,43,995.04**	**5,29,295.90**	**3,96,971.92**	**5,23,520.34**	**3,80,259.57**
		Total Adjusted Value							
13	**Total HQLA**	**1,74,510.91**	**1,74,510.91**	**2,19,542.96**	**2,19,542.96**	**1,61,177.91**	**1,61,177.91**	**1,07,974.74**	**1,07,974.74**
14	**Total Net Cash Outflows**	**64,338.64**	**2,45,917.29**	**1,11,159.32**	**3,11,297.24**	**5,530.45**	**2,18,078.38**	**(1,63,780.05)**	**1,03,425.33**
15	**Liquidity Coverage Ratio (%)**		**71%**		**71%**		**74%**		**104%**

Notes:

1. In computing the above information, certain estimates/ assumptions have been made by the Company's management.
2. Unweighted values have been calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).
3. Weighted values have been calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.
4. The calculation has been arrived based on average daily computation.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)
Note 56: Liquidity Coverage Ratio (continued)

C) Qualitative Disclosure

a) The main drivers of their LCR results and the evolution of the contribution of inputs to the LCR's calculation over time : RBI had introduced the liquidity coverage ratio (LCR) to ensure that NBFC has an adequate stock of unencumbered high-quality liquid assets (HQLA) to survive a significant liquidity stress lasting for a period of 30 days. LCR is defined as a ratio of HQLA to the total net cash outflows estimated for the next 30 calendar days. At March 31, 2023, the applicable minimum LCR required to be maintained by NBFC is 70%.

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk. The ALCO meets at periodic intervals. At the apex level, the Risk Committee (RC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RC subsequently updates the Board of Directors on the same.

b) Intra-period changes as well as changes over time: The details for the four quarter ended 30th June 2022, 30th September 2022, 31st December 2022 and year ended 31st March 2023 are disclosed in 52C-B) Liquidity Coverage Ratio.

c) The composition of HQLAs:

High-Quality Liquid Assets (HQLA)	Quarter ended 31 Mar, 2023		Quarter ended 31 Dec, 2022		Quarter ended 30 Sep, 2022		Quarter ended 30 Jun, 2022	
	Unweighted Amount	Weighted Amount	Unweighted Amount	Weighted Amount	Unweighted Amount	Weighted Amount	Unweighted Amount	Weighted Amount
Total	**4,13,207.80**	**4,13,207.80**	**2,26,268.86**	**2,18,951.17**	**1,44,603.13**	**1,24,621.21**	**1,06,902.57**	**1,06,902.57**
Cash & callable FDs	54,044.41	54,044.41	38,365.16	38,365.16	31,481.29	31,481.29	32,054.34	32,054.34
G-sec/T-bills	1,55,103.78	1,55,103.78	51,395.41	51,395.41	39,202.31	39,202.31	45,903.07	45,903.07
Others	2,04,059.61	2,04,059.61	1,36,508.29	1,29,190.61	73,919.54	53,937.62	28,945.16	28,945.16

High-Quality Liquid Assets (HQLA)	Quarter ended 31 Mar, 2022		Quarter ended 31 Dec, 2021		Quarter ended 30 Sep, 2021		Quarter ended 30 Jun, 2021	
	Unweighted Amount	Weighted Amount	Unweighted Amount	Weighted Amount	Unweighted Amount	Weighted Amount	Unweighted Amount	Weighted Amount
Total	**1,74,510.91**	**1,74,510.91**	**2,19,542.96**	**2,19,542.96**	**1,61,177.91**	**1,61,177.91**	**1,07,974.74**	**1,07,974.74**
Cash & callable FDs	1,00,538.80	1,00,538.80	1,75,271.60	1,75,271.60	1,26,357.83	1,26,357.83	88,122.98	88,122.98
G-sec/T-bills	73,972.11	73,972.11	44,271.36	44,271.36	34,820.08	34,820.08	19,851.75	19,851.75
Others	-	-	-	-	-	-	-	-

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)
Note 56: Liquidity Coverage Ratio (continued)

d) Concentration of funding sources
As at 31 March 2023

Name of the Source	% of Total Liabilities
Bank	72.67%
Mutual Fund	8.12%
Insurance	6.79%
PF & Others	6.50%
Corporates	4.47%
FII	1.45%
Total	**100.00%**

As at 31 March 2022

Name of the Source	% of Total Liabilities
Bank	68.23%
Mutual Fund	10.20%
Insurance	10.09%
PF & Others	7.39%
Corporates	1.79%
FII	2.30%
Total	**100.00%**

e) Currency mismatch in the LCR : The Company has taken foreign currency borrowings. The Company has entered into cross currency swap and forward contracts to hedge the foreign currency risk on such borrowing.

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

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 57: Disclosure in terms of RBI Circular - RBI/2018-19/100 DBR.No.BP.BC.18/21.04.048/2018-19 dated 01 January, 2019; RBI/2019-20/160 DOR.No.BP.BC.34/21.04.048/2019-20 dated 11 February, 2020 ; RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21 dated 06 August, 2020; RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 dated 05 May, 2021 (for restructuring of accounts of Micro, Small and Medium Enterprises (MSME) sector–Restructuring of Advances' having exposure less than or equal to ₹ 25 crores).

(₹ in Lakhs)

Type of Borrower	As at 31 March 2023		As at 31 March 2022	
	No. of accounts restructured	Amount	No. of accounts restructured	Amount
MSMEs	449	50,468.86	2,422	82,593.16

Note 58: Disclosure in terms of RBI Circular - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06 August, 2020; RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 05 May, 2021.

For the half year ended 31 March 2023

(₹ in Lakhs)

	(A)	(B)	(C)	(D)	(E)
Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year i.e 30 September, 2022	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year i.e. 31 March, 2023
Personal Loans	9,736.06	641.23	228.08	1,763.33	7,103.42
Corporate persons*	15,270.27	1,021.95	231.86	1,477.97	12,538.48
Of which MSMEs	15,270.27	1,021.95	231.86	1,477.97	12,538.48
Others	1,712.56	-	-	13.54	1,699.02
Total	**26,718.89**	**1,663.18**	**459.94**	**3,254.84**	**21,340.92**

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

Note 59: Disclosures pursuant to Master Direction — Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 in terms of RBI circular RBI/DOR/2021-22/86 DOR.STR. REC. 51/21.04.048/2021-22 dated September 24, 2021.

(a)(i) Details of Loans not in default that are acquired during the year ended 31 March 2023

Count of Loan Account acquired	124,878
Amount of Loan Account acquired (₹ In lakhs)	322,220.15
Weighted Average Maturity (Residual maturity) (In Month)	104.00
Weighted Average Holding period (Up to date of acquisition)	12.00
Retention of beneficial economic interest (MRR of assignor)*	7.62%
Coverage of tangible security coverage*	72.72%
Rating wise distribution of loans acquired by value	
A-	10.85%
A	11.79%
A+	0.99%
AA	6.20%
A(SO)	8.26%
A+(SO)	6.82%
BBB-	3.03%
BBB+	2.54%
Unrated	49.52%

* Ratio is computed basis weighted average of loans acquired.

(a)(ii) Details of Loans not in default that are transferred during the year ended 31st March 2023:

Count of Loan Account transferred	1
Amount of Loan Account transferred (Rs.in lakhs)	7,444.00
Weighted Average Maturity (Residual maturity)	127.00
Weighted Average Holding period (Up to date of acquisition)	22.00
Retention of beneficial economic interest	0.00%
Coverage of tangible security coverage	100%
Rating-wise distribution of rated loans	
A+	100%

(b) Details of stressed loans transferred during the year ended 31 March, 2023:

Partculars	To ARCs	To permitted transferees	To other transferees
No. of accounts	2.00	-	-
Aggregate principal outstanding of loans transferred (₹ In lakhs)	7,340.32	-	-
Weighted average residual tenor of the loans transferred	-	-	-
Net book value of loans transferred (at the time of transfer)	4,672.71	-	-
Aggregate consideration (₹ In lakhs)	4,400.00	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-

Note : Aggregate consideration includes ₹ 2,635 lakhs received from the transferee in the form of security receipt which has been classified as investments.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 60: Disclosure in terms of Direction 73 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016.

i) Registration/ license/ authorization obtained from financial sector regulators:

The Company has received certificate of registration as a non-deposit taking systematically important Non-Banking Financial Company from Reserve Bank of India dated August 9, 2011 having COR number N-01.00500 in lieu of earlier COR number B-13.01163 dated February 12, 1999.
The Company is registered with AMFI for distribution of Mutual fund products having certificate number ARN-118681 valid from 04 February, 2023 to 03 February, 2026.

ii) Penalties levied if any during the year: Nil

iii) Investments

Particulars		31 March, 2023	31 March, 2022
Value of Investments			
(i)	Gross Value of Investments		
	(a) In India	3,71,595.24	1,69,403.56
	(b) Outside India,	-	-
(ii)	Provision for Depreciation		
	(a) In India	1,325.62	-
	(b) Outside India,	-	-
(iii)	Net value of Investment		
	(a) In India	3,70,269.62	1,69,403.56
	(b) Outside India	-	-
Movement of provisions held towards depreciation on investments.			
(i)	Opening balance	-	-
(ii)	Add : Provisions made during the year	1,325.62	-
(iii)	Less : Write-off / write-back of excess provisions during the year	-	-
(iv)	Closing balance	1,325.62	-

iv) Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of P&L	31 March, 2023	31 March, 2022
Provisions for depreciation on Investment	1,325.62	-
Provision towards NPA*	38,505.77	18,293.08
Provision made towards Income tax	53,642.63	37,878.58
Other Provision and Contingencies (with details)	-	-
Provision for Standard Assets**	14,340.42	(12,929.21)

*This does not include provision created and written off during the year.
**Represents impairment loss allowance on stage 1 and stage 2 loan assets.

v) Concentration of Advances

Particulars	31 March, 2023	31 March, 2022
Total Advances to twenty largest borrowers (including interest accrued)	5,53,363.93	4,79,174.37
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	6.88%	8.76%

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 60: Disclosure in terms of Direction 73 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016. (continued)

vi) Concentration of Exposures

Particulars	31 March, 2023	31 March, 2022
Total Exposure to twenty largest borrowers / customers (including interest accrued)	5,58,058.06	4,82,844.79
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	6.63%	8.56%

vii) Concentration of NPAs

Particulars	31 March, 2023	31 March, 2022
Total Exposure to top four NPA (Stage 3) accounts (including interest accrued)	47,189.91	45,614.05

viii) Sector-wise NPAs (Stage 3)

Sr No.	Sector	31 March, 2023	31 March, 2022
		Percentage of NPAs (Stage 3 loans) to Total Advances in that sector	Percentage of NPAs (Stage 3 loans) to Total Advances in that sector
1	Agriculture & allied activities	1.18%	5.76%
2	MSME	4.29%	4.50%
3	Corporate borrowers	3.40%	3.88%
4	Services	3.60%	3.16%
5	Unsecured working capital loans	1.99%	7.54%
6	Auto loans	0.00%	0.00%
7	Other personal loans	1.61%	1.81%

ix) Movement of NPAs (Stage 3)

Particulars			31 March, 2023	31 March, 2022
(i)	**Net NPAs to Net Advances (%)**		1.70%	2.19%
(ii)	**Movement of NPAs (Gross Stage 3 assets)**			
	(a)	Opening balance	1,95,603.41	1,42,247.24
	(b)	Additions during the year	1,16,875.72	1,18,598.55
	(c)	Reductions during the year	(61,769.26)	(65,242.38)
	(d)	Closing balance	2,50,709.87	1,95,603.41
(iii)	**Movement of Net NPAs (Net Stage 3 assets)**			
	(a)	Opening balance	1,18,314.77	83,251.68
	(b)	Additions during the year	59,692.84	58,909.04
	(c)	Reductions during the year	(43,092.15)	(23,845.95)
	(d)	Closing balance	1,34,915.46	1,18,314.77
(iv)	**Movement of provisions for NPAs (Stage 3 Provision)**			
	(a)	Opening balance	77,288.64	58,995.56
	(b)	Provisions made during the year	57,182.88	59,689.51
	(c)	Write-off / write-back of excess provisions	(18,677.11)	(41,396.43)
	(d)	Closing balance	1,15,794.41	77,288.64

Note :
1. The above amounts are including Interest Accrued.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 60: Disclosure in terms of Direction 73 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016. (continued)

x) Credit Rating

Instrument	Credit Rating Agency	31 March, 2023	31 March, 2022
Commercial Paper	ICRA Limited India Ratings & Research Private Limited	[ICRA] A1+ IND A1+	[ICRA] A1+ IND A1+
Non Convertible Debentures (NCD)	ICRA Limited India Ratings & Research Private Limited	[ICRA] AAA Stable IND AAA Stable	[ICRA] AAA Stable IND AAA Stable
Sub Debt	CARE Limited ICRA Limited India Ratings & Research Private Limited	CARE AAA Stable [ICRA] AAA Stable IND AAA Stable	CARE AAA Stable [ICRA] AAA Stable IND AAA Stable
Unsecured NCD	ICRA Limited	[ICRA] AAA Stable	[ICRA] AAA Stable
Perpetual Debt	ICRA Limited India Ratings & Research Private Limited	[ICRA] AA+ Stable IND AA+ Stable	[ICRA] AA+ Stable IND AA+ Stable
Principal Protected Market Linked Debenture	India Ratings & Research Private Limited	IND PP-MLD AAA Stable	IND PP-MLD AAA Stable
Public Issue of NCDs	ICRA Limited	[ICRA] AAA Stable	[ICRA] AAA Stable
	India Ratings & Research Private Limited	IND AAA Stable	IND AAA Stable
Long Term Bank Loans	ICRA Limited	[ICRA] A1+ / [ICRA] AAA	[ICRA] A1+ / [ICRA] AAA
	India Ratings & Research Private Limited	IND AAA Stable	IND AAA Stable
Short Term Bank Loans	ICRA Limited	[ICRA] A1+ / [ICRA] AAA	[ICRA] A1+ / [ICRA] AAA
	India Ratings & Research Private Limited	IND AAA Stable	IND AAA Stable

xi) Customer Complaints

Sr. No.	Particulars	31 March, 2023	31 March, 2022
(a)	No. of complaints pending at the beginning of the year	105	73
(b)	No. of complaints received during the year	4,456	2,666
(c)	No. of complaints redressed during the year	4,351	2,634
(d)	No. of complaints pending at the end of the year	210	105

Note: The above information has been extracted from complaint management system (CMS).

xii) During FY 2023, there were no draw down from Reserves (Previous year: Nil)

xiii) Overseas assets (for those with joint ventures and subsidiaries abroad): Nil (Previous year: Nil)

xiv) Off Balance Sheet SPVs sponsored: Nil (Previous year: Nil)

xv) Frauds committed against the Company:

Particulars	31 March, 2023	31 March, 2022
No. of cases of fraud which occurred during the year	25	13
Amount involved (₹)	192.21	66.09
Amount recovered (₹)	6.00	12.45
Amount provided/loss (₹)	126.67	55.53

xvi) The disclosures given in the above notes pursuant to RBI Notification are only to the extent they are applicable to the Company.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 61: Disclosure pursuant to RBI Notification No. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020.

As on 31 March, 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	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	75,67,191.38	37,273.37	75,29,918.01	34,520.92	2,752.45
	Stage 2	2,08,390.31	7,018.93	2,01,371.38	4,689.25	2,329.68
Subtotal		**77,75,581.69**	**44,292.30**	**77,31,289.38**	**39,210.17**	**5,082.13**
Non-Performing Assets (NPA)						
Substandard	Stage 1	16,132.82	173.51	15,959.31	1,652.10	(1,478.59)
	Stage 2	10,345.41	46.67	10,298.74	1,024.48	(977.81)
	Stage 3	84,482.09	34,049.95	50,432.14	4,207.06	29,842.89
Doubtful - up to 1 year	Stage 3	1,00,102.38	49,918.71	50,183.67	44,876.76	5,041.95
1 to 3 years	Stage 3	42,778.44	22,374.01	20,404.43	14,421.98	7,952.03
More than 3 years	Stage 3	25,981.84	10,769.24	15,212.60	13,059.05	(2,289.80)
Subtotal for doubtful		**1,68,862.66**	**83,061.96**	**85,800.70**	**72,357.79**	**10,704.18**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**2,79,822.98**	**1,17,332.09**	**1,62,490.89**	**79,241.43**	**38,090.67**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	8,111.85	29.89	8,081.96	3.44	26.45
	Stage 2	100.00	0.06	99.94	0.40	(0.34)
	Stage 3	200.00	-	200.00	20.00	(20.00)
Subtotal		**8,411.85**	**29.95**	**8,381.90**	**23.84**	**6.11**
Total	**Stage 1**	75,91,436.05	37,476.77	75,53,959.28	36,176.46	1,300.31
	Stage 2	2,18,835.72	7,065.66	2,11,770.06	5,714.13	1,351.53
	Stage 3	2,53,544.75	1,17,111.91	1,36,432.84	76,584.85	40,527.06
	Total	**80,63,816.52**	**1,61,654.34**	**79,02,162.18**	**1,18,475.44**	**43,178.90**

Notes:

1. In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD. No.109/22.10.106/2019-20 dated March 13, 2020 on Implementation of Indian Accounting Standards, Non Banking Finance Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the corporation exceeds the total provision required under IRACP (including standard asset provisioning), as at March 31, 2023 and accordingly, no amount is required to be transferred to impairment reserve.

2. Amounts in NPA that have been classified otherwise than as stage-3 represent loan assets that were restructured but have not completed one year of satisfactory performance as at the reporting date.

As on 31 March, 2022

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	49,76,890.04	15,959.53	49,60,930.51	22,925.46	(6,965.93)
	Stage 2	2,64,739.13	12,650.36	2,52,088.77	8,527.12	4,123.24
Subtotal		**52,41,629.17**	**28,609.89**	**52,13,019.28**	**31,452.58**	**(2,842.69)**
Non-Performing Assets (NPA)						
Substandard	Stage 1	159.10	0.91	158.19	16.55	(15.64)
	Stage 2	30,836.87	1,532.29	29,304.58	3,207.03	(1,674.74)
	Stage 3	1,15,316.99	44,474.08	70,842.91	9,637.86	34,836.22
Doubtful - up to 1 year	Stage 3	28,171.93	11,614.73	16,557.20	12,216.03	(601.30)
1 to 3 years	Stage 3	41,594.88	17,333.64	24,261.24	14,301.00	3,032.64
More than 3 years	Stage 3	10,519.61	3,866.19	6,653.42	5,313.94	(1,447.75)
Subtotal for doubtful		**80,286.42**	**32,814.56**	**47,471.86**	**31,830.97**	**983.59**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**2,26,599.38**	**78,821.84**	**1,47,777.54**	**44,692.41**	**34,129.43**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	11,748.84	39.40	11,709.44	4.00	35.40
	Stage 2	200.00	11.40	188.60	0.80	10.60
	Stage 3	-	-	-	-	-
Subtotal		**11,948.84**	**50.80**	**11,898.04**	**4.80**	**46.00**
Total	**Stage 1**	49,88,797.98	15,999.84	49,72,798.14	22,946.01	(6,946.17)
	Stage 2	2,95,776.00	14,194.05	2,81,581.95	11,734.95	2,459.10
	Stage 3	1,95,603.41	77,288.64	1,18,314.77	41,468.83	35,819.81
	Total	**54,80,177.39**	**1,07,482.53**	**53,72,694.86**	**76,149.79**	**31,332.74**

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 62: Information in respect of restructured assets in accordance with review of guidelines on restructuring of advances by NBFC (RBI/2013-14/459) DNBS. CO. PD. No. 367/03.10.01/2013-14.
The following tables set forth, for the year indicated, details of loan assets subjected to restructuring:-

Sr. no.	Type of Restructuring / Asset Classification Details	Under CDR Mechanism					Under SME Debt Restructuring Mechanism				
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	**Restructured Accounts at 1 April, 2022**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
2	**Movement in balance for account appearing in opening balance**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
3	**Fresh restructuring during the year ended 31 March, 2023**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
4	**Upgradations to restructured standard category during the year ended 31 March, 2023**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
5	**Restructured standard advances at 1 April, 2022, which cease to attract higher provisioning and/or additional risk weight at 31 March, 2023 and hence need not be shown as restructured standard advances at 1 April, 2023**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
6	**Downgradations of restructured accounts during the year ended 31 March, 2023**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
7	**Write-offs of restructured accounts during the year ended 31 March, 2023**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
8	**Restructured Accounts at 31 March, 2023**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 62: Information in respect of restructured assets in accordance with review of guidelines on restructuring of advances by NBFC (RBI/2013-14/459) DNBS. CO. PD. No. 367/03.10.01/2013-14. (continued)

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring :

Sr. no.	Type of Restructuring	Others					Total				
	Asset Classification Details	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	**Restructured Accounts at 1 April, 2022**										
	No. of borrowers	9,899	3,715	191	-	13,805	9,899	3,715	191	-	13,805
	Amount outstanding	1,15,769.53	61,505.71	1,962.01	-	1,79,237.25	1,15,769.53	61,505.71	1,962.01	-	1,79,237.25
	Provision thereon	4,420.66	9,580.17	752.45	-	14,753.28	4,420.66	9,580.17	752.45	-	14,753.27
2	**Movement in balance for account appearing in opening balance**										
	No. of borrowers	(7,070)	(2,003)	(170)	-	(9,243)	(7,070)	(2,003)	(170)	-	(9,243)
	Amount outstanding	(41,165.85)	(15,336.07)	(1,920.18)	-	(58,422.10)	(41,165.85)	(15,336.07)	(1,920.18)	-	(58,422.10)
	Provision thereon	236.53	(959.40)	(730.13)	-	(1,453.00)	236.53	(959.40)	(730.13)	-	(1,453.00)
3	**Fresh restructuring during the year ended 31 March, 2023**										
	No. of borrowers	1	11	-	-	12	1	11	-	-	12
	Amount outstanding	206.21	1,247.33	-	-	1,453.54	206.21	1,247.33	-	-	1,453.54
	Provision thereon	7.24	3.09	-	-	10.33	7.24	3.09	-	-	10.33
4	**Upgradations to restructured standard category during the year ended 31 March, 2023**										
	No. of borrowers	17	(17)	-	-	-	17	(17)	-	-	-
	Amount outstanding	1,006.47	(1,006.47)	-	-	-	1,006.47	(1,006.47)	-	-	-
	Provision thereon	16.49	(16.49)	-	-	-	16.49	(16.49)	-	-	-
5	**Restructured standard advances at 1 April, 2022, which cease to attract higher provisioning and/or additional risk weight at 31 March, 2023 and hence need not be shown as restructured standard advances at 1 April, 2023**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
6	**Downgradations of restructured accounts during the year ended 31 March, 2023**										
	No. of borrowers	(289)	107	182	-	-	(289)	107	182	-	-
	Amount outstanding	(11,752.62)	(2,678.04)	14,430.66	-	(0.00)	(11,752.62)	(2,678.04)	14,430.66	-	-
	Provision thereon	(3,224.38)	(1,846.83)	5,071.21	-	-	(3,224.38)	-1,846.83	5,071.21	-	-
7	**Write-offs of restructured accounts during the year ended 31 March, 2023**										
	No. of borrowers	(1,851)	(1,492)	(21)	-	(3,364)	(1,851)	(1,492)	(21)	-	(3,364)
	Amount outstanding	(4,305.85)	(3,162.26)	(41.83)	-	(7,509.94)	(4,305.85)	(3,162.26)	(41.83)	-	(7,509.94)
	Provision thereon	(694.36)	(1,453.49)	(22.32)	-	(2,170.17)	(694.36)	(1,453.49)	(22.32)	-	(2,170.18)
8	**Restructured Accounts at 31 March, 2023**										
	No. of borrowers	707	321	182	-	1,210	707	321	182	-	1,210
	Amount outstanding	59,757.88	40,570.21	14,430.66	-	1,14,758.75	59,757.88	40,570.21	14,430.66	-	1,14,758.75
	Provision thereon	762.17	5,307.05	5,071.21	-	11,140.43	762.17	5,307.05	5,071.21	-	11,140.43

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 62: Information in respect of restructured assets in accordance with review of guidelines on restructuring of advances by NBFC (RBI/2013-14/459) DNBS. CO. PD. No. 367/03.10.01/2013-14. (continued)

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring:-

Sr. no.	Type of Restructuring	Under CDR Mechanism					Under SME Debt Restructuring Mechanism				
	Asset Classification Details	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	**Restructured Accounts at 1 April, 2021**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
2	**Movement in balance for account appearing in opening balance**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
3	**Fresh restructuring during the year ended 31 March, 2022**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
4	**Upgradations to restructured standard category during the year ended 31 March, 2022**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
5	**Restructured standard advances at 1 April, 2021, which cease to attract higher provisioning and/or additional risk weight at 31 March, 2022 and hence need not be shown as restructured standard advances at 1 April, 2022**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
6	**Downgradations of restructured accounts during the year ended 31 March, 2022**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
7	**Write-offs of restructured accounts during the year ended 31 March, 2022**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
8	**Restructured Accounts at 31 March, 2022**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 62: Information in respect of restructured assets in accordance with review of guidelines on restructuring of advances by NBFC (RBI/2013-14/459) DNBS. CO. PD. No. 367/03.10.01/2013-14. (continued)

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring :

Sr. no.	Type of Restructuring / Asset Classification Details	Others					Total				
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	**Restructured Accounts at 1 April, 2021**										
	No. of borrowers	19,451.00	1,627.00	1.00	-	21,079.00	19,451.00	1,627.00	1.00	-	21,079.00
	Amount outstanding	1,07,375.58	12,081.64	11.16	-	1,19,468.38	1,07,375.58	12,081.64	11.16	-	1,19,468.38
	Provision thereon	4,536.96	2,092.20	5.58	-	6,634.74	4,536.96	2,092.20	5.58	-	6,634.74
2	**Movement in balance for account appearing in opening balance**										
	No. of borrowers	(1,084.00)	(129.00)	-	-	(1,213.00)	(1,084.00)	(129.00)	-	-	(1,213.00)
	Amount outstanding	(33,277.00)	(1,775.04)	-	-	(35,052.04)	(33,277.00)	(1,775.04)	-	-	(35,052.04)
	Provision thereon	(1,357.85)	(452.61)	-	-	(1,810.46)	(1,357.85)	(452.61)	-	-	(1,810.46)
3	**Fresh restructuring during the year ended 31 March, 2022**										
	No. of borrowers	4,232.00	974.00	4.00	-	5,210.00	4,232.00	974.00	4.00	-	5,210.00
	Amount outstanding	76,866.84	32,929.83	312.69	-	1,10,109.36	76,866.84	32,929.83	312.69	-	1,10,109.36
	Provision thereon	3,228.12	8,418.45	291.97	-	11,938.54	3,228.12	8,418.45	291.97	-	11,938.54
4	**Upgradations to restructured standard category during the year ended 31 March, 2022**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
5	**Restructured standard advances at 1 April, 2022, which cease to attract higher provisioning and/or additional risk weight at 31 March, 2022 and hence need not be shown as restructured standard advances at 1 April, 2022**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
6	**Downgradations of restructured accounts during the year ended 31 March, 2022**										
	No. of borrowers	(2,487.00)	2,300.00	187.00	-	-	(2,487.00)	2,300.00	187.00	-	-
	Amount outstanding	(21,562.73)	19,913.41	1,649.32	-	-	(21,562.73)	19,913.41	1,649.32	-	-
	Provision thereon	(743.89)	283.41	460.48	-	-	(743.89)	283.41	460.48	-	-
7	**Write-offs of restructured accounts during the year ended 31 March, 2022**										
	No. of borrowers	(10,213.00)	(1,057.00)	(1.00)	-	(11,271.00)	(10,213.00)	(1,057.00)	(1.00)	-	(11,271.00)
	Amount outstanding	(13,633.16)	(1,644.13)	(11.16)	-	(15,288.45)	(13,633.16)	(1,644.13)	(11.16)	-	(15,288.45)
	Provision thereon	(1,242.68)	(761.28)	(5.58)	-	(2,009.54)	(1,242.68)	(761.28)	(5.58)	-	(2,009.54)
8	**Restructured Accounts at 31 March, 2022**										
	No. of borrowers	9,899.00	3,715.00	191.00	-	13,805.00	9,899.00	3,715.00	191.00	-	13,805.00
	Amount outstanding	1,15,769.53	61,505.71	1,962.01	-	1,79,237.25	1,15,769.53	61,505.71	1,962.01	-	1,79,237.25
	Provision thereon	4,420.66	9,580.17	752.45	-	14,753.28	4,420.66	9,580.17	752.45	-	14,753.28

Note: Amount outstanding includes interest receivable.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 63: Related Party Disclosure

Related party transactions

Related Party	Holding/ultimate holding company		Fellow Subsidiaries		Associates of holding company**		Key Management Personnel		Relatives of Director	
Items	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022
Borrowings#	-	-	25,704.22	15,466.86	-	-	-	-	-	-
Deposits#	-	-	109.85	-	21.69	-	-	-	-	-
Placement of deposits#	-	-	283.26	94.60	3.68	-	-	-	-	-
Advances#	-	-	26,109.16	4,356.58	-	-	-	-	-	-
Investments#	-	-	22,535.12	33.32	-	-	-	-	-	-
Purchase of Aditya Birla Special Situations Fund I *	-	-	21,884.31	-	-	-	-	-	-	-
Purchase of fixed/other assets	-	-	34.60	27.11	-	-	-	-	-	-
Sale of fixed/other assets	20.97	-	0.65	30.02	-	-	-	-	-	-
Interest paid	-	-	1,528.36	2,313.06	-	-	-	-	-	-
Interest received	-	-	732.90	388.78	-	-	-	-	-	-
Business support expenses*	3,676.62	2,911.16	2,380.72	1,853.92	-	-	-	-	-	-
Other transactions	1,360.11	11,293.51	29,383.32	20,028.63	2,840.37	1,488.29	1,215.15	381.66	23.81	-

Maximum balance outstanding balance during the year

Related Party	Holding/ultimate holding company		Fellow Subsidiaries		Associates of holding company**		Key Management Personnel		Relatives of Director	
Items	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022
Borrowings	-	-	25,704.22	30,898.99	-	-	-	-	-	-
Deposits	-	-	109.85	-	21.69	-	-	-	-	-
Placement of deposits	-	-	283.26	94.60	3.68	-	-	-	-	-
Advances	-	-	26,221.05	4,356.58	-	-	-	-	-	-
Investments	-	-	-	-	22,535.12	33.32	-	-	-	-

*Item shown seprately as its total aggregate value exceeds 5% of total related party transactions during the period

** The above number includes transactions with Aditya Birla Health Insurance Company Limited which has become associate w.e.f. 21st Oct 2022 . Earlier, it was a fellow subsidiary company. All the figures shown here pertains to

items represents balances outstanding at the end of the reporting period

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (contin
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 63: Related Party Disclosure

Related party transactions

Related Party	Directors		Others		Total	
Items	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022
Borrowings#	-	-	-	-	25,704.22	15,466.86
Deposits#	-	-	-	-	131.54	-
Placement of deposits#	-	-	615.12	615.12	902.06	709.72
Advances#	-	-	-	-	26,109.16	4,356.58
Investments#	-	-	-	-	22,535.12	33.32
Purchase of Aditya Birla Special Situations Fund I *	-	-	-	-	21,884.31	-
Purchase of fixed/other assets	-	-	-	0.56	34.60	27.67
Sale of fixed/other assets	-	-	-	-	21.62	30.02
Interest paid	-	-	-	-	1,528.36	2,313.06
Interest received	-	-	-	-	732.90	388.78
Business support expenses*	-	-	3,828.25	3,162.17	9,885.59	7,927.25
Other transactions	1,525.46	978.02	42.64	52.15	36,390.86	34,222.26

Maximum balance outstanding balance du

Related Party	Directors		Others		Total	
Items	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022
Borrowings	-	-			25,704.22	30,898.99
Deposits	-	-	-	-	131.54	-
Placement of deposits	-	-	615.12	615.12	902.06	709.72
Advances	-	-	-	-	26,221.05	4,356.58
Investments	-	-	-	-	22,535.12	33.32

*Item shown seprately as its total aggre
** The above number includes transaction respective financial year
# items represents balances outstandin

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 64: Breach of covenant

There are no instances of breach of covenant of loan availed or debt securities issued.

Note 65: Divergence in Asset Classification and Provisioning

Sr. No.	Particulars	31 March, 2022
1	Gross NPAs as reported by the Company	1,95,603.41
2	Gross NPAs as assessed by the Reserve Bank of India	1,95,603.41
3	Divergence in Gross NPAs (2-1)	-
4	Net NPAs as reported by the Company	1,18,314.77
5	Net NPAs as assessed by Reserve Bank of India	1,18,314.77
6	Divergence in Net NPAs (5-4)	-
7	Provisions for NPAs as reported by the Company	77,288.64
8	Provisions for NPAs as assessed by Reserve Bank of India	77,288.64
9	Divergence in provisioning (8-7)	-
10	Reported Profit before tax and impairment loss on financial instruments for the year	2,14,057.64
11	Reported Net Profit after Tax (PAT) for the year ended	1,10,833.06
12	Adjusted (notional) Net Profit after Tax (PAT) for the year ended after considering the divergence in provisioning	1,10,833.06

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 66: Sectoral exposure

Sectors	31 March, 2023			31 March, 2022		
	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	**26,728.93**	**315.22**	**1.18%**	**20,541.38**	**1,183.70**	**5.76%**
2. Industry (2.1 to 2.4)						
2.1 Micro and Small	5,49,382.02	16,422.84	2.99%	4,25,613.93	23,226.29	5.46%
2.2 Medium	27,539.68	770.20	2.80%	34,645.78	750.00	2.16%
2.3 Large	9,77,873.12	35,437.93	3.62%	7,52,923.19	43,373.71	5.76%
2.4 Others, if any, Please specify	0.00	0.00	0.00%	0.00	0.00	0.00%
Total of Industry	**15,54,794.82**	**52,630.97**	**3.39%**	**12,13,182.91**	**67,349.99**	**5.55%**
3. Services (3.1 to 3.10 equals 3.a to 3.d)						
3.1 Transport Operators	26,555.08	710.73	2.68%	22,834.97	541.95	2.37%
3.2 Computer Software	54,240.27	11,682.91	21.54%	40,386.05	10,759.94	26.64%
3.3 Tourism, Hotel and Restaurants	1,76,179.94	921.88	0.52%	1,71,155.51	1,514.64	0.88%
3.4 Shipping	0.00	0.00	0.00%	0.00	0.00	0.00%
3.5 Professional Services	4,29,707.55	33,148.21	7.71%	3,25,788.38	31,167.96	9.57%
3.6 Trade	402341.31	25,597.68	6.36%	355785.8267	21,578.66	6.07%
3.7 Commercial Real Estate	11,32,546.06	26,214.54	2.31%	7,35,650.19	5,962.98	0.81%
3.8 NBFCs	1,96,862.26	9,650.10	4.90%	1,43,817.16	10,739.05	7.47%
3.9 Aviation	0.00	0.00	0.00%	21,504.22	0.00	0.00%
3.10 Other Services	9,17,434.44	19,146.25	2.09%	8,06,391.45	5,053.08	0.63%
Total of Services	**33,35,866.91**	**1,27,072.30**	**3.81%**	**26,23,313.75**	**87,318.26**	**3.33%**
4. Retail Loans (4.1 to 4.10)						
4.1 Housing Loans (incl. priority sector Housing)	0.00	0.00	0.00%	0.00	0.00	0.00%
4.2 Consumer Durables	0.00	0.00	0.00%	0.00	0.00	0.00%
4.3 Credit Card Receivables	0.00	0.00	0.00%	0.00	0.00	0.00%
4.4 Vehicle/Auto Loans	0.00	0.00	0.00%	0.00	0.00	0.00%
4.5 Education Loans	0.00	0.00	0.00%	0.00	0.00	0.00%
4.6 Advances against Fixed Deposits (incl. FCNR(B), etc.)	0.00	0.00	0.00%	0.00	0.00	0.00%
4.7 Advances to Individuals against Shares, Bonds	3,009.41	-	0.00%	2,920.67	0.96	0.03%
4.8 Advances to Individuals against Gold	0.00	0.00	0.00%	0.00	0.00	0.00%
4.9 Micro finance loan/SHG Loan	0.00	0.00	0.00%	0.00	0.00	0.00%
4.10 Other Retail loans , if any, Please specify	24,52,502.62	65,037.83	2.65%	11,11,255.85	37,194.96	3.35%
Total of Personal Loans	**24,55,512.03**	**65,037.83**	**2.65%**	**11,14,176.52**	**37,195.91**	**3.34%**
5. Other Non-food Credit, if any	**6,72,327.59**	**5,653.56**	**0.84%**	**4,96,992.96**	**2,555.54**	**0.51%**
Total Loans & advances	**80,45,230.28**	**2,50,709.88**	**3.12%**	**54,68,207.51**	**1,95,603.41**	**3.58%**

Note 67: Intra-group exposures

Particulars	31 March, 2023	31 March, 2022
Total amount of intra-group exposures	48,644.28	4,389.90
Total amount of top twenty intra-group exposures	48,644.28	4,389.90
Percentage of intra-group exposures to total exposure of the Company on borrowers/customers	0.58%	0.08%

Note 68: Unhedged foreign currency exposure

Company does not have any unhedged foreign currency exposures. Please refer Note 52: Risk management.

Note 69: Disclosure of complaints

(A) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No.	Particulars	31 March, 2023	31 March, 2022
	Complaints received by the Company from its customers		
1	Number of complaints pending at beginning of the year	105	73
2	Number of complaints received during the year	4,456	2,666
3	Number of complaints disposed during the year	4,351	2,634
3.1	Of which, number of complaints rejected by the Company	-	-
4	Number of complaints pending at the end of the year	210	105
	Maintainable complaints received by the Company from Office of Ombudsman		
5	Number of maintainable complaints received by the Company from Office of Ombudsman	1,644	766
5.1	Of 5, number of complaints resolved in favour of the Company by Office of Ombudsman	1,582	747
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	62	19
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the Company	-	-
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

(B) Top five grounds of complaints received by the Company from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
31 March, 2023					
Bureau Related	31	1764	142%	57	6
Pre-Closure/Closure	37	1117	38%	49	10
Payment Related	14	780	86%	58	12
Alleged Fraud	6	273	194%	15	1
Customer Experience	0	292	1%	18	3
Other	17	230	-30%	13	5
Total	**105**	**4456**	**67%**	**210**	**37**
31 March, 2022					
Bureau Related	1	728	215%	31	8
Pre-Closure/Closure	40	808	122%	37	11
Payment Related	7	420	-23%	14	6
Alleged Fraud	2	93	11%	6	3
Customer Experience	7	290	-62%	0	0
Other	16	327	17%	17	9
Total	**73**	**2666**	**18%**	**105**	**37**

Note : The above disclosure in Note 69 (A) and (B) has been extracted by the Company from complaint management system (CMS).

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 70: Dues to micro enterprises and small enterprises:

Particulars	31 March, 2023	31 March, 2022
1. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	288.81	696.87
2. The amount of interest paid by the Company in terms of section 16 of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year;	-	-
3. Amounts of the payment made to the suppliers beyond the appointed day during the year; the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006;	-	-
4. The amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
5. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

The disclosure regarding micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

Note 71: Expenditure in Foreign Currency

Particulars	31 March, 2023	31 March, 2022
Finance Cost	8,009.78	11,554.27
Employee Benefit Expenses	48.39	20.59
Intangible Assets under Development	40.28	36.37
Legal and Professional Charges	20.43	198.99
Miscellaneous Expenses	12.87	7.98
Total	**8,131.75**	**11,818.20**

Unhedged foreign currency payable & receivable as at 31 March, 2023 & 31 March, 2022 are Nil.

Note 72: Disclosure pertaining to stock statement filed with banks or financial institutions

The Company has availed of the facility (Secured borrowing) from the lenders interalia on the condition that, the company shall provide or create or arrange to provide or have created, security interest by way of a first pari pasu charge of the loans.

Details reported in the quarterly stock statement and as per book of accounts in financial year 2022-2023

Quarter ended	As per Statement filed with Bank	As per Book of accounts
Jun 2022	50,64,848.25	50,64,848.34
Sep 2022	57,39,729.70	57,39,730.07
Dec 2022	64,31,269.35	64,31,268.98
Mar 2023	73,11,607.37	73,11,607.37

Details reported in the quarterly stock statement and as per book of accounts in financial year 2021-2022

Quarter ended	As per Statement filed with Bank	As per Book of accounts
Jun 2021	43,42,495.00	43,48,960.87
Sep 2021	46,10,894.00	46,26,444.78
Dec 2021	48,44,432.00	48,16,907.06
Mar 2022	53,34,821.00	53,35,301.88

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Note 73: Events after reporting date

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

Note 74: Money raised by way of borrowing from bank and financial institution have been applied by the Company for the purposes for which they were raised, other than temporary deployment pending application of proceeds.

Note 75: Ultimate beneficiary

No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
No funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

Note 76: The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

Note 77: No proceedings have been initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

Note 78: The Reserve Bank of India vide its press release dated 30 September, 2022 has categorised the Company in the Upper layer under Scale Based Regulation (SBR) for NBFCs. The Company is taking necessary steps in complying with the requirements of SBR as applicable.

Note 79: The company has not defaulted in repayment of principal and interest during the year end and as at Balance sheet date March 31, 2023

Note 80: Amendments in prevailing standards but not effective
On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015. The effective date for adoption of these amendments is annual period beginning on or after April 1, 2023. The significant amendments are as below.

(i) Ind AS 1 - Presentation of Financial Statements
This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The Company has evaluated the amendment and the impact of the amendment is insignificant on its financial statements.
(ii) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The Company has evaluated the amendment and the impact of the amendment is insignificant on its financial statements.
(iii) Ind AS 12 - Income Taxes
This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The Company has evaluated the amendment and the impact of the amendment is insignificant on its financial statements.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2023
(Currency: ₹ in Lakhs)

Note 81: The figures for previous year have been regrouped/rearranged/recasted wherever necessary to conform to current period presentation.

As per our report of even date attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm Reg. No: 117366W/W-100018

per Sanjiv V. Pilgaonkar
Partner
Membership No: 039826

Place: Mumbai
Date: 09 May, 2023

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

per Amit Hundia
Partner
Membership No: 120761

Place: Mumbai
Date: 09 May, 2023

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

Vishakha Mulye
Director
DIN - 00203578

Rakesh Singh
Managing Director and Chief Executive Officer
DIN - 07006067

Pradeep Agrawal
Chief Financial Officer

Ankur Shah
Company Secretary

Place: Mumbai
Date: 09 May, 2023

Deloitte Haskins & Sells LLP
Chartered Accountants
One International Centre,
Tower 3, 32nd Floor,
Senapati Bapat Marg,
Elphinstone Road (West)
Mumbai, 400 013
Maharashtra, India
Tel: +91 22 6185 4000
Fax: +91 22 6185 4001

Singhi & CO.
Chartered Accountants
B2 402B Marathon Innova,
4th Floor,
Off Ganpatrao Kadam Marg,
Lower Parel,
Mumbai 400013
Maharashtra, India
Tel: +91 22 6662 5537

INDEPENDENT AUDITORS' REPORT

To the Members of Aditya Birla Finance Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Aditya Birla Finance Limited (the "Company"), which comprise the Balance Sheet as at 31st March 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the 'financial statements').

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

Basis for Opinion

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

Emphasis of Matter

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

Our opinion is not modified in respect of this matter.

Key Audit Matters

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

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Sr. No.	Key Audit Matter	Auditors' Response
1.	**Allowances for Expected Credit Losses ("ECL"):** As at March 31, 2022, the carrying value of loan assets measured at amortised cost, aggregated ₹ 53,60,746.02 lakh (net of allowance of expected credit loss ₹1,07,482.53 lakh) constituting approximately 94% of the Company's total assets. Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. ECL on such loan assets measured at amortised cost is a critical estimate involving greater level of management judgement. As part of our risk assessment, we determined that the allowance for ECL on loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements. The elements of estimating ECL which involved increased level of audit focus are the following: • Qualitative and quantitative factors used in staging the loan assets measured at amortised cost. • Basis used for estimating Probabilities of Default ("PD"), Loss Given Default ("LGD") and Exposure at Default ("EAD") at product level with past trends; • Judgements used in projecting economic scenarios and probability weights applied to reflect future economic conditions; and • Adjustments to model driven ECL results to address emerging trends. (Refer Note 4.1, 10 and 52 to the Financial Statements)	**We performed the following audit procedures:** We have examined the policies approved by the Board of Directors of the Company that articulate the objectives of managing each portfolio and their business models. We have also verified the methodology adopted for computation of ECL ("ECL Model") that addresses policies approved by the Board of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures measured at amortised cost. Additionally, we have confirmed that adjustments to the output of the ECL Model is consistent with the documented rationale and basis for such adjustments and that the amount of adjustment have been approved by the Audit Committee of the Board of Directors. Our audit procedures related to the allowance for ECL included the following, among others: • Testing the design and operating effectiveness of the following: – completeness and accuracy of the Exposure at Default ("EAD") and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the qualitative factors to be applied. – completeness, accuracy and appropriateness of information used in the estimation of the PD and LGD for the different stages depending on the nature of the portfolio; and – accuracy of the computation of the ECL estimate including reasonableness of the methodology used to determine macro-economic overlays and adjustments to the output of the ECL Model. • Test of details on a sample in respect of the following: – we tested accuracy and completeness of the input data such as ratings and period of default and other related information used in estimating the PD; – completeness and accuracy of the staging of the loans and the underlying data based on which the ECL estimates have been computed.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Sr. No.	Key Audit Matter	Auditors' Response
		– we evaluated reasonableness of LGD estimates by comparing actual recoveries post the loan asset becoming credit impaired with estimates of LGD; and – we evaluated the incorporation of the applicable assumptions into the ECL Model and tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company. • We also evaluated the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL Model and ensured that the adjustment was in conformity with the amount approved by the Audit Committee. • We also assessed the disclosures made in relation to the ECL allowance to confirm compliance with the provisions of Ind AS 107.
2.	**Key Information Technology and General Controls** The Company is dependent on its Information Technology ("IT") systems due to the significant number of transactions that are processed daily across such multiple and discrete IT systems. Also, IT application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner and under controlled environments. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data. On account of the pervasive use of its IT systems, the testing of the general computer controls of the key IT systems used in financial reporting was considered to be a Key Audit Matter	With the assistance of our IT specialists, we obtained an understanding of the Company's IT applications, databases and operating systems relevant to financial reporting and the control environment. For these elements of the IT infrastructure the areas of our focus included access security (including controls over privileged access), program change controls, database management and network operations. In particular: • we tested the design, implementation and operating effectiveness of the Company's general IT controls over the key IT systems relevant to financial reporting. This included evaluation of Company's controls over segregation of duties and access rights being provisioned / modified based on duly approved requests, access for exit cases being revoked in a timely manner and access of all users being recertified during the period of audit; • We also tested key automated business cycle controls and logic for the reports generated through the IT infrastructure that were relevant for financial reporting or were used in the exercise of internal financial controls with reference to financial statements. Our tests included testing of the compensating controls or alternate

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Sr. No.	Key Audit Matter	Auditors' Response
		procedures to assess whether there were any unaddressed IT risks that would materially impact the financial statements.

Information Other than the Financial Statements and Auditors' Report Thereon

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

  We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

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

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

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

Auditors' Responsibility for the Audit of the Financial Statements

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

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit of the financial statements, we report that:

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

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

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

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

e. On the basis of the written representations received from the directors as on 31 March 2022, taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

g. With respect to the other matters to be included in the Auditors' report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards for material foreseeable losses, if any, or long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. With respect of dividend declared and paid:

(a) There was no dividend proposed in the previous year which is declared and paid by the Company during the year.

(b) The interim dividend declared and paid by the Company during the year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend. No dividend was declared and paid subsequent to the balance sheet date till the date of this report.

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

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's RegistrationNo.117366W/W-100018)

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

Place: Mumbai
Date: May 11, 2022

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

Amit Hundia
Partner
Membership No.120761
UDIN: 22120761AIUYOM3589

Place: Mumbai
Date: May 11, 2022

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

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

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Act')

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Meaning of Internal Financial Controls with reference to Financial Statements

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

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.

Opinion

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

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(FirmRegistrationNo.117366W/W-100018)

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

Place: Mumbai
Date: May 11, 2022

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

Amit Hundia
Partner
Membership No.120761
UDIN: 22120761AIUYOM3589

Place: Mumbai
Date: May 11, 2022

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

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

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

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

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

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

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

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

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

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

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

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

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

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

(₹ in Lakhs)

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

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

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

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

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

(c) In respect of loans and advances in the nature of loans (together referred to as "loan assets"), the schedule of repayment of principal and payment of interest has been stipulated. Note 4.1(v) to the Financial Statements explains the Company's accounting policy relating to impairment of financial assets which include loans assets. In accordance with that policy, loan assets with balances as at 31 March, 2022, aggregating ₹195,603.41 lakhs were categorised as credit impaired ("Stage 3") and ₹ 295,576.00 lakhs were categorised as those where the credit risk has increased significantly since initial recognition ("Stage 2"). Disclosures in respect of such loans have been provided in Note 10 to the Financial Statements. Additionally, out of loans and advances in the nature of loans with balances as at the year-end aggregating ₹ 49,77,028.10 lakhs, where credit risk has not significantly increased since initial recognition (categorised as "Stage 1"), delinquencies in the repayment of principal and payment of interest aggregating ₹ 16,927.35 lakhs were also identified, albeit of less than 31 days. In all other cases, the repayment of principal and interest is regular. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified.

(d) The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at the year-end is ₹ 1,25,930.25 lakhs. Reasonable steps are being taken by the Company for recovery of the principal and interest.

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

(f) The Company has not granted any loans or advances in the nature of loans that were either repayable on demand or without specifying any terms or period of repayment.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

(iv) In our opinion, the Company has complied with the provisions of Section 185 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees provided or security given, as applicable and the provisions of Section 186 of the Companies Act 2013 are not applicable to the Company.

(v) In our opinion and according to the information and explanations given to us, the Company being Non-Banking Finance Company registered with RBI, provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, are not applicable to the Company. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.

(vi) The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013, for business activities carried out by the Company. Hence, reporting under paragraph 3 (vi) of the order is not applicable.

(vii) In respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Cess and other material statutory dues applicable to it, with the appropriate authorities. As explained to us, the Company did not have any dues payable on account of sales tax, service tax, duty of customs, duty of excise and value added tax.

(b) There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax Cess and any other material statutory dues in arrears as at 31 March 2022, for a period of more than six months from the date they became payable.

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

(₹ in Lakhs)

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

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

(₹ in Lakhs)

Name of the statute	*Nature of dues*	*Amount involved**	*Amount unpaid*	*Period to which the amount relates*	*Forum where dispute is pending*
Income Tax Act, 1961	Income Tax	0.49	0.49	AY 2014-15	Income Tax Officer (Assessing Officer)
Income Tax Act, 1961	Income Tax	0.36	0.36	AY 2015-16	Income Tax Officer (Assessing Officer)
Income Tax Act, 1961	Income Tax	1,515.52	1,515.52	AY 2017-18	Commissioner of Income Tax (Appeals)
Finance Act, 1994	Service Tax	69.84	62.86	FY 2014-15 and 2015-16	Custom, Excise and Service Tax Appellate Tribunal, Mumbai
Finance Act, 1994	Service Tax	61.65	57.03	April, 2016 to June, 2017	Commissioner of Central Excise (Appeals) – II
Income Tax Act, 1961	Income Tax	2,256.60	2,256.60	AY 2018-19	Commissioner of Income Tax (Appeals)

*Includes interest and penalty

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) With respect to reporting requirements of paragraph 3(ix) of the Order:

(a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, term loans availed by the Company during the year, were applied by the Company for the purposes for which the loans were obtained.

(d) On the basis of the maturity profile of financial assets and financial liabilities provided in Note 44 to the Financial Statements, financial liabilities maturing within the 12 months following the reporting date (i.e. 31 March 2022) falls short of the expected recoveries from financial assets during that period. Further, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.

(f) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(f) of the Order is not applicable.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under paragraph 3(x)(a) of the Order is not applicable.

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

(xi) (a) To the best of our knowledge, no material fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under section 143(12) of the Companies Act, 2013, has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report) and provided to us, while determining the nature, timing and extent of our audit procedures.

(xii) The Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion, the Company has complied with the provisions of Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements, etc., as required by the applicable accounting standards.

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

(b) We have considered, the internal audit reports, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 ("RBI Act") and it has obtained the registration.

(b) The Company has conducted the Non-Banking Financial activities with a valid Certificate of Registration ("CoR") from the RBI as per the RBI Act. The Company has not conducted any housing finance activities and is not required to obtain CoR for such activities from the RBI.

(c) The Company is not a Core Investment Company ("CIC") and hence reporting under paragraph 3(xvi)(c) of the Order is not applicable to the Company.

(d) The Group does not have more than one CIC as part of the group.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report, indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There are no unspent amounts towards Corporate Social Responsibility ('CSR') on other than ongoing projects requiring transfer to a Fund specified in Schedule VII to the Companies Act, 2013, in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under paragraph 3(xx)(a) of the Order is not applicable for the year.

(b) In respect of ongoing projects, the Company has transferred the unspent amount towards CSR, to a special account within a period of 30 days from the end of the financial year, in compliance with the provisions of section 135(6) of the Act.

(xxi) The Company did not have any Subsidiary, Associate or Joint Venture and hence, reporting under the clause (xxi) of the Order is not applicable.

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

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

Place: Mumbai
Date: May 11, 2022

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

Amit Hundia
Partner
Membership No.120761
UDIN: 22120761AIUYOM3589

Place: Mumbai
Date: May 11, 2022

OC

Aditya Birla Finance Limited
Balance Sheet as at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Particulars	Note No.	As at 31 March, 2022	As at 31 March, 2021
I ASSETS			
1 Financial assets			
(a) Cash and cash equivalents	6	59,571.14	1,51,098.56
(b) Bank balance other than included in (a) above	7	9,681.37	1,913.09
(c) Derivative financial instruments	8	19.02	-
(d) Receivable			
(I) Trade receivables	9	1,243.96	998.86
(II) Other receivables		-	-
(e) Loans	10	53,60,746.02	47,59,743.36
(f) Investments	11	1,69,403.56	79,290.90
(g) Other financial assets	12	5,361.81	5,117.95
2 Non-financial assets			
(a) Current tax assets (net)	13	34,239.10	23,971.65
(b) Deferred tax assets (net)	41	25,954.92	26,013.31
(c) Property, plant and equipment's	14	1,881.37	1,465.80
(d) Right of use Lease Assets	15	12,187.33	9,405.31
(e) Intangible assets under development	16	1,089.05	1,197.92
(f) Other intangible assets	17	7,008.52	7,149.74
(g) Other non-financial assets	18	8,533.26	8,150.54
Total assets		**56,96,920.43**	**50,75,516.99**
II LIABILITIES AND EQUITY			
Liabilities			
1 Financial liabilities			
(a) Derivative financial instruments	8	7,799.24	3,063.81
(b) Payables			
(I) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	19	696.87	214.66
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	19	23,524.76	10,957.65
(II) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(c) Debt securities	20	15,78,125.70	16,57,875.04
(d) Borrowings (other than debt securities)	21	27,71,715.04	22,45,460.08
(e) Subordinated liabilities	22	2,48,733.99	2,18,183.26
(f) Lease liabilities	23	12,910.38	10,224.64
(g) Other financial liabilities	24	47,013.29	31,157.53
2 Non-financial liabilities			
(a) Current tax liabilities (Net)	25	1,513.10	1,466.63
(b) Provisions	26	10,421.69	8,062.51
(c) Other non-financial liabilities	27	8,424.39	5,063.24
Total liabilities		**47,10,878.45**	**41,91,729.05**
Equity			
(a) Equity share capital	28	66,210.08	66,210.08
(b) Other equity	29	9,19,831.90	8,17,577.86
Total equity		**9,86,041.98**	**8,83,787.94**
Total liabilities and equity		**56,96,920.43**	**50,75,516.99**

Summary of significant accounting policies 4

The accompanying notes are forming part of the financial statements.

As per our report of even date attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm Reg. No: 117366W/W-100018

per Sanjiv V. Pilgaonkar
Partner

Membership No: 039826

Place: Mumbai
Date: 11 May, 2022

As per our report of even date attached.

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

per Amit Hundia
Partner

Membership No: 120761

Place: Mumbai
Date: 11 May, 2022

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

Ajay Srinivasan
Director

DIN - 00121181

Rakesh Singh
Managing Director and Chief Executive Officer
DIN - 07006067

Pradeep Agrawal
Chief Financial Officer

Ankur Shah
Company Secretary

Place: Mumbai
Date: 11 May, 2022

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Limited
Statement of Profit and Loss for the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Particulars	Note No.	Year ended 31 March, 2022	Year ended 31 March, 2021
Revenue from operations			
(i) Interest income	31	5,53,128.87	5,28,986.36
(ii) Dividend income	32	285.31	284.75
(iii) Fees and commission income	33	24,880.80	15,251.64
(iv) Net gain on fair value changes	34	190.62	7,277.03
(I) Total revenue from operations		**5,78,485.60**	**5,51,799.78**
(II) Other income	35	1,201.65	996.48
(III) Total income (I + II)		**5,79,687.25**	**5,52,796.26**
Expenses			
(i) Finance costs	36	2,70,909.59	3,01,990.53
(ii) Impairment on financial instruments	37	65,346.00	68,177.51
(iii) Employee benefit expenses	38	52,072.80	44,892.29
(iv) Depreciation, amortization and impairment	39	6,835.39	5,850.05
(v) Other expenses	40	35,811.83	28,744.65
(IV) Total expenses		**4,30,975.61**	**4,49,655.03**
(V) Profit before exceptional items and tax (III - IV)		**1,48,711.64**	**1,03,141.23**
(VI) Exceptional items		-	-
(VII) Profit before tax (V- VI)		**1,48,711.64**	**1,03,141.23**
(VIII) Tax expense:			
(1) Current tax	41	38,264.50	28,600.00
(2) Deferred tax expenses (credit)	41	(730.52)	(1,648.16)
(3) Tax relating to earlier year(s)	41	344.60	(693.82)
(IX) Profit for the year		**1,10,833.06**	**76,883.21**
(X) Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement gain on defined benefit plan		531.55	439.59
Income tax impact of above		(133.78)	(110.64)
		397.77	**328.95**
Changes in fair value of equity instruments carried at FVTOCI		24.22	35.36
Income tax impact of above		(6.10)	(8.90)
		18.12	**26.46**
Items that will be reclassified to profit or loss			
Fair Value change on derivatives designated as cash flow hedge		2,578.79	(1,691.42)
Income tax impact on above		(649.03)	425.70
		1,929.76	**(1,265.72)**
Other comprehensive income for the year		**2,345.65**	**(910.31)**
Total comprehensive income for the year		**1,13,178.71**	**75,972.90**
(XI) Earnings per equity share			
Basic (₹)	42	**16.74**	**11.61**
Diluted (₹)	42	**16.74**	**11.61**

Summary of significant accounting policies 4

The accompanying notes are forming part of the financial statements.

As per our report of even date attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm Reg. No: 117366W/W-100018

per Sanjiv V. Pilgaonkar
Partner

Membership No: 039826

Place: Mumbai
Date: 11 May, 2022

As per our report of even date attached.

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

per Amit Hundia
Partner

Membership No: 120761

Place: Mumbai
Date: 11 May, 2022

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

Ajay Srinivasan
Director
DIN - 00121181

Rakesh Singh
Managing Director and Chief Executive Officer
DIN - 07006067

Pradeep Agrawal
Chief Financial Officer

Ankur Shah
Company Secretary

Place: Mumbai
Date: 11 May, 2022

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Limited
Cash flows statement for the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Operating activities		
Profit before tax	1,48,711.64	1,03,141.23
Adjustments for reconcile profit before tax to net cash flow:		
Depreciation/Amortisation and Impairment	6,835.39	5,850.05
Impairment on financial instruments	65,346.00	68,177.51
Interest on Deposit with Banks	(1,262.58)	(647.80)
Net (Gain)/Loss on fair value changes	(190.62)	(7,277.03)
(Gain)/Loss on sale of property, plant and equipment	6.00	95.94
Dividend income	(285.31)	(284.75)
Interest income on investment	(7,336.05)	(5,430.12)
Finance cost on lease liability	892.61	897.27
Profit on surrender of lease liability/income from rent concession	(392.09)	(691.99)
Operating Profit before working capital changes	**2,12,324.99**	**1,63,830.31**
Adjustment for working capital changes		
(Increase) in Loans	(6,69,763.97)	(2,29,398.74)
(Increase)/Decrease in Trade Receivables	(329.79)	233.63
(Increase) in Other financial assets	(568.03)	(776.78)
(Increase)/Decrease in Other non-financial assets	(12.69)	1,046.49
Increase in Trade Payables	13,049.32	705.37
(Decrease) in Other financial liabilities	(12,420.51)	(9,369.11)
Increase/(Decrease) in Provisions	2,890.73	(1,201.46)
Increase in Other non-financial liabilities	3,361.16	1,765.05
	(4,51,468.79)	(73,165.24)
Income taxes paid (Net)	(48,830.08)	(29,871.97)
Net cash flow (used in) operating activities	**(5,00,298.87)**	**(1,03,037.21)**
Investing activities		
Purchase of Intangible assets including assets under development	(3,302.51)	(3,479.95)
Proceeds from Sale of property, plant and equipment's	155.15	83.74
Purchase of property, plant and equipment's	(1,646.48)	(328.69)
Proceeds from Sale of Long Term Investments	1,500.91	3,017.84
Net (Purchase) / Sale of Short Term Investments	(83,985.92)	2,56,023.66
Purchase of Long Term Investments	(3,014.37)	-
Dividend received	285.31	284.75
Interest received on deposit with Banks	1,244.03	634.71
Fixed deposits placed during the year	(7,749.73)	(1,900.00)
Interest received on Investment	6,450.11	8,650.27
Net cash flow (used in)/from investing activities	**(90,063.50)**	**2,62,986.33**
Financing activities		
Proceeds from long term borrowings	12,65,274.81	8,27,599.99
Repayment of long term borrowings	(9,44,403.00)	(11,22,209.08)
Short-Term Borrowings (Net)	1,91,743.51	1,06,501.88
Lease Payments	(2,855.71)	(2,785.88)
Dividend Paid	(10,924.66)	-
Net cash flow from/(used in) financing activities	**4,98,834.95**	**(1,90,893.09)**
Net (Decrease) in Cash and Cash Equivalents	**(91,527.42)**	**(30,943.97)**
Cash and cash equivalents at beginning of the year	1,51,098.56	1,82,042.53
Cash and cash equivalents at the end of the year	**59,571.14**	**1,51,098.56**
Components of cash and cash equivalents		
Cash/Cheques on hand	-	-
Balance with banks		
In Fixed Deposits	-	-
In current accounts	59,571.14	1,51,098.56
Total cash and cash equivalents	**59,571.14**	**1,51,098.56**
Cash Flow from Operations includes:		
Interest Received	**5,42,780.97**	**5,28,473.44**
Interest Paid	**2,98,603.08**	**3,31,659.63**

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Additional disclosure pursuant to Ind AS 7		
Particulars	**Year ended 31 March, 2022**	**Year ended 31 March, 2021**
Opening balance of Debt securities, borrowings (other than debt securities) and subordinated liabilities	**41,21,518.38**	**43,45,528.87**
Cash Flow	5,12,615.32	(1,88,107.21)
Fair Value Adjustment	(6,972.87)	(5,336.91)
Interest Accrued on borrowings	(28,586.10)	(30,566.37)
Closing balance of Debt securities, borrowings (other than debt securities) and subordinated liabilities	**45,98,574.73**	**41,21,518.38**

Summary of significant accounting policies: Note 4

The accompanying notes are forming part of the financial statements.

As per our report of even date attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm Reg. No: 117366W/W-100018

per Sanjiv V. Pilgaonkar
Partner

Membership No: 039826

Place: Mumbai
Date: 11 May, 2022

As per our report of even date attached.

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

per Amit Hundia
Partner

Membership No: 120761

Place: Mumbai
Date: 11 May, 2022

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

Ajay Srinivasan
Director

DIN - 00121181

Rakesh Singh
Managing Director and Chief Executive Officer
DIN - 07006067

Pradeep Agrawal
Chief Financial Officer

Ankur Shah
Company Secretary

Place: Mumbai
Date: 11 May, 2022

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Limited
Statement of changes in Equity for the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

a. Equity Share Capital

For the year ended 31 March, 2022

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

For the year ended 31 March, 2021

Particulars	Balance as at 1 April, 2020	Changes in equity share capital due to prior period errors	Restated balance as at 1 April, 2020	Changes in equity share capital during the year	Balance as at 31 March, 2021
Equity shares of Rs. 10 each issued, subscribed and fully paid	66,210.08	-	66,210.08	-	66,210.08

b. Other Equity

Particulars	Reserves and Surplus						Other comprehensive income		Total other equity
	Special reserve	Securities premium account	Capital reserve	General reserve	Capital redemption reserve	Retained earnings	Equity instruments through other comprehensive income	Cash flow hedge reserve	
Balance as at 1 April, 2020	82,608.00	3,63,738.29	(10,452.11)	13,660.95	1,000.00	2,92,156.11	127.94	(1,234.22)	7,41,604.96
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated balance as at 1 April, 2020	82,608.00	3,63,738.29	(10,452.11)	13,660.95	1,000.00	2,92,156.11	127.94	(1,234.22)	7,41,604.96
Profit for the year	-	-	-	-	-	76,883.21	-	-	76,883.21
Fair Value change on derivatives designated as cash flow hedge	-	-	-	-	-	-	-	(1,265.72)	(1,265.72)
Other comprehensive income	-	-	-	-	-	328.95	26.46	-	355.41
Total comprehensive income	-	-	-	-	-	77,212.16	26.46	(1,265.72)	75,972.90
Transfer to/from retained earnings	15,376.64	-	-	-	-	(15,376.64)	-	-	-
Balance as at 31 March, 2021	97,984.64	3,63,738.29	(10,452.11)	13,660.95	1,000.00	3,53,991.63	154.40	(2,499.94)	8,17,577.86
Balance as at 1 April, 2021	97,984.64	3,63,738.29	(10,452.11)	13,660.95	1,000.00	3,53,991.63	154.40	(2,499.94)	8,17,577.86
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated balance as at 1 April, 2021	97,984.64	3,63,738.29	(10,452.11)	13,660.95	1,000.00	3,53,991.63	154.40	(2,499.94)	8,17,577.86
Profit for the year	-	-	-	-	-	1,10,833.06	-	-	1,10,833.06
Fair Value change on derivatives designated as cash flow hedge	-	-	-	-	-	-	-	1,929.76	1,929.76
Dividend Paid (interim)	-	-	-	-	-	(10,924.66)	-	-	(10,924.66)
Other comprehensive income	-	-	-	-	-	397.77	18.12	-	415.89
Total comprehensive income	-	-	-	-	-	1,00,306.17	18.12	1,929.76	1,02,254.05
Transfer to/from retained earnings	24,366.61	-	-	-	-	(24,366.61)	-	-	-
Balance as at 31 March, 2022	1,22,351.25	3,63,738.29	(10,452.11)	13,660.95	1,000.00	4,29,931.19	172.52	(570.18)	9,19,831.90

Summary of significant accounting policies: Note 4 -

The accompanying notes are forming part of the financial statements.

As per our report of even date attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm Reg. No: 117366W/W-100018

per Sanjiv V. Pilgaonkar
Partner
Membership No: 039826

Place: Mumbai
Date: 11 May, 2022

As per our report of even date attached.

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

per Amit Hundia
Partner
Membership No: 120761

Place: Mumbai
Date: 11 May, 2022

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

Ajay Srinivasan
Director
DIN - 00121181

Rakesh Singh
Managing Director and Chief Executive Officer
DIN - 07006067

Pradeep Agrawal
Chief Financial Officer

Ankur Shah
Company Secretary

Place: Mumbai
Date: 11 May, 2022

Aditya Birla Finance Limited
Notes to the Financial Statements
For the year ended 31 March, 2022

Note 1: Corporate information - Brief description about the Company

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

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

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

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

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

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

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

Note 2: Basis of Preparation

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

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

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

Note 3: Presentation of financial statements:

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

i. The normal course of business

ii. The event of default

iii. The event of insolvency or bankruptcy of the Company and/or its counterparties

Functional and Presentation currency

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

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements
For the year ended 31 March, 2022

Note 4: Significant accounting policies:

Note 4.1: Financial Instruments

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

Note 4.1 (i): Classification of financial instruments

The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets.
The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company classifies its financial assets into the following measurement categories:
1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial assets to be measured at fair value through profit or loss account

The business model is assessed on the basis of aggregated portfolios based on observable factors. These factors include:
► Reports reviewed by the entity's key management personnel on the performance of the financial assets.
► The risks impacting the performance of the business model (and the financial assets held within that business model) and its management thereof.
► The compensation of the managing teams (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
► The expected frequency, value and timing of trades.
The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account.

The Company also assesses the contractual terms of financial assets on the basis of its contractual cash flow characteristics that are solely for the payments of principal and interest on the principal amount outstanding.
'Principal' is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).
In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.
Sales that are infrequent and insignificant in value both individually and in aggregate are considered to be consistent with the business model whose objective is to hold and collect the contractual cash flows.
The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss.

Note 4.1 (ii): Financial assets

Initial recognition and measurement

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

SINGHI & CO. Chartered Accountants
DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS
Aditya Birla Finance Ltd. Mumbai

Subsequent measurement - Financial assets measured at amortised cost
A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely for the payments of principal and interest on the principal amount outstanding.

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

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

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

Debt instruments: A 'debt instrument' is classified as at the Fair Value through Other Comprehensive Income (FVTOCI) if both of the following criteria are met:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent Solely Payment of Principal and Interest(SPPI).

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

Equity Instruments: All equity investments in scope of Ind AS 109 are measured at fair value. For all such equity investments, the Company may make an irrevocable election to present in OCI the subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.
If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.
Equity instruments included within the Fair Value through Profit or Loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Subsequent measurement - Items at fair value through profit or loss
FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified at FVTPL.
In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').
Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Note 4.1 (iii): Financial Liabilities
Initial recognition and measurement
All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include borrowings including Company overdrafts and trade and other payables.

SINGHI & CO. Chartered Accountants
DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS
Aditya Birla Finance Ltd. Mumbai

Subsequent measurement

The measurement of financial liabilities depends on their classification.

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

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

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

Recognition:

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

Derecognition:

Financial assets

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

(a) The right to receive cash flows from the asset have expired, or

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

Financial Liabilities

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

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

Note 4.1 (v): Impairment of financial assets

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

a) Financial assets that are debt instruments are measured at amortised cost e.g., loans, debt securities, deposits, and other balances

b) Financial assets that are measured as at FVTOCI

c) Loan commitments which are not measured as at FVTPL

d) Financial guarantee contracts which are not measured as at FVTPL.

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

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

The Company has established a policy to perform an assessment at the end of each reporting period of whether credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument.
To calculate ECL, the Company estimate the risk of a default occurring on the financial instrument during its expected life. ECLs are estimated based on the present value of all cash shortfalls over the remaining expected life of the financial asset i.e., the difference between the contractual cash flows that are due to the Company under the contract, and the cash flows that the Company expects to receive are discounted at the effective interest rate of the loan.

The Company groups its loans into Stage 1, Stage 2 and Stage 3, based on the applied impairment methodology, as described below:
Stage 1: 12-months ECL
For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised.
Stage 2: Lifetime ECL – not credit impaired
For exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset) is recognised.
Stage 3: Lifetime ECL – credit impaired
Exposures are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount.

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

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

Note 4.1 (vi): Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Note 4.1 (vii): Write-offs
The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. The Company reserves the right to recover such written off amount. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

SINGHI & CO. Chartered Accountants
DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS
Aditya Birla Finance Ltd. Mumbai

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

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

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

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

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

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

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

Note 4.1 (ix): Determination of fair value

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

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

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

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

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

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

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

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.

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

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

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

Note 4.2: Revenue from operations

Note 4.2 (i): Interest Income: For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the EIR. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.
Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of provision) of the financial asset.

Note 4.2 (ii): Dividend Income
Dividend income is recognised

a. When the right to receive the payment is established which is generally when shareholders approve the dividend,

b. it is probable that the economic benefits associated with the dividend will flow to the entity and

c. the amount of the dividend can be measured reliably

Note 4.2 (iii): Rental Income
Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases where the increase is in line with expected general inflation. Rental Income is recognised as per the contractual terms.
Operating leases are leases where the Company does not transfer substantially all of the risk and benefits of ownership of the asset.

Note 4.2 (iv): Fees & Commission Income
Fees and commissions are recognised when the Company satisfies the performance obligation, at fair value of the consideration received or receivable based on a five-step model as set out below, unless included in the effective interest calculation:
Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
Step 4: Allocate the transaction price to the performance obligations in the contract. For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

Note 4.2 (v): Net gain/(loss) on Fair value changes
Any differences between the fair values of financial assets classified as fair value through the profit or loss (refer Note 34), held by the Company on the balance sheet date is recognised as an unrealised gain/(loss). In cases there is a net gain/(loss) in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations in the statement of Profit and Loss. Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL is recognised in net gain/(loss) on fair value changes.
Similarly, any differences between the fair values of financial assets classified as fair value through other comprehensive income are disclosed in the OCI.
However, net gain/(loss) on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the Statement of Profit and Loss.

Note 4.3: Expenses

Note 4.3 (i): Finance Costs
Finance costs represents Interest expense recognised by applying the EIR to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.
Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, provided these are incremental costs that are directly related to the issue of a financial liability.

Note 4.3 (ii): Retirement and other employee benefits

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

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

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

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

b) Defined benefit expenses

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

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

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

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

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

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

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

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

Other long-term employee benefits

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

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

Note 4.3 (iii): Rent expense

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

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 4.3 (iv): Leases

The Company as a lessee

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

At the date of commencement of the lease, the Company recognizes right – of – use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.
Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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

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

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

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

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

The weighted average incremental borrowing rate applied to lease liabilities as at 01 April, 2021 is between the range of 4.95% p.a. to 6.95% p.a. for a period varying from 1 to 10 years.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Critical accounting judgements and key sources of estimation uncertainty

Critical judgements required in the application of Ind AS 116 may include, among others, the following:
- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Classification of lease agreements (when the entity is a lessor);
- Determination of whether variable payments are in substance fixed;
- Establishing whether there are multiple leases in an arrangement;
- Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:
- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

Note 4.3 (v): Other income and expenses
All Other income and expense are recognized in the period they occur.

Note 4.3 (vi): Impairment of non-financial assets
The carrying amounts of non-financial assets are reviewed at each reporting date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

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

Note 4.3 (vii): Borrowing Cost
Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalised as a part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.
All other borrowing costs are expensed in the period in which they occur at amortised cost using Effective Interest Rate (EIR). Borrowing costs consist of interest and other costs that an entity incurs in connection with borrowing funds.

Note 4.3 (viii): Taxes

<u>Current tax</u>
Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Deferred tax

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

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

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

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

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

Note 4.4: Cash and Cash Equivalents

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

Note 4.5: Property, Plant and Equipments

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

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

Depreciation methods, estimated useful lives and residual value

Depreciation on the property, plant and equipments is provided on straight line method using the rates arrived as per estimates made by the management supported by technical assessment which coincides with the useful lives of assets as specified in Schedule II to the Companies Act, 2013, except for the assets specified below. The Company has used the following useful lives of the property, plant and equipments to provide depreciation.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Asset	Useful Life as Prescribed by Schedule II of the Companies Act, 2013	Estimated Useful Life by Company
Office Computers and Electronic Equipments (including Plant & Machinery)	3 Years	4 Years
Vehicles	8 Years	5 Years
Furniture, Fixtures and Other Office Equipments	10 Years	7 Years
Office equipment	5 Years	4 Years
Software	6 Years	3 years (However it may vary based on tenure of license)
Leasehold Improvements	Over the primary period of the lease	Lower of 3 Years or primary period

Useful life of assets different from prescribed in Schedule II has been estimated by management supported by technical assessment.

Depreciation on assets acquired / sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from/ till the date of acquisition or sale.

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

Note 4.6: Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses if any. Intangible assets are amortised on straight line basis over a period of 3 years. The useful lives of intangible assets are assessed as finite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Note 4.7: Provisions and Contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 4.8: Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Note 4.9: Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share.
Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to ordinary equity holders of Company by the weighted average number of ordinary shares outstanding during the year.
Diluted EPS is calculated by dividing the net profit attributable to ordinary equity holders of Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, inclusive of tax) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Note 4.10: Segment Reporting

Operating business segment results are reviewed regularly by the Company's Chief Operating Decision Maker to make decisions about resources to be allocated to the segments and assess their performance. Business segment is the primary segment comprising of 'Financing activity'. As the Company operates only in a single business segment, no segment information thereof is given as required under Ind AS 108.

Note 4.11: Dividend

The Company recognises a liability to make cash to equity holders of the Company when the dividend is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, an interim dividend is authorised when it is approved by the Board of Directors and final dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Note 4.12: Business Combination under Common Control

A common control business combination, involving entities or businesses in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where the control is not transitory, is accounted for in accordance with Appendix C to Ind AS 103 'Business Combinations'.
Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made only to harmonize significant accounting policies.
- The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.
- The identity of the reserves are preserved and appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 5: Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

Note 5.1: Business Model Assessment

Classification and measurement of financial assets depends on the results of the Solely Payments of Principal and Interest and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated.

The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Note 5.2: Estimation of defined benefit plans (gratuity benefits)

Refer Note 4.3 (ii)

Note 5.3: Fair value measurement:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Note 5.4: Impairment of loans portfolio

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

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

The impairment loss on loans and advances is disclosed in more detail in Note 10.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 5.5: Provisions other than impairment on loan portfolio and contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and proceedings in the ordinary course of the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

Note 5.6: Effective Interest Rate (EIR) method

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount. The future cash flows are estimated taking into account all the contractual terms of the instrument. The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets measured at fair value through profit and loss ("FVTPL"), transaction costs are recognised in the statement of profit and loss at initial recognition.

Note 5.7: Recognition of deferred tax assets for carried forward losses

Refer Note 4.3 (viii)

Note 5.8: Estimation of useful life of property, plant and equipments and intangible assets

Refer note 4.5 and 4.6

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 6: Cash and cash equivalents

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balances with bank in		
- Current Accounts	59,571.14	1,51,098.56
Total	**59,571.14**	**1,51,098.56**

Note 7: Bank balance other than cash and cash equivalents

Particulars	As at 31 March, 2022	As at 31 March, 2021
Fixed Deposits (with original maturity more than 3 months)	9,681.37	1,913.09
Total	**9,681.37**	**1,913.09**

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 8: Derivative financial instruments

Derivatives held for risk management purposes include hedges that meet the hedge accounting requirements. The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

Particulars	As at 31 March, 2022			As at 31 March, 2021		
	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Currency derivatives:						
-Forward	7.72	-	0.52	35.55	-	1.26
(ii) Interest rate derivatives:						
-Cross Currency Interest Rate swaps	1,46,367.54		7,770.64	1,46,367.54	-	3,062.55
-INR Interest Rate swaps	25,000.00	19.02	28.08	-	-	-
Total	**1,71,375.26**	**19.02**	**7,799.24**	**1,46,403.09**	**-**	**3,063.81**
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
(i) Fair Value hedging						
-Interest Rate derivatives	25,000.00	19.02	28.08	-	-	-
(ii) Cash flow hedging						
-Cross Currency Interest Rate derivatives	1,46,367.54	-	7,770.64	1,46,367.54	-	3,062.55
-Currency derivatives	7.72	-	0.52	35.55	-	1.26
Total	**1,71,375.26**	**19.02**	**7,799.24**	**1,46,403.09**	**-**	**3,063.81**

Note 8.1 : Hedging activities and derivatives

The Company is exposed to certain risks relating to its external commercial borrowings and Non Convertible Debentures. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. The Company's risk management strategy and how it is applied to manage risk are explained in Note 52.

Note 8.2 : Derivatives designated as hedging instruments

Cash flow hedges

The Company is exposed to foreign currency risk arising from its External Commercial borrowings amounting to ₹ 1,46,367.54 Lakhs. Interest on the borrowing is payable at a floating rate. The Company economically hedged the foreign currency risk arising from the debt with a 'receive floating pay fixed' cross-currency interest rate swap ('swap'). The notional amount of swap is disclosed in the table below. The swap contract converts the cash outflows of the foreign currency borrowing as per table below to cash outflows in INR with a notional amount of ₹ 1,46,367.54 lakhs at fixed interest rate.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Name of Lender	Foreign Currency Denominated Borrowing Amount		Interest rate type		Notional Amount of swap (₹)		Interest rate swap type	
	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021
JPY Denominated (in JPY lakhs) (Maturity range : Sept 2022 to Feb 2023)	1,89,366.25	1,89,366.25	Floating rate interest	Floating rate interest	1,24,089.54	1,24,089.54	Fixed rate interest	Fixed rate interest
SMBC Bank (Maturity in Mar 2023) (in USD lakhs)	300.00	300.00	Floating rate interest	Floating rate interest	22,278.00	22,278.00	Fixed rate interest	Fixed rate interest
Total	**1,89,666.25**	**1,89,666.25**			**1,46,367.54**	**1,46,367.54**		

There is an economic relationship between the hedged item and the hedging instrument as the terms of the cross currency swap contract match that of the foreign currency borrowing (notional amount, interest payment dates, principal repayment date etc.). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the cross currency swap are identical to the hedged risk components. To test the hedge effectiveness, the Company uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks. The hedge ineffectiveness can arise mainly if there is a change in the credit risk of the Company or the counterparty.

The impact of the hedging instruments and hedge items on the balance sheet are, as follows

Hedging Instruments

Particulars	Notional Amounts		Carrying amount of hedging instruments Assets/(Liabilities)		Line item in the Financial Statement		Change in fair value used for measuring ineffectiveness for the period	
	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021
Cross currency interest rate swaps	1,46,367.54	1,46,367.54	(7,770.64)	(3,062.55)	Derivative financial instruments		(3,518.78)	(1,265.08)
Currency forward	7.72	35.55	(0.52)	(1.26)	Derivative financial instruments		0.55	(0.64)
Total	**1,46,375.26**	**1,46,403.09**	**(7,771.16)**	**(3,063.81)**			**(3,518.23)**	**(1,265.72)**

Hedge Items

Particulars	Change in fair value used for measuring ineffectiveness for the period		Cash flow hedge reserve as at	
	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021
Foreign currency denominated floating rate borrowing	5,447.99	(1,265.72)	(570.18)	(2,499.94)
Total	**5,447.99**	**(1,265.72)**	**(570.18)**	**(2,499.94)**

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

The effect of the cash flow hedge in the statement of profit or loss and other comprehensive income is, as follows:

Particulars	Total hedging gain / (loss) recognised in OCI		Hedge ineffectiveness recognised in statement of profit and loss	
	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021
Foreign currency denominated floating rate borrowing	1,929.76	(1,265.72)	-	-
Total	**1,929.76**	**(1,265.72)**	**-**	**-**

Movements in Cash Flow Hedging Reserve

Particulars	As at 1 April, 2021	Add/Less: Changes in fair value	Add/Less: Deferred Tax	As at 31 March, 2022	As at 1 April, 2020	Add/Less: Changes in fair value	Add/Less: Deferred Tax	As at 31 March, 2021
Cash flow Hedging Reserve	(2,499.94)	2,578.79	(649.03)	(570.18)	(1,234.22)	(1,691.42)	425.70	(2,499.94)
Total	**(2,499.94)**	**2,578.79**	**(649.03)**	**(570.18)**	**(1,234.22)**	**(1,691.42)**	**425.70**	**(2,499.94)**

Fair Value Hedge

Fair value hedges hedge the exposure to changes in the fair value of a recognised asset or liability, or an identified portion of such an asset, liability, that is attributable to a particular risk and could affect profit or loss. For designated and qualifying fair value hedges, the cumulative change in the fair value of a hedging derivative is recognised in the statement of profit and loss under Net gain on fair value changes. Meanwhile, the cumulative change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item in the balance sheet and is also recognised in the statement of profit and loss under Net gain on fair value changes. The Company classifies a fair value hedge relationship when the hedged item (or group of items) is a distinctively identifiable asset or liability hedged by one or a few hedging instruments.

The impact of the hedging instruments and hedged items on the balance sheet is as follows

Hedging Instruments

Particulars	Notional Amounts		Carrying amount of hedging instruments Assets/(Liabilities)		Line item in the Balance Sheet		Change in fair value used for measuring ineffectiveness for the period	
	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021
Interest rate swaps	25,000.00	-	(9.06)	-	Derivative financial instruments		(9.06)	-

Hedge Items

Particulars	Notional Amounts		Accumulated fair value adjustment - Liability		Line Item in the Balance Sheet		Change in fair value used for measuring ineffectiveness for the period	
	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021
Fixed Rated NCD	25,000.00	-	(3.44)	-	Derivative financial instruments		(3.44)	-

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

The effect of the fair value hedge in the statement of profit or loss is, as follows:

Particulars	Hedge ineffectiveness recognised in statement of profit and loss		Line in the statement of profit and loss that includes hedge ineffectiveness
	31 March, 2022	31 March, 2021	
Interest rate swaps	(12.50)	-	Net gain on fair value changes

Note 8.3 : The following table shows the maturity profile of hedging derivatives based on their notional amounts.

Particulars	As at 31 March, 2022				As at 31 March, 2021			
	0 to 12 months	1 to 5 years	Over 5 years	Total	0 to 12 months	1 to 5 years	Over 5 years	Total
(i) Cross Currency Interest Rate swaps	1,46,367.54	-	-	1,46,367.54	-	1,46,367.54	-	1,46,367.54
(ii) Currency forward	7.72	-	-	7.72	35.55	-	-	35.55
(iii) Interest Rate swaps	-	25,000.00	-	25,000.00	-	-	-	-
Total	**1,46,375.26**	**25,000.00**	**-**	**1,71,375.26**	**35.55**	**1,46,367.54**	**-**	**1,46,403.09**

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 9: Trade and Other Receivables

As at 31 March, 2022

Particulars	Outstanding for following periods from due date of payment						Loss Allowance	Total
	Unbilled	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years		
(i) Undisputed Trade receivables – considered good	905.23	376.80	-	-	-	-	(38.08)	1,243.96
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	24.32	26.83	1.60	28.39	12.46	(93.59)	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**905.23**	**401.12**	**26.83**	**1.60**	**28.39**	**12.46**	**(131.67)**	**1,243.96**

As at 31 March, 2021

Particulars	Outstanding for following periods from due date of payment						Loss Allowance	Total
	Unbilled	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years		
(i) Undisputed Trade receivables – considered good	713.03	302.81	-	-	-	-	(17.00)	998.86
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	2.64	1.67	14.64	12.41	13.16	(44.52)	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**713.03**	**305.45**	**1.67**	**14.64**	**12.41**	**13.16**	**(61.52)**	**998.86**

Note: No Trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 10: Loans

Particulars	As at 31 March, 2022						As at 31 March, 2021					
		At fair value						At fair value				
	Amortised Cost	Through Other Comprehensive Income	Through profit and loss account	Designated at through profit and loss account	Sub-total	Total	Amortised Cost	Through Other Comprehensive Income	Through profit and loss account	Designated at through profit and loss account	Sub-total	Total
Loans	54,68,207.51	-	-	-	-	54,68,207.51	48,61,820.53	-	-	-	-	48,61,820.53
Other Advances	21.04	-	-	-	-	21.04	41.48	-	-	-	-	41.48
Total (A) - Gross	**54,68,228.55**	-	-	-	-	**54,68,228.55**	**48,61,862.01**	-	-	-	-	**48,61,862.01**
Less: Impairment loss allowance	1,07,482.53	-	-	-	-	1,07,482.53	1,02,118.65	-	-	-	-	1,02,118.65
Total (A) - Net	**53,60,746.02**	-	-	-	-	**53,60,746.02**	**47,59,743.36**	-	-	-	-	**47,59,743.36**
i) Secured by tangible assets	36,91,252.56	-	-	-	-	36,91,252.56	35,69,505.55	-	-	-	-	35,69,505.55
ii) Secured by intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
iii) Covered by bank and government guarantee	3,17,075.12	-	-	-	-	3,17,075.12	1,43,439.71	-	-	-	-	1,43,439.71
iv) Secured by book debts, inventories, fixed deposit and other working capital items	1,05,876.53	-	-	-	-	1,05,876.53	2,51,038.77	-	-	-	-	2,51,038.77
v) Unsecured	13,54,024.34	-	-	-	-	13,54,024.34	8,97,877.98	-	-	-	-	8,97,877.98
Total (B) - Gross	**54,68,228.55**	-	-	-	-	**54,68,228.55**	**48,61,862.01**	-	-	-	-	**48,61,862.01**
Less: Impairment loss allowance	1,07,482.53	-	-	-	-	1,07,482.53	1,02,118.65	-	-	-	-	1,02,118.65
Total (B) - Net	**53,60,746.02**	-	-	-	-	**53,60,746.02**	**47,59,743.36**	-	-	-	-	**47,59,743.36**
Loans in India												
i) Public Sector	42,408.79	-	-	-	-	42,408.79	47,530.39	-	-	-	-	47,530.39
ii) Others	54,25,819.76	-	-	-	-	54,25,819.76	48,14,331.62	-	-	-	-	48,14,331.62
Total - Gross	**54,68,228.55**	-	-	-	-	**54,68,228.55**	**48,61,862.01**	-	-	-	-	**48,61,862.01**
Less: Impairment loss allowance	1,07,482.53	-	-	-	-	1,07,482.53	1,02,118.65	-	-	-	-	1,02,118.65
Total - Net	**53,60,746.02**	-	-	-	-	**53,60,746.02**	**47,59,743.36**	-	-	-	-	**47,59,743.36**
Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
Total - Net	-	-	-	-	-	-	-	-	-	-	-	-
Total (C)	**53,60,746.02**	-	-	-	-	**53,60,746.02**	**47,59,743.36**	-	-	-	-	**47,59,743.36**

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 10: Loans (continued)

Note 10.1: Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

(a) Reconciliation of Gross carrying amount - Loans:

Loans	As at 31 March, 2022				As at 31 March, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance of Gross carrying amount	43,53,665.99	3,65,907.30	1,42,247.24	48,61,820.53	43,86,660.17	1,21,676.21	1,82,708.23	46,91,044.61
New assets originated or purchased	24,27,295.24	22,914.07	16,115.47	24,66,324.78	14,36,871.57	42,176.51	2,344.64	14,81,392.72
Assets derecognised or repaid (excluding write offs)	(17,13,767.84)	(59,110.65)	(23,372.08)	(17,96,250.57)	(12,04,439.47)	(21,783.49)	(27,291.81)	(12,53,514.77)
Transfers to Stage 1	1,16,820.00	(1,13,411.08)	(3,408.92)	-	29,095.93	(15,845.90)	(13,250.03)	-
Transfers to Stage 2	(1,44,932.18)	1,45,473.36	(541.18)	-	(2,58,008.40)	2,58,590.76	(582.36)	-
Transfers to Stage 3	(44,517.45)	(57,965.63)	1,02,483.08	-	(34,063.60)	(18,906.79)	52,970.39	-
Amounts written-off	(17,535.66)	(8,231.37)	(37,920.20)	(63,687.23)	(2,450.21)	-	(54,651.82)	(57,102.03)
Closing Balance of Gross carrying amount	**49,77,028.10**	**2,95,576.00**	**1,95,603.41**	**54,68,207.51**	**43,53,665.99**	**3,65,907.30**	**1,42,247.24**	**48,61,820.53**

(b) Reconciliation of loss allowance provision - Loans:

ECL	As at 31 March, 2022				As at 31 March, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance of ECL allowance	23,022.07	20,101.02	58,995.56	1,02,118.65	21,094.81	10,497.91	56,560.42	88,153.14
Increase in new / existing assets originated or purchased	17,698.11	11,602.97	54,867.40	84,168.48	9,488.24	11,569.24	57,084.73	78,142.21
Assets derecognised or repaid (excluding write offs)	(8,300.97)	(4,213.60)	(2,602.80)	(15,117.37)	(4,547.69)	(969.69)	(1,557.29)	(7,074.67)
Transfers to Stage 1	1,797.50	(975.67)	(821.82)	-	964.07	(305.48)	(658.59)	-
Transfers to Stage 2	(417.36)	468.97	(51.61)	-	(1,025.94)	1,162.76	(136.82)	-
Transfers to Stage 3	(263.85)	(4,558.27)	4,822.11	-	(501.21)	(1,853.72)	2,354.93	-
Amounts written-off	(17,535.66)	(8,231.37)	(37,920.20)	(63,687.23)	(2,450.21)	-	(54,651.82)	(57,102.03)
Closing Balance of ECL allowance	**15,999.84**	**14,194.05**	**77,288.64**	**1,07,482.53**	**23,022.07**	**20,101.02**	**58,995.56**	**1,02,118.65**

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 10.1: Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures" (continued)

(c) Expected credit loss - Loans:

Particulars	As at 31 March, 2022				As at 31 March, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	49,77,028.10	2,95,576.00	1,95,603.41	54,68,207.51	43,53,665.99	3,65,907.30	1,42,247.24	48,61,820.53
Less: Impairment loss allowance	15,999.84	14,194.05	77,288.64	1,07,482.53	23,022.07	20,101.02	58,995.56	1,02,118.65
Net carrying amount	**49,61,028.26**	**2,81,381.95**	**1,18,314.77**	**53,60,724.98**	**43,30,643.92**	**3,45,806.28**	**83,251.68**	**47,59,701.88**

(d) An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to non-fund based exposures is as follows:

Non-funded exposures	Total Non-fund Exposures (not included in the tables above)				ECL on Non-fund exposures (included in the tables above)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance as on 31 March, 2021	3,479.36	200.00	-	3,679.36	10.84	8.48	-	19.32
Net Movement	8,269.48	-	-	8,269.48	25.63	(1.61)	-	24.02
Closing Balance as on 31 March, 2022	**11,748.84**	**200.00**	**-**	**11,948.84**	**36.47**	**6.87**	**-**	**43.34**

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 11: Investments

As at 31 March, 2022

Particulars	Amortised Cost	At Fair value			Sub-total	Others	Total
		Through Other Comprehensive Income	Through profit and loss account	Designated at through profit and loss account			
i) Investment in Govt Securities	-	-	47,137.87	-	47,137.87	-	47,137.87
ii) Investment in Equity instruments	-	235.26	45.17	-	280.43	-	280.43
iii) Investment in Preference Shares	-	-	3,500.00	-	3,500.00	-	3,500.00
iv) Investment in Alternate Funds	-	-	8,225.19	-	8,225.19	-	8,225.19
v) Investment in Debentures	-	-	1,10,260.07	-	1,10,260.07	-	1,10,260.07
Total Gross (A)	-	**235.26**	**1,69,168.30**	-	**1,69,403.56**	-	**1,69,403.56**
(i) Investments in India	-	235.26	1,69,168.30	-	1,69,403.56	-	1,69,403.56
(ii) Investments outside India	-	-	-	-	-	-	-
Total (B)	-	**235.26**	**1,69,168.30**	-	**1,69,403.56**	-	**1,69,403.56**
Less : Impairment loss allowance (C)	-	-	-	-	-	-	-
Total - Net [D= (A)-(C)]	-	**235.26**	**1,69,168.30**	-	**1,69,403.56**	-	**1,69,403.56**

As at 31 March, 2021

Particulars	Amortised Cost	At Fair value			Sub-total	Others	Total
		Through Other Comprehensive Income	Through profit and loss account	Designated at through profit and loss account			
i) Investment in Govt Securities	-	-	15,420.71	-	15,420.71	-	15,420.71
ii) Equity instruments	-	211.04	36.82	-	247.86	-	247.86
iii) Investment in Alternate Funds	-	-	6,729.83	-	6,729.83	-	6,729.83
iv) Investment in Debentures	-	-	56,892.50	-	56,892.50	-	56,892.50
Total Gross (A)	-	**211.04**	**79,079.86**	-	**79,290.90**	-	**79,290.90**
(i) Investments in India	-	211.04	79,079.86	-	79,290.90	-	79,290.90
(ii) Investments outside India	-	-	-	-	-	-	-
Total (B)	-	**211.04**	**79,079.86**	-	**79,290.90**	-	**79,290.90**
Less : Impairment loss allowance (C)	-	-	-	-	-	-	-
Total - Net [D= (A)-(C)]	-	**211.04**	**79,079.86**	-	**79,290.90**	-	**79,290.90**

Note:

1. More information regarding the valuation methodologies are provided in Note 49.
2. The Company received dividends of ₹ 285.31 (31 March, 2021: ₹ 284.75 Lakhs) from its FVTPL securities, recorded as dividend income.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 12: Other financial assets

Particulars	As at 31 March, 2022	As at 31 March, 2021
Security Deposits (Carried at amortised cost, unless otherwise stated).	2,772.59	2,486.83
Other Receivables	2,589.22	2,631.12
Total	**5,361.81**	**5,117.95**

Note 13: Current tax assets (net)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Advance Payment of Taxes (Net of provision for taxation ₹ 1,46,294.86 lakhs; 31 March, 2021 ₹ 1,07,694.47 lakhs)	34,239.10	23,971.65
Total	**34,239.10**	**23,971.65**

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 14: Property, plant and equipments

Particulars	Building	Plant & Equipments	Furniture & Fixtures	Vehicles	Office Equipments	Leasehold Improvements	Total
Gross book value:							
At 1 April, 2020	20.92	1,183.55	154.11	1,535.52	431.36	508.02	3,833.48
Additions	-	47.99	8.87	144.91	58.81	234.36	494.94
Disposals	-	107.18	14.29	171.89	23.41	52.15	368.92
At 31 March, 2021	**20.92**	**1,124.36**	**148.69**	**1,508.54**	**466.76**	**690.23**	**3,959.50**
Additions	-	139.72	64.20	485.31	172.56	414.66	1,276.45
Disposals	-	83.93	25.27	435.33	119.21	62.59	726.33
As at 31 March, 2022	**20.92**	**1,180.15**	**187.62**	**1,558.52**	**520.11**	**1,042.30**	**4,509.62**
Depreciation and impairment:							
At 1 April, 2020	1.38	749.44	95.44	484.24	225.53	324.25	1,880.28
Depreciation charge for the year	0.46	268.08	14.85	329.74	90.38	189.04	892.55
Disposals	-	103.54	8.89	93.83	20.75	52.12	279.13
At 31 March, 2021	**1.84**	**913.98**	**101.40**	**720.15**	**295.16**	**461.17**	**2,493.70**
Depreciation charge for the year	0.46	136.03	46.49	297.05	92.57	127.12	699.72
Disposals	-	83.93	25.27	278.34	116.68	60.95	565.17
As at 31 March, 2022	**2.30**	**966.08**	**122.62**	**738.86**	**271.05**	**527.34**	**2,628.25**
Net book value:							
At 31 March, 2021	19.08	210.38	47.29	788.39	171.60	229.06	1,465.80
As at 31 March, 2022	**18.62**	**214.07**	**65.00**	**819.66**	**249.06**	**514.96**	**1,881.37**

Note:
1. Redeemable Non Convertible Debentures are secured by charge on immovable property of the Company.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 15: Right of use Lease Assets

Particulars	Amount
Gross book value:	
As at 1 April, 2020	10,021.24
Additions	5,861.15
Disposals	(1,969.94)
As at 31 March, 2021	**13,912.45**
Additions	7,065.31
Disposals	(4,374.94)
As at 31 March, 2022	**16,602.82**
Accumulated amortisation:	
As at 1 April, 2020	1,951.79
Additions	2,625.34
Disposals	(69.99)
As at 31 March, 2021	**4,507.14**
Additions	2,583.08
Disposals	(2,674.73)
As at 31 March, 2022	**4,415.49**
Net book value:	
As at 1 April, 2020	8,069.45
As at 31 March, 2021	9,405.31
As at 31 March, 2022	**12,187.33**

Note 16: Intangible assets under development

Particulars	Amount
Gross book value:	
As at 1 April, 2020	4,898.29
Additions	805.64
Disposals	-
Transfers	4,506.01
As at 31 March, 2021	**1,197.92**
Additions	932.03
Disposals	-
Transfers	1,040.90
As at 31 March, 2022	**1,089.05**

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 16: Intangible assets under development aging schedule:

As at 31 March, 2022

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	932.03	157.02	-	-	1,089.05
Total	**932.03**	**157.02**	**-**	**-**	**1,089.05**

As at 31 March, 2021

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	807.28	314.61	24.47	51.56	1,197.92
Total	**807.28**	**314.61**	**24.47**	**51.56**	**1,197.92**

The Company does not have any project temporary suspended whose completion is overdue or has exceeded its cost compared to its original plan.

Note 17: Other intangible assets

Particulars	Software
Gross book value:	
At 1 April, 2020	8,505.78
Additions	7,090.54
Disposals	(89.78)
At 31 March, 2021	**15,506.54**
Additions	3,420.36
Disposals	(8.99)
As at 31 March, 2022	**18,917.91**
Accumulated amortisation:	
At 1 April, 2020	6,024.64
Disposals	-
Additions	2,332.16
At 31 March, 2021	**8,356.80**
Additions	3,552.59
Disposals	-
As at 31 March, 2022	**11,909.39**
Net book value:	
At 1 April, 2020	2,481.14
At 31 March, 2021	**7,149.74**
As at 31 March, 2022	**7,008.52**

Note: 1. All intangible assets are other than Internally generated.

Note 18: Other non-financial assets

Particulars	As at 31 March, 2022	As at 31 March, 2021
Deferred lease expenses	-	28.59
Prepaid expenses	4,240.10	2,622.46
Capital advances	396.71	26.68
Goods and Service Tax/Service Tax Receivable	1,734.46	2,805.70
Reimbursement Rights of Gratuity Fund	2,161.99	1,931.77
Others	-	735.34
Total	**8,533.26**	**8,150.54**

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 19: Trade Payables

Trade Payables ageing schedule
As at 31 March, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	694.04	0.02	2.81	-	696.87
(ii) Others	18,827.81	4,586.24	22.47	57.73	30.51	23,524.76
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-
Total	**18,827.81**	**5,280.28**	**22.49**	**60.54**	**30.51**	**24,221.63**

As at 31 March, 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	213.00	1.63	0.03	-	214.66
(ii) Others	7,572.42	3,217.35	85.28	61.64	20.96	10,957.65
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-
Total	**7,572.42**	**3,430.35**	**86.91**	**61.67**	**20.96**	**11,172.31**

Note:

1. Date of transaction considered as due date of payment.
2. The disclosure regarding micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 20: Debt securities

Particulars	As at 31 March, 2022				As at 31 March, 2021			
	At amortised cost	At fair Value through profit and loss Account	Designated at fair value through profit and loss account	Total	At amortised cost	At fair Value through profit and loss account	Designated at fair value through profit and loss account	Total
Redeemable non-convertible debentures (Secured) (Refer Note 20(a))	12,28,682.37	-	24,954.31	12,53,636.68	13,32,116.41	-	-	13,32,116.41
Redeemable non-convertible debentures (Unsecured) (Refer Note 20(b))	10,960.04	-	-	10,960.04	5,821.46	-	-	5,821.46
Commercial papers (Unsecured) (Refer Note 20(c))	3,13,528.98	-	-	3,13,528.98	3,19,937.17	-	-	3,19,937.17
Total	**15,53,171.39**	**-**	**24,954.31**	**15,78,125.70**	**16,57,875.04**	**-**	**-**	**16,57,875.04**
Debt securities in India	15,53,171.39	-	24,954.31	15,78,125.70	16,57,875.04	-	-	16,57,875.04
Debt securities outside India	-	-	-	-	-	-	-	-
Total	**15,53,171.39**	**-**	**24,954.31**	**15,78,125.70**	**16,57,875.04**	**-**	**-**	**16,57,875.04**

Note:

1. The above figures are including interest accrued but not due on borrowings.
2. Redeemable Non-Convertible Debentures are secured by way of mortgage on the immovable property and first pari-passu charge on certain Financial Assets of the company.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
7.100% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES G1.DATE OF MATURITY 03/10/2031	10,00,000	October 4, 2021	5,163.31	7.10% p.a.	October 3, 2031	Redeemable at par at end of 3651 days from the date of allotment
7.2600% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES B2.DATE OF MATURITY 30/05/2031	10,00,000	May 31, 2021	79,501.44	7.26% p.a.	25% at the end of 7th Year (May 31, 2028) 25% at the end of 8th Year (May 31, 2029) 25% at the end of 9th Year (May 31, 2030) 25% at the end of 10th Year (May 30, 2031)	Redeemable in instalment's at par - 25% at end of 2557 days, 25% at end of 2922 days 25% at end of 3287 days 25% at end of 3652 days from the date of allotment
7.2400% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K1 FY 2020-21. MATURITY DATE – 18/02/2031	10,00,000	February 18, 2021	2,517.10	7.24% p.a.	February 18, 2031	Redeemable at par at end of 3652 days from the date of allotment
8.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD J1 FY 2019-20. MATURITY DATE – 18/01/2030	10,00,000	January 20, 2020	1,01,521.87	8.15% p.a.	1)25% at the end of 7th Year (Wednesday, January 20, 2027), 2)25% at the end of 8th Year (Thursday, January 20, 2028), 3)25% at the end of 9th Year (Friday, January 19, 2029) & 4)25% at the end of 10th Year (Friday, January 18, 2030)	Redeemable in instalment's at par - 25% at end of 2557 days, 25% at end of 2922 days 25% at end of 3287 days 25% at end of 3651 days from the date of allotment
8.70% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD D1 FY 2019-2020. DATE OF MATURITY July 04, 2029	10,00,000	July 4, 2019	3,104.01	8.70% p.a.	July 4, 2029	Redeemable at par at end of 3653 days from the date of allotment
9% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD B2 FY 2019-20. MATURITY DATE – 18/05/2029	10,00,000	May 20, 2019	1,61,585.61	9.00% p.a.	50% - May 19, 2028 50% - May 18, 2029	Redeemable in instalment's at par - 50% at end of 3287 days and 50% at end of 3651 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	December 21, 2018	1,557.37	9.15% p.a.	December 21, 2028	Redeemable at par at end of 3653 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	December 27, 2018	7,163.92	9.15% p.a.	December 21, 2028	Redeemable at par at end of 3647 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	February 12, 2019	3,997.26	9.15% p.a.	December 21, 2028	Redeemable at par at end of 3600 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	March 29, 2019	15,573.75	9.15% p.a.	December 21, 2028	Redeemable at par at end of 3555 days from the date of allotment
8% XIRR SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C1 FY 2017-18. DATE OF MATURITY 11/06/2027	10,00,000	June 13, 2017	723.19	8.00% p.a.	June 11, 2027	Redeemable at par at end of 3650 days from the date of allotment
6.4500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES G2.DATE OF MATURITY 01/10/2026	10,00,000	October 4, 2021	11,854.01	6.45% p.a.	October 1, 2026	Redeemable at par at end of 1823 days from the date of allotment
6.5500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES D1.DATE OF MATURITY 24/07/2026	10,00,000	July 26, 2021	52,152.76	6.55% p.a.	July 24, 2026	Redeemable at par at end of 1824 days from the date of allotment

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8.90% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD Z3 FY 2015-16. DATE OF MATURITY 20/03/2026	10,00,000	March 21, 2016	500.89	8.90% p.a.	March 20, 2026	Redeemable at par at end of 3651 days from the date of allotment
8.90% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD X1 FY 2015-16. DATE OF MATURITY 06/03/2026	10,00,000	March 9, 2016	1,004.57	8.90% p.a.	March 6, 2026	Redeemable at par at end of 3649 days from the date of allotment
8.85% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD W3 FY 2015-16. DATE OF MATURITY 23/02/2026	10,00,000	February 23, 2016	1,007.84	8.85% p.a.	February 23, 2026	Redeemable at par at end of 3653 days from the date of allotment
6.2500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1 FY 2020-21. MATURITY DATE – 23/12/2025	10,00,000	December 23, 2020	7,619.44	6.25% p.a.	December 23, 2025	Redeemable at par at end of 1826 days from the date of allotment
8.71% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD S1 FY 2015-16. DATE OF MATURITY 31/10/2025	10,00,000	November 3, 2015	50,645.32	8.71% p.a.	50% on November 01, 2024 & 50% on October 31, 2025	Redeemable in instalment's at par - 50% at end of 3285 days and 50% at end of 3650 days from the date of allotment
8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD Q1 FY 2015-16. DATE OF MATURITY 17/10/2025	10,00,000	October 19, 2015	1,556.76	8.77% p.a.	October 17, 2025	Redeemable at par at end of 3651 days from the date of allotment
6.4000% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES J2.DATE OF MATURITY 22/07/2025	10,00,000	January 21, 2022	35,403.86	6.40% p.a.	July 22, 2025	Redeemable at par at end of 1278 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025	10,00,000	June 26, 2018	5,442.04	8.90 % p.a.	June 26, 2025	Redeemable at par at end of 2557 days from the date of allotment
7.69% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A3 FY 2020-21. MATURITY DATE – 25/04/2025	10,00,000	April 28, 2020	2,675.13	7.69% p.a.	April 25, 2025	Redeemable at par at end of 1823 days from the date of allotment
3M TBILL LINKED SECURED RATED LISTED NON CONVERTIBLE DEBENTURES. ABFL NCD SERIES '01' FY2021-22.DATE OF MATURITY 21/01/2025	10,00,000	January 21, 2022	50,464.85	5.22% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	January 21, 2025	Redeemable at par at end of 1096 days from the date of allotment
5.8500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES E1.DATE OF MATURITY 02/08/2024	10,00,000	August 5, 2021	25,939.67	5.85% p.a.	August 2, 2024	Redeemable at par at end of 1093 days from the date of allotment
Zero Coupon SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES C2.DATE OF MATURITY 14/06/2024	10,00,000	June 17, 2021	7,834.59	Zero Coupon	June 14, 2024	Redeemable at par at end of 1093 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	June 12, 2019	18,484.74	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1827 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	June 24, 2019	21,155.95	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1815 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	June 28, 2019	11,924.26	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1811 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	July 24, 2019	10,545.92	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1785 days from the date of allotment
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD L3 FY 2020-21. MATURITY DATE – 28/03/2024	10,00,000	March 31, 2021	41,990.04	6.15% p.a.	March 28, 2024	Redeemable at par at end of 1093 days from the date of allotment
5.9000% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD G1 FY 2020-21. MATURITY DATE – 29/12/2023	10,00,000	October 22, 2020	33,835.95	5.90% p.a.	December 29, 2023	Redeemable at par at end of 1163 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	December 21, 2018	7,171.61	9.15% p.a.	December 21, 2023	Redeemable at par at end of 1826 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	December 27, 2018	8,298.58	9.15% p.a.	December 21, 2023	Redeemable at par at end of 1820 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	January 7, 2019	1,639.23	9.15% p.a.	December 21, 2023	Redeemable at par at end of 1809 days from the date of allotment

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	10,00,000	July 27, 2018	1,580.49	8.90% p.a.	July 27, 2023	Redeemable at par at end of 1826 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	10,00,000	December 11, 2018	15,278.09	8.90% p.a.	July 27, 2023	Redeemable at par at end of 1689 days from the date of allotment
7.57% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A2 FY 2020-21. MATURITY DATE – 28/06/2023	10,00,000	April 28, 2020	24,073.08	7.75% p.a.	June 28, 2023	Redeemable at par at end of 1156 days from the date of allotment
5.1500% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES.SERIES C1.DATE OF MATURITY 16/06/2023	10,00,000	June 17, 2021	5,200.32	5.15% p.a.	June 16, 2023	Redeemable at par at end of 729 days from the date of allotment
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE – 30/05/2023	10,00,000	February 25, 2021	77,932.47	6.15% p.a.	May 30, 2023	Redeemable at par at end of 824 days from the date of allotment
7.75% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A1 FY 2020-21. MATURITY DATE – 17/05/2023	10,00,000	April 17, 2020	22,009.78	7.75% p.a.	May 17, 2023	Redeemable at par at end of 1125 days from the date of allotment
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'B1' FY 2021-22-MATURITY DATE – 05/05/2023	10,00,000	May 7, 2021	26,170.69	5.11% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	May 5, 2023	Redeemable at par at end of 728 days from the date of allotment
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L2' FY 2020-21-MATURITY DATE – 19/03/2023	10,00,000	March 19, 2021	25,050.01	5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	March 17, 2023	Redeemable at par at end of 728 days from the date of allotment
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L1' FY 2020-21-MATURITY DATE – 16/03/2023	10,00,000	March 16, 2021	50,124.84	5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	March 16, 2023	Redeemable at par at end of 730 days from the date of allotment
7.75% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1. DATE OF MATURITY 09/12/2022	10,00,000	December 4, 2019	15,361.33	7.75% p.a.	December 9, 2022	Redeemable at par at end of 1101 days from the date of allotment
8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD O1 FY 2015-16. DATE OF MATURITY 12/10/2022	10,00,000	October 12, 2015	2,183.72	8.77% p.a.	October 12, 2022	Redeemable at par at end of 2557 days from the date of allotment
8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD N1 FY 2015-16. DATE OF MATURITY 07/10/2022	10,00,000	October 7, 2015	6,246.41	8.77% p.a.	October 7, 2022	Redeemable at par at end of 2557 days from the date of allotment
8.85% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD L1 FY 2015-16. DATE OF MATURITY 09/09/2022	10,00,000	September 10, 2015	2,096.02	8.85% p.a.	September 9, 2022	Redeemable at par at end of 2556 days from the date of allotment
7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD F1 FY 2017-18. DTE OF MATURITY 07/09/2022	10,00,000	September 7, 2017	33,865.63	7.60% p.a.	September 7, 2022	Redeemable at par at end of 1826 days from the date of allotment
7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E3 FY 2017-18. DTE OF MATURITY 18/08/2022	10,00,000	August 18, 2017	10,462.09	7.60% p.a.	August 18, 2022	Redeemable at par at end of 1826 days from the date of allotment
7.70% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E2 FY 2017-18. DTE OF MATURITY 12/08/2022	10,00,000	August 14, 2017	5,237.92	7.70% p.a.	August 12, 2022	Redeemable at par at end of 1824 days from the date of allotment
7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E4 FY 2017-18. DTE OF MATURITY 19/07/2022	10,00,000	August 23, 2017	15,680.69	7.60% p.a.	July 19, 2022	Redeemable at par at end of 1791 days from the date of allotment
7.8% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C4 FY 2017-18. DATE OF MATURITY 29/06/2022	10,00,000	June 29, 2017	21,163.43	7.80% p.a.	June 29, 2022	Redeemable at par at end of 1826 days from the date of allotment
7.80% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C3 FY 2017-18. DATE OF MATURITY 17/06/2022	10,00,000	June 19, 2017	5,301.86	7.80% p.a.	June 17, 2022	Redeemable at par at end of 1824 days from the date of allotment

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE, SERIES PPMLD B1 FY 2019-20. MATURITY DATE - 25/05/2022	10,00,000	May 8, 2019	4,774.73	1 Greater than 50% of Digital Level 8.3026% p.a. (8.30% XIRR (Annualized yield)) 2 Less than or equal to 50% of Digital Level 0 %	May 25, 2022	Redeemable at par at end of 1113 days from the date of allotment
6.7834% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE, SERIES ABFL NCD C1 FY 2020-21, MATURITY DATE – 26/04/2022	10,00,000	June 26, 2020	26,288.84	6.78% p.a.	April 26, 2022	Redeemable at par at end of 669 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD G5 FY 2018-19, DATE OF MATURITY 08/04/2022	10,00,000	October 26, 2018	21,707.87	Zero Coupon	April 8, 2022	Redeemable at par at end of 1260 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD G5 FY 2018-19, DATE OF MATURITY 08/04/2022	10,00,000	November 6, 2018	2,443.84	Zero Coupon	April 8, 2022	Redeemable at par at end of 1249 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD G5 FY 2018-19, DATE OF MATURITY 08/04/2022	10,00,000	December 11, 2018	16,246.77	Zero Coupon	April 8, 2022	Redeemable at par at end of 1214 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD G5 FY 2018-19, DATE OF MATURITY 08/04/2022	10,00,000	December 27, 2018	6,826.37	Zero Coupon	April 8, 2022	Redeemable at par at end of 1198 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD G5 FY 2018-19, DATE OF MATURITY 08/04/2022	10,00,000	January 7, 2019	4,368.88	Zero Coupon	April 8, 2022	Redeemable at par at end of 1187 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD G5 FY 2018-19, DATE OF MATURITY 08/04/2022	10,00,000	January 25, 2019	4,164.09	Zero Coupon	April 8, 2022	Redeemable at par at end of 1169 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES, SERIES ABFL NCD G5 FY 2018-19, DATE OF MATURITY 08/04/2022	10,00,000	April 25, 2019	10,239.58	Zero Coupon	April 8, 2022	Redeemable at par at end of 1079 days from the date of allotment
Total			12,53,636.68			

Note 20(b): Redeemable non-convertible debentures (Unsecured) as on 31 March, 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
7.57% UNSECURED RATED LISTED REDEEMABLE NON CONVERTIBLE PARTLY PAID DEBENTURES, SERIES ABFL NCD 'EP1' FY 2020-21, DATE OF MATURITY 03/08/2035	3,00,000	August 6, 2020	10,960.04	7.57 % p.a.	August 3, 2035	Redeemable at par at end of 5475 days from the date of allotment

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2021

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
7.2400% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K1 FY 2020-21. MATURITY DATE – 18/02/2031	10,00,000	February 18, 2021	2,518.17	7.24% p.a.	February 18, 2031	Redeemable at par at end of 3652 days from the date of allotment
8.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD J1 FY 2019-20. MATURITY DATE – 18/01/2030	10,00,000	January 20, 2020	1,01,585.21	7.75% p.a.	25% at the end of 7th Year (Wednesday, January 20, 2027), 25% at the end of 8th Year (Thursday, January 20, 2028), 25% at the end of 9th Year (Friday, January 19, 2029) & 25% at the end of 10th Year (Friday, January 18, 2030)	Redeemable in instalment's at par - 25% at end of 2557 days, 25% at end of 2922 days 25% at end of 3287 days 25% at end of 3651 days from the date of allotment
8.70% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD D1 FY 2019-2020. DATE OF MATURITY July 04, 2029	10,00,000	July 4, 2019	531.58	8.70% p.a.	July 4, 2029	Redeemable at par at end of 3653 days from the date of allotment
8.70% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD D1 FY 2019-2020. DATE OF MATURITY July 04, 2029	10,00,000	July 4, 2019	531.58	8.70% p.a.	July 4, 2029	Redeemable at par at end of 3653 days from the date of allotment
8.70% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD D1 FY 2019-2020. DATE OF MATURITY July 04, 2029	10,00,000	July 4, 2019	489.05	8.70% p.a.	July 4, 2029	Redeemable at par at end of 3653 days from the date of allotment
8.70% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD D1 FY 2019-2020. DATE OF MATURITY July 04, 2029	10,00,000	July 4, 2019	382.74	8.70% p.a.	July 4, 2029	Redeemable at par at end of 3653 days from the date of allotment
8.70% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD D1 FY 2019-2020. DATE OF MATURITY July 04, 2029	10,00,000	July 4, 2019	1,169.47	8.70% p.a.	July 4, 2029	Redeemable at par at end of 3653 days from the date of allotment
9% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD B2 FY 2019-20. MATURITY DATE – 18/05/2029	10,00,000	May 20, 2019	1,61,687.61	9.00% p.a.	50% - May 19, 2028 50% - May 18, 2029	Redeemable in instalment's at par - 50% at end of 3287 days and 50% at end of 3651 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	December 21, 2018	519.20	9.15% p.a.	December 21, 2028	Redeemable at par at end of 3653 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	December 21, 2018	1,038.40	9.15% p.a.	December 21, 2028	Redeemable at par at end of 3653 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	December 27, 2018	519.20	9.10% p.a.	December 21, 2028	Redeemable at par at end of 3647 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	December 27, 2018	3,634.40	9.10% p.a.	December 21, 2028	Redeemable at par at end of 3647 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	December 27, 2018	415.36	9.10% p.a.	December 21, 2028	Redeemable at par at end of 3647 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	December 27, 2018	2,596.00	9.10% p.a.	December 21, 2028	Redeemable at par at end of 3647 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	February 12, 2019	882.64	9.05% p.a.	December 21, 2028	Redeemable at par at end of 3600 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	February 12, 2019	3,115.20	9.05% p.a.	December 21, 2028	Redeemable at par at end of 3600 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	March 29, 2019	519.20	8.65% p.a.	December 21, 2028	Redeemable at par at end of 3555 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	March 29, 2019	311.52	8.65% p.a.	December 21, 2028	Redeemable at par at end of 3555 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	March 29, 2019	1,557.60	8.65% p.a.	December 21, 2028	Redeemable at par at end of 3555 days from the date of allotment

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2021

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	March 29, 2019	13,011.16	8.65% p.a.	December 21, 2028	Redeemable at par at end of 3555 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 2 FY 2018-19. MATURITY DATE - 21/12/2028	10,00,000	March 29, 2019	176.53	8.65% p.a.	December 21, 2028	Redeemable at par at end of 3555 days from the date of allotment
8% XIRR SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C1 FY 2017-18. DATE OF MATURITY 11/06/2027	10,00,000	June 13, 2017	666.25	8.00% p.a.	June 11, 2027	Redeemable at par at end of 3650 days from the date of allotment
8.90% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD Z3 FY 2015-16. DATE OF MATURITY 20/03/2026	10,00,000	March 21, 2016	501.02	8.90% p.a.	March 20, 2026	Redeemable at par at end of 3651 days from the date of allotment
8.90% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD X1 FY 2015-16. DATE OF MATURITY 06/03/2026	10,00,000	March 9, 2016	1,004.88	8.90% p.a.	March 6, 2026	Redeemable at par at end of 3649 days from the date of allotment
8.85% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD W3 FY 2015-16. DATE OF MATURITY 23/02/2026	10,00,000	February 23, 2016	1,008.13	8.85% p.a.	February 23, 2026	Redeemable at par at end of 3653 days from the date of allotment
6.2500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1 FY 2020-21. MATURITY DATE – 23/12/2025	10,00,000	December 23, 2020	2,541.16	6.25% p.a.	December 23, 2025	Redeemable at par at end of 1826 days from the date of allotment
6.2500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1 FY 2020-21. MATURITY DATE – 23/12/2025	10,00,000	December 23, 2020	5,082.33	6.25% p.a.	December 23, 2025	Redeemable at par at end of 1826 days from the date of allotment
8.71% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD S1 FY 2015-16. DATE OF MATURITY 31/10/2025	10,00,000	November 3, 2015	35,443.34	8.99% p.a.	50% on November 01, 2024 & 50% on October 31, 2025	Redeemable in instalment's at par - 50% at end of 3285 days and 50% at end of 3650 days from the date of allotment
8.71% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD S1 FY 2015-16. DATE OF MATURITY 31/10/2025	10,00,000	November 3, 2015	10,126.67	8.99% p.a.	50% on November 01, 2024 & 50% on October 31, 2025	Redeemable in instalment's at par - 50% at end of 3285 days and 50% at end of 3650 days from the date of allotment
8.71% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD S1 FY 2015-16. DATE OF MATURITY 31/10/2025	10,00,000	November 3, 2015	5,063.33	8.99% p.a.	50% on November 01, 2024 & 50% on October 31, 2025	Redeemable in instalment's at par - 50% at end of 3285 days and 50% at end of 3650 days from the date of allotment
8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD Q1 FY 2015-16. DATE OF MATURITY 17/10/2025	10,00,000	October 19, 2015	1,557.04	8.77% p.a.	October 17, 2025	Redeemable at par at end of 3651 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025	10,00,000	June 26, 2018	5,336.60	8.90% p.a.	June 26, 2025	Redeemable at par at end of 2557 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C4 FY 2018-19. DATE OF MATURITY 26/06/2025	10,00,000	June 26, 2018	106.73	8.90% p.a.	June 26, 2025	Redeemable at par at end of 2557 days from the date of allotment
7.69% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A3 FY 2020-21. MATURITY DATE – 25/04/2025	10,00,000	April 28, 2020	2,675.47	7.69% p.a.	April 25, 2025	Redeemable at par at end of 1823 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	June 12, 2019	854.89	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1827 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	June 12, 2019	2,671.53	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1827 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	June 12, 2019	1,602.92	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1827 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	June 12, 2019	1,602.92	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1827 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	June 12, 2019	10,686.11	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1827 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	June 12, 2019	1,068.61	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1827 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	June 24, 2019	534.31	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1815 days from the date of allotment

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2021

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	June 24, 2019	4,060.72	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1815 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	June 24, 2019	320.58	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1815 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	June 24, 2019	213.72	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1815 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	June 24, 2019	14,960.55	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1815 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	June 24, 2019	1,068.61	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1815 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	June 28, 2019	10,643.97	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1811 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	June 28, 2019	748.03	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1811 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	June 28, 2019	534.31	8.65% p.a.	June 12, 2024	Redeemable at par at end of 1811 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	July 24, 2019	961.75	8.50% p.a.	June 12, 2024	Redeemable at par at end of 1785 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	July 24, 2019	8,228.31	8.50% p.a.	June 12, 2024	Redeemable at par at end of 1785 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	July 24, 2019	288.52	8.50% p.a.	June 12, 2024	Redeemable at par at end of 1785 days from the date of allotment
8.65% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2019-2020. DATE OF MATURITY 12/06/2024	10,00,000	July 24, 2019	1,068.61	8.50% p.a.	June 12, 2024	Redeemable at par at end of 1785 days from the date of allotment
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD L3 FY 2020-21. MATURITY DATE – 28/03/2024	10,00,000	March 31, 2021	41,994.44	6.15% p.a.	March 28, 2024	Redeemable at par at end of 1093 days from the date of allotment
5.9000% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD G1 FY 2020-21. MATURITY DATE – 29/12/2023	10,00,000	October 22, 2020	33,848.68	5.90% p.a.	December 29, 2023	Redeemable at par at end of 1163 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	December 21, 2018	2,561.63	9.15% p.a.	December 21, 2023	Redeemable at par at end of 1826 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	December 21, 2018	2,049.30	9.15% p.a.	December 21, 2023	Redeemable at par at end of 1826 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	December 21, 2018	1,536.98	9.15% p.a.	December 21, 2023	Redeemable at par at end of 1826 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	December 21, 2018	1,024.65	9.15% p.a.	December 21, 2023	Redeemable at par at end of 1826 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	December 27, 2018	409.86	9.10% p.a.	December 21, 2023	Redeemable at par at end of 1820 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	December 27, 2018	512.33	9.10% p.a.	December 21, 2023	Redeemable at par at end of 1820 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	December 27, 2018	717.26	9.10% p.a.	December 21, 2023	Redeemable at par at end of 1820 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	December 27, 2018	2,561.63	9.10% p.a.	December 21, 2023	Redeemable at par at end of 1820 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	December 27, 2018	2,561.63	9.10% p.a.	December 21, 2023	Redeemable at par at end of 1820 days from the date of allotment

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2021

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	December 27, 2018	1,024.65	9.10% p.a.	December 21, 2023	Redeemable at par at end of 1820 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	December 27, 2018	512.33	9.10% p.a.	December 21, 2023	Redeemable at par at end of 1820 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	January 7, 2019	512.33	9.00% p.a.	December 21, 2023	Redeemable at par at end of 1809 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	January 7, 2019	102.47	9.00% p.a.	December 21, 2023	Redeemable at par at end of 1809 days from the date of allotment
9.15% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I 1 FY 2018-19. MATURITY DATE - 21/12/2023	10,00,000	January 7, 2019	1,024.65	9.00% p.a.	December 21, 2023	Redeemable at par at end of 1809 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	10,00,000	July 27, 2018	1,575.56	8.90% p.a.	July 27, 2023	Redeemable at par at end of 1826 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	10,00,000	December 11, 2018	8,402.98	9.40% p.a.	July 27, 2023	Redeemable at par at end of 1689 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	10,00,000	December 11, 2018	525.19	9.40% p.a.	July 27, 2023	Redeemable at par at end of 1689 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	10,00,000	December 11, 2018	525.19	9.40% p.a.	July 27, 2023	Redeemable at par at end of 1689 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	10,00,000	December 11, 2018	525.19	9.40% p.a.	July 27, 2023	Redeemable at par at end of 1689 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	10,00,000	December 11, 2018	315.11	9.40% p.a.	July 27, 2023	Redeemable at par at end of 1689 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	10,00,000	December 11, 2018	2,625.93	9.40% p.a.	July 27, 2023	Redeemable at par at end of 1689 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	10,00,000	December 11, 2018	210.07	9.40% p.a.	July 27, 2023	Redeemable at par at end of 1689 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	10,00,000	December 11, 2018	1,050.37	9.40% p.a.	July 27, 2023	Redeemable at par at end of 1689 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D2 FY 2018-19. DATE OF MATURITY 27/07/2023	10,00,000	December 11, 2018	1,050.37	9.40% p.a.	July 27, 2023	Redeemable at par at end of 1689 days from the date of allotment
7.57% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A2 FY 2020-21. MATURITY DATE – 28/06/2023	10,00,000	April 28, 2020	2,675.24	7.57% p.a.	June 28, 2023	Redeemable at par at end of 1156 days from the date of allotment
7.57% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A2 FY 2020-21. MATURITY DATE – 28/06/2023	10,00,000	April 28, 2020	21,401.96	7.57% p.a.	June 28, 2023	Redeemable at par at end of 1156 days from the date of allotment
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE – 30/05/2023	10,00,000	February 25, 2021	5,028.15	6.15% p.a.	May 30, 2023	Redeemable at par at end of 824 days from the date of allotment
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE – 30/05/2023	10,00,000	February 25, 2021	5,028.15	6.15% p.a.	May 30, 2023	Redeemable at par at end of 824 days from the date of allotment
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE – 30/05/2023	10,00,000	February 25, 2021	10,056.30	6.15% p.a.	May 30, 2023	Redeemable at par at end of 824 days from the date of allotment
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE – 30/05/2023	10,00,000	February 25, 2021	10,056.30	6.15% p.a.	May 30, 2023	Redeemable at par at end of 824 days from the date of allotment
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE – 30/05/2023	10,00,000	February 25, 2021	90,168.91	6.15% p.a.	May 30, 2023	Redeemable at par at end of 824 days from the date of allotment
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE – 30/05/2023	10,00,000	February 25, 2021	2,514.08	6.15% p.a.	May 30, 2023	Redeemable at par at end of 824 days from the date of allotment

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2021

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
6.1500% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD K2 FY 2020-21. MATURITY DATE – 30/05/2023	10,00,000	February 25, 2021	15,084.45	6.15% p.a.	May 30, 2023	Redeemable at par at end of 824 days from the date of allotment
7.75% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A1 FY 2020-21. MATURITY DATE – 17/05/2023	10,00,000	April 17, 2020	9,663.05	7.75% p.a.	May 17, 2023	Redeemable at par at end of 1125 days from the date of allotment
7.75% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A1 FY 2020-21. MATURITY DATE – 17/05/2023	10,00,000	April 17, 2020	6,978.87	7.75% p.a.	May 17, 2023	Redeemable at par at end of 1125 days from the date of allotment
7.75% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A1 FY 2020-21. MATURITY DATE – 17/05/2023	10,00,000	April 17, 2020	2,684.18	7.75% p.a.	May 17, 2023	Redeemable at par at end of 1125 days from the date of allotment
7.75% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD A1 FY 2020-21. MATURITY DATE – 17/05/2023	10,00,000	April 17, 2020	2,684.18	7.75% p.a.	May 17, 2023	Redeemable at par at end of 1125 days from the date of allotment
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L2' FY 2020-21-MATURITY DATE – 19/03/2023	10,00,000	March 19, 2021	25,049.88	5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	March 17, 2023	Redeemable at par at end of 728 days from the date of allotment
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L1' FY 2020-21-MATURITY DATE – 16/03/2023	10,00,000	March 16, 2021	6,516.53	5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	March 16, 2023	Redeemable at par at end of 730 days from the date of allotment
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L1' FY 2020-21-MATURITY DATE – 16/03/2023	10,00,000	March 16, 2021	6,516.53	5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	March 16, 2023	Redeemable at par at end of 730 days from the date of allotment
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L1' FY 2020-21-MATURITY DATE – 16/03/2023	10,00,000	March 16, 2021	6,015.26	5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	March 16, 2023	Redeemable at par at end of 730 days from the date of allotment
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L1' FY 2020-21-MATURITY DATE – 16/03/2023	10,00,000	March 16, 2021	6,015.26	5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	March 16, 2023	Redeemable at par at end of 730 days from the date of allotment
3Month T-bill Linked, Secured, Rated, Listed, Redeemable Non-Convertible Debentures Series:ABFL NCD 'L1' FY 2020-21-MATURITY DATE – 16/03/2023	10,00,000	March 16, 2021	25,063.57	5.75% p.a. (Floating Coupon with Quarterly Reset, Payable Annually)	March 16, 2023	Redeemable at par at end of 730 days from the date of allotment
7.75% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1. DATE OF MATURITY 09/12/2022	10,00,000	December 4, 2019	7,680.61	7.75% p.a.	December 9, 2022	Redeemable at par at end of 1101 days from the date of allotment
7.75% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1. DATE OF MATURITY 09/12/2022	10,00,000	December 4, 2019	5,120.41	7.75% p.a.	December 9, 2022	Redeemable at par at end of 1101 days from the date of allotment
7.75% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES ABFL NCD I1. DATE OF MATURITY 09/12/2022	10,00,000	December 4, 2019	2,560.20	7.75% p.a.	December 9, 2022	Redeemable at par at end of 1101 days from the date of allotment
8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD O1 FY 2015-16. DATE OF MATURITY 12/10/2022	10,00,000	October 12, 2015	519.97	8.77% p.a.	October 12, 2022	Redeemable at par at end of 2557 days from the date of allotment
8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD O1 FY 2015-16. DATE OF MATURITY 12/10/2022	10,00,000	October 12, 2015	519.97	8.77% p.a.	October 12, 2022	Redeemable at par at end of 2557 days from the date of allotment
8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD O1 FY 2015-16. DATE OF MATURITY 12/10/2022	10,00,000	October 12, 2015	1,143.94	8.77% p.a.	October 12, 2022	Redeemable at par at end of 2557 days from the date of allotment
8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD N1 FY 2015-16. DATE OF MATURITY 07/10/2022	10,00,000	October 7, 2015	4,164.60	8.77% p.a.	October 7, 2022	Redeemable at par at end of 2557 days from the date of allotment
8.77% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD N1 FY 2015-16. DATE OF MATURITY 07/10/2022	10,00,000	October 7, 2015	2,082.30	8.77% p.a.	October 7, 2022	Redeemable at par at end of 2557 days from the date of allotment

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2021

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8.85% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD L1 FY 2015-16. DATE OF MATURITY 09/09/2022	10,00,000	September 10, 2015	2,096.17	8.85% p.a.	September 9, 2022	Redeemable at par at end of 2556 days from the date of allotment
7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD F1 FY 2017-18. DTE OF MATURITY 07/09/2022	10,00,000	September 7, 2017	20,844.14	7.60% p.a.	September 7, 2022	Redeemable at par at end of 1826 days from the date of allotment
7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD F1 FY 2017-18. DTE OF MATURITY 07/09/2022	10,00,000	September 7, 2017	13,027.59	7.60% p.a.	September 7, 2022	Redeemable at par at end of 1826 days from the date of allotment
7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E3 FY 2017-18. DTE OF MATURITY 18/08/2022	10,00,000	August 18, 2017	10,463.98	7.60% p.a.	August 18, 2022	Redeemable at par at end of 1826 days from the date of allotment
7.70% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E2 FY 2017-18. DTE OF MATURITY 12/08/2022	10,00,000	August 14, 2017	5,237.89	7.70% p.a.	August 12, 2022	Redeemable at par at end of 1824 days from the date of allotment
7.60% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E4 FY 2017-18. DTE OF MATURITY 19/07/2022	10,00,000	August 23, 2017	15,680.24	7.60% p.a.	July 19, 2022	Redeemable at par at end of 1791 days from the date of allotment
7.8% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C4 FY 2017-18. DATE OF MATURITY 29/06/2022	10,00,000	June 29, 2017	21,163.75	7.80% p.a.	June 29, 2022	Redeemable at par at end of 1826 days from the date of allotment
7.80% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C3 FY 2017-18. DATE OF MATURITY 17/06/2022	10,00,000	June 19, 2017	5,301.87	7.80% p.a.	June 17, 2022	Redeemable at par at end of 1824 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD B1 FY 2019-20. MATURITY DATE - 25/05/2022	10,00,000	May 8, 2019	3,487.65	8.30% p.a.	May 25, 2022	Redeemable at par at end of 1113 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD B1 FY 2019-20. MATURITY DATE - 25/05/2022	10,00,000	May 8, 2019	220.88	8.30% p.a.	May 25, 2022	Redeemable at par at end of 1113 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD B1 FY 2019-20. MATURITY DATE - 25/05/2022	10,00,000	May 8, 2019	581.27	8.30% p.a.	May 25, 2022	Redeemable at par at end of 1113 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD B1 FY 2019-20. MATURITY DATE - 25/05/2022	10,00,000	May 8, 2019	116.25	8.30% p.a.	May 25, 2022	Redeemable at par at end of 1113 days from the date of allotment
6.7834% SECURED RATED LISTED REDEEMABLE NON-CONVERTIBLE DEBENTURE. SERIES ABFL NCD C1 FY 2020-21. MATURITY DATE – 26/04/2022	10,00,000	June 26, 2020	26,294.50	6.78% p.a.	April 26, 2022	Redeemable at par at end of 669 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	October 26, 2018	7,498.59	9.50% p.a.	April 8, 2022	Redeemable at par at end of 1260 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	October 26, 2018	737.36	9.50% p.a.	April 8, 2022	Redeemable at par at end of 1260 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	October 26, 2018	624.88	9.50% p.a.	April 8, 2022	Redeemable at par at end of 1260 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	October 26, 2018	3,124.41	9.50% p.a.	April 8, 2022	Redeemable at par at end of 1260 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	October 26, 2018	2,874.46	9.50% p.a.	April 8, 2022	Redeemable at par at end of 1260 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	October 26, 2018	1,749.67	9.50% p.a.	April 8, 2022	Redeemable at par at end of 1260 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	October 26, 2018	1,624.69	9.50% p.a.	April 8, 2022	Redeemable at par at end of 1260 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	October 26, 2018	262.45	9.50% p.a.	April 8, 2022	Redeemable at par at end of 1260 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	October 26, 2018	1,249.76	9.50% p.a.	April 8, 2022	Redeemable at par at end of 1260 days from the date of allotment

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2021

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	October 26, 2018	124.98	9.50% p.a.	April 8, 2022	Redeemable at par at end of 1260 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	November 6, 2018	1,112.29	9.50% p.a.	April 8, 2022	Redeemable at par at end of 1249 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	November 6, 2018	799.85	9.50% p.a.	April 8, 2022	Redeemable at par at end of 1249 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	November 6, 2018	324.94	9.50% p.a.	April 8, 2022	Redeemable at par at end of 1249 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	December 11, 2018	624.88	9.40% p.a.	April 8, 2022	Redeemable at par at end of 1214 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	December 11, 2018	5,498.97	9.40% p.a.	April 8, 2022	Redeemable at par at end of 1214 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	December 11, 2018	474.91	9.40% p.a.	April 8, 2022	Redeemable at par at end of 1214 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	December 11, 2018	2,499.53	9.40% p.a.	April 8, 2022	Redeemable at par at end of 1214 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	December 11, 2018	2,187.09	9.40% p.a.	April 8, 2022	Redeemable at par at end of 1214 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	December 11, 2018	2,187.09	9.40% p.a.	April 8, 2022	Redeemable at par at end of 1214 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	December 11, 2018	1,249.76	9.40% p.a.	April 8, 2022	Redeemable at par at end of 1214 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	December 11, 2018	149.97	9.40% p.a.	April 8, 2022	Redeemable at par at end of 1214 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	December 27, 2018	6,248.82	9.15% p.a.	April 8, 2022	Redeemable at par at end of 1198 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	January 7, 2019	2,124.60	8.90% p.a.	April 8, 2022	Redeemable at par at end of 1187 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	January 7, 2019	1,249.76	8.90% p.a.	April 8, 2022	Redeemable at par at end of 1187 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	January 7, 2019	624.88	8.90% p.a.	April 8, 2022	Redeemable at par at end of 1187 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	January 25, 2019	687.37	8.90% p.a.	April 8, 2022	Redeemable at par at end of 1169 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	January 25, 2019	499.91	8.90% p.a.	April 8, 2022	Redeemable at par at end of 1169 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	January 25, 2019	2,499.53	8.90% p.a.	April 8, 2022	Redeemable at par at end of 1169 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	January 25, 2019	124.98	8.90% p.a.	April 8, 2022	Redeemable at par at end of 1169 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G5 FY 2018-19. DATE OF MATURITY 08/04/2022	10,00,000	April 25, 2019	9,373.24	8.47% p.a.	April 8, 2022	Redeemable at par at end of 1079 days from the date of allotment
8% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD L 5 FY 2016-17. DATE OF MATURITY 24/03/2022	10,00,000	March 24, 2017	14,023.17	8.00% p.a.	March 24, 2022	Redeemable at par at end of 1826 days from the date of allotment
8% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD L 4 FY 2016-17. DATE OF MATURITY 18/03/2022	10,00,000	March 20, 2017	20,052.27	8.00% p.a.	March 18, 2022	Redeemable at par at end of 1824 days from the date of allotment

SINGHI & CO. * Chartered Accountants *

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2021

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
9.4750% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G8 FY 2018-19. DATE OF MATURITY 18/03/2022	10,00,000	October 31, 2018	501.82	9.50% p.a.	March 18, 2022	Redeemable at par at end of 1234 days from the date of allotment
9.4750% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G8 FY 2018-19. DATE OF MATURITY 18/03/2022	10,00,000	October 31, 2018	10,036.34	9.50% p.a.	March 18, 2022	Redeemable at par at end of 1234 days from the date of allotment
9.4750% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G8 FY 2018-19. DATE OF MATURITY 18/03/2022	10,00,000	October 31, 2018	1,003.63	9.50% p.a.	March 18, 2022	Redeemable at par at end of 1234 days from the date of allotment
8% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD L 3 FY 2016-17. DATE OF MATURITY 10/03/2022	10,00,000	March 10, 2017	25,116.23	8.00% p.a.	March 10, 2022	Redeemable at par at end of 1826 days from the date of allotment
7.7937% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD I FY 2017-18. DATE OF MATURITY 28/02/2022	10,00,000	December 28, 2017	25,166.24	7.80% p.a.	February 28, 2022	Redeemable at par at end of 1523 days from the date of allotment
9.15% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD AK FY 2014-15. DATE OF MATURITY 13/01/2022	10,00,000	January 13, 2015	1,016.95	9.15% p.a.	January 13, 2022	Redeemable at par at end of 2557 days from the date of allotment
9.15% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD AK FY 2014-15. DATE OF MATURITY 13/01/2022	10,00,000	December 11, 2018	6,101.70	9.40% p.a.	January 13, 2022	Redeemable at par at end of 1129 days from the date of allotment
9.15% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD AK FY 2014-15. DATE OF MATURITY 13/01/2022	10,00,000	December 11, 2018	5,084.75	9.40% p.a.	January 13, 2022	Redeemable at par at end of 1129 days from the date of allotment
9.15% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD AK FY 2014-15. DATE OF MATURITY 13/01/2022	10,00,000	December 11, 2018	508.47	9.40% p.a.	January 13, 2022	Redeemable at par at end of 1129 days from the date of allotment
9.15% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD AK FY 2014-15. DATE OF MATURITY 13/01/2022	10,00,000	December 11, 2018	15,254.24	9.40% p.a.	January 13, 2022	Redeemable at par at end of 1129 days from the date of allotment
9.15% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD AK FY 2014-15. DATE OF MATURITY 13/01/2022	10,00,000	December 11, 2018	1,525.42	9.40% p.a.	January 13, 2022	Redeemable at par at end of 1129 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021	10,00,000	October 26, 2018	623.47	9.50% p.a.	October 12, 2021	Redeemable at par at end of 1082 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021	10,00,000	October 26, 2018	623.47	9.50% p.a.	October 12, 2021	Redeemable at par at end of 1082 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021	10,00,000	October 26, 2018	586.06	9.50% p.a.	October 12, 2021	Redeemable at par at end of 1082 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021	10,00,000	October 26, 2018	498.78	9.50% p.a.	October 12, 2021	Redeemable at par at end of 1082 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021	10,00,000	October 26, 2018	374.08	9.50% p.a.	October 12, 2021	Redeemable at par at end of 1082 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021	10,00,000	October 26, 2018	324.21	9.50% p.a.	October 12, 2021	Redeemable at par at end of 1082 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021	10,00,000	October 26, 2018	299.27	9.50% p.a.	October 12, 2021	Redeemable at par at end of 1082 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021	10,00,000	October 26, 2018	249.39	9.50% p.a.	October 12, 2021	Redeemable at par at end of 1082 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021	10,00,000	October 26, 2018	1,621.03	9.50% p.a.	October 12, 2021	Redeemable at par at end of 1082 days from the date of allotment

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2021

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021	10,00,000	October 26, 2018	1,496.34	9.50% p.a.	October 12, 2021	Redeemable at par at end of 1082 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021	10,00,000	October 26, 2018	1,246.95	9.50% p.a.	October 12, 2021	Redeemable at par at end of 1082 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021	10,00,000	October 26, 2018	187.04	9.50% p.a.	October 12, 2021	Redeemable at par at end of 1082 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G4 FY 2018-19. DATE OF MATURITY 12/10/2021	10,00,000	October 26, 2018	124.69	9.50% p.a.	October 12, 2021	Redeemable at par at end of 1082 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C3 FY 2018-19. DATE OF MATURITY 24/09/2021	10,00,000	June 26, 2018	2,668.74	8.91% p.a.	September 24, 2021	Redeemable at par at end of 1186 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C3 FY 2018-19. DATE OF MATURITY 24/09/2021	10,00,000	July 6, 2018	3,202.48	8.91% p.a.	September 24, 2021	Redeemable at par at end of 1176 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C3 FY 2018-19. DATE OF MATURITY 24/09/2021	10,00,000	July 6, 2018	2,668.74	8.91% p.a.	September 24, 2021	Redeemable at par at end of 1176 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C3 FY 2018-19. DATE OF MATURITY 24/09/2021	10,00,000	August 9, 2018	3,202.48	8.81% p.a.	September 24, 2021	Redeemable at par at end of 1142 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C3 FY 2018-19. DATE OF MATURITY 24/09/2021	10,00,000	August 9, 2018	2,134.99	8.81% p.a.	September 24, 2021	Redeemable at par at end of 1142 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C3 FY 2018-19. DATE OF MATURITY 24/09/2021	10,00,000	September 4, 2018	16,012.42	8.81% p.a.	September 24, 2021	Redeemable at par at end of 1116 days from the date of allotment
8.90% SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C3 FY 2018-19. DATE OF MATURITY 24/09/2021	10,00,000	September 4, 2018	5,337.47	8.81% p.a.	September 24, 2021	Redeemable at par at end of 1116 days from the date of allotment
8.90% XIRR SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD X3 FY 2015-16. DATE OF MATURITY 23/08/2021	10,00,000	March 9, 2016	308.02	8.90% p.a.	August 23, 2021	Redeemable at par at end of 1993 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G7 FY 2018-19. DATE OF MATURITY 16/08/2021	10,00,000	October 31, 2018	5,604.48	9.50% p.a.	August 16, 2021	Redeemable at par at end of 1020 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD G7 FY 2018-19. DATE OF MATURITY 16/08/2021	10,00,000	October 31, 2018	12,454.41	9.50% p.a.	August 16, 2021	Redeemable at par at end of 1020 days from the date of allotment
8.81% XIRR SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E1 FY 2018-19. DATE OF MATURITY 26/07/2021	10,00,000	August 3, 2018	1,064.25	8.81% p.a.	July 26, 2021	Redeemable at par at end of 1088 days from the date of allotment
8.81% XIRR SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E1 FY 2018-19. DATE OF MATURITY 26/07/2021	10,00,000	August 3, 2018	813.84	8.81% p.a.	July 26, 2021	Redeemable at par at end of 1088 days from the date of allotment
8.81% XIRR SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E1 FY 2018-19. DATE OF MATURITY 26/07/2021	10,00,000	August 3, 2018	3,130.16	8.81% p.a.	July 26, 2021	Redeemable at par at end of 1088 days from the date of allotment
8.81% XIRR SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E1 FY 2018-19. DATE OF MATURITY 26/07/2021	10,00,000	August 3, 2018	2,754.54	8.81% p.a.	July 26, 2021	Redeemable at par at end of 1088 days from the date of allotment
8.81% XIRR SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD E1 FY 2018-19. DATE OF MATURITY 26/07/2021	10,00,000	August 3, 2018	1,752.89	8.81% p.a.	July 26, 2021	Redeemable at par at end of 1088 days from the date of allotment
8.90% XIRR SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD X2 FY 2015-16. DATE OF MATURITY 23/07/2021	10,00,000	March 9, 2016	539.04	8.90% p.a.	July 23, 2021	Redeemable at par at end of 1962 days from the date of allotment
T-BILL LINKED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D1 FY 2018-19. DATE OF MATURITY 20/07/2021	10,00,000	July 20, 2018	10,594.34	8.58% p.a.	July 20, 2021	Redeemable at par at end of 1096 days from the date of allotment

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2021

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
T-BILL LINKED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD D1 FY 2018-19. DATE OF MATURITY 20/07/2021	10,00,000	July 20, 2018	16,950.95	8.58% p.a.	July 20, 2021	Redeemable at par at end of 1096 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C2 FY 2018-19. DATE OF MATURITY 25/06/2021	10,00,000	June 26, 2018	44,312.33	8.90% p.a.	June 25, 2021	Redeemable at par at end of 1095 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C2 FY 2018-19. DATE OF MATURITY 25/06/2021	10,00,000	June 26, 2018	12,660.67	8.90% p.a.	June 25, 2021	Redeemable at par at end of 1095 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C2 FY 2018-19. DATE OF MATURITY 25/06/2021	10,00,000	July 6, 2018	2,342.22	8.90% p.a.	June 25, 2021	Redeemable at par at end of 1085 days from the date of allotment
8.75% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C4 FY 2016-17. DATE OF MATURITY 24/06/2021	10,00,000	June 24, 2016	5,333.54	8.75% p.a.	June 24, 2021	Redeemable at par at end of 1826 days from the date of allotment
8.70% XIRR SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD U2 FY 2015-16. DATE OF MATURITY 10/06/2021	10,00,000	January 7, 2016	2,321.48	8.71% p.a.	June 10, 2021	Redeemable at par at end of 1981 days from the date of allotment
8.67% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C1 FY 2016-17. DATE OF MATURITY 02/06/2021	10,00,000	June 2, 2016	535.99	8.67% p.a.	June 2, 2021	Redeemable at par at end of 1826 days from the date of allotment
8.67% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD C1 FY 2016-17. DATE OF MATURITY 02/06/2021	10,00,000	June 12, 2019	1,071.99	8.10% p.a.	June 2, 2021	Redeemable at par at end of 721 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021	10,00,000	May 18, 2018	50,635.05	8.55% p.a.	May 18, 2021	Redeemable at par at end of 1096 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021	10,00,000	September 7, 2018	860.80	8.75% p.a.	May 18, 2021	Redeemable at par at end of 984 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021	10,00,000	September 7, 2018	734.71	8.75% p.a.	May 18, 2021	Redeemable at par at end of 984 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021	10,00,000	September 7, 2018	430.40	8.75% p.a.	May 18, 2021	Redeemable at par at end of 984 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021	10,00,000	September 7, 2018	367.10	8.75% p.a.	May 18, 2021	Redeemable at par at end of 984 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021	10,00,000	September 7, 2018	303.81	8.75% p.a.	May 18, 2021	Redeemable at par at end of 984 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021	10,00,000	September 7, 2018	1,734.25	8.75% p.a.	May 18, 2021	Redeemable at par at end of 984 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021	10,00,000	September 7, 2018	240.52	8.75% p.a.	May 18, 2021	Redeemable at par at end of 984 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021	10,00,000	September 7, 2018	240.52	8.75% p.a.	May 18, 2021	Redeemable at par at end of 984 days from the date of allotment
ZERO COUPON SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B1 FY 2018-19. DATE OF MATURITY 18/05/2021	10,00,000	September 7, 2018	177.22	8.75% p.a.	May 18, 2021	Redeemable at par at end of 984 days from the date of allotment
8.75% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B4 FY 2016-17. DATE OF MATURITY 06/05/2021	10,00,000	May 6, 2016	1,078.96	8.75% p.a.	May 6, 2021	Redeemable at par at end of 1826 days from the date of allotment
8.75% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B4 FY 2016-17. DATE OF MATURITY 06/05/2021	10,00,000	May 6, 2016	1,078.96	8.75% p.a.	May 6, 2021	Redeemable at par at end of 1826 days from the date of allotment
8.75% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B4 FY 2016-17. DATE OF MATURITY 06/05/2021	10,00,000	May 6, 2016	431.58	8.75% p.a.	May 6, 2021	Redeemable at par at end of 1826 days from the date of allotment
8.75% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B4 FY 2016-17. DATE OF MATURITY 06/05/2021	10,00,000	May 6, 2016	1,618.44	8.75% p.a.	May 6, 2021	Redeemable at par at end of 1826 days from the date of allotment
8.75% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B4 FY 2016-17. DATE OF MATURITY 06/05/2021	10,00,000	May 31, 2019	10,789.59	8.45% p.a.	May 6, 2021	Redeemable at par at end of 706 days from the date of allotment

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 20(a): Redeemable non-convertible debentures (Secured) as at 31 March, 2021

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
8.75% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD B4 FY 2016-17. DATE OF MATURITY 06/05/2021	10,00,000	May 31, 2019	5,394.79	8.45% p.a.	May 6, 2021	Redeemable at par at end of 706 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD K1 FY 2018-19. MATURITY DATE - 04/05/2021	10,00,000	February 14, 2019	5,972.76	8.70% p.a.	May 4, 2021	Redeemable at par at end of 810 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD K1 FY 2018-19. MATURITY DATE - 04/05/2021	10,00,000	April 26, 2019	1,791.83	8.15% p.a.	May 4, 2021	Redeemable at par at end of 739 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD K1 FY 2018-19. MATURITY DATE - 04/05/2021	10,00,000	April 26, 2019	597.28	8.15% p.a.	May 4, 2021	Redeemable at par at end of 739 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD K1 FY 2018-19. MATURITY DATE - 04/05/2021	10,00,000	April 26, 2019	597.28	8.15% p.a.	May 4, 2021	Redeemable at par at end of 739 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD K1 FY 2018-19. MATURITY DATE - 04/05/2021	10,00,000	April 26, 2019	1,314.01	8.15% p.a.	May 4, 2021	Redeemable at par at end of 739 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD K1 FY 2018-19. MATURITY DATE - 04/05/2021	10,00,000	April 26, 2019	238.91	8.15% p.a.	May 4, 2021	Redeemable at par at end of 739 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD K1 FY 2018-19. MATURITY DATE - 04/05/2021	10,00,000	May 16, 2019	1,564.86	8.15% p.a.	May 4, 2021	Redeemable at par at end of 719 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD K1 FY 2018-19. MATURITY DATE - 04/05/2021	10,00,000	May 16, 2019	1,194.55	8.15% p.a.	May 4, 2021	Redeemable at par at end of 719 days from the date of allotment
10 YEAR G-SEC LINKED PRINCIPAL PROTECTED SECURED RATED LISTED REDEEMABLE NON CONVERTIBLE DEBENTURE. SERIES PPMLD K1 FY 2018-19. MATURITY DATE - 04/05/2021	10,00,000	May 16, 2019	119.46	8.15% p.a.	May 4, 2021	Redeemable at par at end of 719 days from the date of allotment
8.70% SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES. SERIES ABFL NCD A3 FY 2016-17. DATE OF MATURITY 12/04/2021	10,00,000	April 12, 2016	1,084.23	8.70% p.a.	April 9, 2021	Redeemable at par at end of 1823 days from the date of allotment
Total			**13,32,116.41**			

Note 20(b): Redeemable non-convertible debentures (Unsecured) as on 31 March, 2021

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
7.57% UNSECURED RATED LISTED REDEEMABLE NON CONVERTIBLE PARTLY PAID DEBENTURES. SERIES ABFL NCD 'EP1' FY 2020-21. DATE OF MATURITY 03/08/2035	1,60,000	August 6, 2020	5,821.46	7.57% p.a.	August 3, 2035	Redeemable at par at end of 5475 days from the date of allotment

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 20(c): Commercial papers (Unsecured) as at 31 March, 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL/2021-22/CP201	5,00,000	14 February, 2022	19,153.81	5.10%	10 February, 2023	Redeemable at par at end of 361 days from the date of allotment
ABFL/2021-22/CP196	5,00,000	07 January, 2022	9,636.28	4.91%	06 January, 2023	Redeemable at par at end of 364 days from the date of allotment
ABFL/2021-22/CP195	5,00,000	04 January, 2022	19,280.35	4.91%	03 January, 2023	Redeemable at par at end of 364 days from the date of allotment
ABFL/2021-22/CP204	5,00,000	18 February, 2022	2,410.77	4.97%	27 December, 2022	Redeemable at par at end of 312 days from the date of allotment
ABFL/2021-22/CP169	5,00,000	16 December, 2021	14,507.95	4.85%	12 December, 2022	Redeemable at par at end of 361 days from the date of allotment
ABFL/2021-22/CP204	5,00,000	18 February, 2022	14,540.01	4.97%	18 November, 2022	Redeemable at par at end of 273 days from the date of allotment
ABFL/2021-22/CP092	5,00,000	26 October, 2021	19,511.90	4.50%	21 October, 2022	Redeemable at par at end of 360 days from the date of allotment
ABFL/2021-22/CP041	5,00,000	12 July, 2021	4,942.40	4.40%	07 July, 2022	Redeemable at par at end of 360 days from the date of allotment
ABFL/2021-22/CP208	5,00,000	15 March, 2022	32,206.78	4.40%	14 June, 2022	Redeemable at par at end of 91 days from the date of allotment
ABFL/2021-22/CP206	5,00,000	24 February, 2022	54,678.17	4.27%	20 May, 2022	Redeemable at par at end of 85 days from the date of allotment
ABFL/2021-22/CP201	5,00,000	14 February, 2022	59,719.04	4.28%	10 May, 2022	Redeemable at par at end of 85 days from the date of allotment
ABFL/2021-22/CP168	5,00,000	07 December, 2021	62,941.52	4.25%	08 April, 2022	Redeemable at par at end of 122 days from the date of allotment
Total			**3,13,528.98**			

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 20(c): Commercial papers (Unsecured) as at 31 March, 2021

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL/2020-21/CP141	5,00,000	24 March, 2021	4,782.96	4.70%	18 March, 2022	Redeemable at par at end of 359 days from the date of allotment
ABFL/2020-21/CP142	5,00,000	30 March, 2021	4,793.83	4.45%	18 March, 2022	Redeemable at par at end of 353 days from the date of allotment
ABFL/2020-21/CP143	5,00,000	31 March, 2021	4,793.80	4.45%	18 March, 2022	Redeemable at par at end of 352 days from the date of allotment
ABFL/2020-21/CP100	5,00,000	23 February, 2021	9,661.75	4.65%	31 December, 2021	Redeemable at par at end of 311 days from the date of allotment
ABFL/2020-21/CP101	5,00,000	23 February, 2021	4,830.87	4.65%	31 December, 2021	Redeemable at par at end of 311 days from the date of allotment
ABFL/2020-21/CP073	5,00,000	22 December, 2020	4,854.58	4.22%	17 December, 2021	Redeemable at par at end of 360 days from the date of allotment
ABFL/2020-21/CP074	5,00,000	22 December, 2020	4,854.58	4.22%	17 December, 2021	Redeemable at par at end of 360 days from the date of allotment
ABFL/2020-21/CP019	5,00,000	09 September, 2020	19,605.00	4.67%	08 September, 2021	Redeemable at par at end of 364 days from the date of allotment
ABFL/2020-21/CP010	5,00,000	10 July, 2020	49,574.33	4.99%	04 June, 2021	Redeemable at par at end of 329 days from the date of allotment
ABFL/2020-21/CP009	5,00,000	29 May, 2020	24,780.20	5.80%	28 May, 2021	Redeemable at par at end of 364 days from the date of allotment
ABFL/2020-21/CP097	5,00,000	16 February, 2021	49,772.33	3.78%	14 May, 2021	Redeemable at par at end of 87 days from the date of allotment
ABFL/2020-21/CP098	5,00,000	16 February, 2021	4,977.23	3.78%	14 May, 2021	Redeemable at par at end of 87 days from the date of allotment
ABFL/2020-21/CP099	5,00,000	17 February, 2021	24,888.47	3.70%	14 May, 2021	Redeemable at par at end of 86 days from the date of allotment
ABFL/2020-21/CP053	5,00,000	19 November, 2020	12,959.84	3.81%	30 April, 2021	Redeemable at par at end of 162 days from the date of allotment
ABFL/2020-21/CP054	5,00,000	19 November, 2020	4,984.55	3.81%	30 April, 2021	Redeemable at par at end of 162 days from the date of allotment
ABFL/2020-21/CP076	5,00,000	22 January, 2021	24,942.21	3.85%	22 April, 2021	Redeemable at par at end of 90 days from the date of allotment
ABFL/2020-21/CP077	5,00,000	22 January, 2021	24,942.21	3.85%	22 April, 2021	Redeemable at par at end of 90 days from the date of allotment
ABFL/2020-21/CP075	5,00,000	15 January, 2021	39,938.43	3.75%	15 April, 2021	Redeemable at par at end of 90 days from the date of allotment
Total			**3,19,937.17**			

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 21: Borrowings other than debt securities

Particulars	As at 31 March, 2022				As at 31 March, 2021			
	Amortised cost	At fair value through profit and loss account	Designated at fair value through profit and loss account	Total	Amortised cost	At fair value through profit and loss account	Designated at fair value through profit and loss account	Total
Term Loan from Banks (Secured)	21,00,005.16	-	-	21,00,005.16	17,57,030.47	-	-	17,57,030.47
Cash Credit from Banks (Secured)	26,262.23	-	-	26,262.23	-	-	-	-
External Commercial Borrowings from foreign banks (secured)	2,41,699.63	-	-	2,41,699.63	2,48,525.21	-	-	2,48,525.21
Book Overdraft	1,84,848.14	-	-	1,84,848.14	1,36,392.15	-	-	1,36,392.15
Working Capital Demand Loan from Bank (Secured)	2,18,899.88	-	-	2,18,899.88	1,03,512.25	-	-	1,03,512.25
Total	**27,71,715.04**	-	-	**27,71,715.04**	**22,45,460.08**	-	-	**22,45,460.08**
Borrowings in India	25,30,015.41	-	-	25,30,015.41	19,96,934.87	-	-	19,96,934.87
Borrowings outside India	2,41,699.63	-	-	2,41,699.63	2,48,525.21	-	-	2,48,525.21
Total	**27,71,715.04**	-	-	**27,71,715.04**	**22,45,460.08**	-	-	**22,45,460.08**

Note:

1. The above figures are including interest accrued but not due on borrowings.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 21(a): Term Loan from Banks as at 31 March, 2022 : Secured

Repayment Term	Tenure	Interest Range	Amount
Bullet	Up to 5 years	Up to 7.00%	1,48,840.16
		7.01% - 8.00%	1,67,378.68
Annually	Up to 5 years	Up to 7.00%	2,81,570.31
		7.01% - 8.00%	1,23,888.39
Half Yearly	Up to 5 years	Up to 7.00%	3,01,658.18
		7.01% - 8.00%	3,42,180.96
	Above 5 Years	Up to 7.00%	1,22,735.57
Quarterly	Up to 5 years	Up to 7.00%	4,26,022.84
		7.01% - 8.00%	94,294.29
	Above 5 Years	7.01% - 8.00%	14,163.32
Monthly	Up to 5 years	Up to 7.00%	77,272.46
Total			**21,00,005.16**

Nature of Security: Term Loan from Bank is secured by hypothecation of receivables .

Note 21(b): External Commercial Borrowings as at 31 March, 2022 : Secured

Repayment Term	Tenure	Interest Range	Amount
Bullet	Up to 5 years	Up to 7.00%	22,741.50
		7.01% - 8.00%	1,17,554.55
	Above 5 Years	Up to 7.00%	1,01,403.58
Total			**2,41,699.63**

Nature of Security: External Commercial Borrowings Loan is secured by hypothecation of receivables.

Note 21(c): Loan repayable on Demand from Banks as at 31 March, 2022: Secured

Nature	Repayment Term	Tenure	Interest Range	Amount
Working Capital Demand Loan	Bullet	Up to 5 years	Upto 7.00%	2,18,899.88
Cash Credit	Bullet	Up to 5 years	7.01% - 8.00%	26,262.23
Total				**2,45,162.11**

Nature of Security: Loan repayable on demand from Bank is secured by hypothecation of receivables.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 21(a): Term Loan from Banks as at 31 March, 2021 : Secured

Repayment Term	Tenure	Interest Range	Amount
Bullet	Up to 5 years	Up to 7.00%	1,02,890.61
		7.01% - 8.00%	2,98,243.66
Annually	Up to 5 years	Up to 7.00%	10,071.36
		7.01% - 8.00%	3,61,583.08
Half Yearly	Up to 5 years	Up to 7.00%	25,114.25
	Above 5 Years	Up to 7.00%	50,000.00
		7.01% - 8.00%	3,67,201.33
Quarterly	Up to 5 years	Up to 7.00%	1,40,284.32
		7.01% - 8.00%	3,31,914.41
Monthly	Up to 5 years	Up to 7.00%	69,727.45
Total			**17,57,030.47**

Nature of Security: Term Loan from Bank is secured by hypothecation of receivables.

Note 21(b): External Commercial Borrowings as at 31 March, 2021 : Secured

Repayment Term	Tenure	Interest Range	Amount
Bullet	Up to 5 years	Up to 7.00%	21,937.15
		7.01% - 8.00%	1,25,179.58
	Above 5 Years	Up to 7.00%	1,01,408.48
Total			**2,48,525.21**

Nature of Security: External Commercial Borrowings Loan is secured by hypothecation of receivables.

Note 21(c): Loan repayable on Demand from Banks as at 31 March, 2021: Secured

Nature	Repayment Term	Tenure	Interest Range	Amount
Working Capital Demand Loan	Bullet	Up to 5 years	Up to 7.00%	89,010.31
			7.01% - 8.00%	14,501.94
Total				**1,03,512.25**

Nature of Security: Loan repayable on demand from Bank is secured by hypothecation of receivables.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 22: Subordinated liabilities

Particulars	As at 31 March, 2022				As at 31 March, 2021			
	Amortised cost	At fair value through profit and loss account	Designated at fair value through profit and loss account	Total	Amortised cost	At fair value through profit and loss account	Designated at fair value through profit and loss account	Total
Perpetual debt instruments to the extent they do not qualify as equity instruments (Unsecured) (Refer Note 22(a))								
(i) from banks	-	-	-	-	-	-	-	-
(ii) from other parties	21,111.98	-	-	21,111.98	21,116.57	-	-	21,116.57
Subordinate debt (Unsecured) (Refer Note 22(b))	2,27,622.01	-	-	2,27,622.01	1,97,066.69	-	-	1,97,066.69
Total	**2,48,733.99**	-	-	**2,48,733.99**	**2,18,183.26**	-	-	**2,18,183.26**
Subordinate liabilities in India	2,48,733.99	-	-	2,48,733.99	2,18,183.26	-	-	2,18,183.26
Subordinate liabilities outside India	-	-	-	-	-	-	-	-
Total	**2,48,733.99**	-	-	**2,48,733.99**	**2,18,183.26**	-	-	**2,18,183.26**

Note:
1. The above figures are including interest accrued but not due on borrowings.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 22(a): Perpetual debt instruments as at 31 March, 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL Perpetual 'PD1' FY2017-18	10,00,000.00	July 21, 2017	21,111.98	8.70% p.a.	July 21, 2027	Redeemable at par at end of 3652 days from the date of allotment

Note 22(b): Subordinate debt (Unsecured) as at 31 March, 2022

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL Sub debt NCD Series 'S11' FY2021-22	1,00,00,000.00	December 6, 2021	3,516.51	7.43% p.a.	December 5, 2031	Redeemable at par at end of 3651 days from the date of allotment
ABFL Sub debt NCD Series 'S11' FY2021-22	1,00,00,000.00	February 28, 2022	21,099.06	7.43% p.a.	December 5, 2031	Redeemable at par at end of 3567 days from the date of allotment
ABFL Sub Debt Series 'SC 1' FY 20-21	10,00,000.00	June 11, 2021	7,899.19	7.3400% p.a.	June 11, 2031	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub debt Series 'SI 1' FY 20-21	10,00,000.00	December 29, 2020	8,108.50	7.4300% p.a.	December 27, 2030	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	10,00,000.00	June 6, 2019	21,526.55	8.95% p.a.	June 6, 2029	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	10,00,000.00	December 30, 2019	10,763.27	8.95% p.a.	June 6, 2029	Redeemable at par at end of 3446 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	10,00,000.00	February 13, 2020	5,381.64	8.95% p.a.	June 6, 2029	Redeemable at par at end of 3401 days from the date of allotment
ABFL Sub Debt Series 'SI1' FY 2018-19	10,00,000.00	December 4, 2018	25,681.34	9.76% p.a.	December 4, 2028	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'SB1' FY 2017-18	10,00,000.00	May 18, 2017	17,645.00	8.50% p.a.	May 18, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SL1' FY 2016-17	10,00,000.00	March 9, 2017	1,000.30	8.25% p.a.	March 9, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SH1' FY 2016-17	10,00,000.00	November 21, 2016	20,545.15	8.90% p.a.	November 20, 2026	Redeemable at par at end of 3651 days from the date of allotment
ABFL Sub Debt Series 'SF1' FY 2016-17	10,00,000.00	September 29, 2016	20,803.39	8.90% p.a.	September 29, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD1' FY 2016-17	10,00,000.00	July 28, 2016	10,574.49	8.97% p.a.	July 28, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD2' FY 2016-17	10,00,000.00	July 28, 2016	7,919.72	8.95% p.a.	July 28, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2016-17	10,00,000.00	June 23, 2016	5,599.55	9.10% p.a.	June 23, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'E1' FY 2015-16	10,00,000.00	March 10, 2016	803.17	9.10% p.a.	March 10, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'F1' FY 2015-16	10,00,000.00	March 18, 2016	2,551.40	9.10% p.a.	March 10, 2026	Redeemable at par at end of 3644 days from the date of allotment
ABFL Sub Debt Series 'D1' FY 2015-16	10,00,000.00	March 8, 2016	2,507.29	9.10% p.a.	March 6, 2026	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'C1' FY 2015-16	10,00,000.00	August 25, 2015	3,473.06	9.25% p.a.	August 22, 2025	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'B1' FY 2015-16	10,00,000.00	July 14, 2015	3,188.75	9.25% p.a.	July 11, 2025	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'A1' FY 2015-16	10,00,000.00	June 17, 2015	2,678.76	9.25% p.a.	June 6, 2025	Redeemable at par at end of 3642 days from the date of allotment
ABFL Sub Debt Series 'B' FY 2014-15	10,00,000.00	January 9, 2015	4,584.67	9.45% p.a.	January 9, 2025	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'A' FY 2014-15	10,00,000.00	December 12, 2014	5,133.94	9.75% p.a.	December 12, 2024	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series '1' FY 2013-14	10,00,000.00	June 4, 2013	10,795.08	9.85% p.a.	June 2, 2023	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series '1' FY 2011-12	10,00,000.00	February 22, 2012	1,117.72	10.60% p.a.	May 20, 2022	Redeemable at par at end of 3740 days from the date of allotment
ABFL Sub Debt Series '1' FY 2012-13	10,00,000.00	May 25, 2012	2,724.51	10.50% p.a.	May 20, 2022	Redeemable at par at end of 3647 days from the date of allotment
Total			**2,27,622.01**			

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 22(a): Perpetual debt instruments as at 31 March, 2021

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL Perpetual 'PD1' FY2017-18	10,00,000.00	July 21, 2017	21,116.57	8.70% p.a.	July 21, 2027	Redeemable at par at end of 3652 days from the date of allotment

Note 22(b): Subordinate debt (Unsecured) as at 31 March, 2021

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL Sub Debt Series 'SC1' FY 2019-20	10,00,000.00	June 6, 2019	21,527.99	8.95% p.a.	June 6, 2029	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	10,00,000.00	December 30, 2019	10,764.00	8.95% p.a.	June 6, 2029	Redeemable at par at end of 3446 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2019-20	10,00,000.00	February 13, 2020	5,382.00	8.95% p.a.	June 6, 2029	Redeemable at par at end of 3401 days from the date of allotment
ABFL Sub Debt Series 'SI1' FY 2018-19	10,00,000.00	December 4, 2018	5,106.62	9.76% p.a.	December 4, 2028	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'SI1' FY 2018-19	10,00,000.00	December 4, 2018	17,600.87	9.76% p.a.	December 4, 2028	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'SI1' FY 2018-19	10,00,000.00	December 4, 2018	1,541.23	9.76% p.a.	December 4, 2028	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'SI1' FY 2018-19	10,00,000.00	December 4, 2018	1,438.48	9.76% p.a.	December 4, 2028	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'SB1' FY 2017-18	10,00,000.00	May 18, 2017	3,529.87	8.5% p.a.	May 18, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SB1' FY 2017-18	10,00,000.00	May 18, 2017	534.83	8.5% p.a.	May 18, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SB1' FY 2017-18	10,00,000.00	May 18, 2017	534.83	8.5% p.a.	May 18, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SB1' FY 2017-18	10,00,000.00	May 18, 2017	5,348.29	8.5% p.a.	May 18, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SB1' FY 2017-18	10,00,000.00	May 18, 2017	2,674.14	8.5% p.a.	May 18, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SB1' FY 2017-18	10,00,000.00	May 18, 2017	4,492.56	8.5% p.a.	May 18, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SB1' FY 2017-18	10,00,000.00	May 18, 2017	534.83	8.5% p.a.	May 18, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SL1' FY 2016-17	10,00,000.00	March 9, 2017	1,000.53	8.25% p.a.	March 9, 2027	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SH1' FY 2016-17	10,00,000.00	November 21, 2016	20,550.91	8.9% p.a.	November 20, 2026	Redeemable at par at end of 3651 days from the date of allotment
ABFL Sub Debt Series 'SF1' FY 2016-17	10,00,000.00	September 29, 2016	20,809.60	8.9% p.a.	September 29, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD1' FY 2016-17	10,00,000.00	July 28, 2016	5,288.78	8.97% p.a.	July 28, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD1' FY 2016-17	10,00,000.00	July 28, 2016	3,702.15	8.97% p.a.	July 28, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD1' FY 2016-17	10,00,000.00	July 28, 2016	1,586.63	8.97% p.a.	July 28, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD2' FY 2016-17	10,00,000.00	July 28, 2016	1,056.29	8.95% p.a.	July 28, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD2' FY 2016-17	10,00,000.00	July 28, 2016	1,584.44	8.95% p.a.	July 28, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SD2' FY 2016-17	10,00,000.00	July 28, 2016	5,281.45	8.95% p.a.	July 28, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2016-17	10,00,000.00	June 23, 2016	2,667.29	9.1% p.a.	June 23, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2016-17	10,00,000.00	June 23, 2016	2,667.29	9.1% p.a.	June 23, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2016-17	10,00,000.00	June 23, 2016	160.04	9.1% p.a.	June 23, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'SC1' FY 2016-17	10,00,000.00	June 23, 2016	106.69	9.1% p.a.	June 23, 2026	Redeemable at par at end of 3652 days from the date of allotment
ABFL Sub Debt Series 'E1' FY 2015-16	10,00,000.00	March 10, 2016	803.40	9.1% p.a.	March 10, 2026	Redeemable at par at end of 3652 days from the date of allotment

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 22(b): Subordinate debt (Unsecured) as at 31 March, 2021

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL Sub Debt Series 'F1' FY 2015-16	10,00,000.00	March 18, 2016	1,701.43	9.1% p.a.	March 10, 2026	Redeemable at par at end of 3644 days from the date of allotment
ABFL Sub Debt Series 'F1' FY 2015-16	10,00,000.00	March 18, 2016	200.17	9.1% p.a.	March 10, 2026	Redeemable at par at end of 3644 days from the date of allotment
ABFL Sub Debt Series 'F1' FY 2015-16	10,00,000.00	March 18, 2016	100.08	9.1% p.a.	March 10, 2026	Redeemable at par at end of 3644 days from the date of allotment
ABFL Sub Debt Series 'F1' FY 2015-16	10,00,000.00	March 18, 2016	350.29	9.1% p.a.	March 10, 2026	Redeemable at par at end of 3644 days from the date of allotment
ABFL Sub Debt Series 'F1' FY 2015-16	10,00,000.00	March 18, 2016	200.17	9.1% p.a.	March 10, 2026	Redeemable at par at end of 3644 days from the date of allotment
ABFL Sub Debt Series 'D1' FY 2015-16	10,00,000.00	March 8, 2016	1,003.26	9.1% p.a.	March 6, 2026	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'D1' FY 2015-16	10,00,000.00	March 8, 2016	1,003.26	9.1% p.a.	March 6, 2026	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'D1' FY 2015-16	10,00,000.00	March 8, 2016	501.63	9.1% p.a.	March 6, 2026	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'C1' FY 2015-16	10,00,000.00	August 25, 2015	842.14	9.25% p.a.	August 22, 2025	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'C1' FY 2015-16	10,00,000.00	August 25, 2015	315.80	9.25% p.a.	August 22, 2025	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'C1' FY 2015-16	10,00,000.00	August 25, 2015	2,315.89	9.25% p.a.	August 22, 2025	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'B1' FY 2015-16	10,00,000.00	July 14, 2015	3,189.48	9.25% p.a.	July 11, 2025	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series 'A1' FY 2015-16	10,00,000.00	June 17, 2015	1,071.34	9.25% p.a.	June 6, 2025	Redeemable at par at end of 3642 days from the date of allotment
ABFL Sub Debt Series 'A1' FY 2015-16	10,00,000.00	June 17, 2015	535.67	9.25% p.a.	June 6, 2025	Redeemable at par at end of 3642 days from the date of allotment
ABFL Sub Debt Series 'A1' FY 2015-16	10,00,000.00	June 17, 2015	1,071.34	9.25% p.a.	June 6, 2025	Redeemable at par at end of 3642 days from the date of allotment
ABFL Sub Debt Series 'B' FY 2014-15	10,00,000.00	January 9, 2015	3,565.98	9.45% p.a.	January 9, 2025	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'B' FY 2014-15	10,00,000.00	January 9, 2015	1,018.85	9.45% p.a.	January 9, 2025	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'A' FY 2014-15	10,00,000.00	December 12, 2014	4,620.79	9.75% p.a.	December 12, 2024	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series 'A' FY 2014-15	10,00,000.00	December 12, 2014	513.42	9.75% p.a.	December 12, 2024	Redeemable at par at end of 3653 days from the date of allotment
ABFL Sub Debt Series '1' FY 2013-14	10,00,000.00	June 4, 2013	539.77	9.85% p.a.	June 2, 2023	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series '1' FY 2013-14	10,00,000.00	June 4, 2013	539.77	9.85% p.a.	June 2, 2023	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series '1' FY 2013-14	10,00,000.00	June 4, 2013	539.77	9.85% p.a.	June 2, 2023	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series '1' FY 2013-14	10,00,000.00	June 4, 2013	647.72	9.85% p.a.	June 2, 2023	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series '1' FY 2013-14	10,00,000.00	June 4, 2013	8,528.32	9.85% p.a.	June 2, 2023	Redeemable at par at end of 3650 days from the date of allotment
ABFL Sub Debt Series '1' FY 2011-12	10,00,000.00	February 22, 2012	40.51	10.6% p.a.	May 20, 2022	Redeemable at par at end of 3740 days from the date of allotment
ABFL Sub Debt Series '1' FY 2011-12	10,00,000.00	February 22, 2012	60.77	10.6% p.a.	May 20, 2022	Redeemable at par at end of 3740 days from the date of allotment
ABFL Sub Debt Series '1' FY 2011-12	10,00,000.00	February 22, 2012	810.22	10.6% p.a.	May 20, 2022	Redeemable at par at end of 3740 days from the date of allotment
ABFL Sub Debt Series '1' FY 2011-12	10,00,000.00	February 22, 2012	101.28	10.6% p.a.	May 20, 2022	Redeemable at par at end of 3740 days from the date of allotment
ABFL Sub Debt Series '1' FY 2012-13	10,00,000.00	May 25, 2012	1,090.00	10.5% p.a.	May 20, 2022	Redeemable at par at end of 3647 days from the date of allotment
ABFL Sub Debt Series '1' FY 2012-13	10,00,000.00	May 25, 2012	1,635.00	10.5% p.a.	May 20, 2022	Redeemable at par at end of 3647 days from the date of allotment
ABFL Sub Debt Series '1' FY 2011-12	10,00,000.00	February 22, 2012	506.14	10.6% p.a.	February 15, 2022	Redeemable at par at end of 3646 days from the date of allotment
ABFL Sub Debt Series '1' FY 2011-12	10,00,000.00	February 22, 2012	1,518.41	10.6% p.a.	February 15, 2022	Redeemable at par at end of 3646 days from the date of allotment

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 22(b): Subordinate debt (Unsecured) as at 31 March, 2021

Series Details	Face Value Per Debenture	Date of Allotment	Amount	Interest Rate (%)	Date of Redemption	Redeemable Terms
ABFL SUBDEBT Series 'SI 1' FY 20-21	10,00,000.00	December 29, 2020	4,563.00	7.43% p.a.	December 29, 2021	Redeemable at par at end of 365 days from the date of allotment
ABFL SUBDEBT Series 'SI 1' FY 20-21	10,00,000.00	December 29, 2020	3,548.99	7.43% p.a.	December 29, 2021	Redeemable at par at end of 365 days from the date of allotment
Total			**1,97,066.69**			

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 23: Lease liabilities

Particulars	As at 31 March, 2022	As at 31 March, 2021
Lease liability for right to use assets	12,910.38	10,224.64
Total	**12,910.38**	**10,224.64**

Note 24: Other financial liabilities

Particulars	As at 31 March, 2022	As at 31 March, 2021
Advance from customers	17,211.02	11,031.14
Payables for salaries, bonus and other employee benefits	8,708.88	6,105.28
Other payable	21,093.39	14,021.11
Total	**47,013.29**	**31,157.53**

Note 25: Current tax liabilities (Net)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Provision for income tax (Net of advance tax ₹ 39,672.70 lakhs; 31 March, 2021 ₹ 39,704.96 lakhs)	1,513.10	1,466.63
Total	**1,513.10**	**1,466.63**

Note 26: Provisions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Employee benefit		
- Gratuity	3,217.03	3,085.29
- Provision for compensated absences	1,659.29	1,725.51
- Long term Incentive Plans (LTIP)	5,545.37	3,251.71
Total	**10,421.69**	**8,062.51**

Note 27: Other non-financial liabilities

Particulars	As at 31 March, 2022	As at 31 March, 2021
Revenue received in advance	3,640.22	2,388.10
Tax deducted at source payable	2,213.67	880.06
Goods and service tax payable	2,270.42	1,531.30
Other statutory dues payable	300.08	263.78
Total	**8,424.39**	**5,063.24**

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 28: Equity share capital

Particulars	As at 31 March, 2022	As at 31 March, 2021
Authorised		
1,270,000,000 (March 31, 2021: 1,270,000,000) equity shares of ₹ 10/- each	1,27,000.00	1,27,000.00
100,00,00,000 (March 31, 2021: 100,00,00,000) Preference Shares of Rs. 10/- each	1,00,000.00	1,00,000.00
1,00,00,000 (March 31, 2021: 1,00,00,000) 8 % Compulsory Convertible Cumulative Preference Shares of Rs. 10/- each	1,000.00	1,000.00
Total	**2,28,000.00**	**2,28,000.00**
Issued, Subscribed and fully paid up		
662,100,822 (March 31, 2021: 662,100,822) equity shares of ₹ 10/- each	66,210.08	66,210.08
Total	**66,210.08**	**66,210.08**

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

Particulars	Number	Amount
As at 1 April, 2020	66,21,00,822	66,210.08
Issued during the year	-	-
As at 31 March, 2021	**66,21,00,822**	**66,210.08**
Issued during the year	-	-
As at 31 March, 2022	**66,21,00,822**	66,210.08

Terms/ rights attached to equity shares

The Company has only one class of equity shares having a face value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the Company, the holders of equity shares will be receiving remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 28: Equity share capital (Continued)

Shares held by holding/ultimate holding company and/or their subsidiaries/associates:

Name of Share holder	As at 31 March, 2022		As at 31 March, 2021	
	Number	Amount	Number	Amount
Aditya Birla Capital Limited, holding company	66,21,00,772	66,210.08	66,21,00,772	66,210.08
	66,21,00,772	**66,210.08**	**66,21,00,772**	**66,210.08**

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

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Number	% of total paid-up equity capital	Number	% of total paid-up equity capital
Aditya Birla Capital Limited, holding company	66,21,00,772	100%	66,21,00,772	100%
Total	**66,21,00,772**	**100%**	**66,21,00,772**	**100%**

Details of Shareholding of Promoters:

Shares held by promoters at the end of the year				% Change during the year
S. No.	Promoter name	No. of Shares	%of total shares	
1	Aditya Birla Capital Limited, holding company*	66,21,00,772	100%	-
Total		**66,21,00,772**	**100%**	

*Balance shares are held by nominees on behalf of the holding Company.

NBFC's objectives, policies and processes for managing capital:
For above disclosures Refer Note 48.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 29: Other equity

Securities Premium Account	
As at 1 April, 2020	3,63,738.29
Add: Additions during the year	-
As at 31 March, 2021	**3,63,738.29**
Add: Additions during the year	-
As at 31 March, 2022	**3,63,738.29**
Special Reserve pursuant to Section 45-IC of the RBI Act, 1934	
As at 1 April, 2020	82,608.00
Add: Transferred during the year	15,376.64
As at 31 March, 2021	**97,984.64**
Add: Transferred during the year	24,366.61
As at 31 March, 2022	**1,22,351.25**
Capital Reserve	
As at 1 April, 2020	(10,452.11)
Add: Other Additions/ Deductions during the year	-
As at 31 March, 2021	**(10,452.11)**
Add: Other Additions/ Deductions during the year	-
As at 31 March, 2022	**(10,452.11)**
Capital Redemption Reserve	
As at 1 April, 2020	1,000.00
Add: Transferred during the year	-
As at 31 March, 2021	**1,000.00**
Add: Transferred during the year	-
As at 31 March, 2022	**1,000.00**
General Reserve	
As at 1 April, 2020	13,660.95
Add: Transferred during the year	-
As at 31 March, 2021	**13,660.95**
Add: Transferred during the year	-
As at 31 March, 2022	**13,660.95**
Retained Earnings	
As at 1 April, 2020	2,92,156.11
Add: Profit for the year	76,883.21
Less: Appropriations	
Re-measurement reserves on defined benefit plans	328.95
Transfer to Special Reserve	(15,376.64)
Total appropriations	(15,047.69)
As at 31 March, 2021	**3,53,991.63**
Add: Profit for the year	1,10,833.06
Less: Appropriations	
Re-measurement reserves on defined benefit plans	397.77
Dividend paid (Interim)	(10,924.66)
Transfer to Special Reserve	(24,366.61)
Total appropriations	(34,893.50)
As at 31 March, 2022	**4,29,931.19**

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Other Comprehensive Income	
As at 1 April, 2020	**(1,106.28)**
Add: Additions / (Deletions) during the year	26.46
Add: Fair Value change on derivatives designated as cash flow hedge	(1,265.72)
As at 31 March, 2021	**(2,345.54)**
Add: Additions / (Deletions) during the year	18.12
Add: Fair Value change on derivatives designated as cash flow hedge	1,929.76
As at 31 March, 2022	**(397.66)**

Total other equity

As at 1 April, 2020	7,41,604.96
As at 31 March, 2021	**8,17,577.86**
As at 31 March, 2022	**9,19,831.90**

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 30: Nature and purpose of reserve

Securities Premium Reserve: Security premium reserve is used to record the premium on the issue of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

Special Reserve: Special reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act"). Appropriation from this Reserve Fund is permitted only for the purposes specified by RBI.

Capital Reserve: Capital reserve refers to difference on account of net assets taken over and purchase consideration paid for merger of wealth management undertaking of Aditya Birla Money Mart Limited with the Company and the difference on account of net assets taken over and purchase consideration paid for merger of transaction business of Aditya Birla Capital Technology Services Limited, ABCTSL (formerly known as Aditya Birla My Universe Limited, ABMUL) undertaking with the Company.

Capital Redemption reserve : Preference shares of Rs. 10 Crore were redeemed at the Board meeting held on January 30, 2020. As per the provisions of Companies Act, 2013, the preference shares were redeemed out of the profits of the company and therefore a sum equivalent to the nominal amount of shares redeemed were transferred to capital redemption reserve.

General Reserve: This reserve is created on account of merger. As per court order, this reserve can be utilised for distribution of dividends.

Retained Earnings: Retained earnings refer to the percentage of net earnings not paid out as dividends, but retained by the Company to be reinvested in its core business, or to pay debts.

Other Comprehensive Income : The Company has elected to recognise changes in the fair value of certain instruments in equity securities and debt instruments in other comprehensive income. These changes are accumulated with the FVTOCI reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are de-recognised.
The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated on borrowings. For hedging foreign currency and interest rate risk, the Company uses foreign currency forward contracts and cross currency interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to the statement of profit or loss when the hedged item affects profit or loss (e.g. interest payments).

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 31: Interest income

Particulars	For the year ended 31 March, 2022				For the year ended 31 March, 2021			
	On Financial Assets measured at Amortised cost	On Financial Assets classified at FVTPL	On Financial Assets measured at FVTOCI	Total	On Financial Assets measured at Amortised cost	On Financial Assets classified at FVTPL	On Financial Assets measured at FVTOCI	Total
Interest on Loans	5,45,792.82	-	-	5,45,792.82	5,22,908.44	-	-	5,22,908.44
Interest income from investments	-	6,073.47	-	6,073.47	-	5,430.12	-	5,430.12
Interest on deposits with Banks	1,262.58	-	-	1,262.58	647.80	-	-	647.80
Total	**5,47,055.40**	**6,073.47**	**-**	**5,53,128.87**	**5,23,556.24**	**5,430.12**	**-**	**5,28,986.36**

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 32: Dividend income

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Dividend from Long Term Investment	285.31	284.75
Total	**285.31**	**284.75**

Note 33: Fees and commission income

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Syndication and Other Fee Income	16,763.20	10,233.53
Brokerage and Commission Income	8,117.60	5,018.11
Total	**24,880.80**	**15,251.64**

Note 34: Net gain on fair value changes

Net gain/ (loss) on financial instruments at fair value through

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
On Trading portfolio		
- Investments	203.12	2,106.25
- Bonds/Mutual Funds	-	5,170.78
On financial instruments designated at fair value through profit or loss	(12.50)	-
Total	**190.62**	**7,277.03**
Fair Value changes:		
- Realised	884.10	7,284.37
- Unrealised	(693.48)	(7.34)
Total	**190.62**	**7,277.03**

Note 35: Other Income

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Miscellaneous Income (Income tax refund and other income)	786.37	913.21
Other Interest Income	415.28	83.27
Total	**1,201.65**	**996.48**

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 36: Finance Costs

Particulars	For the year ended 31 March, 2022			For the year ended 31 March, 2021		
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	Total	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	Total
Interest on debt securities	181.22	1,15,731.45	1,15,912.67	-	1,24,222.64	1,24,222.64
Interest on borrowings other than debt securities	-	1,34,119.67	1,34,119.67	-	1,57,423.46	1,57,423.46
Interest on subordinated liabilities	-	19,403.09	19,403.09	-	18,330.36	18,330.36
Finance cost on lease liability	-	892.61	892.61	-	897.27	897.27
Others	-	581.55	581.55	-	1,116.80	1,116.80
Total	**181.22**	**2,70,728.37**	**2,70,909.59**	-	**3,01,990.53**	**3,01,990.53**

Note 37: Impairment on financial instruments

The below table show impairment loss on financial instruments charge to statement of profit and loss based on category of financial instrument :

Particulars	For the year ended 31 March, 2022			For the year ended 31 March, 2021		
	On Financial instruments measured at Fair Value through OCI	On Financial instruments measured at Amortised cost	Total	On Financial instruments measured at Fair Value through OCI	On Financial instruments measured at Amortised cost	Total
Bad debts/Advances Written off (net of recoveries)	-	59,897.44	59,897.44	-	54,249.13	54,249.13
Loans	-	5,363.88	5,363.88	-	13,965.51	13,965.51
Trade Receivable	-	84.68	84.68	-	(37.13)	(37.13)
Total	-	**65,346.00**	**65,346.00**	-	**68,177.51**	**68,177.51**

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 38: Employee benefit expenses

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Salaries and Wages	47,795.93	42,073.39
Contribution to Provident and other Funds (Refer Note 43)	1,670.74	1,483.37
Contribution to Gratuity Funds (Refer Note 43)	733.07	725.42
Share based payments to Employees (Refer Note 43)	200.76	183.71
Staff welfare expenses	1,672.30	426.40
Total	**52,072.80**	**44,892.29**

Note 39: Depreciation, amortization and impairment

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Depreciation of tangible assets	699.72	892.55
Amortization of intangible assets	3,552.59	2,332.16
Depreciation and amortisation on lease assets	2,583.08	2,625.34
Total	**6,835.39**	**5,850.05**

Note 40: Other expenses

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Rent	1,166.82	1,219.05
Repairs and maintenance		
- Plant and machinery	62.91	16.58
- Others	1,703.33	3,124.62
Communication costs	512.15	698.89
Printing and stationery	320.51	206.78
Advertisement and publicity	474.81	740.16
Directors' fees, allowances and expenses	92.41	29.21
Auditors' fees and expenses	187.90	126.49
Legal and professional charges	10,288.59	7,534.14
Insurance	2,696.58	2,239.88
Business Support Expenses	8,119.76	3,103.01
Travelling and conveyance	831.67	1,057.42
Water and Electricity expenses	322.89	351.56
Rates and taxes	105.09	147.96
Contract Service Charges	655.58	863.51
Information Technology Expenses	3,389.62	1,650.74
Postage Expenses	224.97	125.93
Bank charges	88.29	164.94
Brokerage and Commission	123.42	141.73
Corporate Social Responsibility (CSR) Expenses	2,094.85	2,195.00
Sub-Brokerage and Fees	450.06	337.90
Recruitment Expenses	436.55	112.38
Loss on property, plant and equipment's (net)	6.00	95.94
Miscellaneous expenses	1,457.07	2,460.83
Total	**35,811.83**	**28,744.65**

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Auditors' Fees and Expenses

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
As auditor:		
For Statutory Audit (including Limited Review, Internal Control Financial Reporting (ICFR))	169.05	107.36
For Tax audit	6.54	6.54
In any other capacity		
For Other Services (including certification and other services)	12.31	12.59
Total	**187.90**	**126.49**

Details of CSR Expenditure

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
a) Gross amount required to be spent by the Company during the year	2,085.00	2,195.00
b) Amount spent during the year	1,517.79	2,195.00
c) Shortfall at the end of the year*	577.06	-
d) Total of previous years shortfall	-	-
e) Reason for shortfall	NA	NA
f) Nature of CSR activities	Refer Note 1	Refer Note 1
g) Details of related party transactions	NA	NA
h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	NA	NA

CSR Activities:

For FY 2021-22: Promoting education including for children of covid impacted families, health care, Employment enhancing vocation skills to youths, Training to promote nationally recognised and olympic sports, Measures for the benefit of armed forces veterans, war widows and their dependents, Conservation of natural resources and maintaining quality of soil and water.

For FY 2020-21: Promoting education including for children of covid impacted families, Health care, Employment enhancing vocation skills to youths, Training to promote nationally recognised and olympic sports, Measures for the benefit of armed forces veterans, war widows and their dependents, Conservation of natural resources and maintaining quality of soil and water and Empowering women.

*There is a change in the Regulation stating that if the CSR contribution of ABFL lying in the bank account of the respective NGO is unspent at the end of a FY, the same is required to be returned to ABFL and has to be maintained in a separate bank account by ABFL. The balance shown here is the same unspent amounts transferred back by NGOs.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 41: Income Tax

The components of income tax expense are as under:

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Current tax	38,264.50	28,600.00
Adjustment in respect of tax relating to earlier year(s)	344.60	(693.82)
Deferred tax relating to origination and reversal of temporary differences	(730.52)	(1,648.16)
Total tax charge	**37,878.58**	**26,258.02**
Current tax	38,609.10	27,906.18
Deferred tax	(730.52)	(1,648.16)

OCI section - Deferred tax related to items recognised in OCI are as under:

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Net loss/(gain) on remeasurements	788.91	(306.16)
Income tax expense charged to OCI	**788.91**	(306.16)

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at enacted corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by enacted domestic tax rate for the years ended 31 March, 2022 and 31 March, 2021 are as follows:

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Accounting profit before tax	1,48,711.64	1,03,141.23
At enacted corporate tax rate of 25.168% (As at 31 March 2021 - 25.168%)	37,427.75	25,958.58
Adjustment in respect of current income tax & deferred tax of prior years	344.60	(134.81)
Tax on non deductible expenses	106.23	434.25
Income tax expense reported in the statement of profit and loss	**37,878.58**	**26,258.02**
Effective income tax rate for the year	25.47%	25.46%

Deferred Tax

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

Particulars	Deferred Tax Assets	Deferred Tax Liabilities	Income Statement	OCI
	31 March, 2022	31 March, 2022	31 March, 2022	31 March, 2022
Expected Credit Loss Allowances	22,516.59	-	(1,159.30)	-
Employee benefit provisions and other provisions	2,683.63	-	347.11	788.91
Depreciation	754.70	-	81.67	-
Total	**25,954.92**	-	**(730.52)**	**788.91**
Net	**25,954.92**			

Particulars	Deferred Tax Assets	Deferred Tax Liabilities	Income Statement	OCI
	31 March 2021	31 March 2021	31 March 2021	31 March 2021
Expected Credit Loss Allowances	21,357.29	-	(10,310.33)	-
Employee benefit provisions and other provisions	3,819.65	-	9,004.81	(306.16)
Depreciation	836.37	-	(342.64)	-
Total	**26,013.31**	-	**(1,648.16)**	**(306.16)**
Net	**26,013.31**			

SINGHI & CO. * Chartered Accountants *

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 42: Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. However, for the below mentioned years company has not issued any potential ordinary shares which are dilutive in nature.

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Net Profit after Tax	1,10,833.06	76,883.21
Less: Interest on Financial Liabilities (including taxes)	-	-
Net Profit after Tax available for equity shareholders	1,10,833.06	76,883.21
Weighted average number of ordinary shares for basic and diluted earnings per share	66,21,00,822	66,21,00,822
Earnings per share		
Basic earnings per share (₹)	16.74	11.61
Diluted earnings per share (₹)	16.74	11.61

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 43: Post-employment benefit plan

Defined Contribution Plan

The Company makes Provident Fund, Pension Fund, Superannuation Fund, Employee State Insurance Scheme, Maharashtra Labour Welfare Fund, and National Pension Scheme contributions which are defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

Particulars	31 March, 2022	31 March, 2021
(i) Contribution to Employees Provident Fund	1,208.10	1,074.92
(ii) Contribution to Employees Pension Fund	342.45	316.54
(iii) Contribution to Employees State Insurance Corporation	0.20	2.32
(iv) Contribution to Maharashtra Labour Welfare Fund	0.86	0.84
(v) Contribution to National Pension Scheme	119.13	88.75
Total	1,670.74	1,483.37

Defined Benefit Plan

The Company has a defined benefit gratuity plan (funded). The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and last drawn salary. The fund is managed by Aditya Birla Sun Life Insurance Company Limited which is fellow subsidiary of the Company.

The following tables summarizes the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.

Changes in the defined benefit obligation and fair value of Reimbursement Rights as at 31 March, 2022 are as under:

	Gratuity cost charged to profit or loss						Remeasurement gains/(losses) in other comprehensive income								
Particulars	1 April, 2021	Service cost	Net interest expense	Group Company Allocation	Sub-total included in profit or loss	Benefits paid	Return on Reimbursement Rights (excluding amounts included in net interest expense)	Group Company Allocation	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience variance	Sub-total included in OCI	Contributions by employer	Transfer in/out	31 March, 2022
Defined benefit obligation	(3,085.29)	(648.03)	(194.24)	(12.42)	(854.69)	232.55	-	12.42	556.32	(101.71)	23.37	490.40	-	-	(3,217.03)
Fair value of Reimbursement Rights	1,931.76	-	121.62	-	121.62	(232.55)	41.15	-	-	-	-	41.15	300.00	-	2,161.98

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Changes in the defined benefit obligation and fair value of Reimbursement Rights as at 31 March, 2021 are as under:

	Gratuity cost charged to profit or loss						Remeasurement gains/(losses) in other comprehensive income								
Particulars	1 April, 2020	Service cost	Net interest expense	Group Company Allocation	Sub-total included in profit or loss	Benefits paid	Return on Reimbursement Rights (excluding amounts included in net interest expense)	Group Company Allocation	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience variance	Sub-total included in OCI	Contributions by employer	Transfer in/out	31 March, 2021
Defined benefit obligation	(2,657.24)	(586.04)	(171.27)	(83.45)	(840.76)	170.18	-	83.45	-	(16.91)	175.99	242.53	-	-	(3,085.29)
Fair value of Reimbursement Rights	1,789.54	-	115.34	-	115.34	(170.18)	197.06	-	-	-	-	197.06	-	-	1,931.76

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	31 March, 2022	31 March, 2021
Expected return on Reimbursement Rights	6.05%	6.30%
Discount Rate	6.05%	6.30%
Salary Escalation Rate	7.00%	7.00%
Retirement age	60 years	60 years
Mortality rate	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2012-14)

Attrition / Withdrawal rates, based on age: (per annum)

Particulars	31 March, 2022	31 March, 2021
Up to 30 years	34.00%	14.00%
31 - 40 years	25.00%	12.60%
41 - 50 years	13.00%	5.60%
Above 50 years	2.00%	2.80%

Note: The above information is certified by actuary, and this has been relied upon by the auditors.

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields as at Balance Sheet date.

Disaggregation of Reimbursement Rights:

Particulars	31 March, 2022	31 March, 2021
Unquoted investments:		
Insurer managed funds (Investments with Aditya Birla Sun Life Insurance Company Limited)	2,161.98	1,931.76
Total	2,161.98	1,931.76

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

A quantitative sensitivity analysis for significant assumption is as shown below:

Assumptions	Discount rate		Salary	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation - (31 March, 2022)	3,097.58	3,344.33	3,342.82	3,097.92
Impact on defined benefit obligation - (31 March, 2021)	2,922.18	3,262.10	3,260.22	2,922.33

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the year.

The following payments are expected contributions to the defined benefit plan in future years:

Expected payment for future years	31 March, 2022	31 March, 2021
Within the next 12 months (next annual reporting period)	425.07	168.22
Between 2 and 5 years	1,312.51	757.61
Between 6 and 9 years	959.86	937.20
10 years and above	2,858.52	5,114.43
Total expected payments	**5,555.96**	**6,977.46**

The Company expects to contribute ₹ 1,588.37 lakhs (31 March, 2021 : ₹ 1,815.77 lakhs) to the fund in the next financial year.
The weighted average duration of the defined benefit obligation as at 31 March, 2022 is 8 years (31 March, 2021: 11 years)

Other Long Term Incentive Benefits
Liability for the scheme is determined based on actuarial valuations.

Employee Stock Option Plan (ESOP) by Aditya Birla Capital Limited
Pursuant to ESOP Plan being established by the holding company (i.e. Aditya Birla Capital Limited), stock options were granted to the employees of the Company. Total cost incurred by the holding company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of ₹ 198.86 lakhs (31st March, 2021 ₹ 183.71 lakhs) has been recovered from the Company during the year, which has been charged to the Statement of Profit and Loss. The balance sum of ₹ 17.83 lakhs will be recovered in future periods.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 44: Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations.

Particulars	31 March, 2022			31 March, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	59,571.14	-	59,571.14	1,51,098.56	-	1,51,098.56
Bank balance other than cash and cash equivalents	9,681.37	-	9,681.37	1,913.09	-	1,913.09
Derivative financial instruments	19.02	-	19.02	-	-	-
Trade and Other Receivables	1,243.96	-	1,243.96	998.86	-	998.86
Loans*	13,18,611.61	40,42,134.41	53,60,746.02	13,84,447.06	33,75,296.30	47,59,743.36
Investments	1,57,397.94	12,005.62	1,69,403.56	72,313.21	6,977.69	79,290.90
Other financial assets	3,987.16	1,374.65	5,361.81	3,053.68	2,064.27	5,117.95
Non-financial Assets						
Current tax asset (net)	-	34,239.10	34,239.10	-	23,971.65	23,971.65
Deferred tax assets (net)	-	25,954.92	25,954.92	-	26,013.31	26,013.31
Property, plant and equipments	-	1,881.37	1,881.37	-	1,465.80	1,465.80
Intangible assets under development	-	1,089.05	1,089.05	-	1,197.92	1,197.92
Other Intangible assets	-	7,008.52	7,008.52	-	7,149.74	7,149.74
Right of use Lease Assets	-	12,187.33	12,187.33	-	9,405.31	9,405.31
Other non financial assets	6,837.64	1,695.62	8,533.26	5,631.90	2,518.64	8,150.54
Total assets	**15,57,349.84**	**41,39,570.58**	**56,96,920.43**	**16,19,456.36**	**34,56,060.63**	**50,75,516.99**
Liabilities						
Financial Liabilities						
Derivative financial instruments	7,799.24	-	7,799.24	3,063.81	-	3,063.81
Trade payables	24,221.63	-	24,221.63	11,172.31	-	11,172.31
Debt Securities	6,36,206.50	9,41,919.20	15,78,125.70	7,35,990.46	9,21,884.58	16,57,875.04
Borrowings (other than debt security)	11,74,711.92	15,97,003.12	27,71,715.04	8,19,854.00	14,25,606.08	22,45,460.08
Subordinated Liabilities	14,333.99	2,34,400.00	2,48,733.99	12,549.97	2,05,633.29	2,18,183.26
Lease liabilities	2,911.98	9,998.40	12,910.38	2,485.83	7,738.81	10,224.64
Other Financial liabilities	47,013.29	-	47,013.29	31,157.53	-	31,157.53
Non-financial Liabilities						
Current tax liabilities (net)	1,513.10	-	1,513.10	1,466.63	-	1,466.63
Provisions	10,421.69	-	10,421.69	8,062.51	-	8,062.51
Other non-financial liabilities	8,424.39	-	8,424.39	5,063.24	-	5,063.24
Total Liabilities	**19,27,557.73**	**27,83,320.72**	**47,10,878.46**	**16,30,866.29**	**25,60,862.76**	**41,91,729.05**

* Stage 3 loans have been considered in after 12 months bucket.
Note: Classification of Loans under the different maturity buckets is based on the due date, which has been relied upon by the auditors.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 45: Change in liabilities arising from financing activities

Particulars	As at 1 April, 2021	Cash Flows	Other (Non-Cash)	As at 31 March, 2022
Debt Securities	16,57,875.04	(53,850.00)	(25,899.34)	15,78,125.70
Borrowings other than debt securities	22,45,460.08	5,36,465.32	(10,210.36)	27,71,715.04
Subordinate Liabilities	2,18,183.26	30,000.00	550.73	2,48,733.99
Total liabilities from financing activities	**41,21,518.38**	**5,12,615.32**	**(35,558.97)**	**45,98,574.73**

Particulars	As at 1 April, 2020	Cash Flows	Other (Non-Cash)	As at 31 March, 2021
Debt Securities	17,86,922.93	(1,03,199.13)	(25,848.76)	16,57,875.04
Borrowings other than debt securities	23,48,463.85	(92,908.08)	(10,095.69)	22,45,460.08
Subordinate Liabilities	2,10,142.09	8,000.00	41.17	2,18,183.26
Total liabilities from financing activities	**43,45,528.87**	**(1,88,107.21)**	**(35,903.28)**	**41,21,518.38**

Note :

1. The above amounts are including interest accrued but not due.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 46: Contingent liabilities, commitments and leasing arrangements

(A) Contingent Liabilities

Particulars	As at 31 March, 2022	As at 31 March, 2021
Disputed Income Tax Liability*	7,072.17	4,860.34
Disputed Service Tax Liability**	131.49	131.49
Claims against the Company not acknowledged as debts***	638.00	638.00
Corporate guarantees, Guarantee on Overdraft, Letter of credit and Letter of comfort given by the Company on behalf of the clients****	11,533.84	3,148.60
Total	**19,375.50**	**8,778.43**

*** (i) Disputed Income Tax Liability**

Particulars	As at 31 March, 2022	As at 31 March, 2021
Disallowances of Depreciation on Intangibles, Interest on Non Performing Assets (NPA), Disallowance of Donation forming part of CSR expenditure u/s 80G, Disallowance of certain Expenses, Disallowance under Section 14A, Disallowance of PF/ESIC, Disallowance of Cenvat Credit w/off.	806.41	607.65
Disallowances of exceptional losses of Wealth Business	3,234.12	3,234.12
Interest on Non Performing Assets (NPA)	3,031.64	1,018.57
Total	**7,072.17**	**4,860.34**

**(ii) Show Cause cum demand Notice No. ST/Audit-III/P-3/Gr-7/Aditya Birla/SCN/2016 dated 09 May, 2017 was issued to the Company demanding Service Tax of ₹ 69.84 lakhs on penal/ default interest.

**(iii) Show Cause cum demand Notice No. 20/GST/ME/Aditya Birla/ADC/2018-19 dated 26.07.2018 was issued to the Company demanding Service Tax of ₹ 61.65 lakhs on penal interest.

*** The claims against the Company comprise of the following :
(i) Two of the Company customers have filed the Claim Petition as per High Court Order dated 27.10.2009 for an amount of ₹ 512 lakhs (31 March 2021: ₹ 512 lakhs) along with damages with interest. The matter is pending before Arbitrator.
(ii) In one of the cases, the Company has challenged before the Bombay High Court, the order of NCLT Mumbai which directed the Company to pay liquidation cost of ₹ 91 lakhs. Accordingly, the Company has deposited ₹ 91 lakhs as per the Bombay High Court's direction till the outcome of the final hearing is decided. The matter is still pending.
(iii) In view of the pending case mentioned in point (ii) above, the Company has decided to not pay liquidation cost of ₹ 35 lakhs in another case where the Company has successfully sold the secured assets of the customer which is undergoing liquidation.

**** Represents the limit utilized by client of the Guarantee/ Overdraft/Letter of Credit and Letter of Comfort given by the Company.

(B) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) on account of property, plant and equipment Rs. 814.53 Lakh (31 March, 2021: Rs. 46.82 Lakh) and on account of intangible assets Rs. 1,575.92 Lakh (31 March, 2021: Rs. 662.89 Lakh).
Undisbursed commitments where the Company does not have an unconditional rights to cancel the undrawn/un-availed/unused portion of the loan at any time during the subsistence of the loan ₹ Nil.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

(C) Lease Disclosures

(i) Following are the changes in the carrying value of right of use assets for the year ended March 31, 2022:

Particulars	Amount
Gross Carrying Value	
Balance as at 1st April, 2020	10,021.24
Additions	5,861.15
Deletion	(1,969.94)
Balance as at 31st March, 2021	**13,912.45**
Additions	7,065.31
Deletion	(4,374.94)
Balance as at 31st March, 2022	**16,602.82**
Accumulated Amortisation	
As at 1st April, 2020	1,951.79
Additions	2,625.34
Deletion	(69.99)
Balance as at 31st March, 2021	**4,507.14**
Additions	2,583.08
Deletion	(2,674.73)
Balance as at 31st March, 2022	**4,415.49**
Net Carrying Value as at 31st March, 2021	**9,405.31**
Net Carrying Value as at 31st March, 2022	**12,187.33**

(ii) Amounts recognised in profit and loss for the year ended 31 March, 2022

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Depreciation expense on right-of-use assets	2,583.08	2,625.34
Interest expense on lease liabilities	892.61	897.27
Expense relating to leases of low value assets	1,165.56	1,219.05
Income from subleasing right-of-use assets	(373.63)	(297.61)
Gains or losses arising from Rent concessions due to Covid-19 Pandemic	-	(252.02)

(iii) The Maturity analysis of lease liabilities as at 31 March, 2022 :

Particulars	As at 31st March 2022	As at 31st March 2021
Within 12 months	2,911.98	2,485.83
After 12 months	9,998.40	7,738.81
Total	**12,910.38**	**10,224.64**

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

(iv) The following is the movement in lease liabilities during the year ended March 31, 2022:

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Balance as at 1st April, 2021	**10,224.64**	**8,909.91**
Additions	6,700.12	5,696.92
Surrender of premises	(2,051.28)	(2,493.58)
Finance Cost accrued during the year	892.61	897.27
Payment of Lease Liabilities	(2,855.71)	(2,785.88)
Balance as at 31st March, 2022	**12,910.38**	**10,224.64**

(v) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis:

Particulars	As at 31st March 2022	As at 31st March 2021
Less than one year	3,009.34	2,577.35
One to Five years	9,770.89	8,107.10
More than Five years	2,942.75	1,818.00
Total	**15,722.98**	**12,502.45**

When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate at 01 April, 2021. The weighted average rate applied ranges between 4.95% p.a. - 6.95% p.a.
The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 47: Related party disclosures

I)List of Related Parties as per IND AS -24 with whom transactions have taken place during the year:

(A) Ultimate Holding Company:
Grasim Industries Limited

(B) Holding Company:
Aditya Birla Capital Limited

(C)Subsidiaries / Fellow Subsidiaries:
Fellow Subsidiaries
Aditya Birla Money Limited
Aditya Birla Money Insurance Advisory Services Limited
Aditya Birla Capital Technology Services Limited
Aditya Birla Wellness Private Limited
Aditya Birla Sun Life Insurance Company Limited
Aditya Birla Financial Shared Services Limited
Aditya Birla Housing Finance Limited
Aditya Birla Health Insurance Company Limited
Aditya Birla Sunlife Asset Management Company Limited
Aditya Birla ARC Limited
Aditya Birla Money Mart Limited
Aditya Birla Sun Life Pension Management Limited
Aditya Birla Stressed Asset AMC Private Limited
Aditya Birla PE Advisors Private Limited
Aditya Birla Insurance Brokers Limited
Waacox Energy Private Limited
Ultratech Cement Limited

(D) Other related parties in which Directors of Ultimate Holding Company are interested
Aditya Birla Management Corporation Private Limited

(E)Key managerial personnel
Mr. Rakesh Singh (Managing Director & Chief Executive Officer)
Mr. Tushar Shah (Appointed as Chief Executive Officer-PFSG with effect from 08 October, 2021)
Mr. Sanjay Kumar Miranka (Ceased as Chief Financial Officer with effect from 22 June, 2021)
Mr. Pradeep Kumar Agrawal (Appointed as Chief Financial Officer with effect from 08 October, 2021)
Mr. Ankur Deepak Shah (Company Secretary)
Mr. D J Kakalia (Director)
Mr. Jitender Balakrishnan (Director)
Mr. Ashwani Puri (Director)
Ms. Alka Bharucha (Director)
Mr. Baldev Raj Gupta (Ceased to be a Director with effect from 27 July, 2021)
Mr. S C Bhargava (Director)

SINGHI & CO. Chartered Accountants
DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS
Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 47: Related party disclosures (Continued)

II)Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:

Particulars	Year Ended	
	31 March, 2022	31 March, 2021
Reimbursement of Legal and Professional expenses		
Aditya Birla Capital Limited	66.50	-
Dividend		
Aditya Birla Capital Limited	10,924.66	-
Reimbursement of Employee cost		
Aditya Birla Capital Limited- ESOP	198.86	183.71
Business Support Expenses		
Aditya Birla Capital Limited	2,911.16	2,984.35
Interest on Debentures & ICD		
Aditya Birla Capital Limited	-	303.80
Paid up Equity Share Capital Outstanding		
Aditya Birla Capital Limited	66,210.08	66,210.08
Equity Share Premium Outstanding		
Aditya Birla Capital Limited	3,21,096.08	3,21,096.08
Payable		
Aditya Birla Capital Limited (Trade Payables)	362.45	266.63
Statutory Dues (GST)		
Aditya Birla Capital Limited	35.06	53.11
Receivable		
Aditya Birla Capital Limited	-	3.52
Ultimate Holding Company		
Reimbursement of Employee cost		
Grasim Industries Limited	3.08	-
Subsidiary of Ultimate Holding Company		
Sale of Asset		
Ultratech Cement Limited	7.65	-
Reimbursement of Employee cost		
Ultratech Cement Limited	0.85	-
Remuneration to KMPs		
Mr. Rakesh Singh (MD & CEO)	870.79	1,162.69
Mr. Tushar Shah (Appointed as CEO-PFSG w.e.f. 08 October, 2021)	158.10	-
Mr. Sanjay Kumar Miranka (Ceased as CFO w.e.f. 22 June, 2021)	133.25	372.94
Mr. Pradeep Kumar Agrawal (Appointed as CFO w.e.f. 08 October, 2021)	34.51	-
Mr. Ankur Deepak Shah (CS)	55.80	50.95

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Transactions With Related Party (Continued)		
Particulars	**Year Ended**	
	31 March, 2022	**31 March, 2021**
Fellow Subsidiaries		
Brokerage Expenses		
Aditya Birla Money Limited	27.66	29.89
Aditya Birla Money Insurance Advisory Services Limited	782.76	8.50
Reimbursement of Administrative expenses		
Aditya Birla Wellness Private Limited	0.34	1.70
Aditya Birla Money Limited	0.35	8.03
Aditya Birla Capital Technology Services Limited	5.70	3.82
Aditya Birla Insurance Brokers Limited	-	0.15
Aditya Birla Sun Life Insurance Company Limited	0.36	-
Aditya Birla Financial Shared Services Limited	428.28	283.67
Aditya Birla Management Corporation Private Limited.	1.14	-
Aditya Birla Health Insurance Company Limited	-	2.49
Payment of Other Services		
Aditya Birla Management Corporation Private Limited	3,162.17	2,851.08
Business Support Expenses		
Aditya Birla Financial Shared Services Limited	1,654.20	1,467.05
Aditya Birla Housing Finance Co. Limited	199.72	283.25
IT Support Expenses		
Aditya Birla Capital Technology Services Limited	303.25	171.78
Custodian Charges Expenses		
Aditya Birla Money Limited	5.90	5.81
Director Sitting fees		
Mr. D J Kakalia	18.25	6.40
Mr. Jitender Balakrishnan	14.00	4.60
Mr. Ashwani Puri	14.75	5.60
Ms. Alka Bharucha	11.50	3.00
Mr. S C Bhargava	10.00	3.70
Mr. Baldev Raj Gupta (Ceased to be a Director with effect from 27 July, 2021)	2.50	3.50
Interest expenses		
Aditya Birla Sun Life Insurance Company Limited	2,313.06	2,671.49
Reimbursement of Rent expenses		
Aditya Birla Money Limited	-	0.61
Aditya Birla Insurance Brokers Limited	3.84	6.38
Aditya Birla Sunlife Asset Management Co Limited	41.16	3.45
Aditya Birla ARC Limited	-	1.00
Aditya Birla Sun Life Insurance Company Limited	43.07	25.50
Reimbursement of Legal and Professional expenses		
Aditya Birla Housing Finance Limited	-	26.40

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Transactions With Related Party (Continued)		
Particulars	**Year Ended**	
	31 March, 2022	**31 March, 2021**
Reimbursement of Employee cost		
Aditya Birla Money Limited	221.16	213.53
Aditya Birla Money Mart Limited	-	28.70
Aditya Birla Health Insurance Co Limited	3.03	0.39
Aditya Birla Money Insurance Advisory Services Limited	4.35	0.04
Aditya Birla Capital Technology Services Limited	-	10.06
Aditya Birla ARC Limited	-	19.67
Aditya Birla Financial Shared Services Limited	10.22	-
Aditya Birla Housing Finance Limited	72.12	72.52
Aditya Birla Sunlife Insurance Company Limited	0.39	6.43
Aditya Birla Insurance Brokers Limited	0.92	-
Aditya Birla Sunlife Asset Management Company Limited	1.07	2.03
Insurance Premium Paid		
Aditya Birla Health Insurance Company Limited	-	30.05
Interest Income		
Waacox Energy Private Limited	388.78	-
Employee cost recovered		
Aditya Birla Money Limited	3.77	28.63
Aditya Birla Sun Life Insurance Company Limited	31.09	10.70
Aditya Birla Capital Technology Services Limited	2.30	-
Aditya Birla Sunlife Asset Management Company Limited	4.76	4.89
Aditya Birla Money Mart Limited	28.35	-
Aditya Birla Management Corporation Private Limited	1.46	5.50
Aditya Birla Housing Finance Limited	123.82	25.28
Aditya Birla Money Insurance Advisory Services Limited	1.38	
Aditya Birla Insurance Brokers Limited	23.99	-
Aditya Birla Health Insurance Company Limited	-	1.26
Aditya Birla Sun Life Pension Management Limited	0.19	-
Aditya Birla Wellness Private Limited	5.59	-
Aditya Birla Financial Shared Services Limited	5.85	-
Referral Fees Income		
Aditya Birla Money Limited	20.99	17.50
Brokerage / Commission Income		
Aditya Birla Money Limited	427.88	383.66
Ashwani Kumar Puri (Director)	10.17	-
Aditya Birla Sunlife Asset Management Company Limited	115.05	75.10
Rent recovered		
Aditya Birla Capital Technology Services Limited	-	1.94
Aditya Birla Money Insurance Advisory Services Limited	18.00	6.07
Aditya Birla Insurance Brokers Limited	2.29	42.27
Aditya Birla Sunlife Asset Management Company Limited.	7.17	3.59
Aditya Birla Housing Finance Limited	328.88	245.65

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Transactions With Related Party (Continued)		
Particulars	**Year Ended**	
	31 March, 2022	**31 March, 2021**
Administrative Expenses Recovered		
Aditya Birla Money Insurance Advisory Services Limited	2.20	6.98
Aditya Birla ARC Limited	0.21	-
Aditya Birla Capital Technology Services Ltd	-	0.59
Aditya Birla Insurance Brokers Limited	0.43	-
Aditya Birla Financial Shared Services Limited	126.51	228.71
Business Support Expenses Recovered		
Aditya Birla Housing Finance Limited	871.91	991.86
Sale of assets		
Aditya Birla ARC Limited	-	3.33
Aditya Birla Housing Finance Limited	22.37	-
Aditya Birla Money Mart Limited	-	5.42
Aditya Birla Stressed Asset AMC Private Limited	-	0.56
Purchase of assets		
Aditya Birla Capital Technology Services Limited	4.11	26.57
Aditya Birla Management Corporation Private Limited	0.56	0.62
Aditya Birla Housing Finance Limited	0.45	1.91
Aditya Birla Money Mart Limited	4.44	-
Aditya Birla Insurance Brokers Limited	0.71	-
Aditya Birla Wellness Private Limited	17.41	-
Aditya Birla Sun Life Insurance Company Limited	-	0.64
Redemption of NCDs		
Aditya Birla Sun Life Insurance Company Limited	15,000.00	-
Investment in fund made		
Aditya Birla Special Situations Fund - I	15.26	11.64
Redemption from Investment		
Aditya Birla Special Situations Fund - I	2.17	2.05
Prepaid Expenses		
Aditya Birla Capital Technology Services Limited	3.77	2.46
Aditya Birla Financial Shared Services Limited	85.39	34.24
Redeemable NCDs		
Aditya Birla Sun Life Insurance Company Limited	14,500.00	29,482.85
Interest accrued		
Aditya Birla Sun Life Insurance Company Limited	966.86	1,327.20
Investment in fund outstanding		
Aditya Birla Special Situations Fund - I	28.94	15.84
Loans and Advances		
Waacox Energy Private Limited	4,356.58	-

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Transactions With Related Party (Continued)		
Particulars	**Year Ended**	
	31 March, 2022	**31 March, 2021**
Payable		
Aditya Birla Wellness Private Limited	-	1.88
Aditya Birla ARC Limited	-	19.92
Aditya Birla Capital Technology Services Limited	100.96	46.68
Aditya Birla Insurance Brokers Limited	11.17	-
Aditya Birla Sun Life Insurance Company Limited	2.97	18.35
Aditya Birla Financial Shared Services Limited	241.07	176.84
Aditya Birla Management Corporation Private Limited	751.16	564.98
Aditya Birla Sunlife Asset Management Company Limited	160.60	-
Aditya Birla Money Insurance Advisory Services Limited	681.31	-
Aditya Birla Health Insurance Company Limited	3.03	1.35
Receivable		
Aditya Birla Money Limited	182.09	265.12
Aditya Birla Insurance Brokers Limited	-	19.69
Aditya Birla Money Insurance Advisory Services Limited	-	75.98
Aditya Birla Housing Finance Limited	362.92	299.60
Aditya Birla Sun Life Assets Management Company Limited	-	0.16
Aditya Birla Wellness Private Limited	0.04	-
Deposit Receivable		
Aditya Birla Management Corporation Private Limited	615.12	615.12
Aditya Birla Sun Life Insurance Company Limited	94.60	88.30
Deposit Placed (Transaction during the period)		
Aditya Birla Sun Life Insurance Company Limited	94.60	-
Aditya Birla Sunlife Asset Management Company Limited	120.00	-
Aditya Birla Management Corporation Private Limited	-	204.00
Deposit Received back (Transaction during the period)		
Aditya Birla Sun Life Insurance Company Limited	88.30	-
Aditya Birla Management Corporation Private Limited	-	604.64

Notes:-

a) The related party relationships have been as identified by the management on the basis of the requirements of the Indian Accounting Standard IND AS–24 'Related Party Disclosures' and the same have been relied upon by the Auditors.

b) The relationships disclosed above are for the entities where control exists and with whom transactions have taken place during the year.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 48: Capital

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.
The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a capital adequacy ratio, which is weighted assets divided by total capital derived as per the RBI requirements. As per the RBI guidelines, Company being a Non Banking Finance Company has to maintain 15% of capital adequacy ratio.

The actual Capital Adequacy Ratio is as under:

Particulars	31 March, 2022	31 March, 2021
Capital Adequacy Ratio	21.77%	22.70%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.
No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2022 and 31 March, 2021.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 49: Financial Instruments

Note 49.1: Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures":

(a) Category-wise classification for applicable financial assets:

Particulars	As at 31 March, 2022	As at 31 March, 2021
(I) Measured at amortised cost:		
i) Cash and cash equivalents	59,571.14	1,51,098.56
ii) Bank balance other than Cash and cash equivalents	9,681.37	1,913.09
iii) Trade receivables	1,243.96	998.86
iv) Loans & advances	53,60,746.02	47,59,743.36
v) Other financial assets	5,361.81	5,117.95
Sub Total	**54,36,604.30**	**49,18,871.82**
(II) Measured at fair value through profit or loss (FVTPL)		
i) Investment in Govt Securities	47,137.87	15,420.71
ii) Investment in Equity instruments	45.17	36.82
iii) Investment in Preference Shares	3,500.00	-
iv) Investment in Alternate Funds	8,225.19	6,729.83
v) Investment in Debentures	1,10,260.07	56,892.50
Sub Total	**1,69,168.30**	**79,079.86**
(III) Designated at fair value through profit or loss (FVTPL)		
i) Derivative financial instruments	19.02	-
Sub Total	**19.02**	-
(IV) Measured at fair value through other comprehensiveincome (FVTOCI):		
i) Investment in Equity instruments	235.26	211.04
Sub Total	**235.26**	**211.04**
Total (I+II+III+IV)	**56,06,026.88**	**49,98,162.72**

(b) Category-wise classification for applicable financial liabilities:

Particulars	As at 31 March, 2022	As at 31 March, 2021
(I) Measured at amortised cost:		
i) Trade Payables	24,221.63	11,172.31
ii) Debt securities	15,53,171.39	16,57,875.04
iii) Borrowings (other than debt securities)	27,71,715.04	22,45,460.08
iv) Subordinated liabilities	2,48,733.99	2,18,183.26
v) Lease Liabilities	12,910.38	10,224.64
vi) Other financial liabilities	47,013.29	31,157.53
Sub Total	**46,57,765.72**	**41,74,072.86**
(II) Measured at fair value through profit or loss (FVTPL)	-	-
Sub Total	-	-
(III) Designated at fair value through profit or loss (FVTPL)		
i) Derivative financial Instruments not designated as cash flow hedges	28.08	-
ii) Debt securities	24,954.31	-
Sub Total	**24,982.39**	-
(IV) Measured at fair value through other comprehensiveincome (FVTOCI):		
i) Derivative financial Instruments designated as cash flow hedges	7,771.16	3,063.81
Sub Total	**7,771.16**	**3,063.81**
Total (I+II+III+IV)	**46,90,519.27**	**41,77,136.67**

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 49: Financial Instruments (continued)

(c) Fair value of financial assets and financial liabilities measured at amortised cost:

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Loans	53,60,746.02	53,60,746.02	47,59,743.36	47,59,743.36
Total	**53,60,746.02**	**53,60,746.02**	**47,59,743.36**	**47,59,743.36**
Financial liabilities				
Debt securities	15,53,171.39	16,00,965.62	16,57,875.04	17,42,161.36
Borrowings (other than debt securities)	27,71,715.04	27,71,715.04	22,45,460.08	22,45,460.08
Subordinated liabilities	2,48,733.99	2,55,952.13	2,18,183.26	2,29,747.15
Lease Liabilities	12,910.38	12,910.38	10,224.64	10,224.64
Total	**45,86,530.80**	**46,41,543.17**	**41,31,743.02**	**42,27,593.23**

Valuation methodologies of financial instruments not measured at fair value: Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only.

Short-term financial assets and liabilities: The carrying amounts of cash & cash equivalents, bank balance, trade receivables, other financial assets, trade payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

Borrowings

Floating Rate Borrowings: Floating rate borrowings are valued on the basis of Applicable Benchmark (viz; Tenor Linked T-Bill, Repo Rate, Tenor Linked MCLR, or any external benchmark as the case may be) + Spread, if applicable.

Fixed Rate Borrowings: Fixed rated borrowing are valued on the basis of valuation report shared by ICRA.

Note 49.2: Disclosure pursuant to Ind AS 113 "Fair Value Measurement"

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method, market comparable method, recent transactions happened in the company and other valuation models.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below :

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, units of mutual funds (open ended) and traded bonds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

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

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

(A) Fair value hierarchy of financial assets and financial liabilities

(a) Measured at amortised cost:

As at 31 March, 2022

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Loans	-	-	53,60,746.02	**53,60,746.02**	Discounted cashflow approach
Total financial assets	-	-	**53,60,746.02**	**53,60,746.02**	
Financial liabilities:					
Debt securities	-	12,87,436.64	3,13,528.98	**16,00,965.62**	Discounted cashflow approach
Borrowings (other than debt securities)	-	-	27,71,715.04	**27,71,715.04**	Discounted cashflow approach
Subordinated liabilities	-	2,55,952.13	-	**2,55,952.13**	
Lease Liabilities	-	-	12,910.38	**12,910.38**	Discounted cashflow approach
Total financial liabilities	-	**15,43,388.77**	**30,98,154.40**	**46,41,543.18**	

As at 31 March, 2021

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Loans	-	-	47,59,743.36	**47,59,743.36**	Discounted cashflow approach
Total financial assets	-	-	**47,59,743.36**	**47,59,743.36**	
Financial liabilities:					
Debt securities	-	14,22,224.19	3,19,937.17	**17,42,161.36**	Discounted cashflow approach
Borrowings (other than debt securities)	-	-	22,45,460.08	**22,45,460.08**	Discounted cashflow approach
Subordinated liabilities	-	2,29,747.15	-	**2,29,747.15**	
Lease Liabilities	-	-	10,224.64	**10,224.64**	Discounted cashflow approach
Total financial liabilities	-	**16,51,971.34**	**25,75,621.89**	**42,27,593.23**	

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 49: Financial Instruments (continued)

(b) Measured at fair value through profit or loss (FVTPL)
As at 31 March, 2022

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Investment in Govt Securities	-	47,137.87	-	**47,137.87**	refer (e)
Investment in Equity Instruments-MOIL Limited	45.17	-	-	**45.17**	refer (e)
Investment in Preference Shares	-	3,500.00	-	**3,500.00**	refer (e)
Investment in Alternate Funds	-	8,225.19	-	**8,225.19**	refer (e)
Investment in Debentures	-	1,10,260.07	-	**1,10,260.07**	refer (e)
Total financial assets	**45.17**	**1,69,123.13**	-	**1,69,168.30**	

As at 31 March, 2021

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Investment in Govt Securities	-	15,420.71	-	**15,420.71**	refer (e)
Investment in Equity instruments	36.82	-	-	**36.82**	refer (e)
Investment in Alternate Funds	-	6,729.83	-	**6,729.83**	refer (e)
Investment in Debentures	-	56,892.50	-	**56,892.50**	refer (e)
Total financial assets	**36.82**	**79,043.04**	-	**79,079.86**	

(c) Designated at fair value through profit or loss (FVTPL)
As at 31 March, 2022

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Derivative financial instruments	-	19.02	-	**19.02**	refer (e)
Total financial assets	-	**19.02**	-	**19.02**	
Financial liabilities:					
Derivative financial Instruments not designated as cash flow hedges	-	28.08	-	**28.08**	refer (e)
Debt securities	-	24,954.31	-	**24,954.31**	refer (e)
Total financial liabilities	-	**24,982.39**	-	**24,982.39**	

(d) Measured at fair value through other comprehensiveincome (FVTOCI):
As at 31 March, 2022

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Investment in Equity instruments	-	-	235.26	**235.26**	refer (e)
Total financial assets	-	-	**235.26**	**235.26**	
Financial liabilities:					
Derivative financial Instruments designated as cash flow hedges	-	7,771.16	-	**7,771.16**	refer (e)
Total financial liabilities	-	**7,771.16**	-	**7,771.16**	

As at 31 March, 2021

Particulars	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Investment in Equity instruments	-	-	211.04	**211.04**	refer (e)
Total financial assets	-	-	**211.04**	**211.04**	
Financial liabilities:					
Derivative financial Instruments designated as cash flow hedges	-	3,063.81	-	**3,063.81**	refer (e)
Total financial liabilities	-	**3,063.81**	-	**3,063.81**	

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 49: Financial Instruments (continued)

(e) Valuation techniques

Equity instruments: The majority of equity instrument are actively traded on stock exchanges with readily available active prices on a regular basis. Such instruments are classified as Level 1. Unlisted equity securities are classified at Level 3.

Investment in Preference Shares: Investment made in preference share is not actively traded on stock exchange and such instrument are classified as level 2.

Investment in Govt Securities : The fair values of investments made in Government Securities is based on valuation report from ICRA as at the reporting period and the same are classified under Level 2.

Investment in Alternate funds : Units held in funds of AIF are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions. Such instruments are generally Level 2. NAV represents the price at which the issuer will issue further units of AIF and the price at which issuers will redeem such units from the investors.

Investment in Debt Securities: Fair value of these instrument is derived based on the indicative quote of price and yields prevailing in the market as at reporting date. Company has used quoted price of national stock exchange wherever bonds are traded actively. In cases where debt securities are not actively traded company has used CRISIL corporate bond valuer model for measuring fair value i.e. fair value has been computed using the Fixed Income Money Market and Derivatives Association of India ('FIMMDA') data on corporate bond spreads and such instruments are classified as Level 2.

Derivative Financial Instruments : A generally accepted framework for the valuation of the swap explains the position in each leg of the swap as a 'bond'. Therefore, a receive floating - pay fixed swap can be viewed as a portfolio consisting a short position in fixed bond and long position a floating rate bond. The value of the swap is the net proceeds from such bond positions i.e. Receipt – Payment. The swaps were valued on and with inputs from the swap providers using the terms of the swap contract.

Equity shares measured at Fair Value through Other Comprehensive Income: Unquoted equity shares are measured at fair value through other comprehensive income on the basis of the net worth of the investee company and are classified as Level 3.

(B) Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value:

For the year ended 31 March, 2022

Particulars	As at 1 April, 2021	Purchase / (Sales)	Transfers into / (from) Level 3	Net interest income, net trading income and other income	Other comprehensive income	As at 31 March, 2022
Investment in Equity Instrument						
Birla Management Centre Services Limited	211.04	-	-	-	24.22	235.26
Total financial investments classified in Level 3	**211.04**	-	-	-	**24.22**	**235.26**
Total financial assets measured at fair value on a recurring basis	**211.04**	-	-	-	-	**235.26**

For the year ended 31 March, 2021

Particulars	As at 1 April, 2020	Purchase / (Sales)	Transfers into / (from) Level 3	Net interest income, net trading income and other income	Other comprehensive income	As at 31 March, 2021
Investment in Equity Instrument						
Birla Management Centre Services Limited	175.68	-	-	-	35.36	211.04
Investment in Preference Shares						
TATA Motors Finance Limited	22,551.00	(22,551.00)	-	-	-	-
Total financial investments classified in Level 3	**22,726.68**	**(22,551.00)**	-	-	**35.36**	**211.04**
Total financial assets measured at fair value on a recurring basis	**22,726.68**	-	-	-	-	**211.04**

(C) Sensitivity of fair value measurements to changes in unobservable market data

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

Particulars	Fair value as at		Rates for Sensitivity	Impact of Increase in Rates on Total Comprehensive Income statement			
	March 31, 2022	March 31, 2021		March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
				Favourable	Unfavourable	Favourable	Unfavourable
Investment in Equity Instrument							
Birla Management Centre Services Limited	235.26	211.04	5.00%	11.76	(11.76)	10.55	(10.55)

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 50: Registration of charges or satisfaction with Registrar of Companies (ROC)

Company has complied with the charge creation or satisfaction registration with ROC within the statutory period.

Note 51: Relationship with Struck off Companies

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the Struck off company
Maxin Hydro Dynamic India Private Limited	Outstanding balance (Loan given)	3.89	-
Emirate Fashions Private Limited	Outstanding balance (Loan given)	10.28	-
Thanco Natural Foods Private Limited	Outstanding balance (Loan given)	19.88	-
Bee Luxe Private Limited	Outstanding balance (Loan given)	9.34	-
Alaric Healthcare Private Limited	Outstanding balance (Loan given)	8.28	-

The above disclosure has been prepared basis the relevant information compiled by the Company on best effort basis which has been relied upon by the auditors.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 52: Risk management

(a) Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings (Including Debt Securities & Subordinate Libilities) and trade and other payables. The main purpose of these financial liabilities is to finance and support the company's operations. The Company's principal financial assets include loans, investments, cash and cash equivalents and other receivables that derive directly from its operations.
The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Risk Management Committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Risk Committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors review and agree policies for managing each of these risks, which are summarised below.

The Company has identified and implemented comprehensive policies and procedures to assess, monitor and manage risk throughout the Company. The risk management process is continuously reviewed, improved and adapted in the changing risk scenario and the agility of the risk management process is monitored and reviewed for its appropriateness in the changing risk landscape. The process of continuous evaluation of risks includes taking stock of the risk landscape on an event-driven basis.
The Company has an elaborate process for risk management. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Operational & Business Risk
Loss of Risk that is related to activities carried out within an entity, arising from incomplete structure, failure of systems, untrained people, inefficient products or processes. To make the structure more robust a Board approved Operational Risk Management Framework has been put in place which is implemented by a dedicated team within the Risk Management function. A bottom up risk control self-assessment process identifies high risk areas, potential gaps and serves as an early warning system so that remedial measures can be initiated in a timely manner.

Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. In the case of the Company, market risk primarily comprises of interest rate risk. Financial instruments affected by market risk include loans and The analyses exclude the impact of movements in market variables on the carrying values of gratuity, other post-retirement obligations and provisions.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March, 2022 and 31 March, 2021.

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest rate sensitivity
Since the Company manages its interest rate risk on domestic borrowings by ensuring, at maximum, its long term borrowings from domestic banks at floating rate of interest and in case of reduction in interest rate, it initiates negotiations with bankers for realigning the interest rate and/or repaying the high interest rate exposures, the interest rate change in market as such doesn't affect Company's profitability materially.

Market indices	Change in Interest rate	31 March, 2022		31 March, 2021	
		Impact on profit before tax	Impact on equity	Impact on profit before tax	Impact on equity
Interest rate	25 Basis Point down	6,929.29	5,164.32	5,613.65	4,184.51
	50 Basis Point down	13,858.58	10,328.64	11,227.30	8,369.02
	25 Basis Point Up	(6,929.29)	(5,164.32)	(5,613.65)	(4,184.51)
	50 Basis Point Up	(13,858.58)	(10,328.64)	(11,227.30)	(8,369.02)

SINGHI & CO. Chartered Accountants
DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS
Aditya Birla Finance Ltd. Mumbai

Note 52: Risk management (continued)

Foreign Exchange Risk

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates primarily relates to its External Commercial Borrowings. The Company uses derivative instruments like forwards to hedge exposure to foreign currency risk.

The Company has taken foreign currency floating rate borrowings, which are linked to LIBOR. For managing the foreign currency risk and interest rate risk, arising from changes in LIBOR on such borrowings, the Company has entered into Cross Currency Interest Rate Swap (CCIRS) and forward contracts for the entire loan liability and tenure of the facility. Under the terms of the CCIRS, the Company pays interest at the fixed rate to the swap counterparty in INR and receives the floating interest payments based on LIBOR in foreign currency.

Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

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

Impairment assessment

The ECL model Credit loss provisioning approach has now moved from incurred model. This forces entity to understand the significance of credit risk and its movement since its initial recognition. This model ensures (a) timely recognition of ECLs (b) assessment of significant increase in credit risk which will provide better disclosure (c) ascertainment of better business ratios.

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies in Note 5.

-An explanation of the Company's internal grading system (Note 'Definition of default below)
-How the Company defines, calculates and monitors the probability of default, exposure at default and loss given default)
(Note 'The Company's internal rating and PD estimation process', 'Probability of Default', 'Exposure at Default' below)
-When the Company considers there has been a significant increase in credit risk of an exposure (Note 'Significant increase in credit risk' below)
-The Company's policy of segmenting financial assets where ECL is assessed on a collective basis (Note 'Grouping financial assets measured on a collective basis' below)
-The details of the ECL calculations for Stage 1, Stage 2 and Stage 3 assets (Notes 'Probability of default', 'Exposure at default' and 'loss given default' below)

Definition of default

The Company considers a financial instrument defaulted and therefore Stage 3 (credit impaired) for ECL calculations generally in most cases when the borrower becomes 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikeness to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:
a) Significant financial difficulty of the borrower or issuer;
b) A breach of contract such as a default or past due event;
c) The restructuring of a loan or advance by the company on terms that the company would not consider otherwise;
d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
e) The disappearance of an active market for a security because of financial difficulties and the customer has delay in his repayments over a month.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 52: Risk management (continued)

The Company's internal rating and PD estimation process

a. Internal Rating: A robust internal credit rating framework is vital for effective credit risk management. It is specified by RBI on credit risk management that lenders should have an internal rating framework and the lenders must have independent Credit Risk Control Units (CRCU) or equivalents that are responsible for the design or selection, implementation and performance of their internal rating systems. Accordingly the Company also have an internal rating framework developed along with CRISIL, with ratings being assigned to all the customer/ portfolio pool – (eligible customers for Ratings) and used extensively in internal decision-making.

b. It is further specified in the policy that internal rating/grading/scoring of the borrower/client is at least Investment grade rating as per the Company's internal credit rating model or valid/live external rating.

Probability of Default (PD)

PD is calculated basis likelihood that the borrower will default within one year horizon (Basis for Stage 1), For Stage 2 – it is defined as significant increase in credit risk and probability is defined as borrower's probability to default in lifetime.

Exposure at Default

Gross exposure/potential gross exposure under a facility (i.e. the amount that is legally owed to the lender) at the time of default by a borrower. Exposure at Default gives an estimate of the amount outstanding.

Loss Given Default (LGD)

LGD is usually shown as the percentage of Exposure at Default that the lender might lose in case the borrower defaults. It depends, among others, on the type of collateral, it's value and the expected proceeds from the sale (e.g. sales proceeds from sales of collaterals/securities) of the assets, NPV net of recovery costs.

Significant increase in credit risk

a. There is significant increase in credit risk, when there is deterioration in account performance and expected resolution is not available.

b. Further, for large borrowers after assessing the following Risks in totality and deterioration in each factor, it is then assessed whether there is a significant increase in credit risk

i. Industry Risk
ii. Business Risk
iii. Management Risk
iv. Financial Risk
v. Banking Conduct & Facility level Conduct.

c. Significant increase in credit risk is also gauged through Credit rating. Credit rating is an opinion of capacity of borrower to meet its financial obligations to the depositor or bondholder (i.e. lender of money) on a particular issue or type of instrument (i.e. a domestic or foreign currency: short-term or medium or long-term, etc.) in a timely manner. The rating measures the relative risk of an issuers ability and willingness to repay both interest and principal over the period of the rated instrument. i.e. rating signifies the risk of default of the borrower that is rated.

Collateral Security:

The Company's net exposure to credit risk, after taking into account credit risk mitigation, have been tabulated below:

Particulars	As at March 31, 2022			As at March 31, 2021		
	Outstanding	Cash collateral	Nature of Non-cash collateral	Outstanding	Cash collateral	Nature of Non-cash collateral
Financial assets						
Cash and cash equivalents	59,571.14	-		1,51,098.56	-	
Bank balance other than cash and cash equivalents	9,681.37	-		1,913.09	-	
Derivative financial instruments	19.02			-		
Trade Receivables	1,243.96	-		998.86	-	
Loans	53,60,746.02	-	Refer footnote below	47,59,743.36	-	Refer footnote below
Investments	1,69,403.56	-		79,290.90	-	
Other financial assets	5,361.81	-		5,117.95	-	
Total	**56,06,026.88**	-		**49,98,162.72**	-	

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 52: Risk management (continued)

The Company by way of loan sanction letter and other loan securing documents agrees with its customers on collateral security to be provided by the customers in secured loan exposures that are subject to credit risk. Collateral security enables us to recover all or part of the outstanding exposure by liquidating the collateral asset provided, in cases where the borrower is unable or unwilling to fulfil its primary obligations.

Collateral security accepted by the Company could be in the form of:

a) Financial collateral in the form of pledge of equity shares, units of mutual funds, assignment of life insurance policies;
b) Current assets in the form of inventories meant for sale or receivables arising out of the sale of finished goods
c) Fixed asset (in the form of immovable properties – real estate, Plant and Machinery, Equipment's)
d) Third-party obligation (in the form of Irrevocable Unconditional Guarantee issued by Bank, Third party);
e) Risk participation from Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)
f) Assignment of borrower's rights and interests under agreements with third parties.

In addition, the Company also stipulates escrow of cash flows and a Debt Service Reserve Account (DSRA) for project loans

Collateral serves to mitigate the inherent risk of credit loss in an exposure, by either improving recoveries in the event of a default or substituting the borrower.

As part of the assessment of a credit transaction the availability, adequacy and suitability of collateral for the transaction is evaluated and decided upon. The Company's processes includes verification of the title to the collateral offered and valuation by technical experts where warranted. The Company accept as collateral only securities of good quality and have in place legally effective and enforceable documentation.
For guarantee's taken, the guarantor's creditworthiness is assessed during the credit assessment process of the transaction. The Company has collateral type specific haircuts in place which are reviewed at intervals as appropriate to the type of collateral.

The Company recognises that collateral can be a credit mitigant (alternative source of repayment), but does not replace or dilute the underwriting standards the company adopts to underwrite credit exposures.

(b) Forward looking Information :

The Company is required to provide for impairment allowance basis expected credit loss (ECL), which is calculated using empirical portfolio performance and adjusted for forward looking macroeconomic factors, as prescribed by Ind AS. The overall provisioning made through this approach, continues to be in excess of the floor provisions as prescribed by RBI for NBFCs.
The assessment of credit risk and estimation of ECL is statistically validated. It considers all relevant information about past events, current conditions and some elements of predicted performance of the portfolio.
ECL has been calculated using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD).
In the process of determining the PD, the macro economic impact is intrinsically built in in our current approach. The overall performance through the life cycle of the loan, considers the impact of macro-economic parameters like GDP or once in events like de-monetisation etc. Most of the portfolios have seen one to two complete economic cycles and hence the default probabilities experienced by the Company takes into account the upturn, downturn and central (balanced) economic scenario.
In the internally rated portfolio, the Industry rating module (sourced from CRISIL under agreement) recognizes factors like demand prediction, supply side glut / constraints, impact of imports and exports and the government policies which are more forward looking and making the through-the-cycle default probabilities to point-in-time default probability.

Grouping financial assets measured on a collective basis
The Company calculates ECLs either on a collective or an individual basis.

Asset classes where the Company calculates ECL on an individual basis include:
1. Corporate Portfolio

Asset classes where the Company calculates ECL on a collective basis include:
1. Retail Portfolio

The ECL methodology allows for individual assessment for corporates and therefore these loans are generally measured individually as each of these exposures have unique characteristics and structuring. For retail exposures and exposures which can be clubbed in homogenous pools, ECL is measured on a collective basis. This has been arrived at based on common characteristics like nature of product, customer profile etc .

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 52: Risk management (continued)

(c) Analysis of risk concentration

Concentration analysis are presented for Portfolio pool, Location, Top borrower exposures, Group exposures etc. These are regularly analysed and presented for further review/action. Based on the exposures of the company towards various sectors, analysis is as follows :

Top 20 Industry Sectors	**As at 31 March, 2022**
	(%)
Real Estate Activities - Builders and Contractors	15.48%
Lease Rental Discounting	4.53%
NBFCs	4.05%
Construction/Maintenance of Roads	3.82%
Energy Renewable	3.36%
Textiles, Readymade Garments, Apparels - Spinning, Mfg and Trading	3.36%
Other Trade (Wholesale/ Retail)	3.23%
Education	3.13%
Hotels, Motels and Resorts	2.54%
Automobiles & Ancillaries	2.10%
Food & Beverages	1.87%
Brokers / Traders - Shares, securities	1.81%
Other financial intermediation	1.46%
Hospital & medical business	2.50%
Manufacturing Industry	1.32%
Warehousing	1.14%
Energy Trans & Distr	1.14%
Pharmaceuticals & intermediates	1.12%
Business & Self-Employed	1.03%
Metals (Mfg of Basic & Structural, casting)	1.03%
Top 20 Industry Exposures	**60.01%**

Top 20 Industry Sectors	**As at 31 March, 2021**
	(%)
Real Estate Activities - Builders and Contractors	14.67%
Lease Rental Discounting	6.76%
Energy Renewable	5.85%
Construction/Maintenance of Roads	5.76%
Hotels, Motels and Resorts	3.73%
Education	3.28%
Textiles, Readymade Garments, Apparels - Spinning, Mfg and Trading	3.28%
NBFCs	3.10%
Transportation, logistics & allied services	3.09%
Other Trade (Wholesale/ Retail)	2.92%
Domestic Commercial Banks	2.39%
Automobiles & Ancillaries	2.30%
Hospital & medical business	1.87%
Food & Beverages	1.68%
Brokers / Traders - Shares, securities	1.66%
Energy Trans & Distr	1.58%
Pharmaceuticals & intermediates	1.55%
Chemical & related products	1.36%
Electricals & Electronics equipments	1.22%
Mining and Quarrying	1.05%
Top 20 Industry Exposures	**69.10%**

Note:

1. Industry Sectors tagging on loans is done by the Company's management as per internal MIS which have been relied upon by the auditors.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 52: Risk management (continued)

(d) Liquidity risk and funding management

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances.

The Company manages its liquidity requirement by analysing the maturity pattern of Company's cash flows of financial assets and financial liabilities. The Asset Liability Management of the Company is periodically reviewed by its Asset Liability Management Committee.

The Company maintains a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flow. The Company also has lines of credit that it can access to meet liquidity needs. In accordance with the Company's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company. Net liquid assets consist of cash. The ratios during the year were, as follows:

Advances to borrowings ratios

Particulars	2022	2021
Year-end	116.57%	115.49%
Maximum	118.99%	119.34%
Minimum	116.57%	110.41%
Average	118.16%	114.83%

Borrowings from banks and financial institutions and issue of debentures are considered as important sources of funds to finance lending to customers. They are monitored using the advances to borrowings ratio, which compares loans and advances to customers as a percentage of secured and unsecured borrowings.

Analysis of financial liabilities by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial liabilities:

As at 31 March, 2022

Particulars	Within 12 months	After 12 months	Total
Financial liabilities			
Derivative Financial Liability	7,799.24	-	7,799.24
Trade Payables (refer note 1 below)			
- Micro and small enterprises	696.87	-	696.87
- Other than micro and small enterprises	23,524.76	-	23,524.76
Debt securities (refer note 2 below)	6,53,366.24	10,31,194.25	16,84,560.49
Borrowings (other than debt securities)	13,13,012.19	17,61,219.85	30,74,232.04
Subordinated liabilities	24,513.02	3,42,344.23	3,66,857.25
Lease liabilities	3,009.34	12,713.64	15,722.98
Other financial liabilities	47,013.29	-	47,013.29

As at 31 March, 2021

Particulars	Within 12 months	After 12 months	Total
Financial liabilities			
Derivative Financial Liability	3,063.81	-	3,063.81
Trade Payables (refer note 1 below)			
- Micro and small enterprises	214.66	-	214.66
- Other than micro and small enterprises	10,957.65	-	10,957.65
Debt securities (refer note 2 below)	7,88,481.19	11,87,415.93	19,75,897.12
Borrowings (other than debt securities)	9,48,998.38	15,69,514.84	25,18,513.22
Subordinated liabilities	20,712.85	3,11,152.87	3,31,865.72
Lease liabilities	2,577.35	9,925.10	12,502.45
Other financial liabilities	31,157.53	-	31,157.53

Notes :

1. Trade payables is based on the estimate of actual payment.
2. Commercial papers shown net of unamortised discounting charges ₹ 4,471.02 lakhs (31 March, 2021 ₹ 3,013.51 lakhs).

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 52: Risk management (continued)

The table below shows the contractual expiry by maturity of the Corporate guarantees and Letter of comfort given by the Company on behalf of clients.

As at 31 March, 2022

Particulars	Within 12 months	After 12 months	Total
Corporate guarantees and Letter of comfort given by the Company on behalf of clients	11,501.18	32.66	11,533.84
Total	**11,501.18**	**32.66**	**11,533.84**

As at 31 March, 2021

Particulars	Within 12 months	After 12 months	Total
Corporate guarantees and Letter of comfort given by the Company on behalf of clients	3,126.00	22.60	3,148.60
Total	**3,126.00**	**22.60**	**3,148.60**

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 53: Disclosure in terms of Direction 19 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016.

Sr No	Particulars	31 March, 2022		31 March, 2021	
	Liabilities side :	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
1)	**Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:**				
	(a) Debentures : Secured (including interest accrued but not due of ₹ 61,303.24 lakhs; 31 March 2021 : ₹ ₹ 85,859.83 lakhs)	12,53,636.68	-	13,32,116.41	-
	: Unsecured (including interest accrued but not due of ₹ 460.04 lakhs ; 31 March 2021 : ₹ 271.12 lakhs) (other than falling within the meaning of public deposits*)	10,960.04	-	5,821.46	-
	(b) Deferred Credits	-	-	-	-
	(c) Term Loans, External commercial borrowings and Working Capital Demand loans (including interest accrued but not due of ₹ 1,080.15 lakhs ; 31 March 2021 : ₹ 5,450.17 lakhs)	25,60,604.67	-	21,09,067.93	-
	(d) Commercial Paper (net of unamortised discount of ₹ 4,471.02 lakhs; 31 March, 2021 : ₹ 3,013.51 lakhs)	3,13,528.98	-	3,19,937.17	-
	(e) Subordinate Debt (including interest accrued but not due of ₹ 9,722.01 lakhs; 31 March 2021 : ₹ 9,486.40 lakhs)**	2,27,622.01	-	1,97,066.69	-
	(f) Perpetual Debts (including interest accrued but not due of ₹ 1,111.98 lakhs; 31 March 2021 : ₹ 1,195.41 lakhs)**	21,111.98	-	21,116.57	-
	(g) Other Loans (Cash Credit & Book overdraft)	2,11,110.37	-	1,36,392.15	-
	Total	**45,98,574.73**	-	**41,21,518.38**	-

* Please see Note 1 below
** Please see Note 5 below

		31 March, 2022	31 March, 2021
	Assets side :	Amount outstanding	Amount outstanding
2)	**Break-up of Loans and Advances including bills receivables (other than those included in (4) below) :**		
	(a) Secured :	41,14,204.21	39,63,984.03
	(b) Unsecured : (Includes those in nature of loans and excludes Advances Recoverable in cash or kind or for value to be received, Advance Payment of Taxes and Other Deposits)	13,54,024.34	8,97,877.98
		54,68,228.55	**48,61,862.01**
3)	**Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities :**		
	(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial lease	-	-
	(b) Operating lease	-	-
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	-	-
	(b) Repossessed Assets	-	-
	(iii) Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-
		-	-
	Total	**54,68,228.55**	**48,61,862.01**

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 53: Disclosure in terms of Direction 19 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016. (continued)

	Assets side :	31 March, 2022	31 March, 2021
		Amount outstanding	Amount outstanding
4)	**Break-up of Investments :**		
	Short Term investments :		
	1. Quoted :		
	(i) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (Please specify)	-	-
	2. Unquoted :		
	(i) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	1,10,260.07	56,892.50
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	47,137.87	15,420.71
	(v) Others (Please specify)	-	-
	Long Term investments :		
	1. Quoted :		
	(i) Shares : (a) Equity	45.17	36.82
	(b) Preference	3,500.00	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (Please specify)	-	-
	2. Unquoted :		
	(i) Shares : (a) Equity	235.26	211.04
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (PMS and Alternate Fund)	8,225.19	6,729.83
	Total	**1,69,403.56**	**79,290.90**

5)	Borrower group-wise classification of assets financed as in (2) and (3) above :						
	Category	31 March, 2022			31 March, 2021		
		Secured	Unsecured	Total	Secured	Unsecured	Total
	1) Related Parties						
	(a) Subsidiaries	-	-	-	-	-	-
	(b) Companies in the same group	4,356.58	-	4,356.58	-	-	-
	(c) Other related parties	-	-	-	-	-	-
	2) Other than related parties						
	(a) Companies in the same group	-	-	-	-	30,500.00	30,500.00
	(b) Other	41,09,847.63	13,54,024.34	54,63,871.97	39,63,984.03	8,67,377.98	48,31,362.01
	Total	**41,14,204.21**	**13,54,024.34**	**54,68,228.55**	**39,63,984.03**	**8,97,877.98**	**48,61,862.01**

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 53: Disclosure in terms of Direction 19 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016. (continued)

6)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):				
		31 March, 2022		31 March, 2021	
	Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
	1) Related Parties				
	(a) Subsidiaries	-	-	-	-
	(b) Companies in the same group	-	-	-	-
	(c) Other related parties	-	-	-	-
	2) Other than related parties				
	(a) Companies in the same group	337.30	336.32	391.36	323.22
	(b) Other	1,69,066.26	1,67,473.92	78,899.54	77,603.52
	Total	**1,69,403.56**	**1,67,810.24**	**79,290.90**	**77,926.74**

Note:

1. Break up value derived from the latest available Balance Sheet of the Company.

7)	Other information :	31 March, 2022	31 March, 2021
	(i) Gross Non-Performing Assets (Stage 3) :		
	(a) Related parties	-	-
	(b) Other than related parties	1,95,603.41	1,42,247.24
	(ii) Net Non-Performing Assets (Stage 3) :		
	(a) Related parties	-	-
	(b) Other than related parties	1,18,314.77	58,995.56
	(iii) Assets acquired in satisfaction of debt :	-	-

The above amounts are including Interest Accrued.

Notes:

1 As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank of India) Directions, 1998.

2 Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016.

3 There are no prior period and material change in accounting policies which require disclosure in the notes to accounts.

4 All Indian Accounting Standards issued by MCA and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets. However, market value in respect of quoted investments and break up/NAV in respect of unquoted investments has been disclosed irrespective of whether they are classified as long term or current in (4) above.

5 During the year ended 31 March, 2022 the Company has raised ₹ Nil (31 March, 2021 ₹ Nil) through perpetual debt instrument. Closing balance as on 31 March, 2022 is ₹ 21,111.98 lakhs (31 March, 2021 ₹ 21,116.57 lakhs), the same is 2.18% (31 March, 2021 2.43%) of tier I Capital as on 31 March, 2022.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 54: Disclosure in terms of Direction 73 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016.

a) Capital Risk Adequacy Ratio (CRAR)

Sr. No.	Particulars	31 March, 2022	31 March, 2021
(i)	CRAR (%)	21.77	22.70
(ii)	CRAR - Tier I capital (%)	18.07	18.43
(iii)	CRAR - Tier II Capital (%)	3.70	4.27
(iv)	Amount of subordinated debt raised as Tier-II capital	2,27,622.01	1,97,066.69
(v)	Amount raised by issue of Perpetual Debt Instruments	21,111.98	21,116.57

Notes :

1) Amount of Subordinated debt and Perpetual Debt shown above are outstanding balances (including interest accrued thereon) as on 31 March, 2022 and 31 March, 2021.

b) Derivatives

Forward Rate Agreement / Interest Rate Swap (also includes currency interest rate swaps)

Sr. No.	Particulars	31 March, 2022	31 March, 2021
(i)	The notional principal of swap agreements	1,71,375.26	1,46,403.09
(ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	19.02	-
(iii)	Collateral required by the applicable NBFC upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from the swaps $	-	-
(v)	The fair value of the swap book	(7,780.22)	(3,063.81)

Exchange Traded Interest Rate (IR) Derivatives: The Company has not traded in Exchange Traded Interest Rate Derivative during the financial year ended March 31,2022 (Previous year: NIL).

Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure - The company enters into derivative agreements to mitigate the foreign exchange risk and interest rate risk pertaining to its external commercial borrowings & Non convertible debenture. Detailed description of the policies and risk mitigation strategies are disclosed as per Note 5.1(viii), Note 9 and Note 53 of the financial statements.

Quantitative Disclosures -

Sr. No.	Particulars	31 March, 2022		31 March, 2021	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount) for Hedging	7.72	1,71,367.54	35.55	1,46,367.54
(ii)	Marked to Market Positions				
	(a) Asset (+)	-	19.02	-	-
	(b) Liability (-)	(0.52)	(7,798.72)	(1.26)	(3,062.55)
(iii)	Credit Exposure	-	-	-	-
(iv)	Unhedged Exposures	-	-	-	-

c) Unsecured Advances

Sr. No.	Particulars	31 March, 2022	31 March, 2021
(i)	Unsecured Advances (Inclusive of doubtful advances)	13,54,024.34	8,97,877.98

Out of the above amount, advances for which intangible securities such as charge over the rights, licences, authority, etc. are taken as collateral : NIL

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)
Note 54: Disclosure in terms of Direction 73 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016. (continued)

d) Exposures
d.i) Exposure to Real Estate Sector

Category		31 March, 2022	31 March, 2021
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	10,86,801.03	10,12,337.72
ii)	Commercial Real Estate Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.) Exposure would also include non-fund based limits	15,48,981.87	13,76,744.74
iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures		
	a. Residential	Nil	Nil
	b. Commercial Real Estate	Nil	Nil
Total Exposure to Real Estate Sector		**26,35,782.90**	**23,89,082.46**

d.ii) Exposure to Capital Market

Particulars		31 March, 2022	31 March, 2021
i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	45.17	36.82
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	37,392.88	63,952.99
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	2,50,602.33	2,05,959.63
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	1,157.57	817.76
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources.	58,108.53	-
(vii)	Bridge loans to companies against expected equity flows / issues;	-	-
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market		**3,47,306.48**	**2,70,767.20**

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)
Note 54: Disclosure in terms of Direction 73 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016. (continued)

d.iii) Asset Liability Management
Maturity pattern of certain items of Assets and Liabilities
As at 31 March, 2022

Particulars	1 to 7 days	8 to 14 days	15 day to 30 days	Over 1 month and up to 2 months	Over 2 months and up to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	Total
Deposits#	-	1,266.58	17.90	37.75	-	36.49	39.23	190.63	861.98	322.03	**2,772.59**
Advances**	1,36,006.59	17,338.91	78,363.63	1,89,721.39	1,02,377.40	2,34,242.14	6,22,369.59	14,72,617.02	8,60,946.05	16,46,763.30	**53,60,746.02**
Investments	-	47,137.87	-	-	1,12,865.41	-	2,862.70	2,084.13	4,070.98	382.47	**1,69,403.56**
Borrowings*	1,03,399.97	1,96,105.49	3,02,290.61	1,59,004.72	1,41,558.02	3,57,615.08	5,68,510.59	15,55,508.37	6,24,188.68	5,90,393.19	**45,98,574.73**
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities (also included in borrowings above)	-	-	-	738.91	-	71,298.53	68,258.61	-	-	-	**1,40,296.05**

As at 31 March, 2021

Particulars	1 to 7 days	8 to 14 days	15 day to 30 days	Over 1 month and up to 2 months	Over 2 months and up to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	Total
Deposits#	-	-	-	135.32	66.62	9.23	211.40	353.88	966.64	743.75	**2,486.83**
Advances**	83,784.56	12,876.43	47,057.64	1,16,252.21	1,37,157.41	2,01,516.45	7,85,802.36	11,32,784.79	7,38,434.62	15,04,076.89	**47,59,743.36**
Investments	-	-	-	15,420.71	56,892.50	-	-	4,427.17	2,122.34	428.19	**79,290.90**
Borrowings*	3,417.26	2,750.87	2,79,762.80	2,30,324.96	1,69,342.02	2,72,393.39	6,10,670.70	16,42,295.00	4,51,215.49	4,59,345.89	**41,21,518.38**
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	-	-	84.34	-	57.89	-	1,46,974.50	-	-	**1,47,116.73**

Note: Classification of assets and liabilities under the different maturity buckets is based on the same estimates and assumptions as used by the company for Compiling the return submitted to RBI, which has been relied upon by the auditors.

* Commercial papers shown net of unamortised discounting charges ₹ 4,471.02 (31 March, 2021 ₹ 3,013.51 lakhs).
** a) Overdue Receivable on account of Corporate Finance Activities have been slotted in respective time bucket category as per instructions contained in Appendix 1 of Guidelines for Assets Liabilities Management (ALM) system in NBFC.
b) Advances includes Loan and Advances in the nature of Loans (net of ECL provisions) and excludes deposits.
Deposits includes only security deposits.

d.iv): The Company has no specific program for financing its parent company products. However, in its general lending business, the Company may have funded some entities which may have been customer(s) of its ultimate parent company: Grasim Industries Limited. Single Borrower Limit (SGL) or Group Borrower Limit (GBL) did not exceed the limits prescribed under the prudential norms.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 55: Disclosure on liquidity risk under RBI circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies as on March 31, 2021.

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

As at 31 March 2022

Sr. No	No of Significant Counterparties	Amount***	% of total Deposits	% of Total Liabilities*
1	22	33,68,770.36	NA	71.51%

As at 31 March 2021

Sr. No	No of Significant Counterparties	Amount***	% of total Deposits	% of Total Liabilities*
1	20	28,24,533.05	NA	67.38%

Note:
1. A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFCNDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs

ii) Top 20 large deposits – Not Applicable for 31 March 2022 & 31 March 2021

iii) Top 10 Borrowings

As at 31 March 2022

Amount***	% of Total Liabilities*
24,31,255.26	51.61%

As at 31 March 2021

Amount***	% of Total Liabilities*
21,76,921.05	51.93%

iv) Funding Concentration based on significant instrument/product

Sr.	Name of the instrument	As at 31 March 2022		As at 31 March 2021	
		Amount	% of Total Liabilities*	Amount	% of Total Liabilities*
1	Term Loan	21,00,005.16	44.58%	17,57,030.47	41.92%
2	Non Convertible Debentures	12,53,636.68	26.61%	13,32,116.41	31.78%
3	Commercial Paper	3,13,528.98	6.66%	3,19,937.17	7.63%
4	Working capital / short term facilities	2,45,162.11	5.20%	1,03,512.25	2.47%
5	External Commercial Borrowings	2,41,699.63	5.13%	2,48,525.21	5.93%
6	Subordinate Debt	2,27,622.01	4.83%	1,97,066.69	4.70%
	Total	**43,81,654.57**	**93.01%**	**39,58,188.20**	**94.43%**

Note:
1. A "Significant instrument/product" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFCNDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.
2. Above table does not includes Book overdraft.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)
Note 55: Disclosure on liquidity risk under RBI circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies as on March 31, 2021. (continued)

v) Stock Ratios

Sr No	Particulars	As at 31 March 2022	As at 31 March 2021
1	Commercial Papers to Total Liabilities*	6.66%	7.63%
2	Commercial Papers to Total Assets	5.50%	6.30%
3	NCDs (Original Maturity < 1 year) to Total Liabilities*	Nil	Nil
4	NCDs (original Maturity < 1 year) to Total Assets	Nil.	Nil
5	Other Short Term Liabilities** to Total Liabilities*	34.03%	31.20%
6	Other Short Term Liabilities** to Total Assets	28.14%	25.77%

* Total Liabilities does not include Net Worth.
** Other Short Term Liabilities excludes Commercial Paper as considered in 1 & 2.
*** It represents outstanding principal amount of borrowings.

vi) Institutional set-up for liquidity risk management:

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk management. The ALCO meetings are held at periodic intervals. At the apex level, the Risk Committee (RC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RC subsequently updates the Board of Directors on the same.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 56: Liquidity Coverage Ratio : The daily average LCR of the Company for the quarter ended 31 March, 2022 was 71% vis-à-vis 72% for the quarter ended 31 March, 2021. The calculation of the last four quarter as below.

Sr. No.	Particulars	Quarter ended 31 Mar, 2022		Quarter ended 31 Dec, 2021		Quarter ended 30 Sep, 2021		Quarter ended 30 Jun, 2021		Quarter ended 31 Mar, 2021	
		Total Unweighted (Average)	Total Weighted (Average)	Total Unweighted (Average)	Total Weighted (Average)	Total Unweighted (Average)	Total Weighted (Average)	Total Unweighted (Average)	Total Weighted (Average)	Total Unweighted (Average)	Total Weighted (Average)
	Total High Quality Liquid Assets (HQLA)										
1	Total High Quality Liquid Assets (HQLA)	1,74,510.91	1,74,510.91	2,19,542.96	2,19,542.96	1,61,177.91	1,61,177.91	1,07,974.74	1,07,974.74	1,41,756.48	1,41,756.48
	Cash Outflows										
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	1,03,177.84	1,18,654.52	1,21,401.11	1,39,611.28	2,53,170.57	2,91,146.15	1,13,901.40	1,30,986.61	2,40,721.78	2,76,830.04
4	Secured wholesale funding	1,05,875.79	1,21,757.16	53,645.45	61,692.27	76,193.25	87,622.24	1,11,961.72	1,28,755.98	61,913.85	71,200.92
5	Additional requirements, of which	-	-	-	-	-	-	-	-	-	-
	(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-	-	-
	(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-	-	-
	(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	1,40,420.70	1,61,483.81	3,78,963.31	4,35,807.80	1,85,389.56	2,13,198.00	1,33,486.52	1,53,509.50	1,59,974.24	1,83,970.38
7	Other contingent funding obligations	1,44,683.95	1,66,386.54	15,809.49	18,180.92	20,072.97	23,083.91	390.65	449.25	291.41	335.12
8	**Total Cash Outflows**	**4,94,158.27**	**5,68,282.03**	**5,69,819.36**	**6,55,292.27**	**5,34,826.35**	**6,15,050.30**	**3,59,740.29**	**4,13,701.33**	**4,62,901.28**	**5,32,336.46**
	Cash Inflow										
9	Secured lending	-	-	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	1,87,393.40	1,40,545.05	3,16,047.14	2,37,035.36	3,62,216.53	2,71,662.40	2,18,853.67	1,64,140.25	3,10,319.71	2,32,739.78
11	Other cash inflows	2,42,426.23	1,81,819.67	1,42,612.90	1,06,959.68	1,67,079.37	1,25,309.52	3,04,666.67	2,16,119.32	1,36,746.67	1,02,560.00
12	**Total Cash Inflows**	**4,29,819.63**	**3,22,364.72**	**4,58,660.04**	**3,43,995.04**	**5,29,295.90**	**3,96,971.92**	**5,23,520.34**	**3,80,259.57**	**4,47,066.38**	**3,35,299.78**
		Total Adjusted Value									
13	**Total HQLA**	**1,74,510.91**	**1,74,510.91**	**2,19,542.96**	**2,19,542.96**	**1,61,177.91**	**1,61,177.91**	**1,07,974.74**	**1,07,974.74**	**1,41,756.48**	**1,41,756.48**
14	**Total Net Cash Outflows**	**64,338.64**	**2,45,917.29**	**1,11,159.32**	**3,11,297.24**	**5,530.45**	**2,18,078.38**	**(1,63,780.05)**	**1,03,425.33**	**15,834.90**	**1,97,036.69**
15	**Liquidity Coverage Ratio (%)**		**71%**		**71%**		**74%**		**104%**		**72%**

Notes:

1. In computing the above information, certain estimates/ assumptions have been made by the Company's management which have been relied upon by the auditors.
2. Unweighted values must be calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).
3. Weighted values must be calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.
4. The calculation has been arrived based on average daily computation.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)
Note 56: Liquidity Coverage Ratio (continued)

C) Qualitative Disclosure

a) The main drivers of their LCR results and the evolution of the contribution of inputs to the LCR's calculation over time : RBI had introduced the liquidity coverage ratio (LCR) to ensure that NBFC has an adequate stock of unencumbered high-quality liquid assets (HQLA) to survive a significant liquidity stress lasting for a period of 30 days. LCR is defined as a ratio of HQLA to the total net cash outflows estimated for the next 30 calendar days. At March 31, 2022, the applicable minimum LCR required to be maintained by NBFC is 60%.

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk. The ALCO meets at periodic intervals. At the apex level, the Risk Committee (RC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RC subsequently updates the Board of Directors on the same.

b) Intra-period changes as well as changes over time: Company has started maintaining LCR w.e.f. 1st December, 2020. The details for the four quarter ended 30th June, 2021, 30th September, 2021, 31st December, 2021 and year ended 31st March, 2022 are disclosed in 56 Liquidity Coverage Ratio.

c) The composition of HQLAs: The Company, for the year ended 31 March 2022, had average HQLA of Rs. 1,745.11 crore vis-à-vis 1,417.56 crore for the quarter ended March 31, 2021.

High-Quality Liquid Assets (HQLA)	Quarter ended 31 Mar, 2022	Quarter ended 31 Dec, 2021	Quarter ended 30 Sep, 2021	Quarter ended 30 Jun, 2021	Quarter ended 31 March, 2021
Total	**1,74,510.91**	**2,19,542.96**	**1,61,177.91**	**1,07,974.74**	**1,41,756.48**
Cash & callable FDs	1,00,538.80	1,75,271.60	1,26,357.83	88,122.98	1,22,305.93
Treasury Bills	24,280.57	11,190.24	6,536.61	340.67	9,300.06
Government Securities	49,691.54	33,081.12	28,283.47	19,511.09	10,150.49

d) Concentration of funding sources

As at 31 March 2022

Name of the Source	% of Total Liabilities
Bank	68.23%
Mutual Fund	10.20%
Insurance	10.09%
PF & Others	7.39%
FII	2.30%
Corporates	1.79%
Total	**100.00%**

As at 31 March 2021

Name of the Source	% of Total Liabilities
Bank	62.10%
Mutual Fund	13.60%
Insurance	10.41%
PF & Others	8.79%
FII	2.57%
Corporates	2.53%
Total	**100.00%**

e) Currency mismatch in the LCR : The company has taken foreign currency borrowings. The Company has entered into Cross currency swap and forward contracts to hedge the foreign currency risk on such borrowing.

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

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 57: Disclosure in terms of RBI Circular - RBI/2018-19/100 DBR.No.BP.BC.18/21.04.048/2018-19 dated 01 January, 2019; RBI/2019-20/160 DOR.No.BP.BC.34/21.04.048/2019-20 dated 11 February, 2020 ; RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21 dated 06 August, 2020; RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 dated 05 May, 2021 (for restructuring of accounts of Micro, Small and Medium Enterprises (MSME) sector–Restructuring of Advances' having exposure less than or equal to ₹ 25 crores).

Type of Borrower	As at 31 March 2022		As at 31 March 2021	
	No. of accounts restructured	Amount	No. of accounts restructured	Amount
MSMEs	2,422	82,593.16	1,945	51,329.73

Note 58: Disclosure in terms of RBI Circular - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06 August, 2020; RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 05 May, 2021.

For the half year ended 31st March 2022 (₹ in Lakhs)

Type of borrower	(A)	(B)	(C)	(D)	(E)
	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year i.e 30 September, 2021	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year**	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year i.e. 31 March, 2022
Personal Loans	27,053.40	2,276.04	8,828.61	3,033.14	12,915.61
Corporate persons*	55,217.30	9,540.18	982.64	22,382.77	22,311.72
Of which MSMEs	37,425.46	9,144.53	982.64	5,098.07	22,200.22
Others	2,694.97	927.63	-	11.96	1,755.37
Total	**84,965.67**	**12,743.85**	**9,811.26**	**25,427.87**	**36,982.70**

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

**Amount paid by the borrower during the half year is net of interest capitalised.

Note 59: Disclosures pursuant to Master Direction — Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 in terms of RBI circular RBI/DOR/2021-22/86 DOR.STR. REC. 51/21.04.048/2021-22 dated September 24, 2021.

(a)(i) Details of Loans not in default that are acquired during the quarter ended 31st March 2022

Count of Loan Account acquired	3,890
Amount of Loan Account acquired (Rs. In lakhs)	20,696.61
Weighted Average Maturity (Residual maturity) (In Month)	104.28
Weighted Average Holding period (Up to date of acquisition)	17.61
Retention of beneficial economic interest (MRR of assignor)*	6.69%
Coverage of tangible security coverage*	100.00%
Rating wise distribution of loans acquired by value	
A-	23.41%
Unrated	76.59%

* Ratio is computed basis weighted average of loans acquired.

(a)(ii) Details of Loans not in default that are transferred during the quarter ended 31st March 2022 : Nil

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 60: Disclosure in terms of Direction 73 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016.

i) Registration/ license/ authorization obtained from financial sector regulators:

The Company has received certificate of registration as a non-deposit taking systematically important Non-Banking Financial Company from Reserve Bank of India dated August 9, 2011 having COR number N-01.00500 in lieu of earlier COR number B-13.01163 dated February 12, 1999.

The Company is registered with AMFI for distribution of Mutual fund products having certificate number ARN-118681 valid from 04 February, 2020 to 03 February, 2023.

ii) Penalties levied if any during the year: Nil

iii) Investments

Particulars		31 March, 2022	31 March, 2021
Value of Investments			
(i)	Gross Value of Investments		
	(a) In India	1,69,403.56	79,290.90
	(b) Outside India,	-	-
(ii)	Provision for Depreciation		
	(a) In India	-	-
	(b) Outside India,	-	-
(iii)	Net value of Investment		
	(a) In India	1,69,403.56	79,290.90
	(b) Outside India	-	-
Movement of provisions held towards depreciation on investments.			
(i)	Opening balance	-	-
(ii)	Add : Provisions made during the year	-	-
(iii)	Less : Write-off / write-back of excess provisions during the year	-	-
(iv)	Closing balance	-	-

iv) Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of P&L	31 March, 2022	31 March, 2021
Provisions for depreciation on Investment	-	-
Provision towards NPA*	18,293.08	2,435.14
Provision made towards Income tax	37,878.58	26,258.02
Other Provision and Contingencies	-	-
Provision for Standard Assets**	(12,929.21)	11,530.37

*This does not include provision created and written off during the year.
**Represents impairment loss allowance on stage 1 and stage 2 assets.

v) Concentration of Advances

Particulars	31 March, 2022	31 March, 2021
Total Advances to twenty largest borrowers (including interest accrued)	4,79,174.37	4,87,979.48
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	8.76%	10.04%

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 60: Disclosure in terms of Direction 73 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016. (continued)

vi) Concentration of Exposures

Particulars	31 March, 2022	31 March, 2021
Total Exposure to twenty largest borrowers / customers* (including interest accrued)	4,82,844.79	4,89,077.55
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	8.56%	9.90%

*The above calculation is as per loans outstanding as at year end.

vii) Concentration of NPAs

Particulars	31 March, 2022	31 March, 2021
Total Exposure to top four NPA (Stage 3) accounts (including interest accrued)	45,614.05	34,403.82

viii) Sector-wise NPAs (Stage 3)

Sr No.	Sector	31 March, 2022	31 March, 2021
		Percentage of NPAs (Stage 3 loans) to Total Advances in that sector	Percentage of NPAs (Stage 3 loans) to Total Advances in that sector
1	Agriculture & allied activities	5.76%	3.31%
2	MSME	4.50%	1.81%
3	Corporate borrowers	3.88%	4.11%
4	Services	3.16%	2.40%
5	Unsecured working capital loans	7.54%	3.37%
6	Auto loans	0.00%	0.00%
7	Other personal loans	1.81%	5.50%

Note : The above information has been compiled from Management Information System of the Company which has been relied upon by the auditors.

ix) Movement of NPAs (Stage 3)

Particulars			31 March, 2022	31 March, 2021
(i)	**Net NPAs to Net Advances (%)**		2.19%	1.73%
(ii)	**Movement of NPAs (Gross Stage 3 assets)**			
	(a)	Opening balance	1,42,247.24	1,82,708.23
	(b)	Additions during the year	1,18,598.55	55,315.03
	(c)	Reductions during the year	(65,242.38)	(95,776.02)
	(d)	Closing balance	1,95,603.41	1,42,247.24
(iii)	**Movement of Net NPAs (Net Stage 3 assets)**			
	(a)	Opening balance	83,251.68	1,26,147.81
	(b)	Additions during the year	58,909.04	(4,124.63)
	(c)	Reductions during the year	(23,845.95)	(38,771.50)
	(d)	Closing balance	1,18,314.77	83,251.68
(iv)	**Movement of provisions for NPAs (Stage 3 Provision)**			
	(a)	Opening balance	58,995.56	56,560.42
	(b)	Provisions made during the year	59,689.51	59,439.66
	(c)	Write-off / write-back of excess provisions	(41,396.43)	(57,004.52)
	(d)	Closing balance	77,288.64	58,995.56

Note :
1. The above amounts are including Interest Accrued.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 60: Disclosure in terms of Direction 73 of Non-Banking Financial Company - Systemically important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016. (continued)

x) Credit Rating

Instrument	Credit Rating Agency	31 March, 2022	31 March, 2021
Commercial Paper	ICRA Limited India Ratings & Research Private Limited	[ICRA] A1+ IND A1+	[ICRA] A1+ IND A1+
Non Convertible Debentures (NCD)	ICRA Limited India Ratings & Research Private Limited	[ICRA] AAA Stable IND AAA Stable	[ICRA] AAA Stable IND AAA Stable
Sub Debt	CARE Limited ICRA Limited India Ratings & Research Private Limited	CARE AAA Stable [ICRA] AAA Stable IND AAA Stable	CARE AAA Stable [ICRA] AAA Stable IND AAA Stable
Unsecured NCD	ICRA Limited	[ICRA] AAA Stable	[ICRA] AAA Stable
Perpetual Debt	ICRA Limited India Ratings & Research Private Limited	[ICRA] AA+ Stable IND AA+ Stable	[ICRA] AA+ (hyb) Stable IND AA+ Stable
Principal Protected Market Linked Debenture	India Ratings & Research Private Limited	IND PP-MLD AAA emr Stable	IND PP-MLD AAA emr Stable
Public Issue of NCDs	ICRA Limited	[ICRA] AAA Stable	[ICRA] AAA Stable
	India Ratings & Research Private Limited	IND AAA Stable	IND AAA Stable
Long Term Bank Loans	ICRA Limited	[ICRA] A1+ / [ICRA] AAA	[ICRA] AAA Stable
	India Ratings & Research Private Limited	IND AAA Stable	IND AAA Stable
Short Term Bank Loans	ICRA Limited	[ICRA] A1+ / [ICRA] AAA	[ICRA] AAA Stable
	India Ratings & Research Private Limited	IND AAA Stable	IND AAA Stable

xi) Customer Complaints

Sr. No.	Particulars	31 March, 2022	31 March, 2021
(a)	No. of complaints pending at the beginning of the year	73	16
(b)	No. of complaints received during the year	2,666	2,262
(c)	No. of complaints redressed during the year	2,634	2,205
(d)	No. of complaints pending at the end of the year	105	73

xii) During FY 2022, there were no draw down from Reserves (Previous year: Nil)

xiii) Overseas assets (for those with joint ventures and subsidiaries abroad): Nil (Previous year: Nil)

xiv) Off Balance Sheet SPVs sponsored: Nil (Previous year: Nil)

xv) Frauds committed against the Company:

Particulars	31 March, 2022	31 March, 2021
No. of cases of fraud which occurred during the year	13	9
Amount involved	66.09	36.72
Amount recovered	12.45	19.53
Amount provided/loss	55.53	17.19

xvi) The disclosures given in the above notes pursuant to RBI Notification are only to the extent they are applicable to the Company.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 61: Disclosure pursuant to RBI Notification No. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020.

As on 31 March, 2022

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	49,76,890.04	15,959.53	49,60,930.51	22,925.46	(6,965.93)
	Stage 2	2,64,739.13	12,650.36	2,52,088.77	8,527.12	4,123.24
Subtotal		**52,41,629.17**	**28,609.89**	**52,13,019.28**	**31,452.58**	**(2,842.69)**
Non-Performing Assets (NPA)						
Substandard	Stage 1	159.10	0.91	158.19	16.55	(15.64)
	Stage 2	30,836.87	1,532.29	29,304.58	3,207.03	(1,674.74)
	Stage 3	1,15,316.99	44,474.08	70,842.91	9,637.86	34,836.22
Doubtful - up to 1 year	Stage 3	28,171.93	11,614.73	16,557.20	12,216.03	(601.30)
1 to 3 years	Stage 3	41,594.88	17,339.64	24,261.24	14,301.00	3,032.64
More than 3 years	Stage 3	10,519.61	3,866.19	6,653.42	5,319.94	(1,447.75)
Subtotal for doubtful		**80,286.42**	**32,814.56**	**47,471.86**	**31,830.97**	**983.59**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**2,26,599.38**	**78,821.84**	**1,47,777.54**	**44,692.41**	**34,129.43**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	11,748.84	39.40	11,709.44	4.00	35.40
	Stage 2	200.00	11.40	188.60	0.80	10.60
	Stage 3	-	-	-	-	-
Subtotal		**11,948.84**	**50.80**	**11,898.04**	**4.80**	**46.00**
Total	Stage 1	49,88,797.98	15,999.84	49,72,798.14	22,946.01	(6,946.17)
	Stage 2	2,95,776.00	14,194.05	2,81,581.95	11,734.95	2,459.10
	Stage 3	1,95,603.41	77,288.64	1,18,314.77	41,468.83	35,819.81
	Total	**54,80,177.39**	**1,07,482.53**	**53,72,694.86**	**76,149.79**	**31,332.74**

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

As on 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	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	43,51,542.97	23,000.22	43,28,542.75	21,185.36	1,814.86
	Stage 2	3,59,956.60	19,524.78	3,40,431.82	5,681.52	13,843.26
Subtotal		**47,11,499.57**	**42,525.00**	**46,68,974.57**	**26,866.88**	**15,658.12**
Non-Performing Assets (NPA)						
Substandard	Stage 1	2,164.49	11.01	2,153.48	215.00	(203.99)
	Stage 2	5,950.70	567.76	5,382.94	589.79	(22.03)
	Stage 3	56,807.15	27,458.47	29,348.68	11,782.12	15,676.35
Doubtful - up to 1 year	Stage 3	49,476.83	20,778.04	28,698.79	10,966.74	9,811.30
1 to 3 years	Stage 3	31,845.99	9,968.48	21,877.51	8,678.12	1,290.36
More than 3 years	Stage 3	4,117.27	790.57	3,326.70	1,292.36	(501.79)
Subtotal for doubtful		**85,440.09**	**31,537.09**	**53,903.00**	**20,937.22**	**10,599.87**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**1,50,362.43**	**59,574.33**	**90,788.10**	**33,524.13**	**26,050.20**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	3,479.00	10.84	3,468.16	-	10.84
	Stage 2	200.00	8.48	191.52	-	8.48
	Stage 3	-	-	-	-	-
Subtotal		**3,679.00**	**19.32**	**3,659.68**	**-**	**19.32**
Total	Stage 1	43,57,186.46	23,022.07	43,34,164.39	21,400.36	1,621.71
	Stage 2	3,66,107.30	20,101.02	3,46,006.28	6,271.31	13,829.71
	Stage 3	1,42,247.24	58,995.56	83,251.68	32,719.34	26,276.22
	Total	**48,65,541.00**	**1,02,118.65**	**47,63,422.35**	**60,391.01**	**41,727.64**

SINGHI & CO. * Chartered Accountants *

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 62: Information in respect of restructured assets in accordance with review of guidelines on restructuring of advances by NBFC (RBI/2013-14/459) DNBS. CO. PD. No. 367/03.10.01/2013-14.
The following tables set forth, for the year indicated, details of loan assets subjected to restructuring:-

Sr. no.	Type of Restructuring	Under CDR Mechanism					Under SME Debt Restructuring Mechanism				
	Asset Classification Details	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	**Restructured Accounts at 1 April, 2021**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
2	**Movement in balance for account appearing in opening balance**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
3	**Fresh restructuring during the year ended 31 March, 2022**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
4	**Upgradations to restructured standard category during the year ended 31 March, 2022**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
5	**Restructured standard advances at 1 April, 2021, which cease to attract higher provisioning and/or additional risk weight at 31 March, 2022 and hence need not be shown as restructured standard advances at 1 April, 2022**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
6	**Downgradations of restructured accounts during the year ended 31 March, 2022**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
7	**Write-offs of restructured accounts during the year ended 31 March, 2022**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
8	**Restructured Accounts at 31 March, 2022**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 62: Information in respect of restructured assets in accordance with review of guidelines on restructuring of advances by NBFC (RBI/2013-14/459) DNBS. CO. PD. No. 367/03.10.01/2013-14. (continued)
The following tables set forth, for the year indicated, details of loan assets subjected to restructuring :

Sr. no.	Type of Restructuring / Asset Classification Details	Others					Total				
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured Accounts at 1 April, 2021										
	No. of borrowers	19,451	1,627	1	-	21,079	19,451	1,627	1	-	21,079
	Amount outstanding	1,07,375.58	12,081.64	11.16	-	1,19,468.38	1,07,375.58	12,081.64	11.16	-	1,19,468.38
	Provision thereon	4,536.96	2,092.20	5.58	-	6,634.74	4,536.96	2,092.20	5.58	-	6,634.74
2	Movement in balance for account appearing in opening balance										
	No. of borrowers	(1,084)	(129)	-	-	(1,213)	(1,084)	(129)	-	-	(1,213)
	Amount outstanding	(33,277.00)	(1,775.04)	-	-	(35,052.04)	(33,277.00)	(1,775.04)	-	-	(35,052.04)
	Provision thereon	(1,357.85)	(452.61)	-	-	(1,810.46)	(1,357.85)	(452.61)	-	-	(1,810.46)
3	Fresh restructuring during the year ended 31 March, 2022										
	No. of borrowers	4,232	974	4	-	5,210	4,232	974	4	-	5,210
	Amount outstanding	76,866.84	32,929.83	312.69	-	1,10,109.36	76,866.84	32,929.83	312.69	-	1,10,109.36
	Provision thereon	3,228.12	8,418.45	291.97	-	11,938.54	3,228.12	8,418.45	291.97	-	11,938.54
4	Upgradations to restructured standard category during the year ended 31 March, 2022										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
5	Restructured standard advances at 1 April, 2021, which cease to attract higher provisioning and/or additional risk weight at 31 March, 2022 and hence need not be shown as restructured standard advances at 1 April, 2022										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
6	Downgradations of restructured accounts during the year ended 31 March, 2022										
	No. of borrowers	(2,487)	2,300	187	-	-	(2,487)	2,300	187	-	-
	Amount outstanding	(21,562.73)	19,913.41	1,649.32	-	-	(21,562.73)	19,913.41	1,649.32	-	-
	Provision thereon	(743.89)	283.41	460.48	-	-	(743.89)	283.41	460.48	-	-
7	Write-offs of restructured accounts during the year ended 31 March, 2022										
	No. of borrowers	(10,213)	(1,057)	(1)	-	(11,271)	(10,213)	(1,057)	(1)	-	(11,271)
	Amount outstanding	(13,633.16)	(1,644.13)	(11.16)	-	(15,288.45)	(13,633.16)	(1,644.13)	(11.16)	-	(15,288.45)
	Provision thereon	(1,242.68)	(761.28)	(5.58)	-	(2,009.54)	(1,242.68)	(761.28)	(5.58)	-	(2,009.54)
8	Restructured Accounts at 31 March, 2022										
	No. of borrowers	9,899	3,715	191	-	13,805	9,899	3,715	191	-	13,805
	Amount outstanding	1,15,769.53	61,505.71	1,962.01	-	1,79,237.25	1,15,769.53	61,505.71	1,962.01	-	1,79,237.25
	Provision thereon	4,420.66	9,580.17	752.45	-	14,753.28	4,420.66	9,580.17	752.45	-	14,753.28

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 62: Information in respect of restructured assets in accordance with review of guidelines on restructuring of advances by NBFC (RBI/2013-14/459) DNBS. CO. PD. No. 367/03.10.01/2013-14. (continued)

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring:-

Sr. no.	Type of Restructuring	Under CDR Mechanism					Under SME Debt Restructuring Mechanism				
	Asset Classification Details	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	**Restructured Accounts at 1 April, 2020**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
2	**Movement in balance for account appearing in opening balance**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
3	**Fresh restructuring during the year ended 31 March, 2021**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
4	**Upgradations to restructured standard category during the year ended 31 March, 2021**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
5	**Restructured standard advances at 1 April, 2020, which cease to attract higher provisioning and/or additional risk weight at 31 March, 2021 and hence need not be shown as restructured standard advances at 1 April, 2021**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
6	**Downgradations of restructured accounts during the year ended 31 March, 2021**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
7	**Write-offs of restructured accounts during the year ended 31 March, 2021**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
8	**Restructured Accounts at 31 March, 2021**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 62: Information in respect of restructured assets in accordance with review of guidelines on restructuring of advances by NBFC (RBI/2013-14/459) DNBS. CO. PD. No. 367/03.10.01/2013-14. (continued)

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring :

Sr. no.	Type of Restructuring	Others					Total				
	Asset Classification Details	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	**Restructured Accounts at 1 April, 2020**										
	No. of borrowers	69	38	2	-	109	69	38	2	-	109
	Amount outstanding	7,454.38	737.10	40.19	-	8,231.67	7,454.38	737.10	40.19	-	8,231.67
	Provision thereon	381.08	213.58	14.83	-	609.49	381.08	213.58	14.83	-	609.49
2	**Movement in balance for account appearing in opening balance**										
	No. of borrowers	(39)	(34)	(2)	-	(75)	(39)	(34)	(2)	-	(75)
	Amount outstanding	(5,920.92)	(589.00)	(40.19)	-	(6,550.11)	(5,920.92)	(589.00)	(40.19)	-	(6,550.11)
	Provision thereon	(319.66)	(176.43)	(14.83)	-	(510.92)	(319.66)	(176.43)	(14.83)	-	(510.92)
3	**Fresh restructuring during the year ended 31 March, 2021**										
	No. of borrowers	19,440	1,605	-	-	21,045	19,440	1,605	-	-	21,045
	Amount outstanding	1,06,964.30	10,822.52	-	-	1,17,786.82	1,06,964.30	10,822.52	-	-	1,17,786.82
	Provision thereon	4,531.19	2,004.98	-	-	6,536.17	4,531.19	2,004.98	-	-	6,536.17
4	**Upgradations to restructured standard category during the year ended 31 March, 2021**										
	No. of borrowers	1	(1)	-	-	-	1	(1)	-	-	-
	Amount outstanding	11.74	(11.74)	-	-	-	11.74	(11.74)	-	-	-
	Provision thereon	2.93	(2.93)	-	-	-	2.93	(2.93)	-	-	-
5	**Restructured standard advances at 1 April, 2021, which cease to attract higher provisioning and/or additional risk weight at 31 March, 2021 and hence need not be shown as restructured standard advances at 1 April, 2021**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
6	**Downgradations of restructured accounts during the year ended 31 March, 2021**										
	No. of borrowers	(20)	19	1	-	-	(20)	19	1	-	-
	Amount outstanding	(1,133.92)	1,122.76	11.16	-	-	(1,133.92)	1,122.76	11.16	-	-
	Provision thereon	(58.58)	53.00	5.58	-	-	(58.58)	53.00	5.58	-	-
7	**Write-offs of restructured accounts during the year ended 31 March, 2021**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
8	**Restructured Accounts at 31 March, 2021**										
	No. of borrowers	19,451	1,627	1	-	21,079	19,451	1,627	1	-	21,079
	Amount outstanding	1,07,375.58	12,081.64	11.16	-	1,19,468.38	1,07,375.58	12,081.64	11.16	-	1,19,468.38
	Provision thereon	4,536.96	2,092.20	5.58	-	6,634.74	4,536.96	2,092.20	5.58	-	6,634.74

Note: Amount outstanding includes interest receivable.

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
For the year ended 31 March, 2022
(Currency: ₹ in Lakhs except otherwise stated)

Note 63: Dues to micro enterprises and small enterprises:

Particulars	31 March, 2022	31 March, 2021
1. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	696.87	214.66
2. The amount of interest paid by the Company in terms of section 16 of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year;	-	-
3. Amounts of the payment made to the suppliers beyond the appointed day during the year; the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006;	-	-
4. The amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
5. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

The disclosure regarding micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

Note 64: Expenditure in Foreign Currency

Particulars	31 March, 2022	31 March, 2021
Finance Cost	11,554.27	11,450.81
Employee Benefit Expenses	20.59	(60.85)
Intangible Assets under Development	36.37	108.56
Repairs and Maintenance	-	8.53
Legal and Professional Charges	198.99	24.99
Travelling and Conveyance	-	2.18
Miscellaneous Expenses	7.98	1.01
Total	**11,818.20**	**11,535.23**

Unhedged foreign currency payable & receivable as at 31 March, 2022 & 31 March, 2021 are Nil.

Note 65: Disclosure pertaining to stock statement filed with banks or financial institutions

The Company has availed of the facility (Secured borrowing) from the lenders interalia on the condition that, the company shall provide or create or arrange to provide or have created, security interest by way of a first pari pasu charge of the loans.

Details of loans & investment reported in the quarterly stock statement and as per book of accounts

Quarter ended	As per Statement filed with Bank	As per Book of accounts	Difference
Jun 2021	43,42,495.00	43,48,960.87	(6,465.87)
Sep 2021	46,10,894.00	46,26,444.78	(15,550.78)
Dec 2021	48,44,432.00	48,16,907.06	27,524.94
Mar 2022	53,34,821.00	53,35,301.88	(480.88)

Note 66: Events after reporting date

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

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Aditya Birla Finance Ltd. Mumbai

Note 67: The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules thereunder. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020, and invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.

Note 68: Money raised by way of borrowing from bank and financial institution have been applied by the Company for the purposes for which they were raised, other than temporary deployment pending application of proceeds.

Note 69: Ultimate beneficiary

No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
No funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

Note 70: The COVID -19 pandemic continues to spread across the globe and India, which has contributed to a significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The financial results, includes the potential impact of the COVID-19 pandemic on the Company's financial results which are dependent on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether Government mandated or elected by the Company and its subsequent impact on the recoverability's on the Company's assets. The Company has, based on current available information and based on the policy approved by the Board, determined the provision for impairment of financial assets including the additional overlay for uncertainty over the potential macro-economic impact of the pandemic.
Based on the current indicators of future economic conditions, the Company considers this provision to be adequate and expects to recover the carrying amount of these financial assets. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

Note 71: The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

Note 72: No proceedings have been initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

Note 73: The figures for previous year have been regrouped/rearranged/recasted wherever necessary to conform to current period presentation.

As per our report of even date attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm Reg. No: 117366W/W-100018

per Sanjiv V. Pilgaonkar
Partner

Membership No: 039826

Place: Mumbai
Date: 11 May, 2022

As per our report of even date attached.

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

per Amit Hundia
Partner

Membership No: 120761

Place: Mumbai
Date: 11 May, 2022

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

Ajay Srinivasan
Director

DIN - 00121181

Rakesh Singh
Managing Director and Chief Executive Officer
DIN - 07006067

Pradeep Agrawal
Chief Financial Officer

Ankur Shah
Company Secretary

Place: Mumbai
Date: 11 May, 2022

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

Deloitte
Haskins & Sells LLP

Chartered Accountants
One International Center,
Tower 3, 27"-32" Floor,
Senapati Bapat Marg,
Elphinstone Road (West)
Mumbai, 400 013
Maharashtra, India
Tel: +91 22 6185 4000
Fax: +91 22 6185 4001

INDEPENDENT AUDITOR'S REPORT

To the Members of Aditya Birla Finance Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Aditya Birla Finance Limited (the "Company"), which comprise the Balance Sheet as at 31stMarch 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and 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 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2021, and its profit, total 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 specified under section 143(10) of the Act ("SA"s). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Emphasis of Matter

We draw attention to Note 51(e) to the financial statements, in which the Company describes the continuing uncertainties arising from the COVID 19 pandemic.

Our opinion on the financial statements is not modified in respect of this matter.

Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Allowances for Expected Credit Losses:** As at March 31, 2021, the carrying value of loan assets measured at amortised cost, aggregated ₹ 47,59,743.36 lakh (net of allowance of expected credit loss ₹1,02,118.65 lakh) constituting approximately 94% of the Company's total assets. Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. The allowance for expected credit losses ("ECL") on such loan assets measured at amortised cost is a critical estimate involving greater level of management judgement. As part of our risk assessment, we determined that the allowance for ECL on loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements. The elements of estimating ECL which involved increased level of audit focus are the following: • Qualitative and quantitative factors used in staging the loan assets measured at amortised cost. • Basis used for estimating Probabilities of Default ("PD"). • Basis used for estimating Loss Given Default ("LGD"). • Judgements used in projecting economic scenarios and probability weights applied to reflect future economic conditions. • Adjustments to model driven ECL results to address emerging trends.	**We performed the following audit procedures:** We have examined the policies approved by the Board of Directors of the Company that articulate the objectives of managing each portfolio and their business models. We have also verified the methodology adopted for computation of ECL ("ECL Model") that addresses policies approved by the Board of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures measured at amortised cost. Additionally, we have confirmed that adjustments to the output of the ECL Model is consistent with the documented rationale and basis for such adjustments and that the amount of adjustment has been approved by the Audit Committee of the Board of Directors. Our audit procedures related to the allowance for ECL included the following, among others: • Testing the design and effectiveness of internal controls over the following: – completeness and accuracy of the Exposure at Default ("EAD") and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the qualitative factors to be applied. – completeness, accuracy and appropriateness of information used in the estimation of the PD and LGD for the different stages depending on the nature of the portfolio; and – computation of the ECL including methodology used to determine macro-economic overlays and adjustments to the output of the ECL Model.

Sr. No.	Key Audit Matter	Auditor's Response
	(Refer Note 51 to the Financial Statements)	• Also, for a sample of ECL allowance on loan assets tested: – we tested the input data such as ratings and period of default and other related information used in estimating the PD; – we evaluated reasonableness of LGD estimates by comparing actual recoveries post the loan asset becoming credit impaired with estimates of LGD; and – we evaluated the incorporation of the applicable assumptions into the ECL Model and tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company. • We also evaluated the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL Model and ensured that the adjustment was in conformity with the amount approved by the Audit Committee. • We also assessed the disclosures made in relation to the ECL allowance to confirm compliance with the provisions of Ind AS 107.
2.	**Information Technology and General Controls** The Company is dependent on its Information Technology ("IT") systems due to the significant number of transactions that are processed daily across such multiple and discrete IT systems. Also, IT application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner and under controlled environments. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data.	With the assistance of our IT specialists, we obtained an understanding of the Company's IT applications, databases and operating systems relevant to financial reporting and the control environment. For these elements of the IT infrastucture the areas of our focus included access security (including controls over privileged access), program change controls, database management and network operations. In particular: • we tested the design, implementation and operating effectiveness of the Company's general IT controls over the IT systems relevant to financial

Sr. No.	Key Audit Matter	Auditor's Response
	On account of the pervasive use of its IT systems, the testing of the general computer controls of the IT systems used in financial reporting was considered to be a Key Audit Matter	reporting. This included evaluation of Company's controls over segregation of duties and access rights being provisioned / modified based on duly approved requests, access for exit cases being revoked in a timely manner and access of all users being recertified during the period of audit; • We also tested key automated and manual business cycle controls and logic for the reports generated through the IT infrastructure that were relevant for financial reporting or were used in the exercise of internal financial controls over financial reporting. Our tests including testing of the compensating controls or alternate procedures to assess whether there were any unaddressed IT risks that would materiality impact the financial statements.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors' report including Annexures to Director's Report, but does not include the financial statements and our auditors report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

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

of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and

qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Other Matter

The financial statements of the Company as at and for the year ended March 31, 2020 prepared in accordance with Ind AS have been audited by the predecessor auditor/other auditors. The report of these auditors on these comparative financial information expressed an un-modified opinion.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

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

   e. On the basis of the written representations received from the directors as on 31st 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g. With respect to the other matters to be included in the Auditor's report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us the

remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h. With respect to the other matters to be included in the 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;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Sanjiv V. Pilgaonkar
Partner
(Membership No. 039826)
UDIN: 21039826AAAAEB3427

Mumbai, May 13, 2021

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Aditya Birla Finance Limited ("the Company") as of 31st March,2021 in conjunction with our audit of the Ind AS 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those

policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021 based on the criteria for internal financial control over financial reporting 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.

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

Sanjiv V. Pilgaonkar
Partner
(Membership No. 039826)
UDIN: 21039826AAAAEB3427)

Mumbai, May 13, 2021

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements section of our report of even date to the members of Aditya Birla Finance Limited on the financial statements as at and for the year ended March 31, 2021)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its property plant and equipment.

(b) The property plant and equipment were physically verified during the year by the Management in accordance with a regular program for verification which, in our opinion, provides for physical verification of all the property plant and equipment at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noted on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

(ii) According to the information and explanations given to us, the Company is engaged primarily in lending activities and these activities do not require the Company to hold any inventories. Hence reporting under clause (ii) of the CARO 2016 is not applicable.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors / to a company in which director is interested to which provisions of section 185 of the Companies Act, 2013 apply and the provisions of Section 186 of the Companies Act 2013 are not applicable to the Company.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and does not have any unclaimed deposits as at 31st March, 2021 and therefore, the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable to the Company

(vi) The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under Clause 3(vi) of the Order is not applicable to the Company.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax Act, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax Act, cess and other material statutory dues in arrears as at 31st March, 2021, for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax and Service Tax Act which have not been deposited as on 31st March, 2021, on account of disputes are given below:

Name of the statute	*Nature of dues*	*Amount involved* ₹	*Amount unpaid* ₹	*Period to which the amount relates*	*Forum where dispute is pending*
Income Tax Act, 1961	Income Tax	55,82,955	55,82,955	AY 2007-08	Income Tax Officer (Assessing Officer)
Income Tax Act, 1961	Income Tax	32,34,11,508	32,34,11,508	AY 2011-12	Income Tax Appellate Tribunal (ITAT)
Income Tax Act, 1961	Income Tax	1,89,42,896	1,89,42,896	AY 2012-13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	75,758	75,758	AY 2013-14	Income Tax Officer (Assessing Officer)
Income Tax Act, 1961	Income Tax	48,645	48,645	AY 2014-15	Income Tax Officer (Assessing Officer)
Income Tax Act, 1961	Income Tax	36,484	36,484	AY 2015-16	Income Tax Officer (Assessing Officer)
Income Tax Act, 1961	Income Tax	15,46,07,392	15,46,07,392	AY 2017-18	Commissioner of Income Tax (Appeals)
Finance Act, 1994	Service Tax	69,84,000	69,84,000	FY 2014-15 and 2015-16	Custom, Excise and Service Tax Appellate Tribunal, Mumbai

Name of the statute	*Nature of dues*	*Amount involved* ₹	*Amount unpaid* ₹	*Period to which the amount relates*	*Forum where dispute is pending*
Finance Act, 1994	Service Tax	61,65,000	61,65,000	April, 2016 to June, 2017	Commissioner of Central Excise (Appeals) - II

There were no dues in respect of Customs Duties, Excise Duties and State Value Added Tax or related cess which have not been deposited as on March 31, 2021 on account of disputes.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks, government and dues to debenture holders.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and the term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

Deloitte
Haskins & Sells LLP

(xvi) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.

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

Sanjiv V. Pilgaonkar
Partner
(Membership No. 039826)
UDIN: 21039826AAAAEB3427

Mumbai, May 13, 2021

Aditya Birla Finance Limited
Balance Sheet as at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Particulars	Notes	As at 31 March, 2021	As at 31 March, 2020
I ASSETS			
1 Financial assets			
Cash and cash equivalents	7	1,51,098.56	1,82,042.53
Bank balance other than cash and cash equivalents	8	1,913.09	-
Derivative financial instruments	9	-	5,408.39
Trade Receivables	10	998.86	1,195.36
Loans	11	47,59,743.36	45,98,535.45
Investments	12	79,290.90	3,34,240.17
Other financial assets	13	5,117.95	4,341.17
2 Non-financial assets			
Current tax assets (net)	14	23,971.65	23,364.88
Deferred tax assets (net)	42	26,013.31	24,058.99
Property, plant and equipments	15	1,465.80	1,953.20
Intangible assets under development	16	1,197.92	4,898.29
Other intangible assets	17	7,149.74	2,481.14
Right of use Lease Assets	18	9,405.31	8,069.45
Other non-financial assets	19	8,150.54	9,363.27
Total assets		**50,75,516.99**	**51,99,952.29**
II LIABILITIES AND EQUITY			
Liabilities			
1 Financial liabilities			
Derivative financial instruments	9	3,063.81	0.40
Payables			
Trade Payables			
- Total outstanding dues of Micro and small enterprises	20	214.66	282.07
- Total outstanding dues of creditors Other than micro and small enterprises	20	10,957.65	10,184.87
Debt securities	21	16,57,875.04	17,86,922.93
Borrowings (other than debt securities)	22	22,45,460.08	23,48,463.85
Subordinated liabilities	23	2,18,183.26	2,10,142.09
Lease Liability	24	10,224.64	8,909.91
Other financial liabilities	25	31,157.54	11,403.74
2 Non-financial liabilities			
Current tax liabilities (Net)	26	1,466.63	2,825.65
Provisions	27	8,062.51	9,703.56
Other non-financial liabilities	28	5,063.23	3,298.18
Total liabilities		**41,91,729.05**	**43,92,137.25**
Equity			
Equity share capital	29	66,210.08	66,210.08
Other equity	30	8,17,577.86	7,41,604.96
Total equity		**8,83,787.94**	**8,07,815.04**
Total liabilities and equity		**50,75,516.99**	**51,99,952.29**

As per our report of even date attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm Registration No: 117366W/W-100018

Sanjiv V. Pilgaonkar
Partner

Membership No: 039826

Place: Mumbai
Date: 13 May, 2021

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

Ajay Srinivasan
Director
(DIN - 00121181)

Rakesh Singh
Managing Director and Chief Executive Officer
(DIN - 07006067)

Sanjay Miranka
(Chief Financial Officer)

Ankur Shah
(Company Secretary)

Place: Mumbai
Date: 13 May, 2021

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Statement of Profit and Loss for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

	Particulars	Notes	Year ended 31 March, 2021	Year ended 31 March, 2020
	Revenue from operations			
(i)	Interest income	32	5,28,338.56	5,72,706.65
(ii)	Dividend income	33	284.75	1,924.97
(iii)	Fee and commission income	34	15,251.64	16,361.38
(iv)	Net gain on fair value changes	35	7,277.03	16,649.46
(I)	**Total revenue from operations**		5,51,151.98	6,07,642.46
(II)	Other income	36	1,644.28	1,296.07
(III)	**Total income (I + II)**		5,52,796.26	6,08,938.53
	Expenses			
(i)	Finance cost	37	3,01,990.53	3,60,812.40
(ii)	Impairment on financial instruments	38	68,177.51	70,707.00
(iii)	Employee benefit expenses	39	44,892.29	40,480.52
(iv)	Depreciation, amortization and impairment	40	5,850.05	4,976.64
(v)	Other expenses	41	28,744.65	26,671.24
(IV)	**Total expenses**		4,49,655.03	5,03,647.80
(V)	**Profit/(loss) before tax (III- IV)**		1,03,141.23	1,05,290.73
(VI)	Tax expense:			
	(1) Current tax	42	28,600.00	29,136.44
	(2) Deferred tax expenses(credit)	42	(1,648.16)	(3,793.01)
	(3) Prior year adjustments	42	(693.82)	(547.30)
(VII)	**Profit/(loss) for the year**		76,883.21	80,494.60
(VIII)	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	Remeasurement gain/(loss) on defined benefit plan		439.59	(425.93)
	Income tax impact of above		(110.64)	106.84
			328.95	(319.09)
	Gain/(Loss) on FVTOCI Equity Instrument		35.36	(13.89)
	Income tax impact of above		(8.90)	3.50
			26.46	(10.39)
	Items that will be reclassified to profit or loss			
	Fair Value change on derivatives designated as cash flow hedge		(1,691.42)	(1,649.32)
	Income tax impact on above		425.70	415.10
			(1,265.72)	(1,234.22)
	Other comprehensive income for the year, net of tax		(910.31)	(1,563.70)
	Total comprehensive income for the year, net of tax		75,972.90	78,930.90
(IX)	**Earnings per equity share**			
	Basic (₹)	43	11.61	12.16
	Diluted (₹)	43	11.61	12.16

As per our report of even date attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm Registration No: 117366W/W-100018

Sanjiv V. Pilgaonkar
Partner

Membership No: 039826

Place: Mumbai
Date: 13 May, 2021

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

Ajay Srinivasan
(Director)
(DIN - 00121181)

Rakesh Singh
Managing Director and
Chief Executive Officer
(DIN - 07006067)

Sanjay Miranka
(Chief Financial Officer)

Ankur Shah
(Company Secretary)

Place: Mumbai
Date: 13 May, 2021

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Cash flow statement for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Operating activities		
Profit before tax	1,03,141.23	1,05,290.73
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation, amortization and impairment	5,850.05	4,976.64
Impairment on financial instruments	69,177.51	70,707.00
Net (Gain) / Loss on fair value changes	(7,277.03)	(16,649.46)
(Gain)/Loss on sale of property, plant and equipment	95.94	(1.77)
Dividend income	(284.75)	(1,924.97)
Interest income on Investment and Bonds	(5,430.12)	(6,710.84)
Finance cost on lease liability	897.27	724.94
Profit on surrender of lease liability/ income from rent concession	(691.99)	-
Operating Profit before Working Capital Changes	**1,64,478.11**	**1,56,412.27**
Working capital changes		
Decrease / (Increase) in Loans	(2,29,398.74)	3,50,133.03
Decrease / (Increase) in Trade Receivables	233.63	(651.02)
Decrease / (Increase) in Other financial assets	(776.78)	2,357.98
Decrease / (Increase) in Other non-financial assets	1,046.49	(3,082.16)
Increase/ (Decrease) in Trade Payables	705.37	1,569.77
Increase/ (Decrease) in Other financial liabilities	(9,369.11)	29,066.67
Increase/ (Decrease) in Provisions	(1,201.46)	469.79
Increase/ (Decrease) in Other non-financial liabilities	1,765.05	(510.64)
	(72,517.44)	5,35,765.69
Income tax paid (net of refunds)	(29,871.97)	(49,508.77)
Net cash flows from/(used in) operating activities	**(1,02,389.41)**	**4,86,256.92**
Investing activities		
Purchase of property, plant and equipments	(328.69)	(847.53)
Purchase of intangible assets including assets under development	(3,479.95)	(4,894.28)
Net (Purchase) / Sale of Investments	2,59,041.50	(1,57,547.83)
Sale of property, plant and equipments	83.64	86.87
Dividend received	284.75	1,924.97
Increase in bank balance otherthan cash and cash equivalents	(1,913.09)	-
Interest received on investment measured at FVTPL	8,650.27	3,503.13
Net cash flows from/(used in) investing activities	**2,62,338.43**	**(1,57,774.67)**
Financing activities		
Proceeds from long term borrowings	8,27,599.99	11,68,157.84
Repayment of long term borrowings	(11,22,209.08)	(7,54,807.06)
(Repayment) / Proceeds from short term borrowings*	1,06,501.88	(5,64,166.25)
Payment of lease & other liability	(2,785.88)	(1,532.26)
Net cash flows from/(used in) financing activities	**(1,90,893.09)**	**(1,52,347.73)**
Net increase/(Decrease) in Cash and Cash Equivalents	**(30,944.07)**	**1,76,134.52**
Cash and cash equivalents as at the beginning of the year	1,82,042.53	5,908.01
Cash and cash equivalents as at the end of the year	1,51,098.46	1,82,042.53
Components of cash and cash equivalents		
Cash / Cheques on hand	-	-
Balances with banks		
In Fixed Deposits	-	22,294.66
In current accounts	1,51,098.56	1,59,747.87
Total cash and cash equivalents	**1,51,098.56**	**1,82,042.53**
Cash Flow from Operations includes:		
Interest Received	5,30,708.88	5,89,599.83
Interest paid	3,32,556.90	3,28,124.06
Dividend Received	284.75	1,924.97

*(Repayment) / Proceeds from short term borrowings includes commercial paper, Book overdraft Cash Credit and Working Capital Demand Loan.

Aditya Birla Finance Limited
Cash flow statement for the year ended 31 March, 2021 (Continued)
(Currency: ₹ in Lakhs except otherwise stated)

Additional disclosure pursuant to Ind AS 7		
Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Opening balance of Debt securities, borrowings (other than debt securities) and subordinated liabilities	43,45,528.87	44,52,589.94
Cash Flows	(1,88,107.21)	(1,50,815.47)
Fair Value Adjustment	(5,336.91)	11,066.06
Interest Accrued on borrowings	(30,566.37)	32,688.34
Acquisition	-	-
Closing balance of Debt securities, borrowings (other than debt securities) and subordinated liabilities	41,21,518.38	43,45,528.87

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm Registration No: 117366W/W-100018

Sanjiv V. Pilgaonkar
Partner

Membership No: 039826

Place: Mumbai
Date: 13 May, 2021

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

Ajay Srinivasan
Director
(DIN - 00121181)

Rakesh Singh
Managing Director and
Chief Executive Officer
(DIN - 07006067)

Sanjay Miranka
(Chief Financial Officer)

Ankur Shah
(Company Secretary)

Place: Mumbai
Date: 13 May, 2021

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Statement of changes in Equity for the year ended 31 March, 2021
(Currency: ₹ in lakhs except otherwise stated)

a. Equity Share Capital

Equity shares of Rs. 10 each issued, subscribed and fully paid	No. in lakhs	₹ in lakhs
As at 1 April, 2019	6,621.01	66,210.00
Issued during the year	-	-
As at 31 March, 2020	6,621.01	66,210.00
Issued during the year	-	-
As at 31 March, 2021	6,621.01	66,210.00

b. Other Equity

	Reserves and Surplus						Other comprehensive income		Total Other Equity
	Special reserve	Securities premium account	Capital Reserve	General Reserve	Capital Redemption Reserve	Retained Earnings	Equity instruments through other comprehensive income	Cash Flow Hedge Reserve	
Balance as at 1 April, 2019	66,107.79	3,63,738.29	(10,452.11)	13,660.95	-	2,29,237.04	138.33	-	6,62,510.29
Profit for the Year	-	-	-	-	-	80,494.60	-	-	80,494.60
Fair Value change on derivatives designated as cash flow hedge	-	-	-	-	-	-	-	(1,234.22)	(1,234.22)
On redemption of Preference Share Capital	-	-	-	-	1,000.00	(1,000.00)	-	-	-
Adjustment on account of Merger of Transaction business of demerger of Aditya Birla Capital Technologies Services Limited, ABCTSL (formerly known as Aditya Birla MyUniverse Limited,(ABMUL)	-	-	-	-	-	792.81	-	-	792.81
Other comprehensive income	-	-	-	-	-	(319.09)	(10.39)	-	(329.48)
Total comprehensive income	-	-	-	-	1,000.00	78,968.32	(10.39)	(1,234.22)	79,723.71
Transition Reserve created for Ind AS 116	-	-	-	-	-	(629.04)	-	-	(629.04)
Transfer to/from retained earnings	16,420.21	-	-	-	-	(16,420.21)	-	-	-
Balance as at 31 March, 2020	82,608.00	3,63,738.29	(10,452.11)	13,660.95	1,000.00	2,92,156.11	127.94	(1,234.22)	7,41,604.96
Balance as at 1 April, 2020	82,608.00	3,63,738.29	(10,452.11)	13,660.95	1,000.00	2,92,156.11	127.94	(1,234.22)	7,41,604.96
Profit for the year	-	-	-	-	-	76,883.21	-	-	76,883.21
Fair Value change on derivatives designated as cash flow hedge	-	-	-	-	-	-	-	(1,265.72)	(1,265.72)
Other comprehensive income	-	-	-	-	-	328.95	26.46	-	355.41
Total comprehensive income	-	-	-	-	-	77,212.16	26.46	(1,265.72)	75,972.90
Transfer to/from retained earnings	15,376.64	-	-	-	-	(15,376.64)	-	-	-
Balance as at 31 March, 2021	97,984.64	3,63,738.29	(10,452.11)	13,660.95	1,000.00	3,53,991.63	154.40	(2,499.94)	8,17,577.86

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

Sanjiv V. Pilgaonkar
Partner
Membership No: 039826

Place: Mumbai
Date: 13 May, 2021

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

Ajay Srinivasan
(Director)
(DIN - 00121181)

Rakesh Singh
(Managing Director and Chief Executive Officer)
(DIN - 07006067)

Sanjay Mirasha
(Chief Financial Officer)
Place: Mumbai
Date: 13 May, 2021

Ankur Shah
(Company Secretary)

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements
for the year ended 31 March, 2021

1 Corporate Information - Brief description about the Company

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

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

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

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

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

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

The financial statements were authorised for issue by the Board of Directors on 13 May, 2021.

2 Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant accounting standards. Accounting policies have been consistently applied to all periods presented, unless otherwise stated.

The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company are discussed in Note 6 - Significant accounting judgements, estimates and assumptions.

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

To provide more reliable and relevant information about the effect of certain items in the Balance Sheet and Statement of Profit and Loss, the Company has changed the classification of certain items. Accordingly, previous period/year figures have been re-grouped or reclassified, to confirm to such current period grouping / classifications. There is no impact on Equity or Net Loss due to these regrouping / reclassifications.

3 Presentation of financial statements:

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

I. The normal course of business

II. The event of default

III. The event of insolvency or bankruptcy of the Company and/or its counterparties

4 Statement of compliance:

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act.

5 Significant accounting policies:

5.1 Financial Instruments

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

Aditya Birla Finance Ltd. Mumbai

(I) Classification of financial instruments

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

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

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

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

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

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

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

The Company also assesses the contractual terms of financial assets on the basis of its contractual cash flow characteristics that are solely for the payments of principal and interest on the principal amount outstanding.
'Principal' is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).
In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

Sales that are infrequent and insignificant in value both individually and in aggregate are considered to be consistent with the business model whose objective is to hold and collect the contractual cash flows.
The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss.

(II) Financial assets

Initial recognition and measurement

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

Subsequent measurement - Financial assets measured at amortised cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely for the payments of principal and interest on the principal amount outstanding.

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

Aditya Birla Finance Ltd. Mumbai

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

Debt instruments

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

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent Solely Payment of Principal and Interest(SPPI).

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

Equity instruments

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

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

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

Subsequent measurement - Items at fair value through profit or loss

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

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

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

(iii) Financial Liabilities

Initial recognition and measurement

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

Subsequent measurement

The measurement of financial liabilities depends on their classification.

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

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

(iv) Recognition and Derecognition of financial assets and liabilities

<u>Recognition:</u>

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

Aditya Birla Finance Ltd. Mumbai

Derecognition:

Financial assets

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

(a) The right to receive cash flows from the asset have expired, or

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

Financial liabilities

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

(v) **Impairment of financial assets**

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

a) Financial assets that are debt instruments are measured at amortised cost e.g., loans, debt securities, deposits, and other balances

b) Financial assets that are measured as at FVTOCI

c) Loan commitments which are not measured as at FVTPL

d) Financial guarantee contracts which are not measured as at FVTPL.

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

Aditya Birla Finance Ltd. Mumbai

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

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

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

Stage 1: 12-months ECL

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

Stage 2: Lifetime ECL – not credit impaired

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

Stage 3: Lifetime ECL – credit impaired

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

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

In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March, 2020 on Implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the company exceeds the total provision required under IRACP (including standard asset provisioning), as at 31 March, 2021 and accordingly, no amount is required to be transferred to impairment reserve.

(vi) Offsetting of financial instruments

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

(vii) Write-offs

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

(viii) Derivative Financial Instruments and Hedge Accounting:

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

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

Aditya Birla Finance Ltd. Mumbai

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

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

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

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

(iv) Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments (as explained in note 5.1 (ii) and (iii)) at fair value on each balance sheet date.

Aditya Birla Finance Ltd. Mumbai

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

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use pricing the asset or liability, assuming that market participants act in their economic best interest.
A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

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

5.2 Revenue from operations

(i) Interest Income

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

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.
Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of provision) of the financial asset.

(ii) Dividend Income

Dividend income is recognised

a. When the right to receive the payment is established which is generally when shareholders approve the dividend,

b. it is probable that the economic benefits associated with the dividend will flow to the entity and

c. the amount of the dividend can be measured reliably

(iii) Rental Income

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

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

Aditya Birla Finance Ltd. Mumbai

(iv) Fees & Commission Income

Fees and commissions are recognised when the Company satisfies the performance obligation, at fair value of the consideration received or receivable based on a five-step model as set out below, unless included in the effective interest calculation:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
Step 4: Allocate the transaction price to the performance obligations in the contract. For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

(v) Net gain on Fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss (refer Note 35), held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain/loss in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations in the statement of Profit and Loss. Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL is recognised in net gain / loss on fair value changes.
Similarly, any differences between the fair values of financial assets classified as fair value through other comprehensive income are disclosed in the OCI.
However, net gain / loss on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the Statement of Profit and Loss.

5.3 Expenses

(i) Finance Costs

Finance costs represents interest expense recognised by applying the EIR to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.
Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, provided these are incremental costs that are directly related to the issue of a financial liability.

(ii) Retirement and other employee benefits

Short term employee benefit

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

Post employment employee benefit

a) Defined contribution schemes

The Company makes defined contribution to Government managed Employee Provident Fund, Government managed Employee Pension Fund, Employee Deposit Linked Insurance, Employee State Insurance and Superannuation Schemes which are recognised in Statement of Profit and Loss on accrual basis. Payments to defined contribution retirement benefit plans are recognised as an expense when employee have rendered the service entitling them to the contribution.
If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Aditya Birla Finance Ltd. Mumbai

b) Defined benefit expenses

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

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

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

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

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

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

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

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

Other long-term employee benefits

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

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

(iii) Rent expense

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

(iv) Leases

The Company as a lessee

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

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

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

Aditya Birla Finance Ltd
Mumbai

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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

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

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

The following is the summary of practical expedients elected on initial application:
1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly for all contracts as on April 1, 2019, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The weighted average incremental borrowing rate applied to lease liabilities as at 01 April, 2020 is between the range of 6.72% p.a. to 7.15% p.a. for a period varying from 1 to 10 years.

Critical accounting judgements and key sources of estimation uncertainty
Critical judgements required in the application of Ind AS 116 may include, among others, the following:
- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Classification of lease agreements (when the entity is a lessor);
- Determination of whether variable payments are in substance fixed;
- Establishing whether there are multiple leases in an arrangement;
- Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:
- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

(v) Other income and expenses
All Other income and expense are recognized in the period they occur.

Aditya Birla Finance Ltd. Mumbai

(vi) Impairment of non-financial assets

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

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

(vii) Borrowing Cost

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

All other borrowing costs are expensed in the period in which they occur at amortised cost using Effective Interest Rate (EIR). Borrowing costs consist of interest and other costs that an entity incurs in connection with borrowing funds.

(viii) Taxes

Current tax

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

Deferred tax

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

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

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

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

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

(ix) Functional and presentational currency

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

5.4 Cash and Cash Equivalents

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

Aditya Birla Finance Ltd. Mumbai

5.5 Property, Plant and Equipments

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

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

Depreciation methods, estimated useful lives and residual value

Depreciation on the property, plant and equipments is provided on straight line method using the rates arrived as per estimates made by the management supported by technical assessment which coincides with the useful lives of assets as specified in Schedule II to the Companies Act, 2013, except for the assets specified below. The Company has used the following useful lives of the property, plant and equipments to provide depreciation.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Asset	Useful Life as Prescribed by Schedule II of the Companies Act, 2013	Estimated Useful Life by Company
Office Computers and Electronic Equipments (including Plant & Machinery)	3 Years	4 Years
Vehicles	8 Years	5 Years
Furniture, Fixtures and Other Office Equipments	10 Years	7 Years
Leasehold Improvements	Over the primary period of the lease	3 Years

Useful life of assets different from prescribed in Schedule II has been estimated by management supported by technical assessment.

Depreciation on assets acquired / sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from/ till the date of acquisition or sale.

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

5.6 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses if any. Intangible assets are amortised on straight line basis over a period of 3 years.

The useful lives of intangible assets are assessed as finite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

5.7 Provisions and Contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Aditya Birla Finance Ltd
Mumbai

5.8 Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

5.9 Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share.

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to ordinary equity holders of Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to ordinary equity holders of Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, inclusive of tax) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

5.10 Segment Reporting

Operating business segment results are reviewed regularly by the Company's Chief Operating Decision Maker to make decisions about resources to be allocated to the segments and assess their performance. Business segment is the primary segment comprising of 'Financing activity'. As the Company operates only in a single business segment, no segment information thereof is given as required under Ind AS 108.

5.11 Dividend

The Company recognises a liability to make dividend distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity or Statement of profit or loss account.

5.12 Business Combination under Common Control

A common control business combination, involving entities or businesses in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where the control is not transitory, is accounted for in accordance with Appendix C to Ind AS 103 'Business Combinations'.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made only to harmonize significant accounting policies.
- The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.
- The identity of the reserves are preserved and appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

6 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

Aditya Birla Finance Ltd. Mumbai

6.1 Business Model Assessment

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

6.2 Estimation of defined benefit plans (gratuity benefits)

Refer Note 5.3 (ii)

6.3 Fair value measurement:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

6.4 Impairment of loans portfolio

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

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

The impairment loss on loans and advances is disclosed in more detail in Note 11.

6.5 Provisions other than impairment on loan portfolio and contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and proceedings in the ordinary course of the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

6.6 Effective Interest Rate (EIR) method

The Company's EIR methodology, 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 penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

6.7 Recognition of deferred tax assets for carried forward losses

Refer Note 5.3 (viii)

6.8 Estimation of useful life of property, plant and equipments and intangible assets

Refer note 5.5 and 5.6

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 7: Cash and cash equivalents

Balances with bank in	As at 31 March, 2021	As at 31 March, 2020
- Fixed Deposits (with original maturity less than 3 months)	-	22,294.66
- Current Accounts	1,51,098.56	1,59,747.87
Cheques in hand	-	-
Total	1,51,098.56	1,82,042.53

Note 8: Bank balance other than cash and cash equivalents

- Fixed Deposits (with original maturity more than 3 months)	1,913.09	-
Total	1,913.09	-

Note 9: Derivative financial instruments

The Company enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that meet the hedge accounting requirements.
The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.
The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

Particulars	As at 31 March, 2021			As at 31 March, 2020		
	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Cross Currency Interest Rate swaps	1,46,367.54	-	3,062.55	1,46,367.54	5,408.39	-
(ii) Currency forward	35.55	-	1.26	36.11	-	0.40
Total	1,46,403.09	-	3,063.81	1,46,403.65	5,408.39	0.40
Part II						
(i) Cash flow hedging						
- Cross Currency Interest Rate swaps	1,46,367.54	-	3,062.55	1,46,367.54	5,408.39	-
- Currency forward	35.55	-	1.26	36.11	-	0.40
Total	1,46,403.09	-	3,063.81	1,46,403.65	5,408.39	0.40

Aditya Birla Finance Ltd. Mumbai

Note 9.1 : Hedging activities and derivatives (continued)
The Company is exposed to certain risks relating to its external commercial borrowings. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. The Company's risk management strategy and how it is applied to manage risk are explained in Note 51.

Note 9.2 : Derivatives designated as hedging instruments

Cash flow hedges
The Company is exposed to foreign currency risk arising from its External Commercial borrowings amounting to ₹ 1,46,367.54 Lakhs. Interest on the borrowing is payable at a floating rate. The Company economically hedged the foreign currency risk arising from the debt with a 'receive floating pay fixed' cross-currency interest rate swap ('swap'). The notional amount of swap is disclosed in the table below. The swap contract converts the cash outflows of the foreign currency borrowing as per table below to cash outflows in INR with a notional amount of ₹ 1,46,367.54 lakhs at fixed interest rate.

Name of Lender	Foreign Currency Denominated Borrowing Amount	Interest rate type	Notional Amount of swap (₹)	Interest rate swap type
As at 31 March, 2021				
JPY Denominated (in JPY lakhs) (Maturity range : September 2022 to Febuery 2023)	1,89,366.25	Floating rate interest	1,24,089.54	Fixed rate interest
USD Denominated (Maturity March 2023)	300.00	Floating rate interest	22,278.00	Fixed rate interest
Total			1,46,367.54	

Name of Lender	Foreign Currency Denominated Borrowing Amount	Interest rate type	Notional Amount of swap (₹)	Interest rate swap type
As at 31 March, 2020				
JPY Denominated (in JPY lakhs) (Maturity range : September 2022 to Febuery 2023)	1,89,366.25	Floating rate interest	1,24,089.54	Fixed rate interest
USD Denominated (Maturity March 2023)	300.00	Floating rate interest	22,278.00	Fixed rate interest
Total			1,46,367.54	

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 9.2 : Derivatives designated as hedging instruments (contd.)

There is an economic relationship between the hedged item and the hedging instrument as the terms of the cross currency swap contract match that of the foreign currency borrowing (notional amount, interest payment dates, principal repayment date etc.). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the cross currency swap are identical to the hedged risk components.
The hedge ineffectiveness can arise mainly if there is a change in the credit risk of the Company or the counterparty.

The impact of the hedging instruments on the balance sheet is, as follows

As at 31 March, 2021

Particulars	Notional Amounts	Carrying Amount	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the year
Cross currency interest rate swaps	1,46,367.54	3,062.55	Derivative liability	(1,265.08)
Currency forward	35.55	1.26	Derivative liability	(0.64)
Total	1,46,403.10	3,063.81		(1,265.72)

As at 31 March, 2020

Particulars	Notional Amounts	Carrying Amount	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the year
Cross currency interest rate swaps	1,46,367.54	5,408.39	Derivative Asset	(1,233.92)
Currency forward	36.11	0.40	Derivative liability	(0.30)
Total	1,46,403.65	5,408.79		(1,234.22)

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 9.2 : Derivatives designated as hedging instruments (contd.)

The impact of hedged items on the balance sheet is, as follows:

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Change in fair value used for measuring ineffectiveness for the year	Cash flow hedge reserve as at 31 March 2021	Change in fair value used for measuring ineffectiveness for the year	Cash flow hedge reserve as at 31 March 2020
Foreign currency denominated floating rate borrowing	(1,265.72)	(2,499.94)	(1,234.22)	(1,234.22)
Total	(1,265.72)	(2,499.94)	(1,234.22)	(1,234.22)

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs except otherwise stated)

Note 9.2 : Derivatives designated as hedging instruments (contd.)

The effect of the cash flow hedge in the statement of profit or loss and other comprehensive income is, as follows:

As at 31 March, 2021

Particulars	Total hedging gain / (loss) recognised in OCI	Ineffective-ness recognised in profit or loss	Line item in the statement of profit or loss	Cost of hedging recognised in OCI	Amount reclassified from OCI to profit or loss	Cost of hedge reclassified from OCI to profit or loss	Line item in the statement of profit or loss
Foreign currency denominated floating rate borrowing	(1,265.72)	-	-	-	-	-	-
Total	(1,265.72)	-	-	-	-	-	-

As at 31 March, 2020

Particulars	Total hedging gain / (loss) recognised in OCI	Ineffective-ness recognised in profit or loss	Line item in the statement of profit or loss	Cost of hedging recognised in OCI	Amount reclassified from OCI to profit or loss	Cost of hedge reclassified from OCI to profit or loss	Line item in the statement of profit or loss
Foreign currency denominated floating rate borrowing	(1,234.22)	-	-	-	-	-	-
Total	(1,234.22)	-	-	-	-	-	-

Note 9.3 : Movements in Cash Flow Hedging Reserve

Particulars	As at 1 April, 2020	Add/Less: Changes in fair value	Add/Less: Foreign exchange Gain / (loss)	Add/Less: Deferred Tax	Add/Less: Accrued Interest	As at 31 March, 2021
Cash flow Hedging Reserve	(1,234.22)	(8,471.79)	6,794.51	425.70	(14.14)	(2,499.94)
Total	(1,234.22)	(8,471.79)	6,794.51	425.70	(14.14)	(2,499.94)

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs except otherwise stated)

Note 9.3 : Movements in Cash Flow Hedging Reserve (continued)

Particulars	As at 1 April, 2019	Add/Less: Changes in fair value	Add/Less: Foreign exchange Gain / (loss)	Add/Less: Deferred Tax	Add/Less: Accrued Interest	As at 31 March, 2020
Cash flow Hedging Reserve	-	5,407.99	(8,141.82)	415.10	1,084.51	(1,234.22)
Total	-	5,407.99	(8,141.82)	415.10	1,084.51	(1,234.22)

Note 9.4 : The following table shows the maturity profile of hedging derivatives based on their notional amounts.

Particulars	As at 31 March, 2021				As at 31 March, 2020			
	0 to 12 months	1 to 5 years	Over 5 years	Total	0 to 12 months	1 to 5 years	Over 5 years	Total
(i) Cross Currency Interest Rate swaps	-	1,46,367.54	-	1,46,367.54	-	1,46,367.54	-	1,46,367.54
(ii) Currency forward	35.55	-	-	35.55	-	36.11	-	36.11
Total	35.55	1,46,367.54	-	1,46,403.09	-	1,46,403.65	-	1,46,403.65

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 10: Trade Receivables

As at 31 March, 2021	Exposure	Loss Allowance	Net Amount
Trade receivables			
Considered Good – Secured	-	-	-
Considered Good – Unsecured	1,060.38	(61.52)	998.86
Trade Receivables which have significant increase in credit risk	-	-	-
Trade Receivables – credit impaired	-	-	-
Total	1,060.38	(61.52)	998.86

As at 31 March, 2020	Exposure	Loss Allowance	Net Amount
Trade receivables			
Considered Good – Secured	-	-	-
Considered Good – Unsecured	1,251.82	(56.46)	1,195.36
Trade Receivables which have significant increase in credit risk	-	-	-
Trade Receivables – credit impaired	203.52	(203.52)	-
Total	1,455.34	(259.98)	1,195.36

Note:
No Trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 10: Trade Receivables (continued)

Trade receivables days past due		0-30 days past due	31-90 days past due	More than 90 days past due	Total
31 March, 2021	Total gross carrying amount	997.30	18.54	44.54	1,060.38
	ECL-Simplified approach	(7.71)	(9.27)	(44.54)	(61.52)
	Net carrying amount	989.59	9.27	-	998.86
31 March, 2020	Total gross carrying amount	1,143.87	78.86	232.61	1,455.34
	ECL-Simplified approach	(9.84)	(17.53)	(232.61)	(259.98)
	Net carrying amount	1,134.03	61.33	-	1,195.36

Reconciliation of impairment allowance on trade and other receivables:

Impairment allowance measured as per simplified approach	
Impairment allowance as at 31 March, 2020	(259.98)
(Add) : New assets originated or purchased	37.13
Less : Assets derecognised or repaid (excluding write offs)	161.33
Less : Amounts written off	-
Impairment allowance as at 31 March, 2021	(61.52)

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 11: Loans

Particulars	As at 31 March, 2021						As at 31 March, 2020					
		At fair value						At fair value				
	Amortised Cost	Through Other Comprehensive Income	Through profit and loss account	Designated at through profit and loss account	Sub-total	Total	Amortised Cost	Through Other Comprehensive Income	Through profit and loss account	Designated at through profit and loss account	Sub-total	Total
Loans & Advances	48,61,820.53	-	-	-	-	48,61,820.53	46,86,646.56	-	-	-	-	46,86,646.56
Other Advances	41.48	-	-	-	-	41.48	42.03	-	-	-	-	42.03
Total (A) - Gross	48,61,862.01	-	-	-	-	48,61,862.01	46,86,688.59	-	-	-	-	46,86,688.59
Less: Impairment loss allowance	1,02,118.65	-	-	-	-	1,02,118.65	88,153.14	-	-	-	-	88,153.14
Total (A) - Net	47,59,743.36	-	-	-	-	47,59,743.36	45,98,535.45	-	-	-	-	45,98,535.45
i) Secured by tangible assets	35,69,505.55	-	-	-	-	35,69,505.55	33,59,676.84	-	-	-	-	33,59,676.84
ii) Secured by intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
iii) Covered by bank and government guarantee	1,43,439.71	-	-	-	-	1,43,439.71	1,81,784.92	-	-	-	-	1,81,784.92
iv) Secured by book debts, inventories, fixed deposit and other working capital items	2,51,038.77	-	-	-	-	2,51,038.77	3,42,458.46	-	-	-	-	3,42,458.46
v) Unsecured	8,97,877.98	-	-	-	-	8,97,877.98	8,02,768.37	-	-	-	-	8,02,768.37
Total (B) - Gross	48,61,862.01	-	-	-	-	48,61,862.01	46,86,688.59	-	-	-	-	46,86,688.59
Less: Impairment loss allowance	1,02,118.65	-	-	-	-	1,02,118.65	88,153.14	-	-	-	-	88,153.14
Total (B) - Net	47,59,743.36	-	-	-	-	47,59,743.36	45,98,535.45	-	-	-	-	45,98,535.45
Loans in India												
i) Public Sector	47,530.39	-	-	-	-	47,530.39	54,429.24	-	-	-	-	54,429.24
ii) Others	48,14,331.62	-	-	-	-	48,14,331.62	46,32,259.35	-	-	-	-	46,32,259.35
Total - Gross	48,61,862.01	-	-	-	-	48,61,862.01	46,86,688.59	-	-	-	-	46,86,688.59
Less: Impairment loss allowance	1,02,118.65	-	-	-	-	1,02,118.65	88,153.14	-	-	-	-	88,153.14
Total - Net	47,59,743.36	-	-	-	-	47,59,743.36	45,98,535.45	-	-	-	-	45,98,535.45
Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
Total - Net	-	-	-	-	-	-	-	-	-	-	-	-
Total (C)	47,59,743.36	-	-	-	-	47,59,743.36	45,98,535.45	-	-	-	-	45,98,535.45

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 11: Loans

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans is as follows:

Loans	As at 31 March, 2021				As at 31 March, 2020			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance of Gross carrying amount	43,86,660.17	1,21,676.21	1,82,708.23	46,91,044.61	48,73,415.01	1,00,643.74	81,340.04	50,55,398.79
New assets originated or purchased	14,37,319.66	42,176.51	2,344.64	14,81,840.81	13,90,926.57	6,150.89	2,875.65	13,99,953.11
Assets derecognised or repaid (excluding write offs)	(12,04,439.47)	(21,783.49)	(27,291.81)	(12,53,514.77)	(16,68,947.83)	(46,851.03)	(14,111.14)	(17,29,910.00)
Transfers to Stage 1	29,095.93	(15,845.90)	(13,250.03)	-	28,009.53	(26,187.51)	(1,822.02)	-
Transfers to Stage 2	(2,58,008.40)	2,58,590.76	(582.36)	-	(1,14,942.67)	1,17,879.49	(2,936.82)	-
Transfers to Stage 3	(34,063.60)	(18,906.79)	52,970.39	-	(1,20,961.84)	(29,512.60)	1,50,474.44	-
Amounts written off	(2,450.21)	-	(54,651.82)	(57,102.03)	(838.60)	(446.77)	(33,111.92)	(34,397.29)
Closing Balance of Gross carrying amount	43,54,114.08	3,65,907.30	1,42,247.24	48,62,268.62	43,86,660.17	1,21,676.21	1,82,708.23	46,91,044.61

Stage 1, 2 and 3 Loans includes Interest Accrued but Excludes EIR amounting to ₹ 406.61 lakhs (31 March, 2020 : ₹ 4,356.02 lakhs).

Reconciliation of ECL balance is given below:

ECL	As at 31 March, 2021				As at 31 March, 2020			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance of ECL allowance	21,094.81	10,497.91	56,560.42	88,153.14	15,381.54	4,424.65	31,295.81	51,102.00
Increase in new / existing assets originated or purchased	9,488.24	11,569.24	57,084.73	78,142.21	10,960.66	9,096.18	59,689.97	79,746.81
Assets derecognised or repaid (excluding write offs)	(4,547.69)	(969.69)	(1,557.29)	(7,074.67)	(4,519.20)	(586.87)	(3,192.31)	(8,298.38)
Transfers to Stage 1	964.07	(305.48)	(658.59)	-	1,753.04	(1,114.18)	(638.86)	-
Transfers to Stage 2	(1,025.94)	1,162.76	(136.82)	-	(633.81)	1,193.85	(560.04)	-
Transfers to Stage 3	(501.21)	(1,853.72)	2,354.93	-	(1,008.82)	(2,068.95)	3,077.77	-
Amounts written off	(2,450.21)	-	(54,651.82)	(57,102.03)	(838.60)	(446.77)	(33,111.92)	(34,397.29)
Closing Balance of ECL allowance	23,022.07	20,101.02	58,995.56	1,02,118.65	21,094.81	10,497.91	56,560.42	88,153.14

During the year ended 31 March 2021, the Company has changed it's definition of significant increase in credit risk for classifying loan assets as Stage 2 from 60 days past due to 30 days past due. The change does not have a significant impact on the reported results of the corresponding previous periods.

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to non-fund based exposures is as follows:

Non-funded exposures	Total Non-fund Exposures (not included in the tables above)				ECL on Non-fund exposures (included in the tables above)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance as on 31 March, 2020	5,001.00	204.00	-	5,205.00	14.00	8.00	-	22.00
Net Movement	(1,521.64)	(4.00)	-	(1,525.64)	(3.16)	0.48	-	(2.68)
Closing Balance as on 31 March, 2021	3,479.36	200.00	-	3,679.36	10.84	8.48	-	19.32

Stage 1 represents 'High Grade' internal rating.
Stage 2 represents 'Medium Grade' internal rating.
Stage 3 represents 'Credit impaired'.

Aditya Birla Finance Ltd
Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 12: Investments

Particulars	Amortised Cost	At Fair value			Sub-total	Others	Total
		Through Other Comprehensive Income	Through profit and loss account	Designated at through profit and loss account			
As at 31 March, 2021							
i) Investment in Govt Securities	-	-	15,420.71	-	15,420.71	-	15,420.71
ii) Equity Instruments	-	211.04	36.82	-	247.86	-	247.86
iii) Preference Shares	-	-	-	-	-	-	-
iv) Investment in Alternate Funds	-	-	6,729.83	-	6,729.83	-	6,729.83
v) Investment in Debentures	-	-	56,892.50	-	56,892.50	-	56,892.50
vi) Investment in Bonds	-	-	-	-	-	-	-
vii) Investment in Mutual Funds	-	-	-	-	-	-	-
Total Gross (A)	-	211.04	79,079.86	-	79,290.90	-	79,290.90
(i) Investments in India	-	211.04	79,079.86	-	79,290.90	-	79,290.90
(ii) Investments outside India	-	-	-	-	-	-	-
Total (B)	-	211.04	79,079.86	-	79,290.90	-	79,290.90
Less : Impairment loss allowance (C)	-	-	-	-	-	-	-
Total - Net [D= (A)-(C)]	-	211.04	79,079.86	-	79,290.90	-	79,290.90
As at 31 March, 2020							
i) Equity Instruments	-	175.68	24.89	-	200.57	-	200.57
ii) Preference Shares	-	-	22,551.00	-	22,551.00	-	22,551.00
iii) PMS Investment	-	-	-	-	-	-	-
iv) Investment in Alternate Funds	-	-	9,221.18	-	9,221.18	-	9,221.18
v) Investment in Debentures	-	-	42,029.37	-	42,029.37	-	42,029.37
vi) Investment in Bonds	-	-	9,365.31	-	9,365.31	-	9,365.31
vii) Investment in Mutual Funds	-	-	2,50,872.74	-	2,50,872.74	-	2,50,872.74
Total Gross (A)	-	175.68	3,34,064.49	-	3,34,240.17	-	3,34,240.17
(i) Investments in India	-	175.68	3,34,064.49	-	3,34,240.17	-	3,34,240.17
(ii) Investments outside India	-	-	-	-	-	-	-
Total (B)	-	175.68	3,34,064.49	-	3,34,240.17	-	3,34,240.17
Less : Impairment loss allowance (C)	-	-	-	-	-	-	-
Total - Net [D= (A)-(C)]	-	175.68	3,34,064.49	-	3,34,240.17	-	3,34,240.17

Notes:
1. More information regarding the valuation methodologies are provided in Note 50.
2. The Company received dividends of ₹ 284.75 Lakhs (31 March, 2020: ₹ 1,924.97 Lakhs) from its FVTPL securities, recorded as dividend income.

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 13: Other financial assets

	As at 31 March, 2021	As at 31 March, 2020
Security Deposits		
(Carried at amortised cost, unless otherwise stated)	2,486.83	2,954.09
Others Receivable*	2,631.12	1,387.08
Total	**5,117.95**	**4,341.17**

*Other receivable includes Ex-gratia receivable from government.

Note 14: Current tax assets (net)

	As at 31 March, 2021	As at 31 March, 2020
Advance Payment of Taxes (Net of provision for taxation ₹ 107694.47 lakhs; 31 March, 2020 ₹ 79,788.29 lakhs)	23,971.65	23,364.88
Total	**23,971.65**	**23,364.88**

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 15: Property, plant and equipments

Particulars	Building	Plant & Equipments	Furniture & Fixtures	Vehicles	Office Equipments	Leasehold Improvements	Total
Costs:							
As At 1 April, 2019	20.92	1,661.35	130.96	1,163.70	327.14	508.60	3,902.67
Additions	-	120.39	30.83	485.57	131.51	52.70	821.00
Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL)	-	(12.92)	(3.12)	-	(10.52)	-	(26.56)
Disposals	-	585.27	4.56	203.75	16.77	53.28	863.63
As At 31 March, 2020	20.92	1,183.55	154.11	1,535.52	431.36	508.02	3,833.48
Additions	-	47.99	8.87	144.91	58.81	234.36	494.94
Disposals	-	107.18	14.29	171.89	23.41	52.15	368.92
As at 31 March, 2021	20.92	1,124.36	148.69	1,508.54	466.76	690.23	3,959.50
Depreciation and impairment:							
As At 1 April, 2019	0.92	979.31	56.59	319.93	192.84	215.94	1,715.53
Depreciation charge for the year	0.46	352.21	43.04	303.01	89.53	161.59	959.84
Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL)	-	(8.02)	(0.35)	-	(4.08)	-	(12.45)
Disposals	-	584.06	3.84	138.70	12.76	53.28	792.64
As At 31 March, 2020	1.38	749.44	95.44	484.24	225.53	324.25	1,880.28
Depreciation charge for the year	0.46	268.08	14.85	329.74	90.38	189.04	892.55
Disposals	-	103.54	8.89	93.83	20.75	52.12	279.13
As at 31 March, 2021	1.84	913.98	101.40	720.15	295.16	461.17	2,493.70
Net book value:							
As At 1 April, 2019	20.00	682.04	74.37	843.77	134.30	292.66	2,187.14
As At 31 March, 2020	19.54	434.11	58.67	1,051.28	205.83	183.77	1,953.20
As at 31 March, 2021	19.08	210.38	47.29	788.39	171.60	229.06	1,465.80

Notes:

1. Redeemable Non Convertible Debentures are secured by charge on immovable property of the Company.
2. Office Equipments include Gross Assets amounting to ₹ 2.19 lakhs (31 March, 2020 : ₹ 2.19 lakhs) held jointly with Aditya Birla Sun Life Insurance Company Limited.

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 16: Intangible assets under development

Particulars	Amount
Costs:	
As at 1 April, 2019	**1,530.42**
Additions	3,867.87
Disposals	-
Transfers	500.00
As at 31 March, 2020	**4,898.29**
Additions	805.64
Disposals	-
Transfers	4,506.01
As at 31 March, 2021	**1,197.92**

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 17: Other intangible assets

Particulars	Amount
Costs:	
At 1 April, 2019	**6,979.37**
Additions	1,526.41
Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL)	-
Disposals	-
At 31 March, 2020	**8,505.78**
At 1 April, 2020	**8,505.78**
Additions	7,090.54
Disposals	(89.78)
As at 31 March, 2021	**15,506.54**
Accumulated amortisation:	
At 1 April, 2019	**3,959.63**
Disposals	-
Amortisation charge for the year	2,065.01
Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL)	-
At 31 March, 2020	**6,024.64**
Disposals	-
Amortisation charge for the year	2,332.16
Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL)	
As at 31 March, 2021	**8,356.80**
Net book value:	
At 1 April, 2019	**3,019.74**
At 31 March, 2020	**2,481.14**
As at 31 March, 2021	**7,149.74**

Note:
All intangible assets are other than internally generated.

Aditya Birla Finance Ltd. Mumbai

Note 18: Right of use Lease Assets

Particulars	Amount
Costs:	
As at 1 April, 2019	**8,562.96**
Opening Balance as on 1 April 2019	-
Additions	1,432.23
Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL)	26.05
Disposals	-
As at 31 March, 2020	**10,021.24**
As at 1 April, 2020	**10,021.24**
Additions	5,861.15
Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL)	-
Disposals	1,969.94
As at 31 March, 2021	**13,912.45**
Accumulated amortisation:	
As at 1 April, 2019	-
Disposals	-
Amortisation charge for the year	1,951.79
Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL)	-
As at 31 March, 2020	**1,951.79**
Disposals	69.99
Amortisation charge for the year	2,625.34
Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL)	-
As at 31 March, 2021	**4,507.14**
Net book value:	
As at 1 April, 2019	**8,562.96**
As at 31 March, 2020	**8,069.45**
As at 31 March, 2021	**9,405.31**

Note 19: Other non-financial assets

	As at 31 March, 2021	As at 31 March, 2020
Deferred lease expenses	28.59	81.90
Prepaid expenses	2,622.46	3,055.44
Capital advances	26.68	192.92
Goods and Service Tax / Service Tax Receivable	2,805.70	3,489.96
Plan Assets of Gratuity Fund	1,931.77	1,789.54
Others	735.34	753.51
	8,150.54	9,363.27

Note 20: Trade Payables

	As at 31 March, 2021	As at 31 March, 2020
- Total outstanding dues of Micro and small enterprises	214.66	282.07
- Total outstanding dues of creditors Other than micro and small enterprises	10,957.65	10,184.87
	11,172.31	10,466.94

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 21: Debt securities

Particulars	As at 31 March, 2021				As at 31 March, 2020			
	At amortised cost	At fair value through profit and loss Account	Designated at fair value through profit and loss account	Total	At amortised cost	At fair value through profit and loss account	Designated at fair value through profit and loss account	Total
Redeemable non-convertible debentures (Secured)	13,32,116.41	-	-	13,32,116.41	15,62,929.66	-	-	15,62,929.66
Redeemable non-convertible debentures (Unsecured)	5,821.46	-	-	5,821.46	-	-	-	-
Compulsory Convertible Debentures (Unsecured)	-	-	-	-	3,393.19	-	-	3,393.19
Commercial papers (Unsecured)	3,19,937.17	-	-	3,19,937.17	2,20,600.08	-	-	2,20,600.08
Total	16,57,875.04	-	-	16,57,875.04	17,86,922.93	-	-	17,86,922.93
Debt securities in India	16,57,875.04	-	-	16,57,875.04	17,86,922.93	-	-	17,86,922.93
Debt securities outside India	-	-	-	-	-	-	-	-
Total	16,57,875.04	-	-	16,57,875.04	17,86,922.93	-	-	17,86,922.93

Note : 1. The above figures are including interest accrued but not due on borrowings.
2. Redeemable Non-Convertible Debentures are secured by way of mortgage on the immovable property and first pari-passu charge on certain Financial Assets of the company.

Particulars	As at 31 March, 2021	As at 31 March, 2020
Redeemable Non-Convertible Debentures (Secured)		
Repayment Terms : Maturing within 1 year, Rate of Interest 7.80% p.a. to 9.50% p.a.	4,15,781.57	5,97,726.65
Repayment Terms : Maturing between 1 to 3 years, Rate of Interest 5.75% p.a. to 9.50% p.a.	5,05,493.63	5,35,438.04
Repayment Terms : Maturing after 3 years, Rate of Interest 6.25% p.a. to 9.15% p.a.	4,10,841.21	4,29,764.97
Total	13,32,116.41	15,62,929.66
Redeemable Non-Convertible Debentures (Secured) : Rate of Interest 7.57% p.a. (Maturing in March, 2035)	5,821.46	-
0.10% Compulsory Convertible Debentures(CCD), (Converted & Redeemed on 20th March, 2021)	-	3,393.19
Commercial Papers - Rate of Interest 3.70% p.a. to 5.80% p.a. (Maturing within 1 year)*	3,19,937.17	2,20,600.08
Total	16,57,875.04	17,86,922.93

Note :
*Commercial papers shown net of unamortised discounting charges ₹ 3,013.51 lakhs (31 March, 2020 ₹ 4,634.93 lakhs).

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 22: Borrowings other than debt securities

Particulars	As at 31 March, 2021				As at 31 March, 2020			
	Amortised cost	At fair value through profit and loss account	Designated at fair value through profit and loss account	Total	Amortised cost	At fair value through profit and loss account	Designated at fair value through profit and loss account	Total
Term Loan from Banks (Secured)	17,57,030.47	-	-	17,57,030.47	18,62,067.58	-	-	18,62,067.58
Cash Credit from Banks (Secured)	-	-	-	-	35,571.61	-	-	35,571.61
External Commercial Borrowings from foreign banks (secured)	2,48,525.21	-	-	2,48,525.21	2,55,397.32	-	-	2,55,397.32
Book Overdraft	1,36,392.15	-	-	1,36,392.15	5,218.66	-	-	5,218.66
WCDL from Bank (Secured)	1,03,512.25	-	-	1,03,512.25	1,90,208.68	-	-	1,90,208.68
Total	22,45,460.08	-	-	22,45,460.08	23,48,463.85	-	-	23,48,463.85
Borrowings in India	19,96,934.87	-	-	19,96,934.87	20,93,066.53	-	-	20,93,066.53
Borrowings outside India	2,48,525.21	-	-	2,48,525.21	2,55,397.32	-	-	2,55,397.32
Total	22,45,460.08	-	-	22,45,460.08	23,48,463.85	-	-	23,48,463.85

Note : 1) The above figures are including interest accrued but not due on borrowings. 2) External Commercial Borrowings from foreign banks includes Notional amount ₹ 1,46,367.54 Lakhs which is fully hedged.
Term loan from banks:
Indian rupee loan from banks (secured): The term loan from banks are secured by way of first pari-passu charge on the receivables of the Company.

Particulars	As at 31 March, 2021	As at 31 March, 2020
Term Loan (Secured by way of first pari-passu charge on the receivables of the Company)		
Repayment Terms : Maturing within 1 year, Rate of Interest 5.00% p.a. to 7.70% p.a.	5,77,916.68	4,33,094.18
Repayment Terms : Maturing between 1 to 3 years, Rate of Interest 5.00% p.a. to 7.75% p.a.	9,76,918.07	10,56,249.21
Repayment Terms : Maturing after 3 years, Rate of Interest 5.50% p.a. to 7.65% p.a.	2,02,195.72	3,72,724.19
Total	17,57,030.47	18,62,067.58
External commercial borrowings (Secured by way of first pari-passu charge on the receivables of the Company)		
Repayment Terms : Maturing between 1 to 3 years, Rate of Interest 6.74% p.a. to 7.94% p.a.	1,47,116.73	1,53,512.17
Repayment Terms : Maturing after 3 years, Rate of Interest 5.15% p.a.	1,01,408.48	1,01,885.15
Total	2,48,525.21	2,55,397.32
Loans repayable on demand		
Cash Credit secured by way of first pari-passu charge on the receivables of the company	-	35,571.61
Book Overdraft	1,36,392.15	5,218.66
Working Capital Demand Loan secured by way of first pari-passu charge on receivables of the Company - Rate of Interest 4.50% p.a. to 7.30% p.a.	1,03,512.25	1,90,208.68
Total	22,45,460.08	23,48,463.85

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 23: Subordinated liabilities

Particulars	As at 31 March, 2021				As at 31 March, 2020			
	Amortised cost	At fair value through profit and loss account	Designated at fair value through profit and loss account	Total	Amortised cost	At fair value through profit and loss account	Designated at fair value through profit and loss account	Total
Perpetual debt instruments to the extent they do not qualify as equity instruments								
(i) from banks	-	-	-	-	-	-	-	-
(ii) from other parties	21,116.57	-	-	21,116.57	21,108.90	-	-	21,108.90
Preference shares other than those qualify as equity	-	-	-	-	66.45	-	-	66.45
Subordinate debt (Unsecured)	1,97,066.69			1,97,066.69	1,88,966.74			1,88,966.74
Total	**2,18,183.26**	-	-	**2,18,183.26**	**2,10,142.09**	-	-	**2,10,142.09**
Subordinate liabilities in India	2,18,183.26	-	-	2,18,183.26	2,10,142.09	-	-	2,10,142.09
Subordinate liabilities outside India	-	-	-	-	-	-	-	-
Total	**2,18,183.26**	-	-	**2,18,183.26**	**2,10,142.09**	-	-	**2,10,142.09**

Note : The above figures are including interest accrued but not due on borrowings.

Particulars	As at 31 March, 2021	As at 31 March, 2020
Perpetual Debts 8.70% p.a. (Maturing in July, 2027)	21,116.57	21,108.90
8% Cumulative Redeemable Preference Shares (Redeemed on 29th January, 2020)	-	66.45
Subordinate Debts - Debentures:		
Repayment Terms : Maturing within 1 year, Rate of Interest is 10.60% p.a.	11,354.56	9,509.33
Repayment Terms : Maturing between 1 to 3 years, Rate of Interest 9.85% p.a. to 10.60% p.a.	13,513.07	5,500.00
Repayment Terms : Maturing after 3 years, Rate of Interest 7.43% p.a. to 9.76% p.a.	1,72,199.06	1,73,957.41
Total	**2,18,183.26**	**2,10,142.09**

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ In Lakhs except otherwise stated)

Note 24: Lease Liability

	As at 31 March, 2021	As at 31 March, 2020
Lease liability for right to use assets	10,224.64	8,909.91
Total	**10,224.64**	**8,909.91**

Note 25: Other financial liabilities

	As at 31 March, 2021	As at 31 March, 2020
Margin Money from Customers	11,031.14	1,924.11
Payables for salaries, bonus and other employee benefits	6,105.28	3,693.24
Other Payable-Deposit and others	14,021.12	5,786.39
Total	**31,157.54**	**11,403.74**

Note 26: Current tax liabilities (Net)

	As at 31 March, 2021	As at 31 March, 2020
Provision for Income Tax (Net of advance tax ₹ 39,704.96 lakhs ; 31 March, 2020 ₹ 38,345.94 lakhs)	1,466.63	2,825.65
Total	**1,466.63**	**2,825.65**

Note 27: Provisions

	As at 31 March, 2021	As at 31 March, 2020
Employee benefit		
- Gratuity	3,085.29	2,657.24
- Provision for compensated absences	1,725.51	1,701.30
- Long term Incentive Plans (LTIP)	3,251.71	5,345.02
Total	**8,062.51**	**9,703.56**

Note 28: Other non-financial liabilities

	As at 31 March, 2021	As at 31 March, 2020
Revenue received in advance	2,388.10	1,826.65
Tax Deducted at Source Payable	880.06	403.02
Goods and Service Tax Payable	1,531.30	809.85
Other Statutory Dues Payable	263.77	258.65
Total	**5,063.23**	**3,298.18**

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 29: Issued Capital and reserves

	As at 31 March, 2021	As at 31 March, 2020
Authorised		
1,270,000,000 (March 31, 2020: 1,270,000,000) equity shares of ₹ 10/- each	1,27,000.00	1,27,000.00
Total	**1,27,000.00**	**1,27,000.00**
Issued, Subscribed and fully paid up		
662,100,822 (March 31, 2020: 662,100,822) equity shares of ₹ 10/- each	66,210.08	66,210.08
Total	**66,210.08**	**66,210.08**

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year is as under:

	No. in lakhs	₹ in lakhs
As at 1 April, 2019	6,621.01	66,210.08
Issued during the year	58.56	585.56
Shares pending issuance	(58.56)	(585.56)
As at 31 March, 2020	**6,621.01**	**66,210.08**
Issued during the year	-	-
As at 31 March, 2021	**6,621.01**	**66,210.08**

Terms/ rights attached to equity shares

The Company has only one class of equity shares having a face value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the Company, the holders of equity shares will be receiving remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Aditya Birla Finance Ltd. Mumbai

Note 29: Issued Capital and reserves (Continued)

Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

Particulars	As at 31 March, 2021	As at 31 March, 2020	As at 31 March, 2019	As at 31 March, 2018	As at 31 March, 2017
(i) Equity shares of ₹ 10 each, fully paid up, allotted pursuant to the merger scheme for demerger of wealth undertaking of Aditya Birla Money Mart Limited	-	-	-	-	1,02,77,778.00
(ii) Equity shares of ₹ 10 each, fully paid up, allotted on conversion of 175,000,000 0.01% compulsory convertible cumulative preference shares of ₹ 10 each, fully paid up	-	-	-	-	1,15,13,158.00
(iii) Equity shares of ₹ 10 each, fully paid up, allotted pursuant to the amalgamation scheme with Madura Garments Lifestyle Retail Company Limited (MGLRCL).	-	-	-	-	-
(iv) Equity shares of ₹ 10 each, fully paid up, allotted pursuant to the Demerger of transaction business of Aditya Birla Capital Technology Services Limited, ABCTSL (formerly known as Aditya Birla My Universe Limited, ABMUL)	-	58,55,625.00	-	-	-

Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates:

Name of Share holder	As at 31 March, 2021		As at 31 March, 2020	
	Number	₹ in lakhs	Number	₹ in lakhs
Aditya Birla Capital Limited, holding company	66,21,00,762	66,210.08	66,21,00,762	66,210.08
	66,21,00,762	66,210.08	66,21,00,762	66,210.08

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

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Number	% of total paid up equity capital	Number	% of total paid-up equity capital
Aditya Birla Capital Limited, holding company	66,21,00,762	100%	66,21,00,762	100%

NBFC's objectives, policies and processes for managing capital:
For above disclosures Refer Note 49.

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
As at 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 30: Other equity

Securities Premium Account	
As at 1 April, 2019	3,63,738.29
Add: Additions during the year	-
As at 31 March, 2020	3,63,738.29
Add: Additions during the year	-
As at 31 March, 2021	3,63,738.29
Special Reserve pursuant to Section 45-IC of the RBI Act, 1934	
As at 1 April, 2019	66,187.79
Add: Transfer from surplus balance in the Statement of Profit and Loss	16,420.21
As at 31 March, 2020	82,608.00
Add: Transfer from surplus balance in the Statement of Profit and Loss	15,376.64
As at 31 March, 2021	97,984.64
Capital Reserve	
As at 1 April, 2019	(10,452.11)
Add: Other Additions/ Deductions during the year	-
As at 31 March, 2020	(10,452.11)
Add: Other Additions/ Deductions during the year	-
As at 31 March, 2021	(10,452.11)
Capital Redemption Reserve	
As at 1 April, 2019	-
Add: Transfer from surplus balance in the Statement of Profit and Loss	1,000.00
As at 31 March, 2020	1,000.00
Add: Transfer from surplus balance in the Statement of Profit and Loss	-
As at 31 March, 2021	1,000.00
General Reserve	
As at 1 April, 2019	13,660.95
Add: Amount transferred from surplus in the statement of profit and loss	-
As at 31 March, 2020	13,660.95
Add: Amount transferred from surplus in the statement of profit and loss	-
As at 31 March, 2021	13,660.95
Surplus in Statement of Profit and Loss	
As at 1 April, 2019	2,29,237.04
Add: Profit for the year	80,494.60
Less: Appropriations	
IND AS 116 Impact - Transition reserve	(629.04)
Re-measurement reserves on defined benefit plans	(319.09)
Transfer to Capital Redemption Reserve	(1,000.00)
ABMUL Reserves (Refer note 44)	792.81
Transfer to Special Reserve	(16,420.21)
Total appropriations	(17,575.53)
As at 31 March, 2020	2,92,156.11
Add: Profit for the year	76,883.21
Less: Appropriations	
Re-measurement reserves on defined benefit plans	328.95
Transfer to Special Reserve	(15,376.64)
Total appropriations	(15,047.69)
As at 31 March, 2021	3,53,991.63

Aditya Birla Finance Ltd. Mumbai

Other Comprehensive Income	
As at 1 April, 2019	**138.33**
Add: Additions / (Deletions) during the year	(10.39)
Add: Fair Value change on derivatives designated as cash flow hedge	(1,234.22)
As at 31 March, 2020	**(1,106.28)**
Add: Additions / (Deletions) during the year	26.46
Add: Fair Value change on derivatives designated as cash flow hedge	(1,265.72)
As at 31 March, 2021	**(2,345.54)**
Total other equity	
As at 1 April, 2019	6,62,510.29
As at 31 March, 2020	7,41,604.96
As at 31 March, 2021	8,17,577.86

Aditya Birla Finance Ltd
Mumbai

Note 31: Nature and purpose of reserve

Securities Premium Reserve: Security premium reserve is used to record the premium on the issue of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

Special Reserve: Special reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act"). Appropriation from this Reserve Fund is permitted only for the purposes specified by RBI.

Capital Reserve: Capital reserve refers to difference on account of net assets taken over and purchase consideration paid for merger of wealth management undertaking of Aditya Birla Money Mart Limited with the Company and the difference on account of net assets taken over and purchase consideration paid for merger of transaction business of Aditya Birla Capital Technology Services Limited, ABCTSL (formerly known as Aditya Birla My Universe Limited, ABMUL) undertaking with the Company.

General Reserve: This reserve is created on account of merger. As per court order, this reserve can be utilised for distribution of dividends.

FVTOCI Investments : The Company has elected to recognise changes in the fair value of certain instruments in equity securities and debt instruments in other comprehensive income. These changes are accumulated with the FVTOCI reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are de-recognised.

Retained Earnings: Retained earnings refer to the percentage of net earnings not paid out as dividends, but retained by the Company to be reinvested in its core business, or to pay debts.

Cash flow hedge reserve : The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated on borrowings. For hedging foreign currency and interest rate risk, the Company uses foreign currency forward contracts and cross currency interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to the statement of profit or loss when the hedged item affects profit or loss (e.g. interest payments).

Capital Redemption reserve : Preference shares of ₹ 10 Crore were redeemed at the Board meeting held on January 30, 2020. As per the provisions of Companies Act, 2013, the preference shares were redeemed out of the profits of the company and therefore a sum equivalent to the nominal amount of shares redeemed were transferred to capital redemption reserve.

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 32: Interest income

Particulars	For the year ended 31 March, 2021				For the year ended 31 March, 2020			
	On Financial Assets measured at FVTOCI	On Financial Assets measured at Amortised cost	On Financial Assets classified at FVTPL	Total	On Financial Assets measured at FVTOCI	On Financial Assets measured at Amortised cost	On Financial Assets classified at FVTPL	Total
Interest on Loans	-	5,22,908.44	-	5,22,908.44	-	5,65,995.81	-	5,65,995.81
Interest income from investments	-	-	5,430.12	5,430.12	-	-	6,710.84	6,710.84
Total	-	5,22,908.44	5,430.12	5,28,338.56	-	5,65,995.81	6,710.84	5,72,706.65

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 33: Dividend income

	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Dividend from Long Term Investment (FVTPL)	284.75	1,924.97
Total	**284.75**	**1,924.97**

Note 34: Fees and commission income

Syndication and Other Fee Income	10,233.53	11,646.66
Brokerage and Commission Income	5,018.11	4,714.72
Total	**15,251.64**	**16,361.38**

Note 35: Net gain on fair value changes

Net gain/ (loss) on financial instruments at fair value		
On Trading portfolio		
- Investments	2,106.25	3,577.55
- Bonds/Mutual Funds	5,170.78	13,071.91
Total	**7,277.03**	**16,649.46**

Fair Value changes:		
- Realised	7,284.37	18,158.79
- Unrealised	(7.34)	(1,509.33)
Total	**7,277.03**	**16,649.46**

Note 36: Other Income

Sundry Balance Written Back	-	376.50
Miscellaneous Income (Income tax refund and other Income)	1,561.01	721.22
Other Interest Income-Security Deposit on Amortised Cost	83.27	196.58
Profit on sale of fixed assets (net)	-	1.77
Total	**1,644.28**	**1,296.07**

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 37: Finance Costs

Particulars	For the year ended 31 March, 2021			For the year ended 31 March, 2020		
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	Total	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	Total
Debt Securities	-	1,24,222.64	1,24,222.64	-	1,77,003.64	1,77,003.64
Borrowings Other than Debt Securities	-	1,57,423.46	1,57,423.46	-	1,65,646.02	1,65,646.02
Subordinated Liabilities	-	18,330.36	18,330.36	-	17,143.30	17,143.30
Finance cost on lease liability	-	897.27	897.27	-	724.94	724.94
Others	-	1,116.80	1,116.80	-	294.50	294.50
Total	-	3,01,990.53	3,01,990.53	-	3,60,812.40	3,60,812.40

Note 38: Impairment on financial instruments

The below table show impairment loss on financial instruments charge to statement of profit and loss based on category of financial instrument :

Particulars	For the year ended 31 March, 2021			For the year ended 31 March, 2020		
	On Financial instruments measured at Fair Value through OCI	On Financial instruments measured at Amortised cost	Total	On Financial instruments measured at Fair Value through OCI	On Financial instruments measured at Amortised cost	Total
Bad debts/Advances Written off (net of recoveries)	-	54,249.13	54,249.13	-	33,577.95	33,577.95
Loans	-	13,965.51	13,965.51	-	37,043.21	37,043.21
Trade Receivable	-	(37.13)	(37.13)	-	85.84	85.84
Total	-	68,177.51	68,177.51	-	70,707.00	70,707.00

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 39: Employee benefit expenses

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Salaries and Wages	42,073.39	37,005.57
Contribution to Provident Funds	1,483.37	1,348.04
Contribution to Gratuity Funds	725.42	449.83
Share based payments to Employees	183.71	715.86
Staff welfare expenses	426.40	961.22
Total	**44,892.29**	**40,480.52**

Note 40: Depreciation, amortization and impairment

Depreciation of tangible assets	892.55	959.84
Amortization of intangible assets	2,332.16	2,065.01
Depreciation and amortisation on lease assets	2,625.34	1,951.79
Total	**5,850.05**	**4,976.64**

Note 41: Other expenses

Rent	1,219.05	1,977.12
Repairs and maintenance		
- Plant and machinery	16.58	14.78
- Others	3,124.62	2,445.56
Communication costs	698.89	653.93
Printing and stationery	206.78	438.39
Advertisement and publicity	265.69	179.87
Directors' fees, allowances and expenses	29.21	28.13
Auditor's fees and expenses	126.49	239.16
Legal and professional charges	7,534.14	6,296.90
Insurance	2,239.88	615.38
Business Support Expenses	3,103.01	3,358.38
Travelling and conveyance	1,057.42	1,878.12
Water and Electricity expenses	351.56	364.71
Rates and taxes	147.96	276.21
Contract Service Charges	863.51	646.02
Information Technology Expenses	1,650.74	1,369.82
Business/ Sales Promotion Expenses	474.47	213.35
Postage Expenses	125.93	138.16
Bank charges	164.94	873.03
Brokerage and Commission	141.73	161.23
Corporate Social Responsibility (CSR) Expenses	2,195.00	2,153.80
Sub-Brokerage and Fees	337.90	365.96
Recruitment Expenses	112.38	298.40
Loss on sale of fixed assets (net)	95.94	-
Miscellaneous expenses	2,460.83	1,684.83
Total	**28,744.65**	**26,671.24**

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Auditor's Fees and Expenses	For the year ended 31 March, 2021	For the year ended 31 March, 2020
As auditor:		
For Statutory Audit (Including Limited Review, Internal Control Financial	107.36	78.47
Tax audit	6.54	6.66
In any other capacity		
For Other Services (Including Certification, Agreed upon procedures and other services)*	12.59	142.73
For Reimbursement of Expenses	-	11.30
Total	**126.49**	**239.16**

*Includes fees paid to predecessor auditor.

Details of CSR Expenditure	For the year ended 31 March, 2021	For the year ended 31 March, 2020
a) Gross amount required to be spent by the Company during the year	2,195.00	2,149.80
b) Amount spent during the year-		
i) Construction/acquisition of any asset	-	-
ii) On purpose other than (i) above	2,195.00	2,153.80
Total	**2,195.00**	**2,153.80**

Aditya Birla Finance Ltd. Mumbai

Note 41: Income Tax

The components of income tax expense are as under:

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Current tax	28,600.00	29,136.44
Adjustment in respect of current income tax of prior years	(693.82)	(547.30)
Deferred tax relating to origination and reversal of temporary differences	(1,648.16)	(3,793.01)
Total tax charge	**26,258.02**	**24,796.13**
Current tax	27,906.18	28,589.14
Deferred tax	(1,648.16)	(3,793.01)

OCI section - Deferred tax related to items recognised in OCI are as under:

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Net loss/(gain) on remeasurements	(306.16)	(525.44)
Income tax expense charged to OCI	**(306.16)**	**(525.44)**

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended 31 March, 2021 and 31 March, 2020 are as follows:

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Accounting profit before tax	1,03,141.23	1,05,290.73
At India's statutory income tax rate of 25.168% (As at 31 March 2020 - 25.168%)	25,958.58	26,499.58
Adjustment in respect of current income tax & deferred tax of prior years	(134.81)	(547.30)
Differences other than temporary in nature on account of tax benefits and others	434.25	(866.09)
Income not subject to tax i.e. exempt income	-	(290.06)
Income tax expense reported in the statement of profit and loss	**26,258.02**	**24,796.13**
Effective income tax rate for the year	25.46%	23.55%

Deferred Tax

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

Particulars	Deferred Tax Assets	Deferred Tax Liabilities	Income Statement	OCI	Transition Reserve
	31 March 2021	31 March 2021	31 March 2021	31 March 2021	31 March 2021
Expected Credit Loss Allowances	21,357.29	-	(10,310.33)	-	-
Employee benefit provisions and other provisions	3,819.65	-	9,004.81	(306.16)	-
Depreciation	836.37	-	(342.64)	-	-
Total	**26,013.31**	**-**	**(1,648.16)**	**(306.16)**	**-**
Net	**26,013.31**				

Particulars	Deferred Tax Assets	Deferred Tax Liabilities	Income Statement	OCI	Transition Reserve
	31 March 2020	31 March 2020	31 March 2020	31 March 2020	31 March 2020
Expected Credit Loss Allowances	11,046.96	-	(472.99)	-	-
Employee benefit provisions and other provisions	12,518.30	-	(2,947.27)	(525.44)	(211.56)
Depreciation	493.73	-	(372.75)	-	-
Total	**24,058.99**	**-**	**(3,793.01)**	**(525.44)**	**(211.56)**
Net	**24,058.99**				

Aditya Birla Finance Ltd. Mumbai

Note 43: Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Net Profit after Tax	76,883.21	80,494.60
Less: Interest on Financial Liabilities (including taxes)	-	-
Net Profit after Tax available for equity shareholders	76,883.21	80,494.60
Weighted average number of ordinary shares for basic and diluted earnings per share	66,21,00,822	66,21,00,822
Earnings per share		
Basic earnings per share (₹)	11.61	12.16
Diluted earnings per share (₹)	11.61	12.16

Aditya Birla Finance Ltd. Mumbai

Note 44: Retirement benefit plan

Defined Contribution Plan

The Company makes Provident Fund, Pension Fund, Superannuation Fund, Employee State Insurance Scheme, Maharashtra Labour Welfare Fund, and National Pension Scheme contributions which are defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

Particulars	31 March, 2021	31 March, 2020
(i) Contribution to Government Employees Provident Fund	1,074.92	1,196.28
(ii) Contribution to Government Employees Pension Fund	316.54	58.00
(iii) Contribution to Superannuation Fund	-	-
(iv) Contribution to Employees State Insurance Corporation	2.32	5.24
(v) Contribution to Maharashtra Labour Welfare Fund	0.84	0.53
(vi) Contribution to National Pension Scheme	88.75	87.99

Defined Benefit Plan

The Company has a defined benefit gratuity plan (funded). The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and last drawn salary. The fund is managed by Aditya Birla Sun Life Insurance Company Limited.

The following tables summarizes the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.

Changes in the defined benefit obligation and fair value of plan assets as at 31 March, 2021 are as under:

		Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
	1 April, 2020	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience variance	Sub-total included in OCI	Contributions by employer	Transfer in/out	31 March, 2021
Defined benefit obligation	(2,657.24)	(586.04)	(171.27)	(757.31)	170.18	-	-	(16.91)	175.99	159.08	-	-	(3,085.29)
Fair value of plan assets	1,789.54	-	115.34	115.34	(170.18)	197.06	-	-	-	197.06	-	-	1,931.76
Benefit / (Liability)	(867.70)	(586.04)	(55.93)	(641.97)	-	197.06	-	(16.91)	175.99	356.14	-	-	(1,153.53)

Changes in the defined benefit obligation and fair value of plan assets as at 31 March, 2020 are as under:

		Gratuity cost charged to profit or loss				Remeasurement gains/(losses) in other comprehensive income							
	1 April, 2019	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience variance	Sub-total included in OCI	Contributions by employer	Transfer in/out	31 March, 2020
Defined benefit obligation	(1,847.12)	(480.67)	(138.87)	(619.54)	72.08	-	-	1.15	(297.53)	(3.25)	(299.63)	38.97	-	(2,657.24)
Fair value of plan assets	1,316.58	-	99.61	99.61	(65.12)	(56.22)	-	-	-	-	(56.22)	494.69	-	1,789.54
Benefit / (Liability)	(530.54)	(480.67)	(39.26)	(519.93)	6.96	(56.22)		1.15	(297.53)	(3.25)	(355.85)	531.66	-	(867.70)

Aditya Birla Finance Ltd
Mumbai

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

	31 March, 2021	31 March, 2020
Expected return on Plan assets	6.30%	6.45%
Discount Rate	6.30%	6.45%
Salary Escalation Rate	7.00%	7.00%
Retirement age	60 years	60 years
Mortality rate	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2012-14)
Attrition / Withdrawal rates, based on age: (per annum)		
Up to 30 years	14.00%	14.00%
31 - 40 years	12.60%	12.60%
41 - 50 years	5.60%	5.60%
Above 50 years	2.80%	2.80%

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields as at Balance Sheet date.

Disaggregation of plan assets:

	31 March, 2021	31 March, 2020
Unquoted Investments:		
Insurer managed funds (Investments with Aditya Birla Sun Life Insurance Company Limited)	1,931.76	1,789.54
Total	**1,931.76**	**1,789.54**

A quantitative sensitivity analysis for significant assumption is as shown below:

Assumptions	Discount rate		Salary	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation - (31 March, 2021)	2,922.18	3,262.10	3,260.22	2,922.33
Impact on defined benefit obligation - (31 March, 2020)	2,515.71	2,810.77	2,809.43	2,515.57

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the year.

The following payments are expected contributions to the defined benefit plan in future years:

Expected payment for future years	31 March, 2021	31 March, 2020
Within the next 12 months (next annual reporting period)	168.22	170.19
Between 2 and 5 years	757.61	551.19
Between 6 and 9 years	937.20	861.64
10 years and above	5,114.43	4,614.01
Total expected payments	**6,977.46**	**6,197.03**

The Company expects to contribute ₹ 1,815.77 lakhs (31 March, 2020 : ₹ 1,474.80 lakhs) to the fund in the next financial year.
The weighted average duration of the defined benefit obligation as at 31 March, 2021 is 11 years (31 March, 2020: 11 years).

Other Long Term Incentive Benefits
Liability for the scheme is determined based on actuarial valuations.

Employee Stock Option Plan (ESOP) by Aditya Birla Capital Limited
Pursuant to ESOP Plan being established by the holding company (i.e. Aditya Birla Capital Limited), stock options were granted to the employees of the Company. Total cost incurred by the holding company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of ₹ 183.71 lakhs (31st March, 2020 ₹ 715.86 lakhs) has been recovered from the Company during the year, which has been charged to the Statement of Profit and Loss. The balance sum of ₹ 234.42 lakhs will be recovered in future periods.

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 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. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations.

Particulars	31 March, 2021			31 March, 2020		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	1,51,098.56	-	1,51,098.56	1,82,042.53	-	1,82,042.53
Bank balance other than cash and cash equivalents	1,913.09	-	1,913.09	-	-	-
Derivative financial instruments	-	-	-	-	5,408.39	5,408.39
Trade and Other Receivables	998.86	-	998.86	1,195.36	-	1,195.36
Loans*	13,84,447.07	33,75,296.30	47,59,743.37	13,17,974.53	32,80,560.92	45,98,535.45
Investments	72,313.21	6,977.69	79,290.90	3,24,818.41	9,421.76	3,34,240.17
Other financial assets	3,053.68	2,064.27	5,117.95	3,357.71	983.46	4,341.17
Non-financial Assets						
Current tax asset (net)	-	23,971.65	23,971.65	-	23,364.88	23,364.88
Deferred tax assets (net)	-	26,013.31	26,013.31	-	24,058.99	24,058.99
Property, plant and equipments	-	1,465.80	1,465.80	-	1,953.20	1,953.20
Intangible assets under development	-	1,197.92	1,197.92	-	4,898.29	4,898.29
Other intangible assets	-	7,149.74	7,149.74	-	2,481.14	2,481.14
Right of use Lease Assets	-	9,405.31	9,405.31	-	8,069.45	8,069.45
Other non financial assets	5,631.90	2,518.64	8,150.54	8,242.97	1,120.30	9,363.27
Total assets	16,19,456.37	34,56,060.63	50,75,517.00	18,37,631.51	33,62,320.78	51,99,952.29
Liabilities						
Financial Liabilities						
Derivative financial instruments	-	3,063.81	3,063.81	-	0.40	0.40
Trade payables	11,172.31	-	11,172.31	10,466.94	-	10,466.94
Debt Securities	7,35,990.46	9,21,884.58	16,57,875.04	8,18,326.72	9,68,596.21	17,86,922.93
Borrowings (other than debt security)	8,19,854.00	14,25,606.08	22,45,460.08	6,66,730.01	16,81,733.84	23,48,463.85
Subordinated Liabilities	12,549.97	2,05,633.29	2,18,183.26	10,776.03	1,99,366.06	2,10,142.09
Lease liabilities	2,485.83	7,738.81	10,224.64	2,389.40	6,520.51	8,909.91
Other Financial liabilities	31,157.54	-	31,157.54	11,403.74	-	11,403.74
Non-financial Liabilities						
Current tax liabilities (net)	1,466.63	-	1,466.63	2,825.65	-	2,825.65
Provisions **	8,062.51	-	8,062.51	9,294.83	408.73	9,703.56
Other non-financial liabilities	5,063.23	-	5,063.23	3,298.18	-	3,298.18
Total Liabilities	16,27,802.48	25,63,926.57	41,91,729.05	15,35,511.50	28,56,625.75	43,92,137.25

* Stage 3 loans have been considered in after 12 months bucket.

** The amount of provision in the after 12 months bucket is based on the estimate of actual payment.

Note: Classification of assets and liabilities under the different maturity buckets is based on the certain estimates and assumptions as used by the company which has been relied upon by the auditors.

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 46: Change in liabilities arising from financing activities

Particulars	As at 31 March, 2020	Cash Flows (Net)	Other(Non-Cash)	As at 31 March, 2021
Debt Securities	17,86,922.93	(1,03,199.13)	(25,848.76)	16,57,875.04
Borrowings other than debt securities	23,48,463.85	(92,908.08)	(10,095.69)	22,45,460.08
Subordinate Liabilities	2,10,142.09	8,000.00	41.17	2,18,183.26
Total liabilities from financing activities	**43,45,528.87**	**(1,88,107.21)**	**(35,903.28)**	**41,21,518.38**

Particulars	As at 31 March, 2019	Cash Flows (Net)	Other(Non-Cash)	As at 31 March, 2020
Debt Securities	22,64,856.32	(5,11,549.24)	33,615.85	17,86,922.93
Borrowings other than debt securities	19,83,278.15	3,56,726.42	8,459.28	23,48,463.85
Subordinate Liabilities	2,04,455.47	4,007.35	1,679.27	2,10,142.09
Total liabilities from financing activities	**44,52,589.94**	**(1,50,815.47)**	**43,754.40**	**43,45,528.87**

Note : The above amounts are including interest accrued but not due.

Aditya Birla Finance Ltd. Mumbai

Note 47: Contingent liabilities, commitments and leasing arrangements

(A) Contingent Liabilities

Particulars	As at 31 March, 2021	As at 31 March, 2020
Disputed Income Tax Liability*	4,860.34	5,012.08
Disputed Service Tax Liability**	131.49	131.49
Claims against the Company not acknowledged as debts***	638.00	512.00
Corporate guarantees, Overdraft, Letter of credit & Letter of comfort given by the Company on behalf of the clients****	3,148.60	4,091.02
Total	**8,778.43**	**9,746.59**

*** Disputed Income Tax Liability**

Particulars	As at 31 March, 2021	As at 31 March, 2020
Disallowances of Depreciation on Intangibles, Disallowance of Expenses, Disallowance under Section 14A, Disallowance of Dividend under Section 10(33), Disallowance of PF ESIC Cenvat Credit	607.65	232.48
Disallowances of exceptional losses of Wealth Business	3,234.12	3,234.12
Interest on Non Performing Assets (NPA)	1,018.57	1,545.48
Total	**4,860.34**	**5,012.08**

**(ii) Show Cause cum demand Notice No. ST/Audit-III/P-3/Gr-7/Aditya Birla/SCN/2016 dated 09 May, 2017 was issued to the Company demanding Service Tax of ₹ 69.84 lakhs on penal/ default interest.

**(iii) Show Cause cum demand Notice No. 20/GST/ME/Aditya Birla/ADC/2018-19 dated 26 July, 2018 was issued to the Company demanding Service Tax of ₹ 61.65 lakhs on penal interest.

*** The claims against the Company comprise of the following :
(i) Two of the Company customer have filed the Claim Petition as per High Court Order dated 27 October, 2009 for an amount of ₹ 512 lakhs (31 March 2020: ₹ 512.00 lakhs) along with damages with interest. The matter is pending before Arbitrator.
(ii) In one of the cases, the Company has challenged before the Bombay High Court, the order of NCLT Mumbai which directed company to pay liquidation cost of ₹ 91 lakhs. Accordingly, the Company has deposited ₹ 91 lakhs as per the Bombay High Court's direction till the outcome of the final hearing is decided. The matter is still pending.
(iii) In view of the pending case mentioned in point (ii) above, the Company has decided to not pay liquidation cost of ₹ 35 lakhs in another case where the Company has successfully sold the secured assets of the customer which is undergoing liquidation.

**** Represents the limit utilized by client of the Guarantee / Overdraft / Letter of Credit and Letter of Comfort given by the Company.

(B) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) on account of property, plant and equipment Rs. 46.82 Lakh (31 March, 2020: Rs. 112.69 Lakh) and on account of intangible assets Rs. 662.89 Lakh (31 March, 2020: Rs. 921.20 Lakh).

Undisbursed commitments where the Company does not have an unconditional rights to cancel the undrawn/un-availed/unused portion of the loan at any time during the subsistence of the loan ₹ Nil.

Aditya Birla Finance Ltd. Mumbai

Note 47: Contingent liabilities, commitments and leasing arrangements (Continued)

(C) Lease Disclosures

(i) Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021:

Particulars	Amount
Gross Carrying Value	
Balance as at 1st April, 2019	8,562.96
Additions	1,432.23
Deferred Rent Lease Expense	26.05
Deletion	-
Balance as at 31st March, 2020	10,021.24
Additions	5,861.15
Deletion	1,969.94
Balance as at 31st March, 2021	13,912.45
Accumulated Amortisation	
As at 1st April, 2019	-
Additions	1,951.79
Deletion	-
Balance as at 31st March, 2020	1,951.79
Additions	2,625.34
Deletion	69.99
Balance as at 31st March, 2021	4,507.14
Net Carrying Value as at 31st March, 2020	8,069.45
Net Carrying Value as at 31st March, 2021	9,405.31

(ii) Amounts recognised in profit and loss for the year ended 31 March, 2021

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Depreciation expense on right-of-use assets	2,625.34	1,951.79
Interest expense on lease liabilities	897.27	724.94
Expense relating to short-term leases	-	561.07
Expense relating to leases of low value assets	1,219.05	1,576.32
Income from subleasing right-of-use assets	297.61	284.33
Gains or losses arising from Rent concessions due to Covid-19 Pandemic	252.02	-

(iii) The Maturity analysis of lease liabilities as at 31 March, 2021 :

Particulars	As at 31st March 2021	As at 31st March 2020
Within 12 months	2,485.83	2,389.40
After 12 months	7,738.81	6,520.51
Total	10,224.64	8,909.91

(iv) The following is the movement in lease liabilities during the year ended March 31, 2021:

Particulars	As at 31st March 2021	As at 31st March 2020
Opening balance	8,909.91	9,423.53
Additions	5,696.92	1,086.51
Surrender of premises	(2,493.58)	-
Finance Cost accrued during the year	897.27	724.94
Payment of Lease Liabilities	(2,785.88)	(2,325.07)
Closing balance	10,224.64	8,909.91

Aditya Birla Finance Ltd. Mumbai

(v) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis:

Particulars	As at 31st March 2021	As at 31st March 2020
Less than one year	2,577.35	2,335.88
One to Five years	8,107.10	6,188.80
More than Five years	1,818.00	2,275.81
Total	12,502.45	10,800.49

When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate at 01 April, 2020. The weighted average rate applied ranges between 6.72% p.a. - 7.15 % p.a.

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Note 48: Related party disclosures

i)List of Related Parties as per IND AS -24 with whom transactions have taken place during the year:

(A) Ultimate Holding Company:
Grasim Industries Limited (Ultimate Holding Company)

(B) Holding Company:
Aditya Birla Capital Limited (Holding Company)

(C)Subsidiaries / Fellow Subsidiaries:
Fellow Subsidiaries
Aditya Birla Capital Technology Services Limited, ABCTSL (Formerly Known as Aditya Birla MyUniverse Limited, ABMUL)
Aditya Birla Financial Shared Services Limited (ABFSSL)
Aditya Birla Money Limited (ABML)
Aditya Birla Insurance Brokers Limited (ABIBL)
Aditya Birla Money Mart Limited (ABMML)
Aditya Birla Money Insurance Advisory Services Limited (ABMIASL)
Aditya Birla Sun Life Insurance Company Limited (ABSLICL)
Aditya Birla Sun Life Asset Management Company Limited (ABSAMCL)
Aditya Birla Housing Finance Limited (ABHFL)
Aditya Birla ARC Limited (ABARCL)
Aditya Birla PE Advisors Private Limited (ABPEAPL)
Aditya Birla Health Insurance Company Limited (ABHICL)
Ultratech Cement Limited (UCL)
Aditya Birla Commodities Broking Limited (ABCBL)
ABCSL Employee Trust
Aditya Birla Special Situations Fund - I
Aditya Birla Sun Life Pension Management Limited
Aditya Birla Trustee Company Private Limited
Aditya Birla Sun Life Trustee Private Limited
ABCAP Trustee Company Private Limited
Aditya Birla Wellness Private Limited
Aditya Birla Stressed Asset AMC Private Limited
Aditya Birla Capital Investment Private Limited (Struck off w.e.f 25 Feb 2021)

(D) Other related parties in which Directors of Ultimate Holding Company are interested
Aditya Birla Management Corporation Private Limited

(E) Joint Venture/Associates
Aditya Birla Idea Payments Bank Limited

(F)Key managerial personnel
Mr. Rakesh Singh (CEO upto July 22, 2019 and Managing Director & CEO w.e.f. July 23, 2019)
Mr. Sekhar Mosur (Manager upto July 22, 2019)
Mr. D J Kakalia
Mr. Jitender Balakrishnan
Mr. Ashwani Puri
Ms. Alka Bharucha
Mr. Baldev Raj Gupta
Mr. S C Bhargava

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)
Note 48 Related Party Disclosures *(Continued)*

ii) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:

Particulars	31 March, 2021	31 March, 2020
Holding Company		
Reimbursement of Administrative expenses		
Aditya Birla Capital Limited	520.65	620.10
Interest expenses		
Aditya Birla Capital Limited	-	66.45
Reimbursement of Rent expenses		
Aditya Birla Capital Limited	-	47.36
Reimbursement of Legal and Professional expenses		
Aditya Birla Capital Limited	140.33	148.16
Reimbursement of Employee cost		
Aditya Birla Capital Limited- ESOP	183.71	715.29
Aditya Birla Capital Limited- OCI	(36.01)	57.87
Aditya Birla Capital Limited	2,359.38	2,443.01
Rent Recovered		
Aditya Birla Capital Limited	14.94	-
Issue of Equity Share Capital		
Aditya Birla Capital Limited	-	585.56
Issue of Inter-corporate Deposits (ICD)		
Aditya Birla Capital Limited	-	1,568.72
Interest on Debentures		
Aditya Birla Capital Limited	303.80	880.44
Redemption of Preference Share Capital		
Aditya Birla Capital Limited	-	1,000.00
Preference Share Capital Outstanding		
Aditya Birla Capital Limited	-	66.45
Paid up Equity Share Capital Outstanding (excluding shares pending issuance)		
Aditya Birla Capital Limited	66,210.08	66,210.08
Equity Share Premium Outstanding		
Aditya Birla Capital Limited	3,21,096.08	3,21,096.08
Repayment of ICD		
Aditya Birla Capital Limited	-	8,754.00
Payable		
Aditya Birla Capital Limited (Debenture) (Long term borrowings)	-	3,393.19
Aditya Birla Capital Limited (Trade Payables)	266.63	503.85
Statutory Dues (GST)		
Aditya Birla Capital Limited	53.11	236.94
Receivable		
Aditya Birla Capital Limited	3.52	3.52
Remuneration of Key Management Personnel		
Mr. Rakesh Singh (CEO upto July 22, 2019 and Managing Director & CEO w.e.f. July 23, 2019)	1,192.10	1,520.80
Mr. Sekhar Mosur (Manager upto July 22, 2019)	-	91.66
Fellow Subsidiaries		
Brokerage		
Aditya Birla Money Limited	29.89	142.42
Aditya Birla Money Insurance Advisory Services Limited	8.50	-
Reimbursement of Administrative expenses		
Aditya Birla Wellness Private Limited	1.70	-
Aditya Birla Money Limited	8.03	0.53
Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited)	3.82	10.31
Aditya Birla Sun Life Insurance Company Limited	-	0.43
Aditya Birla Insurance Brokers Limited	0.15	-
Aditya Birla Financial Shared Services Limited	1,069.72	1,318.32
Aditya Birla Housing Finance Limited	178.71	252.74
Aditya Birla Health Insurance Company Limited	2.49	16.81

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)
Note 48 Related Party Disclosures (Continued)

Particulars	31 March, 2021	31 March, 2020
Payment of Other Services		
Aditya Birla Management Corporation Private Limited	2,851.08	3,085.34
IT Support Expenses		
Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited)	171.78	-
Custodian Charges Expenses		
Aditya Birla Money Limited	5.81	11.47
Interest expenses		
Aditya Birla Sun Life Insurance Company Limited	2,671.49	2,683.30
Reimbursement of Rent expenses		
Aditya Birla Money Limited	0.61	3.79
Aditya Birla Insurance Brokers Limited	6.38	-
Aditya Birla Sunlife Asset Management Co Ltd	3.45	-
Aditya Birla ARC Limited	1.00	14.03
Aditya Birla Sun Life Insurance Company Limited	25.50	282.33
Aditya Birla Sun Life Insurance Company Limited Notional Interest expense	-	13.24
Aditya Birla Sun Life Insurance Company Limited Operating Lease Expenses	-	12.73
Aditya Birla Financial Shared Services Limited	-	18.30
Aditya Birla Housing Finance Limited	104.54	118.49
Reimbursement of Legal and Professional expenses		
Aditya Birla Sunlife Asset Management Company Limited	-	5.60
Aditya Birla Housing Finance Limited	26.40	-
Aditya Birla Financial Shared Services Limited	306.11	434.01
Reimbursement of Employee cost		
Aditya Birla Money Limited	213.53	241.16
Aditya Birla Money Mart Ltd	28.70	-
Aditya Birla Health Insurance Co Ltd	0.39	-
Aditya Birla Money Insurance Advisory Services Limited	0.04	18.83
Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited)	10.06	1.45
Aditya Birla ARC Limited	19.67	9.36
Aditya Birla Stressed Asset AMC Pvt Ltd	-	13.96
Aditya Birla Financial Shared Services Limited	422.33	611.20
Aditya Birla Financial Shared Services Limited - Other Comprehensive Income (OCI)	(47.44)	12.21
Aditya Birla Housing Finance Limited	72.52	32.09
Aditya Birla Sunlife Insurance Company Limited	6.43	0.46
Aditya Birla Sunlife Asset Management Company Limited	2.03	9.73
Insurance Premium Paid		
Aditya Birla Health Insurance Company Limited	30.05	36.00
ESOP Expenses		
Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited)	-	0.57
Director Sitting fees		
Mr. D J Kakalia	6.40	5.80
Mr. Jitender Balakrishnan	4.60	4.30
Mr. Ashwani Puri	5.60	4.85
Ms. Alka Bharucha	3.00	1.00
Mr. S C Bhargava	3.70	2.50
Mr. Baldev Raj Gupta	3.50	2.50

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)
Note 48 Related Party Disclosures (Continued)

Particulars	31 March, 2021	31 March, 2020
Employee cost recovered		
Aditya Birla Money Limited	28.63	-
Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited)	-	6.93
Aditya Birla ARC Limited	-	114.48
Aditya Birla Sun Life Insurance Company Limited	10.70	32.09
Aditya Birla Sunlife Asset Management Company Limited	4.89	3.03
Aditya Birla Management Corporation Private Limited	5.50	1.53
Aditya Birla Housing Finance Limited	802.21	964.78
Aditya Birla Insurance Brokers Limited	-	1.59
Aditya Birla Health Insurance Company Limited	1.26	-
Aditya Birla Financial Shared Services Limited	-	21.34
Referral Fees Income		
Aditya Birla Money Limited	17.50	45.45
Legal and Professional expenses recovered		
Aditya Birla Financial Shared Services Limited	-	63.02
Aditya Birla Housing Finance Limited	-	4.50
Brokerage Income		
Aditya Birla Money Limited	383.66	220.34
Aditya Birla Housing Finance Limited	-	6.26
Aditya Birla Sunlife Asset Management Company Limited	75.10	40.97
Rent recovered		
Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited)	1.94	-
Aditya Birla Money Insurance Advisory Services Limited	6.07	19.85
Aditya Birla Insurance Brokers Limited	42.27	8.24
Aditya Birla Sunlife Asset Management Company Limited.	3.59	72.94
Aditya Birla Money Mart Limited	-	-
Aditya Birla Housing Finance Limited	245.65	174.73
Advertisement Income		
Aditya Birla Sunlife Insurance Company Limited.	-	50.00
Administrative Expenses Recovered		
Aditya Birla Money Insurance Advisory Services Limited	6.98	13.14
Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited)	0.59	5.65
Aditya Birla Financial Shared Services Limited	228.71	1.27
Aditya Birla Housing Finance Limited	214.93	224.16
Sale of assets		
Aditya Birla ARC Limited	3.33	4.91
Aditya Birla Money Mart Ltd	5.42	-
Aditya Birla Stressed Asset AMC Pvt Ltd	0.56	-
Aditya Birla Housing Finance Limited	-	7.17
Purchase of assets		
Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited)	26.57	-
Aditya Birla Management Corporation Private Limited	0.62	0.25
Aditya Birla Housing Finance Limited	1.91	4.02
Aditya Birla Sun Life Insurance Company Limited	0.64	4.78
Redemption of NCDs		
Aditya Birla Sun Life Insurance Company Limited	-	1,500.00
Investment in fund made		
Aditya Birla Special Situations Fund - I	11.64	21.74
Redemption from Investment		
Aditya Birla Special Situations Fund - I	2.05	15.49
Prepaid Expenses		
Aditya Birla Health Insurance Company Limited	-	115.97
Aditya Birla Capital Technology Services Limited	2.46	-
Aditya Birla Financial Shared Services Limited	34.24	46.40
Redeemable NCDs		
Aditya Birla Sun Life Insurance Company Limited	29,482.85	29,479.96

Aditya Birla Finance Limited

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)
Note 48 Related Party Disclosures (Continued)

Particulars	31 March, 2021	31 March, 2020
Interest accrued on NCDs		
Aditya Birla Sun Life Insurance Company Limited	1,327.20	1,332.45
Investment in fund outstanding		
Aditya Birla Special Situations Fund - I	15.84	6.25
Payable		
Aditya Birla Wellness Pvt Ltd	1.88	-
Aditya Birla ARC Limited	19.92	0.63
Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited)	46.68	-
Aditya Birla Sun Life Insurance Company Limited	18.35	45.44
Aditya Birla Financial Shared Services Limited	176.84	483.49
Aditya Birla Management Corporation Private Limited	564.98	390.16
Aditya Birla Sunlife Asset Management Company Limited	-	15.77
Aditya Birla Health Insurance Company Limited	1.35	9.91
Receivable		
Aditya Birla Money Limited	265.12	44.19
Aditya Birla Insurance Brokers Limited	19.69	2.59
Aditya Birla Money Insurance Advisory Services Limited	75.98	34.55
Aditya Birla Housing Finance Limited	299.60	236.21
Aditya Birla Sun Life Assets Management Company Limited	0.16	-
Aditya Birla Money Mart Limited	-	3.47
Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited)	-	75.03
Security Deposit Receivable		
Aditya Birla Management Corporation Private Limited	615.12	1,015.76
Aditya Birla Sun Life Insurance Company Limited	88.30	88.30
Deposit Placed (Transaction during the year)		
Aditya Birla Management Corporation Private Limited	204.00	888.00
Deposit Received back (Transaction during the year)		
Aditya Birla Management Corporation Private Limited	604.64	-

Notes:-

a)The related party relationships have been as identified by the management on the basis of the requirements of the Indian Accounting Standard IND AS–24 'Related Party Disclosures' and the same have been relied upon by the Auditors.

b)The relationships disclosed above are for the entities where control exists / existed and with whom transactions have taken place during the year and the previous year.

Aditya Birla Finance Ltd. Mumbai

Note 49: Capital

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a capital adequacy ratio, which is weighted assets divided by total capital derived as per the RBI requirements. As per the RBI guidelines, Company being a Non Banking Finance Company has to maintain 15% of capital adequacy ratio.

The actual Capital Adequacy Ratio is as under:

Particulars	31 March, 2021	31 March, 2020
Capital Adequacy Ratio	22.70%	19.08%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2021 and 31 March, 2020.

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs except otherwise stated)

Note 50: Fair value measurement

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method, market comparable method, recent transactions happened in the company and other valuation models.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below :

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, units of mutual funds (open ended) and traded bonds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

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

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

Fair Value Hierarchy of assets and liabilities-
Fair Value measurement-

I. The carrying amount and fair value measurement hierarchy for assets and liabilities as at March 31, 2021 is as follows:
Assets valued at fair value on a recurring basis

Particulars	Fair Value through profit and loss					
	Carrying Value	Fair Value	Level-1	Level-2	Level-3	Total
Quoted Investments						
MOIL Limited	36.82	36.82	36.82	-	-	36.82
Other Investments						
Investment in Govt Securities	15,420.71	15,420.71	-	15,420.71	-	15,420.71
Investment in Alternate Funds	6,729.83	6,729.83	-	6,729.83	-	6,729.83
Investment in Debt Securities	56,892.50	56,892.50	56,892.50	-	-	56,892.50
Derivative financial instruments (net)	(3,063.81)	(3,063.81)	-	(3,063.81)	-	(3,063.81)

Particulars	Fair Value through other comprehensive income					
	Carrying Value	Fair Value	Level-1	Level-2	Level-3	Total
Equity Share						
Birla Management Centre Services Limited	211.04	211.04	-	-	211.04	211.04

II. The carrying amount and fair value measurement hierarchy for assets and liabilities as at March 31, 2020 is as follows:
Assets valued at fair value on a recurring basis

Particulars	Fair Value through profit and loss					
	Carrying Value	Fair Value	Level-1	Level-2	Level-3	Total
Quoted Investments						
MOIL Limited	24.89	24.89	24.89	-	-	24.89
Preference Share						
TATA Motors Finance Limited (formerly known as Sheba Properties Limited) (8.20 % Compulsory Convertible Cumulative Preference Shares)	22,551.00	22,551.00	-	-	22,551.00	22,551.00
Other Investments						
Investment in Alternate Funds	9,221.18	9,221.18	-	9,221.18	-	9,221.18
Investment in Debt Securities	42,029.37	42,029.37	42,029.37	-	-	42,029.37
Bonds	9,365.31	9,365.31	9,365.31	-	-	9,365.31
Mutual Fund	2,50,872.74	2,50,872.74	2,50,872.74	-	-	2,50,872.74
Derivative financial instruments (net)	5,407.99	5,407.99	-	5,407.99	-	5,407.99

Particulars	Fair Value through Other Comprehensive Income					
	Carrying Value	Fair Value	Level-1	Level-2	Level-3	Total
Equity Share						
Birla Management Centre Services Limited	175.68	175.68	-	-	175.68	175.68

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs except otherwise stated)

Note 50: Fair value measurement

Valuation techniques

Equity instruments and units of mutual fund: The majority of equity instrument are actively traded on stock exchanges with readily available active prices on a regular basis. Such instruments are classified as Level 1. Units held in funds are measured based on their published net asset value(NAV), taking into account redemption and/or other restrictions. Such instruments are also classified as Level 1. Unlisted equity securities are classified at Level 3.

Investment in Preference Shares: As per latest guideline issued by FBIL, the Preference shares which are not rated by a rating agency, the YTM method has been adopted. The preference shares are fair valued on the basis of YTM method, hence they are classified as Level 3. For the year ended March, 2020, the preference shares were fair valued on the basis of a similar compulsorily convertible preference shares issued by Tata Motors Finance Limited, hence they were classified as Level 3 for the year ended March, 2020.

Investment in Govt Securities : The fair values of investments made in Government Securities is based on valuation report from ICRA as at the reporting period and the same are classified under Level 2.

Investment in Alternate funds : Units held in funds of AIF are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions. Such instruments are generally Level 2. NAV represents the price at which the issuer will issue further units of AIF and the price at which issuers will redeem such units from the investors.

Investment in Debt Securities and Bonds : Fair value of these instrument is derived based on the indicative quote of price and yields prevailing in the market as at reporting date. Company has used quoted price of national stock exchange wherever bonds are traded actively. In cases where debt securities are not actively traded company has used CRISIL corporate bond valuer model for measuring fair value i.e. fair value has been computed using the Fixed Income Money Market and Derivatives Association of India ('FIMMDA') data on corporate bond spreads.

Derivative Financial Instruments : A generally accepted framework for the valuation of the swap explains the position in each leg of the swap as a 'bond'. Therefore, a receive fixed - pay floating swap can be viewed as a portfolio consisting a long position in fixed bond and short position a floating rate bond. The value of the swap is the net proceeds from such bond positions i.e. Receipt – Payment. The swaps were valued on and with inputs from Bloomberg database using the terms of the swap contract.

Equity shares measured at Fair Value through Other Comprehensive Income: Unquoted equity shares are measured at fair value through other comprehensive income on the basis of the net worth of the investee company and are classified as Level 3.

Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value:
For the year ended 31 March, 2021

Particulars	As at 1 April, 2020	Purchase / (Sales)	Transfers into / (from) Level 3	Net interest income, net trading income and other income	Other comprehensive income	At 31 March, 2021
Equity Shares						
Birla Management Centre Services Limited	175.68	-	-	-	35.36	211.04
Preference Shares						
TATA Motors Finance Limited	22,551.00	(22,551.00)	-	-	-	-
Total financial investments classified in Level 3	22,726.68	(22,551.00)	-	-	35.36	211.04
Total financial assets measured at fair value on a recurring basis	22,726.68	-	-	-	-	211.04

The following tables show the reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities measured at fair value:
For the year ended 31 March, 2020

Particulars	As at 1 April, 2019	Purchase / (Sales)	Transfers into / (from) Level 3	Net interest income, net trading income and other income	Other comprehensive income	At 31 March, 2020
Equity Shares						
Birla Management Centre Services Limited	189.57	-	-	-	(13.89)	175.68
Preference Shares						
TATA Motors Finance Limited	-	-	22,551.00	-	-	22,551.00
Total financial investments classified in Level 3	189.57	-	22,551.00	-	(13.89)	22,726.68
Total financial assets measured at fair value on a recurring basis	189.57	-	-	-	-	22,726.68

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements
for the year ended 31 March, 2020
(Currency: ₹ in Lakhs except otherwise stated)

Note 50: Fair value measurement
Impact on fair value of level 3 financial instruments measured at fair value of changes to key assumptions

The table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of the Group's Level 3 assets and liabilities.

Relationships between unobservable inputs have not been incorporated in this summary.

	Fair value			
Particulars	**Level 3 assets 31 March, 2021**	**Level 3 liabilities 31 March, 2021**	**Valuation technique**	**Significant unobservable inputs**
Equity Shares - Birla Management Centre Services Limited	211.04	-	Net worth of investee company	Instrument Price
Preference Share - TATA Motors Finance Limited	-	-	YTM Method	Discount Rate
	Fair value			
Particulars	**Level 3 assets 31 March, 2020**	**Level 3 liabilities 31 March, 2020**	**Valuation technique**	**Significant unobservable inputs**
Equity Shares - Birla Management Centre Services Limited	175.68	-	Net worth of investee company	Instrument Price
Preference Share - TATA Motors Finance Limited	22,551.00	-	YTM Method	Discount Rate

Quantitative analysis of significant unobservable inputs

Instrument Price
When specific market prices are not available, the Company uses net worth of the investee company. Given the nature of this approach, the actual range of prices used as inputs are usually quite wide. Therefore, the range is not indicative of the uncertainty associated with the fair value of the individual financial instrument.

Sensitivity of fair value measurements to changes in unobservable market data
The table below describes the effect of changing the significant unobservable inputs to reasonable possible alternatives.
Sensitivity data are calculated using a number of techniques, including adjusting model inputs to reasonable changes within the fair value methodology.

	31 March, 2021		31 March, 2020	
Particulars	**Favourable changes(+5%)**	**Unfavourable changes(-5%)**	**Favourable changes(+5%)**	**Unfavourable changes(-5%)**
Equity Shares - Birla Management Centre Services Limited	10.55	(10.55)	8.78	(8.78)
Preference Share - TATA Motors Finance Limited	N.A.	N.A.	43.00	(43.00)

Fair value of financial instruments not measured at fair value
Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements.

This table does not include the fair values of non-financial assets and non-financial liabilities.
As at 31 March, 2021

Particulars	**Carrying amount**	**Fair Value**			
		Level-1	**Level-2**	**Level-3**	**Total**
Financial assets:					
Cash and cash equivalents	1,51,098.56	1,51,098.56	-	-	1,51,098.56
Trade and Other Receivables	998.86	-	-	998.86	998.86
Loans	47,59,743.36	-	12,98,479.34	34,11,970.02	47,10,449.36
Other financial assets	5,117.95	-	-	5,117.95	5,117.95
Total financial assets	49,16,958.73	1,51,098.56	12,98,479.34	34,18,086.83	48,67,664.73
Financial liabilities:					
Trade payables	11,172.31	-	-	11,172.31	11,172.31
Debt securities	16,57,875.04	-	14,22,224.19	3,19,937.17	17,42,161.36
Borrowings (other than debt securities)	22,45,460.08	-	-	22,45,460.08	22,45,460.08
Subordinated liabilities	2,18,183.26	-	2,29,747.15	-	2,29,747.15
Lease Liabilities	10,224.64	-	-	10,224.64	10,224.64
Other financial liabilities	31,157.54	-	-	31,157.54	31,157.54
Total financial liabilities	41,74,072.87	-	16,51,971.34	26,17,951.74	42,69,923.08

Aditya Birla Finance Ltd. Mumbai

Note 50: Fair value measurement
As at 31 March, 2020

Particulars	Carrying amount	Fair Value			
		Level-1	Level-2	Level-3	Total
Financial assets:					
Cash and cash equivalents	1,82,042.53	1,82,042.53	-	-	1,82,042.53
Trade and Other Receivables	1,195.36	-	-	1,195.36	1,195.36
Loans	45,98,335.45	-	8,36,519.97	37,25,131.48	45,61,651.45
Other financial assets	4,341.17	-	-	4,341.17	4,341.17
Total financial assets	47,86,114.51	1,82,042.53	8,36,519.97	37,30,668.01	47,49,230.51
Trade payables	10,466.94	-	-	10,466.94	10,466.94
Debt securities	17,86,922.93	-	16,15,769.15	2,23,993.27	18,39,762.43
Borrowings (other than debt securities)	23,48,463.85	-	-	23,48,463.85	23,48,463.85
Subordinated liabilities	2,10,142.09	-	2,05,022.35	66.45	2,05,088.80
Lease Liabilities	8,909.91	-	-	8,909.91	8,909.91
Other financial liabilities	11,403.74	-	-	11,403.74	11,403.74
Total financial liabilities	43,76,309.46	-	18,20,791.50	26,03,304.16	44,24,095.67

Valuation methodologies of financial instruments not measured at fair value
Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only.

Short-term financial assets and liabilities
For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such amounts have been classified as Level 2 on the basis that no adjustments have been made to the balances in the balance sheet.

Loans
Loans can be categorized into two main categories based on the rate of interest charged on such loans:
- A) Floating rate Loans: Floating rate loans are loans in which the interest rates are reset at a periodic interval based on a pre-decided reference rate.
- B) Fixed Rate Loans: Fixed rate loans are loans in which the interest rates are decided at the time of sanction of the loan and are not reset automatically.

Floating Rate Loans:
The floating rate loans are valued on the basis of MCLR + Spread specific to the Company. This MCLR rate is being reset on periodic intervals based on the pre-decided reference rate. Hence, they are classified as Level 3.

Fixed Rate Loans:
1. A fixed rate loan given can be viewed as a plain vanilla bond purchased that pays a fixed rate of interest and has fixed redemption date with no options or variable terms attached to it. Value of a Bond is equal to the present value of coupon payments and the redemption price discounted at the yield to maturity ('YTM') as on the Valuation Date of a similar loan. Accordingly, the Company has used the present value technique for valuation of the Fixed Rate Loans given by the Company.
2. In case of loans, they are considered as financial assets and the contractual cash flows are defined over the tenure of the loan. Since the loans are not traded in active markets and company does not have any active markets for identical assets, the Company has not used any level 1 inputs as per INDAS 113. The Company has used the prevailing risk free rate as the valuation date and the credit default spread based on FIMMDA-PDAI Gilt curve for Valuation of Corporate Bonds-Corporates Valuation Matrix, being a level 2 input, as on the valuation date; to determine the discount factor for arriving at the fair value of these loans using the present value technique.

Borrowings
Floating Rate Borrowings:
The floating rate borrowings are valued on the basis of MCLR + Spread.

Fixed Rate Borrowings:
The methodology to arrive at yield and bond price is similar and is used in valuation for mutual fund industry. Trades reported may be analysed based on polls received and internal spread models of IMaCS to arrive at final yield for the security using the process mentioned below.

1. Last traded Yield/price that has been reported on NSE, BSE, MCX , FTRAC and NDS-OM is used for valuation as per existing rules for trade size and outliers used for Scrip level valuation. However polls are carried out for outliers trades.
2. In case above conditions are not met, yield is calculated considering trades in same issuer of similar maturity in line with overall market movement and market data collected. Polls may be carried out for outliers and for final valuation yield.
3. In case the above two conditions are not met, matrix movement(benchmark movement of relevant maturity bucket as analysed based on overall trades available/bid-ask and or poll on the similar securities shall be applied on previous day's yield to arrive at Yield/Price for the day.
4. If yield/price is not determinable based on above steps due to non-availability of data, outliers and/or such exceptional events, valuation shall be provided based on previous days Yield/Price.

Derivative Liabilities (Hedging instruments measured at fair value)

Aditya Birla Finance Ltd. Mumbai

Note 50: Fair value measurement

1. The fair value of interest rate swaps is calculated as the present value of estimated future cash flows based on observable yield curves and an appropriate discount factor.
2. The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of respective currencies.
3. The fair value of currency swap is calculated as the present value determined using forward exchange rates, currency basis spreads between the respective currencies, interest rate curves and an appropriate discount factor.

Aditya Birla Finance Ltd. Mumbai

Note 51: Risk management

(a) Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings and trade and other payables. The main purpose of these financial liabilities is to finance and support the company's operations. The Company's principal financial assets include loans, investments, cash and cash equivalents and other receivables that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Risk Management Committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Risk Committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors review and agree policies for managing each of these risks, which are summarised below.

The Company has identified and implemented comprehensive policies and procedures to assess, monitor and manage risk throughout the Company. The risk management process is continuously reviewed, improved and adapted in the changing risk scenario and the agility of the risk management process is monitored and reviewed for its appropriateness in the changing risk landscape. The process of continuous evaluation of risks includes taking stock of the risk landscape on an event-driven basis.

The Company has an elaborate process for risk management. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Operational & Business Risk

Loss of Risk that is related to activities carried out within an entity, arising from incomplete structure, failure of systems, untrained people, inefficient products or processes. To make the structure more robust a Board approved Operational Risk Management Framework has been put in place which is implemented by a dedicated team within the Risk Management function. A bottom up risk control self-assessment process identifies high risk areas, potential gaps and serves as an early warning system so that remedial measures can be initiated in a timely manner.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. In the case of the Company, market risk primarily comprises of interest rate risk. Financial instruments affected by market risk include loans and

The analyses exclude the impact of movements in market variables on the carrying values of gratuity, other post-retirement obligations and provisions.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March, 2021 and 31 March, 2020.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest rate sensitivity

Since the Company manages its interest rate risk on domestic borrowings by ensuring, at maximum, its long term borrowings from domestic banks at floating rate of interest and in case of reduction in interest rate, it initiates negotiations with bankers for realigning the interest rate and/or repaying the high interest rate exposures, the interest rate change in market as such doesn't affect Company's profitability materially.

Market Indices	Change in interest rate	31 March, 2021		31 March, 2020	
		Impact on profit before tax	Impact on equity	Impact on profit before tax	Impact on equity
Interest rate	25 Basis Point down	5,613.65	4,184.51	5,859.61	4,479.66
	50 Basis Point down	11,227.30	8,369.02	11,719.22	8,959.33
	25 Basis Point Up	(5,613.65)	(4,184.51)	(5,859.61)	(4,479.66)
	50 Basis Point Up	(11,227.30)	(8,369.02)	(11,719.22)	(8,959.33)

Foreign Exchange Risk

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates primarily relates to its External Commercial Borrowings. The Company uses derivative instruments like forwards to hedge exposure to foreign currency risk.

Aditya Birla Finance Ltd. Mumbai

The Company has taken foreign currency floating rate borrowings, which are linked to LIBOR. For managing the foreign currency risk and interest rate risk, arising from changes in LIBOR on such borrowings, the Company has entered into Cross Currency Interest Rate Swap (CCIRS) and forward contracts for the entire loan liability and tenure of the facility. Under the terms of the CCIRS, the Company pays interest at the fixed rate to the swap counterparty in INR and receives the floating interest payments based on LIBOR in foreign currency.

Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

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

Impairment assessment

The ECL model Credit loss provisioning approach has now moved from incurred model. This forces entity to understand the significance of credit risk and its movement since its initial recognition. This model ensures (a) timely recognition of ECLs (b) assessment of significant increase in credit risk which will provide better disclosure (c) ascertainment of better business ratios.

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies in Note 5.

- An explanation of the Company's internal grading system (Note 'Definition of default and cure' below)
- How the Company defines, calculates and monitors the probability of default, exposure at default and loss given default) (Note 'The Company's internal rating and PD estimation process', 'Probability of Default', 'Exposure at Default' below)
- When the Company considers there has been a significant increase in credit risk of an exposure (Note 'Significant increase in credit risk' below)
- The Company's policy of segmenting financial assets where ECL is assessed on a collective basis (Note 'Grouping financial assets measured on a collective basis' below)
- The details of the ECL calculations for Stage 1, Stage 2 and Stage 3 assets (Notes 'Probability of default', 'Exposure at default' and 'loss given default' below)

Definition of default

The Company considers a financial instrument defaulted and therefore Stage 3 (credit impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikeness to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

a) Significant financial difficulty of the borrower or issuer;
b) A breach of contract such as a default or past due event;
c) The restructuring of a loan or advance by the company on terms that the company would not consider otherwise;
d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
e) The disappearance of an active market for a security because of financial difficulties and the customer has delay in his repayments over a month.

The Company's internal rating and PD estimation process

a. Internal Rating: A robust internal credit rating framework is vital for effective credit risk management. It is specified by RBI on credit risk management that lenders should have an internal rating framework and the lenders must have independent Credit Risk Control Units (CRCU) or equivalents that are responsible for the design or selection, implementation and performance of their internal rating systems. Accordingly the Company also have an internal rating framework developed along with CRISIL, with ratings being assigned to all the customer/ portfolio pool – (eligible customers for Ratings) and used extensively in internal decision-making.
b. It is further specified in the policy that internal rating/grading/scoring of the borrower/client is at least investment grade rating as per the Company's internal credit rating model or valid/live external rating.

Probability of Default(PD)

PD is calculated basis likelihood that the borrower will default within one year horizon(Basis for Stage 1), For Stage 2 – it is defined as significant increase in credit risk and probability is defined as borrower's probability to default in lifetime.

Aditya Birla Finance Ltd. Mumbai

Exposure at Default

Gross exposure/potential gross exposure under a facility (i.e. the amount that is legally owed to the lender) at the time of default by a borrower. Exposure at Default gives an estimate of the amount outstanding.

Loss Given Default(LGD)

LGD is usually shown as the percentage of Exposure at Default that the lender might lose in case the borrower defaults. It depends, among others, on the type of collateral, it's value and the expected proceeds from the sale (e.g. sales proceeds from sales of collaterals/securities) of the assets, NPV net of recovery costs.

Significant increase in credit risk

a. There is significant increase in credit risk, when there is deterioration in account performance and expected resolution is not available.
b. Further, for large borrowers after assessing the following Risks in totality and deterioration in each factor , it is then assessed whether there is a significant increase in credit risk
i. Industry Risk
ii. Business Risk
iii. Management Risk
iv. Financial Risk
v. Banking Conduct & Facility level Conduct.
c. Significant increase in credit risk is also gauged through Credit rating. Credit rating is an opinion of capacity of borrower to meet its financial obligations to the depositor or bondholder (i.e. lender of money) on a particular issue or type of instrument (i.e. a domestic or foreign currency: short-term or medium or long-term, etc.) in a timely manner. The rating measures the relative risk of an issuers ability and willingness to repay both interest and principal over the period of the rated instrument. i.e. rating signifies the risk of default of the borrower that is rated.

Collateral Security:

The Company's net exposure to credit risk, after taking into account credit risk mitigation, have been tabulated below:

Particulars	As at March 31, 2021			As at March 31, 2020		
	Outstanding	Cash collateral	Nature of Non-cash collateral	Outstanding	Cash collateral	Nature of Non-cash collateral
Financial assets						
Cash and cash equivalents	1,51,098.56	-		1,82,042.53	-	
Bank balance other than cash and cash equivalents	1,913.09	-		-	-	
Derivative financial instruments	-			5,408.39		
Trade Receivables	998.86	-		1,195.36	-	
Loans	47,59,743.36	-	Refer footnote below	45,98,535.45	-	Refer footnote below
Investments	79,290.90	-		3,34,240.17	-	
Other financial assets	5,117.95	-		4,341.17	-	
Total	49,98,162.72	-		51,25,763.07	-	

The Company by way of loan sanction letter and other loan securing documents agrees with its customers on collateral security to be provided by the customers in secured loan exposures that are subject to credit risk. Collateral security enables us to recover all or part of the outstanding exposure by liquidating the collateral asset provided, in cases where the borrower is unable or unwilling to fulfil its primary obligations.

Collateral security accepted by the Company could be in the form of:

a) Financial collateral in the form of pledge of equity shares, units of mutual funds, assignment of life insurance policies;
b) Current assets in the form of inventories meant for sale or receivables arising out of the sale of finished goods
c) Fixed asset (in the form of immovable properties – real estate, Plant and Machinery, Equipment's)
d) Third-party obligation (in the form of Irrevocable Unconditional Guarantee issued by Bank, Third party);
e) Risk participation from Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)
f) Assignment of borrower's rights and interests under agreements with third parties.

In addition, the Company also stipulates escrow of cash flows and a Debt Service Reserve Account (DSRA) for project loans

Collateral serves to mitigate the inherent risk of credit loss in an exposure, by either improving recoveries in the event of a default or substituting the borrower.

As part of the assessment of a credit transaction the availability, adequacy and suitability of collateral for the transaction is evaluated and decided upon. The Company's processes includes verification of the title to the collateral offered and valuation by technical experts where warranted. The Company accept as collateral only securities of good quality and have in place legally effective and enforceable documentation.

Aditya Birla Finance Ltd. Mumbai

For guarantees taken, the guarantor's creditworthiness is assessed during the credit assessment process of the transaction. We have collateral type specific haircuts in place which are reviewed at intervals as appropriate to the type of collateral.

The Company recognises that collateral can be a credit mitigant (alternative source of repayment), but does not replace or dilute the underwriting standards the company adopts to underwrite credit exposures.

(b) Forward looking information :

The Company is required to provide for impairment allowance basis expected credit loss (ECL), which is calculated using empirical portfolio performance and adjusted for forward looking macroeconomic factors, as prescribed by Ind AS. The overall provisioning made through this approach, continues to be in excess of the floor provisions as prescribed by RBI for NBFCs.
The assessment of credit risk and estimation of ECL is statistically validated. It considers all relevant information about past events, current conditions and some elements of predicted performance of the portfolio.
ECL has been calculated using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD).

In the process of determining the PD, the macro economic impact is intrinsically built in in our current approach. The overall performance through the life cycle of the loan, considers the impact of macro-economic parameters like GDP, Unemployment factor or once in events like de-monetisation etc. Most of the portfolios have seen one to two complete economic cycles and hence the default probabilities experienced by the Company takes into account the upturn, downturn and central (balanced) economic scenario.
In the internally rated portfolio, the industry rating module (sourced from CRISIL under agreement) recognizes factors like demand prediction, supply side glut / constraints, impact of imports and exports and the government policies which are more forward looking and making the through-the-cycle default probabilities to point-in-time default probability.
Forward looking macro-economic factors as appropriate to the sub portfolios of the Company, that can demonstrate some degree of correlation to the forward looking default probability are being evaluated and will be adopted as the company concludes the revalidation exercise for the models to be used from FY 2021.
For FY 2020, COVID – 19 impact has been considered and suitably modelled to forecast and provide for the future impact and a separate note on the same has been provided.
Grouping financial assets measured on a collective basis
The Company calculates ECLs either on a collective or an individual basis.

Asset classes where the Company calculates ECL on an individual basis include:
1. Corporate Portfolio

Asset classes where the Company calculates ECL on a collective basis include:
1. Retail Portfolio

The ECL methodology allows for individual assessment for corporates and therefore these loans are generally measured individually as each of these exposures have unique characteristics and structuring. For retail exposures and exposures which can be clubbed in homogenous pools, ECL is measured on a collective basis. This has been arrived at based on common characteristics like nature of product, customer profile etc.

(c) Analysis of risk concentration

Concentration analysis are presented for Portfolio pool, Location, Top borrower exposures, Group exposures etc. These are regularly analysed and presented for further review/action. Based on the exposures of the company towards various sectors, analysis is as follows :

Top 20 Industry Sectors	As at 31 March, 2021	As at 31 March, 2020
	(%)	(%)
Real Estate Activities - Builders and Contractors	14.67%	14.85%
Lease Rental Discounting	6.76%	6.73%
Energy Renewable	5.85%	6.85%
Construction/Maintenance of Roads	5.76%	6.33%
Hotels, Motels and Resorts	3.73%	3.38%
Education	3.28%	2.79%
Textiles, Readymade Garments, Apparels - Spinning, Mfg and Trading	3.28%	4.13%
NBFCs	3.10%	3.16%
Transportation, logistics & allied services	3.09%	2.99%
Other Trade (Wholesale/ Retail)	2.92%	2.86%
Domestic Commercial Banks	2.39%	2.50%
Automobiles & Ancillaries	2.30%	1.54%
Hospital & medical business	1.87%	1.85%
Food & Beverages	1.68%	1.43%
Brokers / Traders - Shares, securities	1.66%	1.37%
Energy Trans & Distr	1.58%	1.92%
Pharmaceuticals & Intermediates	1.55%	1.32%
Chemical & related products*	1.36%	-
Electricals & Electronics equipments*	1.22%	-
Mining and Quarrying	1.05%	1.17%
Finance - Investment / Others**	-	1.21%
Business & Self-Employed**	-	1.19%
Top 20 Industry Exposures	69.10%	69.17%

*Industry sector does not covered in Top 20 Industry sector for the year ended 31 March, 2020.
**Industry sector does not covered in Top 20 Industry sector for the year ended 31 March, 2021.
Note: Industry Sectors tagging on loans is done by the Company's management which have been relied upon by the auditors.

Aditya Birla Finance Ltd. Mumbai

Note 51: Risk management (continued)

(d) Liquidity risk and funding management

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances.

The Company manages its liquidity requirement by analysing the maturity pattern of Company's cash flows of financial assets and financial liabilities. The Asset Liability Management of the Company is periodically reviewed by its Asset Liability Management Committee.

The Company maintains a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flow. The Company also has lines of credit that it can access to meet liquidity needs. In accordance with the Company's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company. Net liquid assets consist of cash. The ratios during the year were, as follows:

Advances to borrowings ratios

	2021	2020
Year-end	115.49%	105.94%
Maximum	119.34%	112.25%
Minimum	110.41%	105.94%
Average	114.83%	109.79%

Borrowings from banks and financial institutions and issue of debentures are considered as important sources of funds to finance lending to customers. They are monitored using the advances to borrowings ratio, which compares loans and advances to customers as a percentage of secured and unsecured borrowings.

Analysis of financial liabilities by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial liabilities as at 31 March:

As at 31 March, 2021

Particulars	Within 12 months	After 12 months	Total
Financial liabilities			
Derivative Financial Liability	-	3,063.81	3,063.81
Trade Payables (refer note 2 below)			
- Micro and small enterprises	214.66	-	214.66
- Other than micro and small enterprises	10,957.65	-	10,957.65
Debt securities (refer note 3 below)	7,88,481.19	11,87,415.93	19,75,897.12
Borrowings (other than debt securities)	9,48,998.38	15,69,514.84	25,18,513.22
Subordinated liabilities	20,712.85	3,11,152.87	3,31,865.72
Lease liabilities	2,577.35	9,925.10	12,502.45
Other financial liabilities	31,157.54	-	31,157.54

As at 31 March, 2020

Particulars	Within 12 months	After 12 months	Total
Financial liabilities			
Derivative Financial Liability	-	0.40	0.40
Trade Payables (refer note 2 below)			
- Micro and small enterprises	282.07	-	282.07
- Other than micro and small enterprises	10,184.87	-	10,184.87
Debt securities (refer note 3 below)	8,18,447.67	9,68,344.49	17,86,792.16
Borrowings (other than debt securities)	6,61,508.46	16,82,596.30	23,44,104.76
Subordinated liabilities	10,550.78	2,00,268.65	2,10,819.43
Lease liabilities	2,335.88	8,464.61	10,800.49
Other financial liabilities	11,403.74	-	11,403.74

Aditya Birla Finance Ltd. Mumbai

Note 51: Risk management (continued)

(d) Liquidity risk and funding management (continued)

Notes :

1. Previous year figures does not include other future contracted cash flows (such as interest which are not accrued as at Balance sheet date).
2. Trade payables is based on the estimate of actual payment.
3. Commercial papers shown net of unamortised discounting charges ₹ 3,013.51 lakhs (31 March, 2020 ₹ 4,634.93 lakhs).

The table below shows the contractual expiry by maturity of the Corporate guarantees and Letter of comfort given by the Company on

	Within 12 months	After 12 months	Total
As at 31 March, 2021			
Corporate guarantees and Letter of comfort given by the Company on behalf of clients	3,126.00	22.60	3,148.60
Total	3,126.00	22.60	3,148.60
As at 31 March, 2020			
Corporate guarantees and Letter of comfort given by the Company on behalf of clients	4,091.02	-	4,091.02
Total	4,091.02	-	4,091.02

Aditya Birla Finance Ltd. Mumbai

Note 51: Risk management (continued)

(e) Methodology for estimation of additional expected credit loss provision for COVID-19

The COVID -19 pandemic continues to spread across the globe and India, which has contributed to a significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The financial results, includes the potential impact of the COVID-19 pandemic on the Company's financial results which are dependent on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the second wave of COVID-19 pandemic and any action to contain its spread or mitigate its impact whether Government mandated or elected by the Company and its subsequent impact on the recoverability's on the Company's assets. The Company has, based on current available information and based on the policy approved by the Board, determined the provision for impairment of financial assets including the additional overlay for uncertainty over the potential macro-economic impact of the pandemic.

Based on the current indicators of future economic conditions, the Company considers this provision to be adequate and expects to recover the carrying amount of these financial assets. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

(f) Impact of Restructuring

The economic fallout on account of the Covid-19 pandemic has led to significant financial stress for borrowers across the board. The resultant stress potentially impacted the long-term viability of many firms, otherwise having a good track record under the existing promoters, due to their debt burden becoming disproportionate relative to their cash flow generation abilities. Such wide spread impact could impair the entire recovery process, posing significant financial stability risks.

Considering the above, with the intent to facilitate revival of real sector activities and mitigate the impact on the ultimate borrowers, RBI has decided to provide a window under the Prudential Framework to enable the lenders to implement a resolution plan in respect of eligible MSME, corporate exposures, Small borrowers and Personal Loans while classifying such exposures as Standard, subject to specified conditions.

Under this framework, ABFL identified the customers that required handholding and were significantly impacted under the COVID related stress but who would bounce back if given the option to pay a lower instalment or payment holiday for 6 to 12 months. The Company has restructured only 2.46 % of the overall book and has taken adequate provisions against these loans.

Aditya Birla Finance Ltd
Mumbai

52A. Disclosure in terms of Direction 19 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016

Sr No.	Particulars	31 March, 2021 Amount out-standing	31 March, 2021 Amount overdue	31 March, 2020 Amount out-standing	31 March, 2020 Amount overdue
	Liabilities side :				
1)	**Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:**				
	(a) Debentures : Secured (including interest accrued but not due of ₹ 85,859.83 lakhs; 31 March 2020 : ₹ 1,12,948.45 lakhs)	13,32,116.41	-	15,62,929.66	-
	: Unsecured (including interest accrued but not due of ₹ 9,758.12 lakhs ; 31 March 2020 : ₹ 9,350.53 lakhs) (other than falling within the meaning of public deposits*)	2,02,888.15	-	1,92,359.93	-
	(b) Perpetual Debts (including interest accrued but not due of ₹ 1,195.41 lakhs; 31 March 2020 : ₹ 1,200.25 lakhs)**	21,116.57	-	21,108.90	-
	(c) Deferred Credits	-	-	-	-
	(d) Term Loans, External commercial borrowings and Working Capital Demand loans (including interest accrued but not due of ₹ 5,698.64 lakhs ; 31 March 2020 : ₹ 9,430.73 lakhs)	21,09,067.93	-	23,07,673.58	-
	(e) Commercial Paper (net of unamortised discount of ₹ 3,013.51 lakhs; 31 March, 2020 : ₹ 4,634.93 lakhs)	3,19,937.17	-	2,20,600.09	-
	(f) Other Loans (Cash Credit, Preference Shares, Book overdraft)	1,36,392.15	-	40,856.72	-
		41,21,518.38	-	43,45,528.87	-

* Please see Note 1 below and ** Please see Note 5 below.

		31 March, 2021 Amount out-standing	31 March, 2020 Amount out-standing
	Assets side :		
2)	**Break-up of Loans and Advances including bills receivables (other than those included in (4) below) :**		
	(a) Secured :	39,63,984.03	38,83,920.22
	(b) Unsecured : (includes those in nature of loans and excludes Advances Recoverable in cash or kind or for value to be received, Advance Payment of Taxes and Other Deposits)	8,97,877.98	8,02,768.37
		48,61,862.01	46,86,688.59
3)	**Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities :**		
	(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial lease	-	-
	(b) Operating lease	-	-
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	-	-
	(b) Repossessed Assets	-	-
	(iii) Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-
		-	-

Aditya Birla Finance Ltd. Mumbai

52A. Continued

Assets side :	31 March, 2021 Amount out-standing	31 March, 2020 Amount out-standing
4) Break-up of Investments :		
Short Term Investments :		
1. Quoted :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)	-	-
2. Unquoted :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	56,892.50	51,394.68
(iii) Units of mutual funds	-	2,50,872.74
(iv) Government Securities	15,420.71	-
(v) Others (Please specify)	-	-
Long Term Investments :		
1. Quoted :		
(i) Shares : (a) Equity	36.82	24.89
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Please specify)	-	-
2. Unquoted :		
(i) Shares : (a) Equity	211.04	175.68
(b) Preference	-	22,551.00
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (PMS and Alternate Fund)	6,729.83	9,221.18

5) Borrower group-wise classification of assets financed as in (2) and (3) above

Category	31 March, 2021			31 March, 2020		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1) Related Parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	-	-	-	-	-
2) Other than related parties						
(a) Companies in the same group	-	30,500.00	30,500.00	-	95,777.12	95,777.12
(b) Other	39,63,984.03	8,67,377.98	48,31,362.01	38,83,920.22	7,06,991.25	45,90,911.47
	39,63,984.03	8,97,877.98	48,61,862.01	38,83,920.22	8,02,768.37	46,86,688.59

Aditya Birla Finance Ltd. Mumbai

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

Category	31 March, 2021 Market Value / Break up or fair value or NAV	31 March, 2021 Book Value	31 March, 2020 Market Value / Break up or fair value or NAV	31 March, 2020 Book Value
1) Related Parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2) Other than related parties				
(a) Companies in the same group	391.36	323.22	920.34	843.56
(b) Other	78,899.54	77,603.52	3,33,319.83	3,28,542.95
	79,290.90	77,926.74	3,34,240.17	3,29,386.51

Note: Break up value derived from the latest available Balance Sheet of the Company.

7) Other information :

	31 March, 2021	31 March, 2020
(I) Gross Non-Performing Assets (Stage 3) :		
(a) Related parties	-	-
(b) Other than related parties	1,42,247.24	1,82,708.23
(II) Net Non-Performing Assets (Stage 3) :		
(a) Related parties	-	-
(b) Other than related parties	58,995.56	1,26,147.81
(III) Assets acquired in satisfaction of debt :	-	-

The above amounts are including Interest Accrued.

Notes:

1 As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank of India) Directions, 1998.

2 Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016.

3 There are no prior period and material change in accounting policies which require disclosure in the notes to accounts.

4 All Indian Accounting Standards issued by MCA and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/NAV in respect of unquoted investments has been disclosed irrespective of whether they are classified as long term or current in (4) above.

5 During the year ended 31 March, 2021 the Company has raised ₹ Nil (31 March, 2020 ₹ Nil) through perpetual debt instrument. Closing balance as on 31 March, 2021 is ₹ 21,116.57 lakhs (31 March, 2020 ₹ 21,108.50 lakhs), the same is 2.43% (31 March, 2020 2.88%) of tier I Capital as on 31 March, 2021.

Aditya Birla Finance Ltd. Mumbai

52B. Disclosure in terms of Direction 73 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016

a) Capital Risk Adequacy Ratio (CRAR)

Sr. No.	Items	31 March, 2021	31 March, 2020
(i)	CRAR (%)	22.70	19.08
(ii)	CRAR - Tier I capital (%)	18.43	15.15
(iii)	CRAR - Tier II Capital (%)	4.27	3.94
(iv)	Amount of subordinated debt raised as Tier-II capital	1,97,066.69	1,88,966.74
(v)	Amount raised by issue of Perpetual Debt Instruments	21,116.57	21,108.90

Notes :

1 Amount of Subordinated debt and Perpetual Debt shown above are outstanding balances (including interest accrued thereon) as on 31 March, 2021 and 31 March, 2020.

b) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure - The company enters into derivative agreements to mitigate the foreign exchange risk and interest rate risk pertaining to its external commercial borrowings. Detailed description of the policies and risk mitigation strategies are disclosed as per Note 5.1(viii), Note 9 and Note 52 of the financial statements.

Quantitative Disclosures -

Sr. No.	Particulars	31 March, 2021		31 March, 2020	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount) for Hedging	35.55	1,46,367.54	36.11	1,46,367.54
(ii)	Marked to Market Positions				
	(a) Asset (Positive)	-	-	-	5,408.39
	(b) Liability (Negative)	(1.26)	(3,067.55)	(0.40)	-
(iii)	Credit Exposure	-	-	-	-
(iv)	Unhedged Exposures	-	-	-	-

c) Unsecured Advances

Sr. No.	Particulars	31 March,	31 March,
(i)	Unsecured Advances (inclusive of doubtful advances)	8,97,877.98	8,02,768.37

Out of the above amount, advances for which intangible securities such as charge over the rights, licences, authority, etc. are taken as collateral : Nil.

d) Exposures

d.i) Exposure to Real Estate Sector

Category		31 March, 2021	31 March, 2020
Direct exposure			
i)	Residential Mortgages secured by	10,12,337.72	8,03,439.41
ii)	Commercial Real Estate Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.) Exposure would also include non-fund based limits	13,76,744.74	13,04,792.05
iii)	Investments in a. Residential b. Commercial Real Estate	 Nil Nil	 Nil Nil
Total Exposure to Real Estate Sector		23,89,082.46	21,08,231.46

Note: Exposure to Real Estate sector does not includes interest receivable.

Aditya Birla Finance Ltd. Mumbai

d.ii) Exposure to Capital Market

	Particulars	31 March, 2021	31 March, 2020
i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	36.82	24.89
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	63,952.99	59,667.97
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	2,03,959.63	2,05,160.99
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	817.76	925.12
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources.	-	-
(vii)	Bridge loans to companies against expected equity flows / issues;	-	-
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)	-	-
	Total Exposure to Capital Market	2,70,767.20	2,65,778.97

Note: Capital market exposure does not includes interest receivable.

d.iii) Asset Liability Management

Maturity pattern of certain items of Assets and Liabilities

As at 31 March, 2021

Particulars	1 to 7 days	8 to 14 days	15 day to 30 days	Over 1 month and upto 2 months	Over 2 months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
Deposits	-	-	-	135.32	66.62	9.23	211.40	353.88	966.64	743.74	2,486.83
Advances**	83,784.55	12,876.43	47,057.64	1,16,252.21	1,37,157.41	2,01,516.45	7,85,802.36	11,32,784.79	7,38,434.62	15,04,076.89	47,58,743.36
Investments	-	-	-	15,420.71	56,892.50	-	-	4,427.17	2,122.34	428.18	79,290.90
Borrowings*	3,417.26	2,750.87	2,79,762.80	2,30,324.96	1,69,342.02	2,72,393.39	6,10,670.70	16,42,295.00	4,51,215.49	4,59,345.89	41,21,518.38
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities (also included in borrowings above)	-	-	-	84.34	-	57.89	-	1,44,974.50	-	-	1,47,116.73

As at 31 March 2020

Particulars	1 to 7 days	8 to 14 days	15 day to 30 days	Over 1 month and upto 2 months	Over 2 months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
Deposits	-	-	527.83	3.09	22.16	288.87	1,057.55	398.54	404.29	251.76	2,934.09
Advances**	43,146.86	20,073.54	30,516.73	30,906.77	2,17,803.96	2,87,742.64	6,87,784.03	11,62,617.04	6,63,321.01	14,54,622.87	45,98,535.45
Investments	-	-	-	1,30,000.00	72,267.41	-	1,22,551.00	4,423.64	-	4,998.12	3,34,240.17
Borrowings*	6,693.79	13,885.34	1,09,126.74	2,03,515.34	3,24,787.92	1,75,775.08	6,62,011.10	17,52,653.55	5,08,245.52	5,88,834.59	43,45,528.87
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	-	-	-	-	-	-	1,53,512.17	-	-	1,53,512.17

*Note: Classification of assets and liabilities under the different maturity buckets is based on the certain estimates and assumptions as used by the company which has been relied upon by the auditors.

* Commercial papers shown net of unamortised discounting charges ₹ 3,013.51 (31 March, 2020 ₹ 4,634.93 lakhs).

** a) Overdue Receivable on account of Corporate Finance Activities have been slotted in respective time bucket category as per instructions contained in Appendix 1 of Guidelines for Assets Liabilities Management (ALM) system in NBFC.

b) Advances includes Loan and Advances in the nature of Loans (net of ECL provisions) and excludes Deposits.

d.iv) The Company has no specific program for financing its parent company products. However, in its general lending business, the Company may have funded some entities which may have been customer(s) of its ultimate parent company: Grasim Industries Limited. Single Borrower Limit (SGL) or Group Borrower Limit (GBL) did not exceed the limits prescribed under the prudential norms.

Aditya Birla Finance Ltd. Mumbai

52C. A) Disclosure on liquidity risk under RBI circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies as on March 31, 2021.

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

As at 31 March 2021

Sr. No	No of Significant Counterparties	Amount	% of total Deposits	% of Total Liabilities*
1	20	28,24,533.05	NA	67.38%

As at 31 March 2020

Sr. No	No of Significant Counterparties	Amount	% of total Deposits	% of Total Liabilities*
1	22	28,96,749.23	NA	65.95%

Note:
1. A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFCNDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs

ii) Top 20 large deposits – Not Applicable for 31 March 2021 & 31 March 2020

iii) Top 10 Borrowings

As at 31 March 2021

Amount	% of Total Liabilities*
21,76,921.05	51.93%

As at 31 March 2020

Amount	% of Total Liabilities*
21,68,418.07	49.37%

iv) Funding Concentration based on significant instrument/product

Sr.	Name of the Instrument	As at 31 March 2021		As at 31 March 2020	
		Amount	% of Total Liabilities*	Amount	% of Total Liabilities*
1	Term Loan	17,57,030.47	41.92%	18,62,067.58	42.40%
2	Non Convertible Debentures	13,32,116.41	31.78%	15,62,929.66	35.58%
3	Commercial Paper	3,19,937.17	7.63%	2,20,600.08	5.02%
4	Working capital / short term facilities	1,03,512.25	2.47%	2,25,780.29	5.14%
5	External Commercial Borrowings	2,48,525.21	5.93%	2,55,397.32	5.81%
6	Sub-ordinate Debt	1,97,066.69	4.70%	1,88,966.74	4.30%
	Total	39,58,188.20	94.43%	43,15,741.67	98.25%

Note:
1. A "Significant instrument/product" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFCNDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.
2. Above table does not includes Book overdraft.

v) Stock Ratios

Sr No	Particulars	31 March, 2021	31 March, 2020
1	Commercial Papers to Total Liabilities*	7.63%	5.02%
2	Commercial Papers to Total Assets	6.30%	4.24%
3	NCDs (Original Maturity < 1 year) to Total Liabilities*	Nil	Nil
4	NCDs (original Maturity < 1 year) to Total Assets	Nil	Nil
5	Other Short Term Liabilities** to Total Liabilities*	31.20%	29.94%
6	Other Short Term Liabilities** to Total Assets	25.77%	25.29%

* Total Liabilities does not include Net Worth.
** Other Short Term Liabilities excludes Commercial Paper as considered in 1 & 2.

vi) Institutional set-up for liquidity risk management:

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk management. The ALCO meetings are held at periodic intervals. At the apex level, the Risk Committee (RC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RC subsequently updates the Board of Directors on the same.

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

B) Liquidity Coverage Ratio : The daily average LCR of the company for the quarter ended 31 March, 2021 was 72% vis-à-vis 93% for the month ended 31 December, 2020. The calculation has been arrived based on average daily computation.

Sr. No.	Particulars	Three months ended 31 March, 2021		One month ended 31 December, 2020	
		Total Unweighted Value 3 (Average)	Total Weighted Value 4 (Average)	Total Unweighted Value 3 (Average)	Total Weighted Value 4 (Average)
	Total High Quality Liquid Assets (HQLA)				
1	Total High Quality Liquid Assets (HQLA)	1,41,756.48	1,41,756.48	1,01,774.47	1,01,774.47
	Cash Outflows				
2	Deposits (for deposit taking companies)	-	-	-	-
3	Unsecured wholesale funding	2,40,721.78	2,76,830.06	1,72,660.06	1,98,559.07
4	Secured wholesale funding	61,913.85	71,200.92	80,259.76	92,298.72
5	Additional requirements, of which	-	-	-	-
	(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-
	(ii) Outflows related to loss of funding on debt products	-	-	-	-
	(iii) Credit and liquidity facilities	-	-	-	-
6	Other contractual funding obligations	1,59,974.24	1,83,970.38	1,26,949.47	1,45,991.89
7	Other contingent funding obligations	291.41	335.12	667.21	767.29
8	**Total Cash Outflows**	4,62,901.28	5,32,336.46	3,80,536.50	4,37,616.97
	Cash Inflow				
9	Secured lending	-	-	-	-
10	Inflows from fully performing exposures	3,10,319.71	2,32,739.78	4,02,305.89	3,01,729.42
11	Other cash inflows	1,36,746.67	1,02,560.00	1,32,931.15	99,698.36
12	**Total Cash Inflows**	4,47,066.38	3,35,299.78	5,35,237.04	4,01,437.78
		Total Adjusted Value			
13	Total HQLA	1,41,756.48	1,41,756.48	1,01,774.47	1,01,774.47
14	Total Net Cash Outflows	15,434.90	1,97,036.69	(1,54,700.53)	1,09,404.24
15	Liquidity Coverage Ratio (%)		72%		93%

Notes:

1. Circular requirement for LCR disclosure is applicable from Dec 1, 2020 hence comparative information has not been provided.
2. In computing the above information, certain estimates/ assumptions have been made by the Company's management which have been relied upon by the auditors.
3. Unweighted values must be calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).
4. Weighted values must be calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.

C) Qualitative Disclosure

a) The main drivers of their LCR results and the evolution of the contribution of inputs to the LCR's calculation over time : RBI had introduced the liquidity coverage ratio (LCR) to ensure that NBFC has an adequate stock of unencumbered high-quality liquid assets (HQLA) to survive a significant liquidity stress lasting for a period of 30 days. LCR is defined as a ratio of HQLA to the total net cash outflows estimated for the next 30 calendar days. At March 31, 2021, the applicable minimum LCR required to be maintained by NBFC is 50%.

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk. The ALCO meets at periodic intervals. At the apex level, the Risk Committee (RC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RC subsequently updates the Board of Directors on the same.

b) Intra-period changes as well as changes over time: Company has started maintaining LCR w.e.f 1st December 2020. The details for the month ended 31 December 2020 and quarter ended 31st March 2021 are disclosed in 52C-B) Liquidity Coverage Ratio.

c) The composition of HQLAs: The Company, for the three month ended 31 March 2021, had average HQLA of Rs. 1,417.56 crore vis-à-vis 1,017.74 crore for the one month ended December 31, 2020.

High-Quality Liquid Assets (HQLA)	Three months ended March 31, 2021 (Average)	One month ended December 31, 2020 (Average)
Total	1,41,756.48	1,01,774.47
Cash & callable FDs	1,22,305.93	89,643.55
Treasury Bills	9,300.06	9,905.19
Government Securities	10,150.49	2,225.73

d) Concentration of funding sources

Name of the Source	% of Total Liabilities
Bank	62.10%
Mutual Fund	13.60%
Insurance	10.41%
PF & Others	8.79%
FII	2.57%
Corporates	2.53%
Total	100.00%

e) Currency mismatch in the LCR : The company has taken foreign currency borrowings. The Company has entered into Cross currency swap and forward contracts to hedge the foreign currency risk on such borrowing.

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

Aditya Birla Finance Ltd. Mumbai

52D. Disclosure in terms of RBI Notification No. DOR.No.BP.BC.62/21.04.048/2020-21 dated 17 April, 2020

As at 31 March, 2021

No. of Borrowers	Outstanding as on 31 March, 2021
2	9,643.77

As at 31 March, 2020

No. of Borrowers	Outstanding as on 31 March, 2020
3	67,371.00

The above borrowers represent cases where extension of resolution timelines under the Prudential Framework on Resolution of Stressed Assets dated June 7, 2019 have been considered in lieu of RBI Notification No.BP.BC.62/21.04.048/2020-21 dated 17 April, 2020.

52E. Disclosure in terms of RBI Notification No. DOR.No.BP.BC.63/21.04.048/2019-20 dated 17 April, 2020

Particulars	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
Amounts in SMA/overdue categories, where the moratorium/deferment was extended*	3,31,973.15	1,19,763.00
Amount where the classification benefit to stage 3 was extended	0.00	14,446.02
Provisions made during the Q4FY2020 & Q1 FY 2021	14,057.00	1,950.93
Provisions adjusted during the respective accounting periods against slippages and the residual provisions	7,844.65	N.A

*above numbers represents outstanding balance as of 31 March, 2021 accounts.

52F. Disclosure in terms of RBI Circular - RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21 dated 06 August, 2020 (for restructuring of accounts of Micro, Small and Medium Enterprises (MSME) sector-Restructuring of Advances' having exposure less than or equal to ₹ 25 crores).

Type of Borrower	No. of accounts restructured	Amount
MSMEs	1,945	51,329.73

52G. Disclosure in terms of RBI Circular - RBI/2018-19/127 DBR.No.BP.BC.28/21.04.048/2018-19 dated 01 January, 2019 and RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 06 August, 2020.

Type of borrower	(A)	(B)	(C)	(D)	(E)
	Number of accounts where resolution plan has been implemented under this window	exposure to accounts mentioned at (A) before implementation of the plan	Of (B), aggregate amount of debt that was converted into other securities	Additional funding sanctioned, if any, including between invocation of the plan and implementation	Increase in provisions on account of the implementation of the resolution plan
Personal Loans	16,097	31,371.59	-	-	3,231.00
Corporate persons*	8	23,999.58	-	3,395.34	1,256.52
MSMEs**	1,945	47,816.24	-	1,204.21	2,623.87
Others	7	2,495.68	-	-	243.72
Total	18,057	1,05,683.09	-	4,599.55	7,355.11

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016.

** This includes non fund based facility also.

Note: Incremental Provisions mentioned in the above table are as per IRAC.

Aditya Birla Finance Ltd. Mumbai

53 Disclosure in terms of Direction 73 of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016

53.1 Registration/ license/ authorization obtained from financial sector regulators:

The Company has received certificate of registration as a non-deposit taking systematically important Non-Banking Financial Company from Reserve Bank of India dated August 9, 2011 having COR number N-01.00500 in lieu of earlier COR number B-13.01163 dated February 12, 1999.

The Company is registered with AMFI for distribution of Mutual fund products having certificate number ARN-91896 and ARN-118681 valid from 23 October, 2019 to 22 October, 2022 and 04 February, 2020 to 03 February, 2023 respectively.

53.2 Penalties levied if any during the year: Nil

53.3 Investments

Particulars			31 March, 2021	31 March, 2020
Value of Investments				
	(i)	Book Value of Investments		
		(a) In India	77,926.74	3,29,386.51
		(b) Outside India,	-	-
	(ii)	Unrealised fair value gain / (loss) recognised on investments		
		(a) In India	1,364.16	4,853.66
		(b) Outside India,	-	-
	(iii)	Fair Value of Investments		
		(a) In India	79,290.90	3,34,240.17
		(b) Outside India	-	-

53.4 Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of P&L	31 March, 2021	31 March, 2020
Bad debts/Advances Written off	54,249.13	33,577.95
Expected Credit Loss Allowance on Loans and Advances and trade receivables	13,928.38	37,129.05
Provision made towards Income tax (Net of Deferred Tax)	26,258.02	24,796.13

53.5 Concentration of Advances

Particulars	31 March, 2021	31 March, 2020
Total Advances to twenty largest borrowers (including interest accrued)	4,87,979.48	5,32,945.80
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	10.04%	11.37%

Aditya Birla Finance Ltd. Mumbai

53.6 Concentration of Exposures

Particulars	31 March, 2021	31 March, 2020
Total Exposure to twenty largest borrowers / customers* (including interest accrued)	4,89,077.55	6,38,045.94
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	9.90%	12.71%

* The above calculation is as per loans outstanding as at year end.

53.7 Concentration of NPAs

Particulars	31 March, 2021	31 March, 2020
Total Exposure to top four NPA (Stage 3) accounts (including interest accrued)	34,403.82	78,457.35

53.8 Sector-wise NPAs (Stage 3)

Sr No.	Sector	31 March, 2021 Percentage of NPAs (Stage 3 loans) to Total Advances in that sector	31 March, 2020 Percentage of NPAs (Stage 3 loans) to Total Advances in that sector
1	Agriculture & allied activities	3.31%	2.53%
2	MSME	1.81%	1.49%
3	Corporate borrowers	4.11%	4.21%
4	Services	2.40%	4.74%
5	Unsecured working capital loans	3.37%	3.73%
6	Auto loans	0.00%	0.00%
7	Other personal loans	5.50%	2.67%

Note: Industry Sectors tagging on loans is done by the Company's management which have been relied upon by the auditors.

53.9 Movement of NPAs (Stage 3)

Particulars			31 March, 2021	31 March, 2020
(i)	Net NPAs to Net Advances (%)		1.73%	2.72%
(ii)	Movement of NPAs (Gross Stage 3 assets)			
	(a)	Opening balance	1,82,708.23	81,340.04
	(b)	Additions during the year	55,315.03	1,53,350.09
	(c)	Reductions during the year	(95,776.02)	(51,981.90)
	(d)	Closing balance	1,42,247.24	1,82,708.23
(iii)	Movement of Net NPAs (Net Stage 3 assets)			
	(a)	Opening balance	1,26,147.81	50,044.23
	(b)	Additions during the year	(4,124.63)	90,582.35
	(c)	Reductions during the year	(38,771.50)	(14,478.77)
	(d)	Closing balance	83,251.68	1,26,147.81
(iv)	Movement of provisions for NPAs (Stage 3 Provision)			
	(a)	Opening balance	56,560.42	31,295.81
	(b)	Provisions made during the year	59,439.66	62,767.74
	(c)	Write-off / write-back of excess provisions	(57,004.52)	(37,503.13)
	(d)	Closing balance	58,995.56	56,560.42

Note : The above amounts are including Interest Accrued.

Aditya Birla Finance Ltd. Mumbai

53.10 Credit Rating

Instrument	Credit Rating Agency	31 March, 2021	31 March, 2020
Commercial Paper	ICRA Limited India Ratings & Research Private Limited	[ICRA] A1+ IND A1+	[ICRA] A1+ IND A1+
Non Convertible Debentures (NCD)	ICRA Limited India Ratings & Research Private Limited	[ICRA] AAA Stable IND AAA Stable	[ICRA] AAA Stable IND AAA Stable
Sub Debt	CARE Limited ICRA Limited India Ratings & Research Private Limited	CARE AAA Stable [ICRA] AAA Stable IND AAA Stable	CARE AAA Stable [ICRA] AAA Stable IND AAA Stable
Unsecured NCD	ICRA Limited	[ICRA] AAA Stable	[ICRA] AAA Stable
Perpetual Debt	ICRA Limited India Ratings & Research Private Limited	[ICRA] AA+ (hyb) Stable IND AA+ Stable	[ICRA] AA+ (hyb) Stable IND AA+ Stable
Principal Protected Market Linked Debenture	India Ratings & Research Private Limited	IND PP-MLD AAA emr Stable	IND PP-MLD AAA emr Stable
Public Issue of NCDs	ICRA Limited	[ICRA] AAA Stable	[ICRA] AAA Stable
	India Ratings & Research Private Limited	IND AAA Stable	IND AAA Stable
Long Term Bank Loans	ICRA Limited	[ICRA] AAA Stable	[ICRA] AAA Stable
	India Ratings & Research Private Limited	IND AAA Stable	IND AAA Stable
Short Term Bank Loans	ICRA Limited	[ICRA] AAA Stable	[ICRA] A1+
	India Ratings & Research Private Limited	IND AAA Stable	IND AAA Stable

53.11 Customer Complaints

Sr. No.	Particulars	31 March, 2021	31 March, 2020
(a)	No. of complaints pending at the beginning of the year	16	6
(b)	No. of complaints received during the year	2,262	528
(c)	No. of complaints redressed during the year	2,205	518
(d)	No. of complaints pending at the end of the year	73	16

53.12 During FY 2021, there were no draw down from Reserves (Previous year: Nil)

53.13 Overseas assets (for those with joint ventures and subsidiaries abroad): Nil (Previous year: Nil)
Off Balance Sheet SPVs sponsored: Nil (Previous year: Nil)

53.14 Frauds committed against the company:

Particulars	31 March, 2021	31 March, 2020
No. of cases of fraud which occurred during the year	9	3
Amount involved	36.72	1,616.68
Amount recovered	19.53	-
Amount provided/loss	17.19	1,616.68

53.15 Pursuant to RBI Notification No. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March, 2020 on Implementation of Indian Accounting Standards whereby it is clarified that all regulatory ratios, limits and disclosures shall be based on IND AS figures.

53.16 The disclosures given in the above notes pursuant to RBI Notification are only to the extent they are applicable to the Company.

Aditya Birla Finance Ltd. Mumbai

54 Disclosure pursuant to RBI Notification No. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020

As on 31 March, 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	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	43,51,949.59	23,000.22	43,28,949.37	21,185.36	1,814.86
	Stage 2	3,59,956.60	19,524.78	3,40,431.82	5,681.52	13,843.25
Subtotal		47,11,906.19	42,525.00	46,69,381.19	26,866.88	15,658.11
Non-Performing Assets (NPA)						
Standard	Stage 3	-	-	-	-	-
Substandard	Stage 1	2,164.49	11.01	2,153.48	215.00	(203.99)
	Stage 2	5,950.70	567.76	5,382.94	589.79	(22.03)
	Stage 3	56,807.15	27,458.47	29,348.68	11,782.12	15,676.35
Doubtful - up to 1 year	Stage 3	49,476.83	20,778.04	28,698.79	10,966.74	9,811.30
1 to 3 years	Stage 3	31,845.99	9,968.48	21,877.51	8,678.12	1,290.36
More than 3 years	Stage 3	4,117.27	790.57	3,326.70	1,292.36	(501.79)
Subtotal for doubtful		85,440.09	31,537.09	53,903.00	20,937.22	10,599.87
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		1,50,362.43	59,574.33	90,788.10	33,524.13	26,050.20
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	3,479.00	10.84	3,468.16	-	10.84
	Stage 2	200.00	8.48	191.52	-	8.48
	Stage 3	-	-	-	-	-
Subtotal		3,679.00	19.32	3,659.68	-	19.32
Total	Stage 1	43,57,593.08	23,022.07	43,34,571.01	21,400.36	1,621.71
	Stage 2	3,66,107.30	20,101.02	3,46,006.28	6,271.31	13,829.71
	Stage 3	1,42,247.24	58,995.56	83,251.68	32,719.34	26,276.22
	Total	48,65,947.62	1,02,118.65	47,63,828.97	60,391.01	41,727.64

As on 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	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	43,86,660.17	21,080.81	43,65,579.36	17,499.57	3,581.24
	Stage 2	1,21,676.21	10,489.91	1,11,186.30	1,177.73	9,312.18
Subtotal		45,08,336.38	31,570.72	44,76,765.66	18,677.30	12,893.42
Non-Performing Assets (NPA)						
Standard	Stage 3	-	-	-	-	-
Substandard	Stage 3	1,47,599.19	38,146.01	1,09,453.18	19,872.40	18,273.61
Doubtful - up to 1 year	Stage 3	20,648.00	8,706.86	11,941.14	4,600.98	4,105.88
1 to 3 years	Stage 3	10,265.00	5,764.13	4,500.87	3,194.95	2,569.18
More than 3 years	Stage 3	4,196.04	3,943.42	252.62	2,290.78	1,652.64
Subtotal for doubtful		35,109.04	18,414.41	16,694.63	10,086.71	8,327.70
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		1,82,708.23	56,560.42	1,26,147.81	29,959.11	26,601.31
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	5,001.00	14.00	4,987.00	-	14.00
	Stage 2	204.00	8.00	196.00	-	8.00
	Stage 3	-	-	-	-	-
Subtotal		5,205.00	22.00	5,183.00	-	22.00
Total	Stage 1	43,91,661.17	21,094.81	43,70,566.36	17,499.57	3,595.24
	Stage 2	1,21,880.21	10,497.91	1,11,382.30	1,177.73	9,320.18
	Stage 3	1,82,708.23	56,560.42	1,26,147.81	29,959.11	26,601.31
	Total	46,96,249.61	88,153.14	46,08,096.47	48,636.41	39,516.73

Aditya Birla Finance Ltd. Mumbai

55. Information in respect of restructured assets in accordance with review of guidelines on restructuring of advances by NBFC (RBI/2013-14/459) DNBS. CO. PD. No. 367/03.10.01/2013-14

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring:-

Sr.	Type of Restructuring	Under CDR Mechanism					Under SME Debt Restructuring Mechanism				
no.	Asset Classification Details	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	**Restructured Accounts at 1 April, 2020**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
2	**Movement in balance for account appearing in opening balance**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
3	**Fresh restructuring during the year ended 31 March, 2021**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
4	**Upgradations to restructured standard category during the year ended 31 March, 2021**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
5	**Restructured standard advances at 1 April, 2020, which cease to attract higher provisioning and/or additional risk weight at 31 March, 2021 and hence need not be shown as restructured standard advances at 1 April, 2021**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
6	**Downgradations of restructured accounts during the year ended 31 March, 2021**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
7	**Write-offs of restructured accounts during the year ended 31 March, 2021**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
8	**Restructured Accounts at 31 March, 2021**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-

Aditya Birla Finance Ltd. Mumbai

Aditya Birla Finance Limited
Notes to the Financial Statements (continued)
for the year ended 31 March, 2021
(Currency: ₹ in Lakhs except otherwise stated)

Information in respect of restructured assets *(Continued)*
The following tables set forth, for the year indicated, details of loan assets subjected to restructuring :

Sr. no.	Type of Restructuring / Asset Classification Details	Others					Total				
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	**Restructured Accounts at 1 April, 2020**										
	No. of borrowers	69	38	2	-	109	69	38	2	-	109
	Amount outstanding	7,454.38	737.10	40.19	-	8,231.67	7,454.38	737.10	40.19	-	8,231.67
	Provision thereon	381.08	213.58	14.83	-	609.49	381.08	213.58	14.83	-	609.49
2	**Movement in balance for account appearing in opening balance**										
	No. of borrowers	39	34	2	-	75	39	34	2	-	75
	Amount outstanding	5,920.92	589.00	40.19	-	6,550.11	5,920.92	589.00	40.19	-	6,550.11
	Provision thereon	319.66	176.43	14.83	-	510.92	319.66	176.43	14.83	-	510.92
3	**Fresh restructuring during the year ended 31 March, 2021**										
	No. of borrowers	19,440	1,605	-	-	21,045	19,440	1,605	-	-	21,045
	Amount outstanding	1,06,964.30	10,822.52	-	-	1,17,786.82	1,06,964.30	10,822.52	-	-	1,17,786.82
	Provision thereon	4,531.19	2,004.98	-	-	6,536.17	4,531.19	2,004.98	-	-	6,536.17
4	**Upgradations to restructured standard category during the year ended 31 March, 2021**										
	No. of borrowers	1	(1)	-	-	-	1	(1)	-	-	-
	Amount outstanding	11.74	(11.74)	-	-	-	11.74	(11.74)	-	-	-
	Provision thereon	2.93	(2.93)	-	-	-	2.93	(2.93)	-	-	-
5	**Restructured standard advances at 1 April, 2020, which cease to attract higher provisioning and/or additional risk weight at 31 March, 2021 and hence need not be shown as restructured standard advances at 1 April, 2021**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
6	**Downgradations of restructured accounts during the year ended 31 March, 2021**										
	No. of borrowers	(20)	19	1.00	-	-	(20)	19	1	-	-
	Amount outstanding	(1,133.92)	1,122.76	11.16	-	-	(1,133.92)	1,122.76	11.16	-	-
	Provision thereon	(58.58)	53.00	5.58	-	-	(58.58)	53.00	5.58	-	-
7	**Write-offs of restructured accounts during the year ended 31 March, 2021**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
8	**Restructured Accounts at 31 March, 2021**										
	No. of borrowers	19,451	1,627	1	-	21,079	19,451	1,627	1	-	21,079
	Amount outstanding	1,07,375.58	12,081.64	11.16	-	1,19,468.38	1,07,375.58	12,081.64	11.16	-	1,19,468.38
	Provision thereon	4,536.96	2,092.20	5.58	-	6,634.74	4,536.96	2,092.20	5.58	-	6,634.74

Aditya Birla Finance Ltd. Mumbai

55. Information in respect of restructured assets in accordance with review of guidelines on restructuring of advances by NBFC (RBI/2013-14/459) DNBS. CO. PD. No. 367/03.10.01/2013-14

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring:-

Sr.	Type of Restructuring	Under CDR Mechanism					Under SME Debt Restructuring Mechanism				
no.	Asset Classification Details	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured Accounts at 1 April, 2019										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
2	Movement in balance for account appearing in opening balance										
	No. of borrowers	-	-	-	-		-	-	-	-	
	Amount outstanding	-	-	-	-		-	-	-	-	
	Provision thereon	-	-	-	-		-	-	-	-	
3	Fresh restructuring during the year ended 31 March, 2020										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
4	Upgradations to restructured standard category during the year ended 31 March, 2020										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
5	Restructured standard advances at 1 April, 2019, which cease to attract higher provisioning and/or additional risk weight at 31 March, 2020 and hence need not be shown as restructured standard advances at 1 April, 2020										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
6	Downgradations of restructured accounts during the year ended 31 March, 2020										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
7	Write-offs of restructured accounts during the year ended 31 March, 2020										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
8	Restructured Accounts at 31 March, 2020										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-

Aditya Birla Finance Ltd. Mumbai

Information in respect of restructured assets *(Continued)*

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring :

Sr. no.	Type of Restructuring / Asset Classification Details	Others					Total				
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	**Restructured Accounts at 1 April, 2019**										
	No. of borrowers	1	38	1	-	40	1	38	1	-	40
	Amount outstanding	12,230.86	850.96	989.40	-	14,071.22	12,230.86	850.96	989.40	-	14,071.22
	Provision thereon	799.58	385.76	989.40	-	2,174.74	799.58	385.76	989.40	-	2,174.74
2	**Movement in balance for account appearing in opening balance**										
	No. of borrowers	-	23	-	-	23	-	23	-	-	23
	Amount outstanding	(0.85)	375.52	-	-	374.67	-0.85	375.52	-	-	374.67
	Provision thereon	11.11	26.30	-	-	37.41	11.11	26.30	-	-	37.41
3	**Fresh restructuring during the year ended 31 March, 2020**										
	No. of borrowers	68	35	-	-	103	68	35	-	-	103
	Amount outstanding	7,407.00	636.38	-	-	8,043.38	7,407.00	636.38	-	-	8,043.38
	Provision thereon	380.56	168.59	-	-	549.15	380.56	168.59	-	-	549.15
4	**Upgradations to restructured standard category during the year ended 31 March, 2020**										
	No. of borrowers	1	(1)	-	-	-	1	(1)	-	-	-
	Amount outstanding	46.52	(46.52)	-	-	-	46.52	(46.52)	-	-	-
	Provision thereon	11.63	(11.63)	-	-	-	11.63	(11.63)	-	-	-
5	**Restructured standard advances at 1 April, 2019, which cease to attract higher provisioning and/or additional risk weight at 31 March, 2020 and hence need not be shown as restructured standard advances at 1 April, 2020**										
	No. of borrowers	1	-	-	-	1	1	-	-	-	1
	Amount outstanding	12,230.86	-	-	-	12,230.86	12,230.86	-	-	-	12,230.86
	Provision thereon	799.58	-	-	-	799.58	799.58	-	-	-	799.58
6	**Downgradations of restructured accounts during the year ended 31 March, 2020**										
	No. of borrowers	-	(2)	2	-	-	-	(2)	2	-	-
	Amount outstanding	-	(40.19)	40.19	-	-	-	(40.19)	40.19	-	-
	Provision thereon	-	(14.83)	14.83	-	-	-	(14.83)	14.83	-	-
7	**Write-offs of restructured accounts during the year ended 31 March, 2020**										
	No. of borrowers	-	9	1	-	10	-	9	1	-	10
	Amount outstanding	-	288.01	989.40	-	1,277.41	-	288.01	989.40	-	1,277.41
	Provision thereon	-	288.01	989.40	-	1,277.41	-	288.01	989.40	-	1,277.41
8	**Restructured Accounts at 31 March, 2020**										
	No. of borrowers	69	38	2	-	109	69	38	2	-	109
	Amount outstanding	7,454.38	737.10	40.19	-	8,231.67	7,454.38	737.10	40.19	-	8,231.67
	Provision thereon	381.08	213.58	14.83	-	609.49	381.08	213.58	14.83	-	609.49

Note: Amount outstanding includes interest receivable.

Aditya Birla Finance Ltd. Mumbai

56 Dues to micro enterprises and small enterprises:

Particulars	31 March, 2021	31 March, 2020
1. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	214.66	282.07
2. The amount of interest paid by the Company in terms of section 16 of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year;	-	-
3. Amounts of the payment made to the suppliers beyond the appointed day during the year; the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006;	-	-
4. The amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
5. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

The disclosure regarding micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the statutory auditors.

57 Expenditure in Foreign Currency:

Particulars	31 March, 2021	31 March, 2020
Finance Cost	11,450.81	5,341.55
Bank Charges	-	5.27
Employee Benefit Expenses	(60.85)	59.54
Information Technology Expenses	-	17.30
Intangible Assets under Development	108.56	71.69
Repairs and Maintenance	8.53	8.71
Legal and Professional Charges	24.99	66.06
Travelling and Conveyance	2.18	-
Miscellaneous Expenses	1.01	6.26
Total	11,535.23	5,576.39

Unhedged foreign currency payable & receivable as at 31 March, 2021 & 31 March, 2020 are Nil.

58 At the meeting of the Board of Directors held on September 10, 2019, the Board had approved the Scheme of Arrangement under Section 230 – 232 and other applicable provisions of the Companies Act, 2013, for merger of Online Platform and marketing business ("transaction business") of Aditya Birla Capital Technologies Services Limited, ABCTSL (formerly known as Aditya Birla MyUniverse Limited, ABMUL) with the Company. The National Company Law Tribunal, bench at Ahmedabad (NCLT) passed an order on 13 December, 2019 approving the Scheme of Arrangement and the Transactions Business Merger Committee at its meeting held on 01 January, 2020 made Scheme effective from 01 January, 2020. Both the companies are wholly owned subsidiaries of Aditya Birla Capital Limited. The merger qualifies as a 'common control transaction' and has been accounted for using the pooling of interest method as per Appendix C to Ind AS 103 'Business Combinations'. The appointed date for this business combination was 01 April, 2018. Accordingly, the financial statements for the year ended 31 March, 2020 have been restated as if the business combination had occurred with effect from the appointed date.

59 In accordance with the instructions in the RBI circular dated April 07 2021 , all lending institutions shall refund / adjust 'interest on interest' to all borrowers, irrespective of whether moratorium had been fully or partially availed, or not availed. Pursuant to these instructions, the Indian Banks Association (IBA) in consultation with other industry participants / bodies published the methodology for calculation of the amount of such 'interest on interest'. Accordingly, the Company has estimated the ₹ 16.42 crores amount and made provision for refund/ adjustment.

60 During the year, interest income, fee and other costs measured on the basis of Effective Interest Rate are aggregated and disclosed as a part of Interest Income. The figures for the corresponding previous year/periods have accordingly been recasted.

Aditya Birla Finance Ltd. Mumbai

61 Operating business segment results are reviewed regularly by the Company's Chief Operating Decision Maker to make decisions about resources to be allocated to the segments and assess their performance. Business segment is the primary segment comprising of 'Financing activity'. As the Company operates only in a single business segment, no segment information thereof is given as required under Ind AS 108. The Company has its operations within India and all revenue is generated within India.

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

Ajay Srinivasan	Rakesh Singh
Director	*Managing Director and Chief Executive Officer*
(DIN - 00121181)	(DIN - 07006067)
Sanjay Mitranka	Ankur Shah
(Chief Financial Officer)	*(Company Secretary)*

Place: Mumbai
Date: 13 May, 2021

Place: Mumbai
Date: 13 May, 2021

Aditya Birla Finance Ltd. Mumbai

Deloitte
Haskins & Sells LLP

Chartered Accountants
One International Centre,
Tower 3, 32nd Floor,
Senapati Bapat Marg,
Elphinstone Road (West)
Mumbai, 400 013
Maharashtra, India
Tel: +91 22 6185 4000
Fax: +91 22 6185 4001

Singhi & Co.

Chartered Accountants
B2 402B Marathon Innova, 4th Floor,
Off Ganpatrao Kadam Marg, Lower Parel,
Mumbai 400013
Maharashtra, India
Tel: +91 22 6662 5537

INDEPENDENT AUDITORS' LIMITED REVIEW REPORT ON THE UNAUDITED QUARTER ENDED FINANCIAL RESULTS PURSUANT TO REGULATION 52 OF THE SEBI (LODR) REGULATIONS, 2015, AS AMENDED

TO THE BOARD OF DIRECTORS OF ADITYA BIRLA FINANCE LIMITED

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **Aditya Birla Finance Limited** (the "Company") for the quarter ended June 30, 2023 (the "Statement") being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to expr ess 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 ("ICAI"). A review of interim financial information consists of making inquiries, primarily of Company's personnel 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 specified under Section 143(10) of the Companies Act, 2013 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 and procedures performed as stated in paragraph 3 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 Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No. 039826)

UDIN:23039826BGXSAY8760

Place: Mumbai
Date: July 31, 2023

For **Singhi & Co.**
Chartered Accountants
(Firm's Registration. No. 302049E)

Amit Hundia
Partner
(Membership No. 120761)

UDIN: 23120761BGYVUZ6628

Place: Mumbai
Date: July 31, 2023

ADITYA BIRLA FINANCE LIMITED

Website : https://abfl.adityabirlacapital.com

Registered office: Indian Rayon Compound, Veraval Gujarat - 362266

Corporate office: One World Centre, Tower 1 C, 18th Floor, Elphinstone Road, Mumbai - 400013 Tel.: +91 22 43567100 Fax: +91 22 43567265

CIN : U65990GJ1991PLC064603

STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE, 2023

(₹ in Lakhs)

Sr. No.	Particulars	Quarter ended			Year Ended
		30 June, 2023 (Unaudited)	31 Mar, 2023 (Refer note: 8)	30 June, 2022 (Unaudited)	31 Mar, 2023 (Audited)
1	**Revenue from Operations**				
	(a) Interest Income	2,71,945.30	2,34,411.42	1,54,028.26	7,80,603.81
	(b) Dividend Income	-	284.24	-	284.97
	(c) Fees and Commission Income	10,748.35	12,335.75	7,986.32	41,098.09
	(d) Net gain/(loss) on Fair Value Changes	554.29	2,071.70	(809.36)	1,699.96
	Total Revenue from Operations	**2,83,247.94**	**2,49,103.11**	**1,61,205.22**	**8,23,686.83**
2	Other Income	853.62	1,709.89	676.09	3,080.88
3	**Total Income (1+2)**	**2,84,101.56**	**2,50,813.00**	**1,61,881.31**	**8,26,767.71**
4	**Expenses**				
	(a) Finance costs	1,40,804.73	1,23,683.37	72,890.48	3,85,717.77
	(b) Impairment on Financial Instruments	30,550.51	27,124.90	14,728.96	90,347.54
	(c) Employee benefits expenses	22,759.37	19,387.58	15,148.72	72,283.39
	(d) Depreciation, Amortization and Impairment	2,659.92	2,526.91	1,840.92	8,613.28
	(e) Other expenses	18,258.93	17,683.36	11,420.46	60,787.35
	Total Expenses	**2,15,033.46**	**1,90,406.12**	**1,16,029.54**	**6,17,749.33**
5	**Profit before exceptional items and tax (3-4)**	**69,068.10**	**60,406.88**	**45,851.77**	**2,09,018.38**
6	**Tax Expenses**				
	(a) Current Tax	19,640.00	16,022.63	15,030.00	68,583.07
	(b) Deferred Tax	(2,137.27)	(994.46)	(2,695.02)	(14,940.44)
	Total Tax Expenses	**17,502.73**	**15,028.17**	**12,334.98**	**53,642.63**
7	**Profit for the period/year (5-6)**	**51,565.37**	**45,378.71**	**33,516.79**	**1,55,375.75**
8	**Other Comprehensive Income (OCI)**				
	(a) Items that will not be reclassified to profit and loss				
	(i) Re-measurement profit /(loss) on defined benefit plans	201.86	(16.45)	279.69	428.00
	Income tax effect of above	(50.80)	4.14	(70.39)	(107.72)
	(ii) Fair Value change of equity instruments carried at FVTOCI	88.00	-	-	73.47
	Income tax effect of above	(22.15)	-	-	(18.49)
	(b) Items that will be reclassified to profit and loss				
	(i) Fair Value change on derivatives designated as cash flow hedge	(1,404.52)	433.89	418.22	460.95
	Income tax effect of above	353.49	(109.20)	(105.26)	(116.01)
	Total other comprehensive income	**(834.12)**	**312.38**	**522.26**	**720.20**
9	**Total Comprehensive Income for the period/year (7+8)**	**50,731.25**	**45,691.09**	**34,039.05**	**1,56,095.95**
10	**Paid up Equity share Capital of ₹ 10 each**	66,210.08	66,210.08	66,210.08	66,210.08
11	**Reserve excluding Revaluation Reserve**	-	-	-	10,76,411.05
12	**Earnings per equity share (Face Value ₹ 10 per equity share)**				
	Basic (₹)	7.79	6.85	5.06	23.47
	Diluted (₹)	7.79	6.84	5.06	23.46
	(Figures for the quarters are not annualised)				

DELOITTE HASKINS & SELLS LLP Chartered Accountants

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

ADITYA BIRLA FINANCE LIMITED
Website : https://abfl.adityabirlacapital.com
Registered office: Indian Rayon Compound, Veraval Gujarat - 362266
Corporate office: One World Centre, Tower 1 C, 18th Floor, Elphinstone Road, Mumbai - 400013 Tel.: +91 22 43567100 Fax: +91 22 43567265
CIN : U65990GJ1991PLC064603

Notes:

1 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective Meetings, held on 31 July, 2023. The Joint Statutory Auditors of the Company have carried out review of the aforesaid result for the quarter ended 30 June, 2023.

2 These financial results have been prepared in accordance with the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements)Regulations 2015, as amended.

3 These financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard ("Ind AS") 34 "Interim Financial Reporting" prescribed under section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and the other accounting principles generally accepted in India.

4 The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Ind AS 108 dealing with Operating Segment. The Company has its operations within India and all revenue is generated within India.

5 Disclosures pursuant to Master Direction — Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 in terms of RBI circular RBI/DOR/2021-22/86 DOR.STR. REC. 51/21.04.048/2021-22 dated 24 September, 2021.

(a)(i) Details of Loans not in default that are acquired during the quarter ended 30 June, 2023

Count of loan account acquired	73,076
Amount of loan account acquired (₹ In lakhs)	1,15,733.70
Weighted average maturity (Residual maturity) (In months)	83
Weighted average holding period (Upto date of acquisition) (In months)	26
Retention of beneficial economic interest (MRR of assignor)*	5.49%
Coverage of tangible security *	88.25%
Rating wise distribution of loans acquired by value	
A-	5.79%
A+	19.49%
AA	30.24%
A(SO)	13.10%
A+(SO)	6.27%
Unrated	25.11%

* Ratio is computed basis weighted average of loans acquired.

(a)(ii) Details of Loans not in default that are transferred during the quarter ended 30 June, 2023 : Nil

(b) Details of stressed loans transferred during the quarter ended 30 June, 2023: Nil

6 The Reserve Bank of India vide its press release dated 30 September, 2022 has categorised the Company in the Upper layer under Scale Based Regulation (SBR) for NBFCs. The Company is taking necessary steps in complying with the requirements of SBR as applicable.

7 Disclosure in compliance with Regulations 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the quarter ended 30 June, 2023 is attached as Annexure 1.

8 The figures of the last quarter ended 31 March, 2023 are the balancing figures between audited figures in respect of the full financial year 2022-23 and the year-to-date figures of nine months ended upto 31 December, 2022, which were subjected to limited review.

9 The figures for previous year/period have been regrouped/rearranged/recasted wherever necessary to conform to current period presentation. The impact of these reclassification are not material.

Rakesh Singh
Managing Director and Chief Executive Officer
(DIN - 07006067)

Place : Mumbai
Date: 31 July, 2023

Aditya Birla Finance Ltd. Mumbai

SINGHI & CO. Chartered Accountants

DELOITTE HASKINS & SELLS LLP Chartered Accountants

ADITYA BIRLA FINANCE LIMITED
Website : https://abfl.adityabirlacapital.com
Registered office: Indian Rayon Compound, Veraval Gujarat - 362266
Corporate office: One World Centre, Tower 1 C, 18th Floor, Elphinstone Road, Mumbai - 400013
Tel.: +91 22 43567100 Fax: +91 22 43567265

Annexure 1 : Disclosure in compliance with Regulations 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, for the quarter ended 30 June, 2023.

Sr No.	Particulars	Foot Note	For the Quarter ended 30 June, 2023	For the Quarter ended 30 June, 2022
1	Debt-equity ratio (No. of times)	1	6.32	4.83
2	Debt service coverage ratio	2	NA	NA
3	Interest service coverage ratio	2	NA	NA
4	Outstanding redeemable preference shares (No. of shares)		Nil	Nil
5	Capital redemption reserve (₹ In lakhs)		1,000.00	1,000.00
6	Debenture redemption reserve (₹ in lakhs)		Nil	Nil
7	Net worth (₹ in lakhs)	5	12,05,082.33	10,20,081.03
8	Net Profit after tax (₹ In lakhs)		51,565.37	33,516.79
9	Earnings per share			
	Basic earnings per share (in ₹)		7.79	5.06
	Diluted earnings per share (in ₹)		7.79	5.06
10	Current ratio	2	NA	NA
11	Long term debt to working capital	2	NA	NA
12	Bad debts to Account receivable ratio	2	NA	NA
13	Current liability ratio	2	NA	NA
14	Total debts to total assets (No. of times)	3	0.84	0.81
15	Inventory turnover	2	NA	NA
16	Debtors turnover	2	NA	NA
17	Operating margin (%)	2	NA	NA
18	Net profit margin (%)	4	18.21%	20.79%
19	Paid up Equity Share Capital (Face Value of ₹ 10/- each)		66,210.08	66,210.08
20	Reserve excluding Revaluation Reserve (₹ in lakhs)		11,27,437.22	9,53,870.95
21	Securities Premium Account (₹ In lakhs)		3,63,738.29	3,63,738.29
	Sector specific equivalent ratios:			
22	Capital Adequacy Ratio (%)	6	16.00%	20.99%
23	Liquidity Coverage Ratio (%)	6	112.28%	82.44%
24	Expected Credit Loss (ECL) Ratios			
	(a) Amount of Gross Stage 3 Assets (₹ In lakhs)	8	2,41,889.53	2,13,373.23
	(b) Amount of Net Stage 3 Assets (₹ in lakhs)	8	1,29,228.92	1,23,404.40
	(c) Gross Stage 3 (%)	8	2.82%	3.70%
	(d) Net Stage 3 (%)	8	1.53%	2.17%

Notes :

1 Debt-equity ratio = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities)/Equity.

2 The Company is a Non-Banking Financial Company registered under the Reserve Bank of India Act, 1934 hence these ratios are not applicable(NA).

3 Total debts to total assets = (Debt securities+ borrowings (other than debt securities) + Subordinated liabilities)/total assets.

4 Net profit margin= Net profit after tax/total revenue from operations.

5 Net worth is calculated as defined in section 2(57) of Companies Act, 2013

6 Capital Adequacy Ratio and Liquidity Coverage Ratio, are calculated as per the RBI guidelines.

7 As per Reg. 54 of the SEBI (LODR) Regulations, 2015, the Company at all times maintains 100% asset cover as per the terms of the Offer Document/Information Memorandum and the Debenture Trust deed, sufficient to discharge its liabilities for the Non-convertible debt securities issued, by way of pari passu charge over its immovable property and on all current & future receivables and monies receivables thereunder and future current assets except the ECLGS loans amounting to ₹ 27,887.00 lakhs charged in favour of Deutsche Bank. The security cover available for the outstanding non-convertible debt securities is 2.15 times.

8 It does not include gross stage 3 investment in security receipts of ₹ 2,635.00 lakhs and ECL thereon of ₹ 1,317.50 lakhs.

DELOITTE HASKINS & SELLS LLP Chartered Accountants

SINGHI & CO. Chartered Accountants

Aditya Birla Finance Ltd. Mumbai

ANNEXURE B

INDIA RATINGS & RESEARCH PRIVATE LIMITED RATINGS LETTER, RATING RATIONALE AND PRESS RELEASE

[*This page has been intentionally left blank*]

Mr. Chandramohan Amritkar
Head Treasury
Aditya Birla Finance Limited
One Indiabulls Centre, Tower 1,
18th Floor, Jupiter Mills Compound,
Elphinstone Road,
Mumbai 400 013

August 30, 2023

Dear Sir/Madam,

Re: Rating Letter for non-convertible debenture (NCD) programme of Aditya Birla Finance Limited

India Ratings and Research (Ind-Ra) is pleased to communicate the rating of

- INR 50 billion Long-term Non-Convertible Debentures [public issue]*: 'IND AAA'; Outlook Stable (The rated limit is interchangeable with unsecured subordinated redeemable NCDs, limit stands unutilized)
- INR309.066billion Long-term Non-Convertible Debentures: 'IND AAA'; Outlook Stable
- INR7billion Perpetual debt: 'IND AA+' ;Outlook Stable
- INR15.233billion Principal Protected Market linked debentures: 'IND PP-MLD AAA'; Outlook Stable
- INR31.5 billion Lower tier 2 Subordinated debt: 'IND AAA'; Outlook Stable

Please refer to annexure for details.

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)
NCDs	INE860H07BX1	19/10/2015	8.77% p.a	17/10/2025	IND AAA/Stable	150
NCDs	INE860H07BZ6	03/11/2015	8.71% p.a	31/10/2025	IND AAA/Stable	5000
NCDs	INE860H07CL4	23/02/2016	8.8500% p.a	20/02/2026	IND AAA/Stable	100
NCDs	INE860H07CM2	09/03/2016	8.9000% p.a.	06/03/2026	IND AAA/Stable	100
NCDs	INE860H07CS9	21/03/2016	8.9000% p.a.	20/03/2026	IND	50

					AAA/Stable	
NCDs	INE860H07FD4	13/06/2017	8.0000% XIRR	11/06/2027	IND AAA/Stable	50
NCDs	INE860H07FT0	26/06/2018	8.90% p.a	26/06/2025	IND AAA/Stable	510
NCDs	INE860H07FV6	27/07/2018	8.9000% p.a	27/07/2023	WD	150
NCDs	INE860H07FV6	11/12/2018	8.9000% p.a (yield 9.4000% On XIRR Basis)	27/07/2023	WD	1450
NCDs	INE860H07GL5	21/12/2018	9.1500% p.a	21/12/2023	IND AAA/Stable	700
NCDs	INE860H07GM3	21/12/2018	9.1500% p.a	21/12/2028	IND AAA/Stable	150
NCDs	INE860H07GL5	27/12/2018	9.1000% p.a	21/12/2023	IND AAA/Stable	810
NCDs	INE860H07GM3	27/12/2018	9.1000% p.a	21/12/2028	IND AAA/Stable	690
NCDs	INE860H07GL5	07/01/2019	Coupon 9.1500% - 9.0000% XIRR	21/12/2023	IND AAA/Stable	160
NCDs	INE860H07GM3	12/02/2019	Coupon 9.1500% - 9.0500% XIRR	21/12/2028	IND AAA/Stable	385
NCDs	INE860H07GM3	29/03/2019	Coupon 9.1500% - 8.6500% XIRR	21/12/2028	IND AAA/Stable	1500
NCDs	INE860H07GS0	20/05/2019	9.0000% p.a.	18/05/2029	IND AAA/Stable	15000
NCDs	INE860H07GT8	12/06/2019	8.65% p.a.	12/06/2024	IND AAA/Stable	1730
NCDs	INE860H07GT8	24/06/2019	Coupon 8.65% p.a. - 8.6500% on XIRR Basis	12/06/2024	IND AAA/Stable	1980
NCDs	INE860H07GT8	28/06/2019	Coupon 8.65% p.a. - 8.6500% on XIRR Basis	12/06/2024	IND AAA/Stable	1116
NCDs	INE860H07GU6	04/07/2019	Coupon 8.70% p.a	04/07/2029	IND AAA/Stable	292
NCDs	INE860H07GT8	24/07/2019	Coupon 8.65% p.a. - 8.500% on XIRR Basis	12/06/2024	IND AAA/Stable	987
NCDs	INE860H07GX0	20/01/2020	Coupon 8.15% p.a		IND AAA/Stable	10000
NCDs	INE860H07GZ5	28/04/2020	7.57% p.a	28/06/2023	WD	2250
NCDs	INE860H07HA6	28/04/2020	7.69% p.a	25/04/2025	IND AAA/Stable	250
NCDs	INE860H08HC2	22/10/2020	5.90%	29/12/2023	IND AAA/Stable	3300
NCDs	INE860H07HD0	23/12/2020	6.25%pa	23/12/2025	IND AAA/Stable	750
NCDs	INE860H07HE8	18/02/2021	7.24%	18/02/2031	IND AAA/Stable	250
NCDs	INE860H07HI9	31/03/2021	Coupon 6.15% p.a.	28/03/2024	IND AAA/Stable	4200
NCDs	INE860H07HK5	31/05/2021	7.2600%.	30/05/2031	IND AAA/Stable	7500
NCDs	INE860H07HL3	17/06/2021	5.1500% p.a	16/06/2023	WD	500

NCDs	INE860H07HM1	17/06/2021	Zero coupon	14/06/2024	IND AAA/Stable	750
NCDs	INE860H07HN9	26/07/2021	6.55% p.a.	24/07/2026	IND AAA/Stable	5000
NCDs	INE860H07HO7	05/08/2021	5.85% p.a	02/08/2024	IND AAA/Stable	2500
NCDs	INE860H07HP4	04/10/2021	7.10%	03/10/2031	IND AAA/Stable	500
NCDs	INE860H07HQ2	04/10/2021	6.45%	01/10/2026	IND AAA/Stable	1150
NCDs	INE860H07HR0	21/01/2022	5.22%, 3 month T bill as on 21 January 2022 + Spread 165bp	21/01/2025	IND AAA/Stable	5000
NCDs	INE860H07HS8	21/01/2022	6.40%	21/07/2025	IND AAA/Stable	3500
NCDs	INE860H07HU4	08/06/2022	7.60%	06/06/2025	IND AAA/Stable	1100
NCDs	INE860H07HU4	14/06/2022	7.60%	06/06/2025	IND AAA/Stable	2500
NCDs	INE860H07HU4	01/07/2022	7.60%	06/06/2025	IND AAA/Stable	2500
NCDs	INE860H07FT0	12/07/2022	7.8000% p.a. on XIRR basis	26/06/2025	IND AAA/Stable	3000
NCDs	INE860H07HW0	12/07/2022	Zero Coupon	11/07/2025	IND AAA/Stable	3250
NCDs	INE860H07HX8	18/08/2022	7.50%	18/08/2025	IND AAA/Stable	4000
NCDs	INE860H07HY6	24/08/2022	Zero coupon	23/08/2024	IND AAA/Stable	1360
NCDs	INE860H07GM3	08/09/2022	9.1500% p.a	21/12/2028	IND AAA/Stable	250
NCDs	INE860H07HX8	19/09/2022	7.50%	18/08/2025	IND AAA/Stable	4650
NCDs	INE860H07FT0	28/09/2022	7.5700% p.a. on XIRR basis	26/06/2025	IND AAA/Stable	250
NCDs	INE860H07IA4	14/10/2022	7.90%	19/09/2025	IND AAA/Stable	5100
NCDs	INE860H07IB2	18/11/2022	7.92%	28/11/2024	IND AAA/Stable	500
NCDs	INE860H07IC0	18/11/2022	7.95%	18/03/2026	IND AAA/Stable	5970
NCDs	INE860H07ID8	18/11/2022	8.12%	18/11/2032	IND AAA/Stable	2000
NCDs	INE860H07IE6	29/11/2022	7.93%	15/01/2026	IND AAA/Stable	3050
NCDs	INE860H07FT0	29/11/2022	8.90%	26/06/2025	IND AAA/Stable	250
NCDs	INE860H07IF3	05/12/2022	7.95%	03/12/2027	IND AAA/Stable	500
NCDs	INE860H07ID8	21/12/2022	8.12%	18/11/2032	IND	4000

					AAA/Stable	
NCDs	INE860H07IG1	27/12/2022	7.92%	27/12/2027	IND AAA/Stable	4100
NCDs	INE860H07IH9	30/12/2022	7.88%	12/02/2026	IND AAA/Stable	4000
NCDs	INE860H07IH9	02/02/2023	8.02%	12/02/2026	IND AAA/Stable	1500
NCDs	INE860H07IH9	02/02/2023	8.02%	12/02/2026	IND AAA/Stable	1517
NCDs	INE860H07FT0	09/02/2023	7.98%	26/06/2025	IND AAA/Stable	300
NCDs	INE860H07ID8	09/02/2023	8.05%	18/11/2032	IND AAA/Stable	2250
NCDs	INE860H07II7	06/03/2023	8.12%	06/03/2028	IND AAA/Stable	5230
NCDs	INE860H07ID8	15/03/2023	8.12%	18/11/2032	IND AAA/Stable	1000
NCDs	INE860H07II7	21/03/2023	8.12%	06/03/2028	IND AAA/Stable	755
NCDs	INE860H07IJ5	21/03/2023	8.30%	16/09/2026	IND AAA/Stable	2100
NCDs	INE860H07IK3	02/05/2023	8.01%	02/05/2028	IND AAA/Stable	10000
NCDs	INE860H07IM9	08/06/2023	7.90%	08/06/2028	IND AAA/Stable	3280
NCDs	INE860H07IO5	13/07/2023	7.97%	13/07/2028	IND AAA/Stable	3500
NCDs	INE860H07IO5	27/07/2023	7.97%	13/07/2028	IND AAA/Stable	5850
NCDs	INE860H07HN9	27/07/2023	6.55%	24/07/2026	IND AAA/Stable	2250
NCDs (Unutilised)					IND AAA/Stable	191094
Subordinated debt	INE860H08DL0	17/06/2015	9.25	06/06/2025	IND AAA/Stable	250
Subordinated debt	INE860H08DM8	14/07/2015	9.25	11/07/2025	IND AAA/Stable	300
Subordinated debt	INE860H08DN6	25/08/2015	9.25	22/08/2025	IND AAA/Stable	330
Subordinated debt	INE860H08DP1	08/03/2016	9.1	06/03/2026	IND AAA/Stable	250
Subordinated debt	INE860H08DQ9	10/03/2016	9.1	10/03/2026	IND AAA/Stable	80
Subordinated debt	INE860H08DR7	18/03/2016	9.1	10/03/2026	IND AAA/Stable	255
Subordinated -debt	INE860H08DS5	23/06/2016	9.1	23/06/2026	IND AAA/Stable	525
Subordinated debt	INE860H08DT3	28/07/2016	8.97	28/07/2026	IND AAA/Stable	1000
Subordinated	INE860H08DU1	28/07/2016	8.95	28/07/2026	IND	750

debt					AAA/Stable	
Subordinated debt	INE860H08DV9	29/09/2016	8.9	29/09/2026	IND AAA/Stable	2000
Subordinated Debt	INE860H08DW7	21/11/2016	8.9	20/11/2026	IND AAA/Stable	2000
Subordinated debt	INE860H08DX5	09/03/2017	8.25	09/03/2027	IND AAA/Stable	100
Subordinated debt	INE860H08DY3	18/05/2017	8.5	18/05/2027	IND AAA/Stable	1650
Subordinated debt	INE860H08EA1	04/12/2018	9.76	04/12/2028	IND AAA/Stable	2500
Subordinated debt	INE860H08EB9	12/06/2019	8.95	06/06/2029	IND AAA/Stable	2000
Subordinated debt	INE860H08EB9	30/12/2019	Coupon -8.95% p.a; XIRR - 8.67%	06/06/2029	IND AAA/Stable	1000
Subordinated debt	INE860H08EB9	13/02/2020	Coupon -8.95% p.a; XIRR - 8.25%	06/06/2029	IND AAA/Stable	500
Subordinated debt	INE860H08ED5	30/12/2020	7.43	27/12/2030	IND AAA/Stable	800
Subordinated debt	INE860H08EE3	14/06/2021	7.34	11/07/2031	IND AAA/Stable	750
Subordinated debt	INE860H08EG8	06/12/2021	7.43	05/12/2031	IND AAA/Stable	350
Subordinated debt	INE860H08EG8	28/02/2022	7.43% p.a. (XIRR - 7.65%)	05/12/2031	IND AAA/Stable	2100
Subordinated debt	INE860H08EI4	26/06/2023	8.03	24/06/1933	IND AAA/Stable	1600
Subordinated debt (Unutilised)					IND AAA/Stable	7710
PPMLD	INE860H07HT6	04/05/2022	Coupon linked to performance of underlying / reference indexScenario If performance of underlying on final fixing date coupon1 Greater than 50% of digital level 6.0082% p.a. (6.0000% XIRR (Annualized yield))2 Less than or equal to 50% of digital level	03/05/2024	IND PP-MLD AAA/Stable	451
PPMLD	INE860H07HV2	28/06/2022	Coupon linked to performance of underlying / reference indexScenario If performance of underlying on final fixing date coupon1 Greater than 50% of digital Level 7.3400% p.a. (7.3300% XIRR (Annualised yield))2 Less than or equal to 50% of digital level	27/06/2024	IND PP-MLD AAA/Stable	250
PPMLD	INE860H07HZ3	26/08/2022	Principal protected (10 year G-Sec price linked) secured rated listed redeemable NCDs. ABFL NCD series PPMLD E3 FY22-FY23 – date of maturity 9 April 2025	09/04/2025	IND PP-MLD AAA/Stable	1022
PPMLD (Unutilised)					IND PP-MLD AAA/Stable	13500
Perpetual debt	INE860H08DZ0	21/07/2017	8.70%		IND AAA/Stable	2000
Perpetual debt (Unutilised)					IND AAA/Stable	5000
Subordinated debt	INE860H08EI4	30/08/2023	8.03	24/06/2023	IND AAA/Stable	2700

India Ratings & Research
A Fitch Group Company

Login

India Ratings Assigns Aditya Birla Finance's Additional NCDs 'IND AAA'/Stable, Affirms Others

Jul 14, 2023 | Non Banking Financial Company (NBFC)

India Ratings and Research (Ind-Ra) has affirmed Aditya Birla Finance Limited's (ABFL) Long-Term Issuer Rating at 'IND AAA'. The Outlook is Stable. The instrument-wise rating actions are as follows:

Instrument Type	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (million)	Rating/Outlook	Rating Action
Principal protected market-linked debentures (PP-MLDs) ^@	-	-	-	INR15,233	IND PP-MLD AAA/Stable	Affirmed
Lower tier-2 subordinated debt*@	-	-	-	INR31,500	IND AAA/Stable	Affirmed
Perpetual debt@	-	-	-	INR7,000	IND AA+/Stable	Affirmed
Bank loan	-	-	-	INR500,000	IND AAA/Stable	Affirmed
Commercial paper (CP)	-	-	7-365 days	INR150,000	IND A1+	Affirmed
Non-convertible debentures (NCDs)@	-	-	-	INR309,066	IND AAA/Stable	Affirmed
NCDs* (public issue) #@	-	-	-	INR40,000	IND AAA/Stable	Affirmed
Bank loan	-	-	-	INR200,000	IND AAA/Stable	Assigned
NCDs* (public issue)#@	-	-	-	INR 10,000	IND AAA/Stable	Assigned

*The rated limit is interchangeable with unsecured, subordinated and redeemable NCDs (limit of INR10 billion has been transferred to lower tier 2 subordinated debt from public NCDs); details in annexure

Yet to be issued

@ 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.

Analytical Approach: The ratings reflect the credit profile of Grasim Industries Limited (Grasim; 'IND AAA'/Stable), which is the ultimate parent of ABFL through Grasim's ownership (a 54.2% stake) in Aditya Birla Capital Ltd (ABFL's parent). The ratings factor in Ind-Ra's expectation that the financial services segment would continue to be highly important for Grasim and the larger Aditya Birla group (AB group) franchise from a long-term perspective.

Ind-Ra understands that the financial services business remains a key focus area for the AB group, and it has a close oversight from the group's top management; although, its share in the consolidated balance sheet and profitability of the ultimate parent and the group is modest. In addition, Grasim's management has stated that the financial services business continues to be among the core businesses for them, and Grasim will maintain its majority ownership in the financial services business, and as such, intends to provide all the required support to the business. On a standalone basis, ABFL

has created a sizeable franchise in the non-banking financial company (NBFC) domain, with a fairly diversified portfolio across segments.

Key Rating Drivers

Stronger Parent with High Propensity and Ability to Support: Ind-Ra expects ABFL to receive timely financial support from Grasim. The AB group considers ABFL's lending business to be critical to its long-term growth prospects. ABFL has received regular equity infusions (INR37.47 billion over FY13-FY23) from its erstwhile parent, Aditya Birla Nuvo Ltd, and subsequently, from Aditya Birla Capital. Grasim has a strong operating profile with adequate resources in terms of on-book liquidity and investment book to support ABFL's requirements. The AB group has stated that there is a close co-ordination between the management of Grasim and the financial services business, and Grasim's intention and interest is to ensure a smooth flow of resources from itself to the financial services segment at all times. There is also a board overlap between Grasim (the ultimate parent) and the financial services arm, Aditya Birla Capital, which houses ABFL and holds 100% stake in it.

Established Franchise with Spread-out Portfolio: ABFL has a diversified book across segments (FY23: loan book: INR788.5 billion; equity: INR114.2 billion) and is a significant player in the NBFC segment. ABFL has also been classified in the upper layer category by the Reserve Bank of India, requiring adherence to a wider regulatory compliance, of which listing before FY26, remains a crucial milestone to be achieved. ABFL's advances grew 47.1% yoy to INR788.5 billion as of FY23. ABFL has a well-diversified loan book across semi-wholesale/wholesale business segments such as loan against property (LAP)/small and medium-sized enterprises (SME), project finance and corporate lending. However, ABFL has incrementally increased the share of granular retail and SME proportion in the loan book by expanding in the SME/micro, small and medium enterprises segment, with product facilities focused on term loan/working capital debt loans, LAP, lease rental discounting, business loans/personal loans, along with supply chain finance compared to the wholesale book (project finance and structured finance).

Incrementally, the company has entered into new retail segments through partnerships with fintechs and direct selling agent-based sourcing such as business, personal and digital loans to improve its blended margins, bolster growth and enhance its diversification. These segments are characterised by high levels of competition from banks and NBFCs. The growth in the wholesale book moderated over FY20-FY23 due to a cautious approach to reduce ticket size, along with increased pricing pressure from competition. The share of secured book remained at 62.9% in FY23. Further, the share of retail and SME in overall loan book stood at 65.5% in FY23 (FY22: 59%)

Disbursements are on an improving trend and grew by 105% yoy in FY23. The growth in disbursements, along with a higher retention across borrowers than the historical trend for ABFL supported by rising interest rates in the past nine months, resulted in a 10% qoq and 46% yoy asset under management growth (FY22: 12.6%). However, Ind-Ra believes ABFL, in its operating segment, would face high competition from small finance banks, private banks and larger NBFCs. ABFL plans to expand franchise by branch expansion which stood at 323, largely in Tier 2 and 3 cities, by scaling up the retail and SME book.

Diversified Funding: ABFL's funding profile remains comfortable and diversified across banks, financial institutions and capital markets. Post-September 2018, the company has reduced its share of CPs (FY23: 9.7% of the total funding mix; FY18: 25%). As planned, ABFL plans to maintain CPs' share below 15% of the overall total loan book, keeping it matched with short tenure loan book. Furthermore, the bank's funding share in the overall funding mix increased to 54% in FY23 (FY22: 48.3%). Also, NCDs stood at 26.7% in FY23, external commercial borrowing (2.8%), cash credit/working capital demand loan (5.4%) are the other borrowing avenues for ABFL. As the mix of funding and asset side is balanced between fixed and floating in the same share, there has been a pass-through of rising funding cost to borrowers. As per the management, ABFL would match the proportion of short-term borrowings in its liabilities to the extent of short-term assets in the overall assets under management to contain gaps in the asset-liability tenor.

Liquidity Indicator - Adequate: In terms of asset-liability management, ABFL's structural liquidity statement at end-March 2023, excluding unutilised lines had minor gaps in the up to one-year buckets. However, the gaps remained adequately covered with unutilised bank lines. ABFL had unutilised bank lines of INR70.9 billion as of March 2023, along with high-quality liquid assets (cash, government securities, and callable deposits) of INR25.07 billion. The company has a diversified funding profile, with adequate access to banks and capital markets, and it has the capability to raise funds at competitive rates. Moreover, considering ABFL is a part of the Aditya Birla group, Ind-Ra expects the ultimate parent to support it during the time of stress.

Stable Profitability Buffers: ABFL's return on assets, which was 1.8%-2.0% during FY17-FY19, had moderated to 1.5% in FY21. However, the change in product mix more towards retail and SMEs, along with the increase in unsecured book in overall mix, has helped ABFL improve the lending yields, and hence, drive the return on assets to 2.45% in FY23 (FY22: 2.3%). The net interest margins (including fee income) also improved to 6.8% in FY23 (FY22: 6.2%), as there has been a doubling of exposure on the unsecured side (digital loans, retail unsecured loans) in FY23. Although moving to granular in retail and SME would attract a higher operating and credit cost, it could be compensated with a rise in yields. Also, while the company operates at highly competitive yields in project finance, large and mid-corporate and the SF space, its share in the overall book has moderated. The company's ability to manage its credit costs with a changing book mix remains a key monitorable.

Adequate Capitalisation: ABFL's equity-to-assets ratio moderated to 13.6% in FY23 (FY22: 17.3%), due to the strong loan book growth, which remained higher than internal accruals. The Tier-1 ratio stood at 13.9% in FY23 (FY22: 18.07%). The increase in the company's leverage (gross debt/ equity) to 6.19x in FY23 (FY22: 4.66x) would necessitate a capital raise in the medium term to continue higher loan growth than internal accruals. There has been a capital raise at Aditya Birla Capital level of INR30 billion, a portion of which could be infused to support lending entities growth. Furthermore, the agency expects ABFL to maintain liquidity buffers to absorb any possible asset quality pressures with a changing book mix, along with seasoning.

Asset Quality on Improving Trend Through Resolution: ABFL's asset quality has faced headwinds post September 2018, with an increase in delinquencies, partly due to the slowdown in the broader economy. The company, however, witnessed resolution in certain assets, leading to a moderation in gross stage 3 assets to 3.12% in FY23 (FY22: 3.1%) from the peak of 3.9% in 3QFY22. The standard restructured book also reduced to 1.5% in FY23 (FY22: 3.1%). ABFL has disbursed around INR19.07 billion under the Emergency Credit Linked Guaranteed Scheme till FY23, thereby benefitting 12.1% of the overall loan book. The overall expected credit loss provisions stood at 2% in FY23 (FY22: 3.0%). The provision coverage ratio improved to 46.2% in FY23 (FY22: 39.5%). However, its unsecured book, which is yet to be seasoned, could witness higher delinquencies in the event of a rising pressure on borrower cash flows due to inflation.

The company's credit costs grew to 1.43% in FY23 (FY22: 1.36%), largely due to a higher loan book mix towards the unsecured segment (FY23: 37.1%, FY22: 25.3%). ABFL's exposures under project finance are diversified across infrastructure assets (roads and power-transmission, distribution and renewables), hospitality, healthcare and others, with a focus on better-rated corporates with strong sponsors.

The existing non-performing assets have largely come from the large and mid-corporate segments, particularly from the corporate finance, structured finance and project finance book. However, an incremental rise in delinquencies could be driven by other segments such as SME, semi-wholesale and retail unsecured loans, as the business momentum and cash flows of borrowers would be affected by inflationary and rising interest rates pressures. Ind-Ra will monitor the overall delinquencies for ABFL in the medium term, along with the seasoning of the unsecured loan book in the medium term.

Rating Sensitivities

Negative: Developments that could, individually or collectively, lead to a negative rating action include:

- dilution of the support expectations, which could be on account of weakened commercial prospects, a weak operating/financial performance or otherwise;
- ABFL's sustained below-average operating performance, inability to manage the asset quality as the book seasons out over the medium term, resulting in higher-than-expected losses, a continued higher-than-articulated leverage ratio, weakened liability or liquidity profile, or diminished business prospects, or any other adverse impact;
- lack of timely support in terms of equity capital or liquidity, if required;
- any material deterioration in the standalone profile of ABFL or in the credit profile of Grasim; and
- ABFL's gross leverage exceeding 6.5x on a sustained basis with the existing loan portfolio.

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 ABFL, 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

Formed in 1991, ABFL was formerly known as Birla Global Finance Limited. It is now a subsidiary of the newly listed Aditya Birla Capital. ABFL was previously largely engaged in the short-term finance segment. However, it entered into project finance, corporate lending and mortgage financing businesses in FY12. Moreover, the company is engaged in the debt and syndication advisory business.

ABFL is an indirect subsidiary of Grasim. The latter holds 100% stake in ABFL through a 54.2% stake in Aditya Birla Capital; the promoters hold an additional 16.8%, and the public holds a 29% stake in Aditya Birla Capital.

FINANCIAL SUMMARY

Particulars	FY23	FY22
Total assets (INR billion)	841.2	569.6
Total equity (INR billion)	114.3	98.6
Net profit (INR billion)	15.5	11.1
Return on average assets (%)	2.2	2.0
Equity/assets (%)	13.6	17.3
Capital adequacy ratio (%)	16.4	21.8
Source: ABFL		

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 or any issuer.

Rating History

Instrument Type	Current Rating/Outlook			Historical Rating/Outlook				
	Rating Type	Rated Limits (million)	Rating/ Outlook	31 March 2023	21 October 2022	4 April 2022	5 April 2021	8 April 2020
Issuer rating	Long-term/ Short-term	-	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable/ IND A1+	IND AAA/Stable/ IND A1+	IND AAA/Stable/ IND A1+	IND AAA/Stable/ IND A1+
NCDs	Long-term	INR359,066	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable
Lower tier 2 subordinated debt	Long-term	INR31,500	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable
Perpetual debt	Long-term	INR7,000	IND AA+/Stable	IND AA+/Stable	IND AA+/Stable	IND AA+/Stable	IND AA+/Stable	IND AA+/Stable
CPs	Short term	INR150,000	IND A1+	IND A1+	IND A1+	IND A1+	IND A1+	IND A1+
Bank loan	Long-term	INR700,000	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable
PP-MLDs	Long-term	INR15233	IND PP-MLD AAA/ Stable	IND PP-MLD AAA emr/Stable	IND PP-MLD AAA emr/Stable	IND PP-MLD AAA emr/Stable	IND PP-MLD AAA emr/Stable	IND PP-MLD AAA emr/Stable

Annexure

NCDs

Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (million)	Rating/Ou
NCDs	INE860H07BX1	19 October 2015	8.77% p.a.	17 October 2025	INR150	IND AAA/
NCDs	INE860H07BZ6	3 November 2015	8.71% p.a.	50% on 1 November 2024 and 50% on 31 October 2025	INR5,000	IND AAA/
NCDs	INE860H07CL4	23 February 2016	8.85% p.a.	23 February 2026	INR100	IND AAA/
NCDs	INE860H07CM2	9 March 2016	8.90% p.a.	6 March 2026	INR100	IND AAA/
NCDs	INE860H07CS9	21 March 2016	8.90% p.a.	20 March 2026	INR50	IND AAA/
NCDs	INE860H07FD4	13 June 2017	8.00% XIRR	11 June 2027	INR50	IND AAA/
NCDs	INE860H07FT0	26 June 2018	8.90% p.a.	26 June 2025	INR510	IND AAA/
NCDs	INE860H07FV6	27 July 2018	8.90% p.a.	27 July 2023	INR150	IND AAA/
NCDs	INE860H07FV6	11 December 2018	8.90% p.a. (yield 9.40% on XIRR basis)	27 July 2023	INR1,450	IND AAA/
NCDs	INE860H07GL5	21 December 2018	9.15% p.a.	21 December 2023	INR700	IND AAA/
NCDs	INE860H07GM3	21 December 2018	9.15% p.a.	21 December 2028	INR150	IND AAA/
NCDs	INE860H07GL5	27 December 2018	9.10% p.a.	21 December 2023	INR810	IND AAA/
NCDs	INE860H07GM3	27 December 2018	9.10% p.a.	21 December 2028	INR690	IND AAA/

NCDs	INE860H07GL5	7 January 2019	9.15% - 9.00% on XIRR basis	21 December 2023	INR160	IND AAA/S
NCDs	INE860H07GM3	12 February 2019	9.15% - 9.05% on XIRR basis	21 December 2028	INR385	IND AAA/S
NCDs	INE860H07GM3	29 March 2019	9.15% - 8.65% on XIRR basis	21 December 2028	INR1,500	IND AAA/S
NCDs	INE860H07GS0	20 May 2019	9.00% p.a.	50% - 19 May 2028	INR15,000	IND AAA/S
				50% - 18 May 2029		
NCDs	INE860H07GT8	12 June 2019	8.65% p.a.	12 June 2024	INR1,730	IND AAA/S
NCDs	INE860H07GT8	24 June 2019	8.65% p.a. - 8.65% on XIRR basis	12 June 2024	INR1,980	IND AAA/S
NCDs	INE860H07GT8	28 June 2019	8.65% p.a. - 8.65% on XIRR basis	12 June 2024	INR1,116	IND AAA/S
NCDs	INE860H07GU6	4 July 2019	8.70% p.a.	4 July 2029	INR292	IND AAA/S
NCDs	INE860H07GT8	24 July 2019	8.65% p.a. - 8.5% on XIRR basis	12 June 2024	INR987	IND AAA/S
NCDs	INE860H07GX0	20 January 2020	8.15% p.a.	1. 25% at the end of seventh year (20 January 2027)	INR10,000	IND AAA/S
				2. 25% at the end of eight year		
				(20 January 2028),		
				3. 25% at the end of ninth year		
				(19 January 2029) &		
				4. 25% at the end of 10th year		
				(18 January 2030		
NCDs	INE860H07GZ5	28 April 2020	7.57% p.a.	28 June 2023	INR2,250	WD (Paid Full)
NCDs	INE860H07HA6	28 April 2020	7.69% p.a.	25 April 2025	INR250	IND AAA/S
NCDs	INE860H08HC2	22 October 2020	5.90%	29 December 2023	INR3,300	IND AAA/S
NCDs	INE860H07HD0	23 December 2020	6.25%pa	23 December 2025	INR750	IND AAA/S
NCDs	INE860H07HE8	18 February 2021	7.24%	18 February 2031	INR250	IND AAA/S
NCDs	INE860H07HI9	31 March 2021	Coupon 6.15% p.a.	28 March 2024	INR4,200	IND AAA/S
NCDs	INE860H07HK5	31 May 2021	7.26%.	1-25% at the end of seventh year (31 May 2028)	INR7,500	IND AAA/S
			p.a.	2-25% at the end of eight year (31 May 2029)		
				3-25% at the end of ninth year (31 May 2030)		
				4-25% at the end of 10th year (30 May 2031)		
NCDs	INE860H07HL3	17 June 2021	5.15% p.a.	16 June 2023	INR500	WD (Paid Full)
NCDs	INE860H07HM1	17 June 2021	Zero coupon	14 June 2024	INR750	IND AAA/S
NCDs	INE860H07HN9	26 July 2021	6.55% p.a.	24 July 2026	INR5,000	IND AAA/S
NCDs	INE860H07HO7	5 August 2021	5.85% p.a.	2 August 2024	INR2,500	IND AAA/S
NCDs	INE860H07HP4	4 October 2021	7.10%	3 October 2031	INR500	IND AAA/S
NCDs	INE860H07HQ2	4 October 2021	6.45%	1 October 2026	INR1,150	IND AAA/S
NCDs	INE860H07HR0	21 January 2022	5.22%, 3-month T bill as on 21 January 2022 + spread 165bp	21 January 2025	INR5,000	IND AAA/S

NCDs	INE860H07HS8	21 January 2022	6.40%	21 July 2025	INR3,500	IND AAA/S
NCDs	INE860H07HU4	8 June 2022	7.60%	6 June 2025	INR1,100	IND AAA/S
NCDs	INE860H07HU4	14 June 2022	7.60%	6 June 2025	INR2,500	IND AAA/S
NCDs	INE860H07HU4	1 July 2022	7.60%	6 June 2025	INR2,500	IND AAA/S
NCDs	INE860H07FT0	12 July 2022	7.80% p.a. on XIRR basis	26 June 2025	INR3,000	IND AAA/S
NCDs	INE860H07HW0	12 July 2022	Zero Coupon	11 July 2025	INR3,250	IND AAA/S
NCDs	INE860H07HX8	18 August 2022	7.50%	18 August 2025	INR4,000	IND AAA/S
NCDs	INE860H07HY6	24 August 2022	Zero coupon	23 August 2024	INR1,360	IND AAA/S
NCDs	INE860H07GM3	8 September 2022	9.1500% p.a.	21 December 2028	INR250	IND AAA/S
NCDs	INE860H07HX8	19 September 2022	7.50%	18 August 2025	INR4,650	IND AAA/S
NCDs	INE860H07FT0	28 September 2022	7.57% p.a. on XIRR basis	26 June 2025	INR250	IND AAA/S
NCDs	INE860H07IA4	14 October 2022	7.90%	19 September 2025	INR5,100	IND AAA/S
NCDs	INE860H07IB2	18 November 2022	7.92%	28 November 2024	INR500	IND AAA/S
NCDs	INE860H07IC0	18 November 2022	7.95%	18 March 2026	INR5,970	IND AAA/S
NCDs	INE860H07ID8	18 November 2022	8.12%	18 November 2032	INR2,000	IND AAA/S
NCDs	INE860H07IE6	29 November 2022	7.93%	15 January 2026	INR3,050	IND AAA/S
NCDs	INE860H07FT0	29 November 2022	8.90%	26 June 2025	INR250	IND AAA/S
NCDs	INE860H07IF3	5 December 2022	7.95%	3 December 2027	INR500	IND AAA/S
NCDs	INE860H07ID8	21 December 2022	8.12%	18 November 2032	INR4,000	IND AAA/S
NCDs	INE860H07IG1	27 December 2022	7.92%	27 December 2027	INR4,100	IND AAA/S
NCDs	INE860H07IH9	30 December 2022	7.88%	12 February 2026	INR4,000	IND AAA/S
NCDs	INE860H07IH9	2 February 2023	8.02%	12 February 2026	INR1,500	IND AAA/S
NCDs	INE860H07IH9	2 February 2023	8.02%	12 February 2026	INR1,517	IND AAA/S
NCDs	INE860H07FT0	9 February 2023	7.98%	26 June 2025	INR300	IND AAA/S
NCDs	INE860H07ID8	9 February 2023	8.05%	18 November 2032	INR2,250	IND AAA/S
NCDs	INE860H07II7	6 March 2023	8.12%	6 March 2028	INR5,230	IND AAA/S
NCDs	INE860H07ID8	15 March 2023	8.12%	18 November 2032	INR1,000	IND AAA/S
NCDs	INE860H07II7	21 March 2023	8.12%	6 March 2028	INR755	IND AAA/S
NCDs	INE860H07IJ5	21 March 2023	8.30%	16 September 2026	INR2,100	IND AAA/S
NCDs	INE860H07IK3	2 May 2023	8.01%	2 May 2028	INR10,000	IND AAA/S
NCDs	INE860H07IM9	8 June 2023	7.90%	8 June 2028	INR3,280	IND AAA/S
				Utilised limit	**INR157,972**	
				Unutilised limit	INR201,094	
				Total	**INR359,066**	

Subordinated Debt

Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (million)	Rating/ Outlook
Subordinated debt	INE860H08DL0	17 June 2015	9.25	6 June 2025	INR250	IND AAA/Stable
Subordinated debt	INE860H08DM8	14 July 2015	9.25	11 July 2025	INR300	IND AAA/Stable
Subordinated debt	INE860H08DN6	25 August 2015	9.25	22 August 2025	INR330	IND AAA/Stable

Subordinated debt	INE860H08DP1	8 March 2016	9.1	6 March 2026	INR250	IND AAA/Stable
Subordinated debt	INE860H08DQ9	10 March 2016	9.1	10 March 2026	INR80	IND AAA/Stable
Subordinated debt	INE860H08DR7	18 March 2016	9.1	10 March 2026	INR255	IND AAA/Stable
Subordinated -debt	INE860H08DS5	23 June 2016	9.1	23 June 2026	INR525	IND AAA/Stable
Subordinated debt	INE860H08DT3	28 July 2016	8.97	28 July 2026	INR1,000	IND AAA/Stable
Subordinated debt	INE860H08DU1	28 July 2016	8.95	28 July 2026	INR750	IND AAA/Stable
Subordinated debt	INE860H08DV9	29 September 2016	8.9	29 September 2026	INR2,000	IND AAA/Stable
Subordinated Debt	INE860H08DW7	21 November 2016	8.9	20 November 2026	INR2,000	IND AAA/Stable
Subordinated debt	INE860H08DX5	9 March 2017	8.25	9 March 2027	INR100	IND AAA/Stable
Subordinated debt	INE860H08DY3	18 May 2017	8.5	18 May 2027	INR1,650	IND AAA/Stable
Subordinated debt	INE860H08EA1	4 December 2018	9.76	4 December 2028	INR2,500	IND AAA/Stable
Subordinated debt	INE860H08EB9	12 June 2019	8.95	6 June 2029	INR2,000	IND AAA/Stable
Subordinated debt	INE860H08EB9	30 December 2019	Coupon -8.95% p.a; XIRR - 8.67%	6 June 2029	INR1,000	IND AAA/Stable
Subordinated debt	INE860H08EB9	13 February 2020	Coupon -8.95% p.a; XIRR - 8.25%	6 June 2029	INR500	IND AAA/Stable
Subordinated debt	INE860H08ED5	30 December 2020	7.43	27 December 2030	INR800	IND AAA/Stable
Subordinated debt	INE860H08EE3	14 June 2021	7.34	11 July 2031	INR750	IND AAA/Stable
Subordinated debt	INE860H08EG8	6 December 2021	7.43	5 December 2031	INR350	IND AAA/Stable
Subordinated debt	INE860H08EG8	28 February 2022	7.43% p.a. (XIRR - 7.65%)	5 December 2031	INR2,100	IND AAA/Stable
Subordinated debt	INE860H08EI4	26 June 2023	8.03	24 June 2033	INR1,600	IND AAA/Stable
				Utilised limit	**INR 21,090**	
				Unutilised limit	INR10,410	

PP-MLD

Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (million)	Rating/ Outlook
NCDs	INE860H07HT6	4 May 2022	Coupon linked to performance of underlying / reference index	3 May 2024	INR451	IND PP-MLD AAA /Stable
			Scenario if performance of underlying on final fixing date coupon			
			1 Greater than 50% of digital level 6.0082% p.a. (6.00% XIRR (annualised yield))			
			2 Less than or equal to 50% of digital level 0 %			

NCDs	INE860H07HV2	28 June 2022	Coupon linked to performance of underlying / reference index Scenario If performance of underlying on final fixing date coupon 1) Greater than 50% of digital level 7.34% p.a. (7.33% XIRR (Annualised yield)) 2) Less than or equal to 50% of digital level 0 %	27 June 2024	INR250	IND PP-MLD AAA /Stable
NCDs	INE860H07HZ3	26 August 2022	Principal protected (10 year-G-Sec price linked) secured rated listed redeemable NCDs. ABFL NCD series PPMLD E3 FY22-FY23 – date of maturity 9 April 2025	9 April 2025	INR1,022	IND PP-MLD AAA /Stable
Utilised limit					**INR1,723**	
Unutilised limit					INR13,500	
Total					**INR15,223**	

Perpetual Debt

Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (INR million)	Rating/ Outlook
Perpetual debt	INE860H08DZ0	21 July 2017	8.70%	Perpetual	INR2,000	IND AAA/Stable
				Unutilised	INR5000	
				Total	**INR7,000**	

Bank wise Facilities Details

Click here to see the details

Complexity Level of Instruments

Instrument Type	Complexity Indicator
Bank loan	Low
NCDs	Low
Subordinated debt	Low
CP	Low
Perpetual debt	High
PP-MLD	High

For details on the complexity level of the instruments, please visit https://www.indiaratings.co.in/complexity-indicators.

Contact

Primary Analyst
Jinay Gala
Associate Director
India Ratings and Research Pvt Ltd
Wockhardt Towers, 4th Floor, West Wing, Bandra Kurla Complex, Bandra East,Mumbai - 400051
+91 22 40356138
For queries, please contact: infogrp@indiaratings.co.in

Secondary Analyst
Amit Rane
Senior Analyst
+91 22 40001700

Chairperson
Pankaj Naik
Director
+91 22 40001723

Media Relation
Ameya Bodkhe
Marketing Manager
+91 22 40356121

APPLICABLE CRITERIA

Financial Institutions Rating Criteria

Rating FI Subsidiaries and Holding Companies

Rating of Financial Institutions Legacy Hybrids and Sub-Debt

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.

ANNEXURE C

ICRA LIMITED RATINGS LETTER, RATING RATIONALE, REVALIDATED LETTER AND PRESS RELEASE

[*This page has been intentionally left blank*]

ICRA

ICRA Limited

CONFIDENTIAL

Ref: ICRA/Aditya Birla Finance Limited/28072023/4
July 28, 2023

M/s Aditya Birla Finance Limited
One Indiabulls Centre, Tower 1,
18th Floor, Jupiter Mills Compound,
841, Senapati Bapat Marg, Elphinstone Road,
Mumbai - 400013

Dear Sir/Madam,

Re: ICRA Rating for Rs. 5,000 crore Retail NCD Programme of Aditya Birla Finance Limited (Rs. 5,000 crore unutilised)

In terms of the Rating Agreement/Statement of Work executed between your company and ICRA Limited (ICRA), ICRA is required to review the rating, on an annual basis, or as and when the circumstances so warrant.

Please note that the Rating Committee of ICRA, after due consideration of the latest development in your company, has reaffirmed the rating of your captioned programme at "[ICRA] AAA" (pronounced as ICRA Triple A). The outlook on the long-term rating is stable. Instruments with [ICRA]AAA rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

In any of your publicity material or other document wherever you are using above rating, it should be stated as [ICRA]AAA(stable).

This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating assigned.

ICRA reserves the right to review and/ or, revise the above rating at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the instruments issued by you.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We thank you for your kind cooperation extended during the course of the rating exercise. Please let us know if you need any clarification.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

Yours faithfully,
For ICRA Limited

KARTHIK SRINIVASAN
Senior Vice President
karthiks@icraindia.com

Annexure

LIST OF ALL INSTRUMENT RATED (WITH AMOUNT OUTSTANDING)

Rated Instrument	Rated Amount (In Crores)	Amount Outstanding (In Crores)	Rating Action
Retail non-convertible debenture	5,000.00	-	[ICRA]AAA(Stable); reaffirmed

ICRA

ICRA Limited

CONFIDENTIAL

Ref: ICRA/Aditya Birla Finance Limited/25082023/3
August 25, 2023

M/s Aditya Birla Finance Limited
One Indiabulls Centre, Tower 1,
18th Floor, Jupiter Mills Compound,
841, Senapati Bapat Marg, Elphinstone Road,
Mumbai - 400013

Dear Sir/Madam,

Re: ICRA Rating for Rs. 5,000 crore Retail NCD Programme of Aditya Birla Finance Limited (Rs. 5,000 crore unutilised)

This is with reference to your email requesting revalidation of rating for the Retail NCD Programme of Rs. 5,000 crore.

We confirm that the rating of **"[ICRA]AAA" (pronounced ICRA triple A) with a Stable Outlook,** assigned to the captioned Retail NCD Programme of your company and last communicated to you vide our letter dated July 28, 2023 stands. Instruments with [ICRA]AAA rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

The other terms and conditions for the credit rating of the aforementioned instrument shall remain the same vide our letter Ref: ICRA/Aditya Birla Finance Limited/28072023/4 dated July 28, 2023.

With kind regards,

Yours faithfully,
For ICRA Limited

KARTHIK SRINIVASAN
Senior Vice President
karthiks@icraindia.com

Annexure

LIST OF ALL INSTRUMENT RATED (WITH AMOUNT OUTSTANDING)

Rated Instrument	Rated Amount (In Crores)	Amount Outstanding (In Crores)	Rating Action
Retail non-convertible debenture	5,000.00	-	[ICRA]AAA(Stable)

August 04, 2023

Aditya Birla Finance Limited: Ratings reaffirmed; rated amount enhanced

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Subordinated debt programme	-	1,000.00	[ICRA]AAA (Stable); assigned
Bank lines	50,000.00	70,000.00	[ICRA]AAA (Stable)/[ICRA]A1+; reaffirmed and assigned
Non-convertible debenture	5,000.00	5,000.00	[ICRA]AAA (Stable); reaffirmed
Non-convertible debenture	21,271.40	21,271.40	[ICRA]AAA (Stable); reaffirmed
Non-convertible debenture	2,415.00	-	[ICRA]AAA (Stable); reaffirmed and withdrawn
Retail non-convertible debenture	5,000.00	5,000.00	[ICRA]AAA (Stable); reaffirmed
Unsecured non-convertible debenture	1,500.00	1,500.00	[ICRA]AAA (Stable); reaffirmed
Subordinated debt programme	2,400.00	2,400.00	[ICRA]AAA (Stable); reaffirmed
Subordinated debt programme	100.00	-	[ICRA]AAA (Stable); reaffirmed and withdrawn
Perpetual debt programme	700.00	700.00	[ICRA]AA+ (Stable); reaffirmed
Commercial paper programme	15,000.00	15,000.00	[ICRA]A1+; reaffirmed
Total	**1,03,386.40**	**1,21,871.40**	

**Instrument details are provided in Annexure I*

Rationale

ICRA has considered the consolidated business and financial profile of Aditya Birla Capital Limited (ABCL) and its Group entities (collectively referred to as the ABCL Group and enlisted in Annexure II) as the basis for the ratings. The ratings also factor in the implicit support expectations from the Aditya Birla Group and the parent – Grasim Industries Limited (Grasim; rated [ICRA]AAA (Stable)/[ICRA]A1+).

The ratings consider the strong ultimate parentage and the strategic fit and importance of the ABCL Group, which houses all the financial services entities (lending, asset management and insurance among others), to the Aditya Birla Group. Support from the promoter group is demonstrated by the strong capital and managerial aid and the stated intent of the parent to ensure adequate capitalisation and liquidity of the ABCL Group. The ratings also consider the diversity in the ABCL Group's revenue profile and the management's vast experience in the financial services domain.

Further, the ratings factor in ABCL's adequate capitalisation level, supported by internal capital generation and the track record of capital infusions from the parent. ABCL raised equity capital of Rs. 3,000 crore through a qualified institution placement (QIP) of Rs. 1,750 crore and a preferential issuance of equity shares of Rs. 1,250 crore to its promoter and promoter group entity in Q1 FY2024. The recent equity capital raise and internal accruals are expected to support the Group's growth plans in the near to medium term. ABCL's borrowing profile remains diversified, though the funding cost is expected to increase in the near term, in line with the market. The Group's profitability (excluding the insurance business) remains healthy, supported by the lending and asset management businesses.

ABCL's consolidated asset quality profile remains moderate with gross stage 3 of 3.1% as on March 31, 2023 (3.6% as on March 31, 2022). ICRA notes the growing share of unsecured segments, which are exposed to higher asset quality challenges and increased credit costs. However, the improved net interest margin is likely to support the profitability. Going forward, the Group's ability to control slippages across segments remains a key monitorable.

ICRA also notes the ABCL Group's improving profitability, despite the loss in the health insurance segment, which is in the growth phase. Going forward, the company's ability to manage its asset quality while maintaining its gearing levels, given the expectations of high portfolio growth mainly in the unsecured segments, will remain a key rating sensitivity.

ICRA has reaffirmed and withdrawn the rating outstanding on the Rs. 2,415.00-crore non-convertible debenture programme as the instruments have been redeemed in full and there are no dues outstanding against the same. ICRA has also reaffirmed and withdrawn the rating outstanding on the Rs. 100.00-crore subordinated debt programme as the instrument has been fully redeemed with no dues outstanding against the same. The rating was withdrawn at the request of the company and in accordance with ICRA's policy on the withdrawal of credit ratings.

Key rating drivers and their description

Credit strengths

Strong ultimate parentage of Grasim; key management personnel with vast experience in financial services domain – ABCL is a subsidiary of Grasim, which held 52.79% as of June 30, 2023, while the other companies in the Aditya Birla Group had a 16.31% stake. It is the holding company of all the financial services entities of the Group and is a prominent growth driver for the Group. Its strategic significance to the Aditya Birla Group is reflected in the capital support from the parent, as and when required (latest equity infusion was Rs. 1,250 crore in Q1 FY2024 by promoter and promoter group companies). The ABCL Group enjoys strong financial flexibility by virtue of being a part of the Aditya Birla Group. ICRA expects Grasim to maintain a shareholding of more than 51% in the company. ICRA also factors in the vast experience of ABCL's key management personnel in the financial services domain.

Diversified financial services group – The ABCL Group is a diversified financial services group with a presence in various segments such as lending, life insurance, health insurance, asset management, asset reconstruction and securities broking among others. ABCL's lending business is through two entities – Aditya Birla Finance Limited (ABFL; with a non-banking financial company (NBFC) licence) and Aditya Birla Housing Finance Limited (ABHFL; with a housing finance company (HFC) licence). ABCL's consolidated lending book increased at a high pace to Rs. 94,364 crore (+40% YoY) as on March 31, 2023, with secured business contributing 34%, followed by corporate/mid-market (26%), personal & consumer (16%), HFC (15%), unsecured business (9%).

Further, the concentration of the top 20 exposures declined to 6.6% of ABFL's total exposure (29.5% of ABCL's consolidated adjusted net worth) as of March 31, 2023 (8.6% and 34.5%, respectively, as on March 31, 2022). While a large part of the portfolio is secured (~70% of ABFL's portfolio and 100% of ABHFL's portfolio), which helps reduce losses in the event of defaults, ICRA notes ABCL's rising focus on the unsecured retail segments which are exposed to asset quality pressures.

Apart from lending, the ABCL Group has a prominent presence in the asset management business through Aditya Birla Sunlife AMC Limited (ABSL AMC), which is the sixth largest asset management company (AMC) in terms of the average assets under management (AUM). The ABCL Group has a presence in both life insurance (through Aditya Birla Sun Life Insurance Company Limited) and health insurance (through Aditya Birla Health Insurance Company Limited). While the health insurance entity is in the initial years (growing at a fast pace), the life insurance company had a market share of 2.1% in FY2023.

ABFL's portfolio stood at Rs. 80,556 crore as on March 31, 2023 (YoY growth of 46%) with secured business loans, the corporate/mid-market segment, personal & consumer loans, and the unsecured business segment forming 40%, 31%, 19% and 10%, respectively, of the portfolio. Portfolio growth was largely driven by the growth in the retail unsecured and small and medium-sized enterprise (SME) segments.

Good financial flexibility and diversified funding profile – As a part of the Aditya Birla Group, ABCL has good financial flexibility in raising funds at competitive rates. Its (lending businesses) borrowing profile remains diversified with bank term loans, debentures, commercial paper (CP), National Housing Bank (NHB) and external commercial borrowings forming 54%, 27%, 9%, 2% and 2%, respectively, of the total borrowings as on March 31, 2023. The proportion of CP in the aggregate funding mix remained moderate at ~9% as on March 31, 2023 (though higher than ~6% as on March 31, 2022). The ABCL Group maintains

adequate unutilised bank lines and has a board-approved funding line from Grasim, which can be utilised in case of liquidity requirements.

ABFL's borrowing profile comprised bank term loans, non-convertible debentures, commercial paper, external commercial borrowings (ECBs) and subordinated debt & others with a share of 54%, 23%, 10%, 3% and 10%, respectively, as on March 31, 2023. ICRA also notes the diversification in the borrower profile as ABFL has borrowings from corporate treasuries, banks, mutual funds, insurance companies and high-net-worth individuals (HNIs).

Adequate capitalisation; demonstrated ability to raise equity – ABCL's capitalisation remains adequate with a consolidated adjusted gearing (borrowings/adjusted net worth[1]) of 4.4 times as on March 31, 2023 (4.2 times as of March 31, 2022). The capitalisation is further supported by the recent equity capital raise of Rs. 3,000 crore in Q1 FY2024, including Rs. 1,250 crore from the promoters (Rs. 1,000 crore from Grasim and Rs. 250 crore from a promoter group company) and Rs. 1,750 crore from external investors. The recent equity capital raise and internal accruals are expected to support the Group's growth plans in the near to medium term. The capitalisation is expected to be further supported by the likely monetisation of the stake in ABSL AMC[2] by ABCL. Given the strong parentage and its demonstrated ability to raise capital, ABCL's capitalisation profile is expected to remain adequate. ICRA expects support from the parent to be forthcoming as and when required.

ABFL's gearing increased to 6.2 times as on March 31, 2023 from 4.7 times as on March 31, 2022, given its high portfolio growth. Considering the significant growth plans, the company is likely to require capital in the medium term. ICRA expects equity infusion from the parent, ABCL, to meet the growth plans.

Improving profitability – The Group's profitability is largely supported by its lending and asset management businesses, but is partially offset by the losses in the health insurance entity (Aditya Birla Health Insurance Company Limited). Excluding the insurance business (life and health insurance) and the one-off gain of Rs. 2,739 crore[3], ABCL's profitability remained healthy with a return on equity of 13.0% in FY2023 (14.1% in FY2022). ICRA expects the profitability to remain comfortable. Further, ICRA notes the diversity in revenues with income from the lending operations and the asset management business.

ABFL's net interest margin (NIM) improved to 5.6% in FY2023 from 5.2% in FY2022 on account of the change in the product mix towards higher-yielding retail and unsecured loans. However, the NIM is expected to be in this range despite further changes in the portfolio mix, given the anticipated increase in the cost of funds. The credit cost has increased marginally and remains high due to the rise in the share of the unsecured portfolio and slippages from the restructured book. Operating expenses have increased and are likely to remain high, given the company's plan to expand its branch presence and invest in digital assets for building the digital lending platform to support its high growth plans. ABFL's return on assets remained in the range of 2.1-2.2% but its return on equity increased to 14.6% (FY2023) from 11.9% (FY2022) with the rise in leverage.

Credit challenges

Asset quality remains moderate with growth in relatively riskier retail unsecured loans – ABCL's consolidated gross and net stage 3 assets for the lending businesses stood at 3.1% and 1.8%, respectively, as on March 31, 2023 compared to 3.6% and 2.2%, respectively, as on March 31, 2022. While the company witnessed slippages from the restructured book and unsecured segments, the reported asset quality was supported by the high growth in the AUM. The Group's provision coverage ratio improved to 44.2% (March 2023) from 38.0% (March 2022).

ICRA notes the reduction in the concentration of the top group exposures and in ticket sizes across segments and the granularisation of the portfolio with the increased share of smaller-ticket retail loans. However, with the significant ramp-up in its relatively riskier retail unsecured loan book in the last one year and the expected high growth in its scale of operations,

---

[1] *Adjusted net worth is adjusted for net worth of insurance companies*

[2] *Promoter stake (ABCL and Sun Life) of 86.5% in ABSL AMC has to be reduced to 75% by October 2024*

[3] *Fair value gain of Rs. 2,739 crore due to difference between fair value of retained interest in Aditya Birla Health Insurance Company Limited and derecognition of its net assets as it ceased to be a subsidiary and has been accounted for as a joint venture w.e.f. October 21, 2022*

the company's ability to maintain its asset quality indicators over economic cycles would be a key monitorable. Further, the growth in long-term loan assets, like retail mortgage loans, remains largely untested.

ABFL's gross and net stage 3 asset levels increased on an absolute basis but declined marginally on percentage terms to 3.1% and 1.7%, respectively, as on March 31, 2023 (3.6% and 2.1%, respectively, as on March 31, 2022), due to high portfolio growth. Net stage 3 assets/net worth stood at 11.8% as on March 31, 2023 (12.0% as on March 31, 2022). The company's restructured loans declined to 1.4% as on March 31, 2023 (3.2% as on March 31, 2022). ABFL's asset quality remains exposed to slippages from unsecured segments.

Liquidity position: Strong

The ABCL Group had cash and liquid investments of Rs. 2,905 crore and unutilised bank lines of Rs. 5,282 crore as on March 31, 2023 against debt repayments of Rs. 14,665 crore due in the next six months. Further, the liquidity will be supported by collections from the loan book. The liquidity profile is also supported by a board-approved funding line from Grasim.

At the standalone level, ABFL had debt amounting to Rs. 12,670 crore as on March 31, 2023, maturing by September 2023, against which it had cash and liquid investments worth Rs. 2,507 crore and undrawn bank lines of Rs. 3,812 crore. Collections from the loan book provide further comfort.

Rating sensitivities

Positive factors – Not applicable

Negative factors – A material change in the expected level of support or a material deterioration in the credit risk profile of ABCL's parent (i.e. Grasim) could warrant a rating downgrade. Pressure on the ratings could also arise if there is a deterioration in the ABCL's consolidated capitalisation profile (adjusted gearing) on a sustained basis and/or weakening of the ABCL Group's solvency levels (net stage 3 assets divided by adjusted net worth) to more than 20% on a sustained basis.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	ICRA's Credit Rating Methodology for Non-banking Finance Companies Implicit Support from Parent or Group Rating Approach – Consolidation Policy on Withdrawal of Credit Ratings
Parent/Group support	Ultimate Parent: Grasim Industries Limited (Grasim; rated [ICRA]AAA (Stable)/[ICRA]A1+) ICRA factors in the strategic importance of ABCL for the parent, which is demonstrated in the availability of strong financial, operational and managerial support.
Consolidation/Standalone	While arriving at the ratings for ABFL, ICRA has considered the consolidated business and financial profile of ABCL. *The names of the entities considered for the consolidated analysis are mentioned in Annexure II.*

About the company

ABFL is a wholly-owned subsidiary of ABCL. It is registered as an NBFC and provides corporate loans, project finance, mortgage loans, personal & consumer loans, unsecured business loans, real estate loans, etc. It also has a wealth management business. Its portfolio stood at Rs. 80,556 crore as on March 31, 2023, with secured business loans, the corporate/mid-market segment, personal & consumer loans and the unsecured business loan segment forming 40%, 31%, 19% and 10%, respectively, of the portfolio.

Aditya Birla Capital Limited

Aditya Birla Capital Limited (ABCL) is a non-deposit taking systemically important core investment company (CIC-ND-SI) registered with the Reserve Bank of India (RBI). It is the holding company of the financial services businesses of the Aditya Birla Group. Pursuant to the merger of Aditya Birla Nuvo Limited (ABNL) and Grasim Industries Limited, ABCL got listed on the Bombay Stock Exchange and the National Stock Exchange in September 2017. As on June 30, 2023, the promoter group held a stake of 69.1% (of which Grasim holds 52.79%) in ABCL.

Grasim Industries Limited

Incorporated in 1947, Grasim Industries Limited, the flagship company of the Aditya Birla Group, is a ~US$ 66 billion conglomerate. On a standalone basis, its core businesses include viscose, chemical, textile manufacturing and insulators. It is a leading global player in viscose staple fibre (VSF; installed capacity of ~824 KTPA) and the largest chlor-alkali producer in India (installed capacity of 1,311 KTPA). In January 2021, Grasim announced its foray into the decorative paints business, with a planned capital expenditure of Rs. 10,000 crore to be spent over the next three to five years. Further, in July 2022, Grasim announced its foray into the B2B e-commerce platform for the building materials segment, with investment outlay of Rs. 2,000 crore over the next five years.

On a consolidated basis, Grasim also has a strong presence in the cement, financial services, fashion retail, telecommunications, and solar power generation industries. Its 57.27% subsidiary, UltraTech Cements, is the largest cement producer in India. Grasim has a presence in financial services through its subsidiary – Aditya Birla Capital Limited (52.79%).

Key financial indicators (audited)

Aditya Birla Finance Limited	FY2022	FY2023
Total income	5,797	8,268
Profit after tax	1,108	1,554
Net worth	9,860	11,426
Total portfolio	55,180	80,556
Total assets	56,969	84,123
Return on average assets	2.1%	2.2%
Return on average equity	11.9%	14.6%
Gearing (times)	4.7	6.2
Gross stage 3 / Gross advances	3.5%	3.1%
Net stage 3 / Net advances	2.1%	1.7%
Net stage 3 / Net worth	12.0%	11.8%
Tier I capital ratio	18.1%	13.9%
Capital adequacy ratio	21.8%	16.4%

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore

Aditya Birla Capital Limited (consolidated; Rs. crore)	FY2022	FY2023
Total income	22,241	30,201
Profit after tax	1,660	4,824
Profit after tax (excluding insurance business)	1,851	4,879
Adjusted net worth*	13,988	18,926
Total portfolio	67,308	94,364
Total assets	1,41,140	1,80,754
Adjusted return on average assets*	2.6%	2.4%^
Adjusted return on average equity*	14.1%	13.0%^
Adjusted gearing (times)*	4.2	4.4
Gross stage 3/ Gross advances	3.6%	3.1%
Net stage 3 / Net advances	2.2%	1.8%
Net stage 3/ Adjusted net worth*	10.5%	8.7%

*Source: Company, ICRA research; All ratios as per ICRA's calculations; *Excluding insurance business; ^ Excludes one-off gain of Rs. 2,739 crore*

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2024)				Chronology of Rating History for the Past 3 Years		
		Type	Amount Rated (Rs. crore)	Amount Outstanding as of Jul-27-23 (Rs. crore)	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021
					Aug-4-23	Feb-3-23	Feb-07-22	Feb-23-21 Sep-30-20
1	Non-convertible debenture	Long term	5,000.00	-	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	-	-
2	Non-convertible debenture	Long term	21,271.40	15,637.20	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)
3	Non-convertible debenture	Long term	2,415.00	-	[ICRA]AAA (Stable); withdrawn	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)
4	Non-convertible debenture	Long term	-	-	-	[ICRA]AAA (Stable); withdrawn	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)
5	Unsecured non-convertible debenture	Long term	1,500.00	154.00	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (stable)
6	Retail non-convertible debenture	Long term	5,000.00	-	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (stable)
7	Subordinated debt programme	Long term	2,400.00	2,204.00	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (stable)
8	Subordinated debt programme	Long term	100.00	-	[ICRA]AAA (Stable); withdrawn	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (stable)
9	Subordinated debt programme	Long term	1,000.00	-	[ICRA]AAA (Stable)	-	-	-
10	Perpetual debt programme	Long term	700.00	200.00	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA+ (hyb) (Stable)
11	Bank Lines	Long term / Short term	70,000.00	36,674.78	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+
12	Commercial paper programme	Short term	15,000.00	7,130.00	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
13	Commercial paper programme (IPO financing)	Short term	-	-	-	[ICRA]A1+; withdrawn	[ICRA]A1+	[ICRA]A1+

Source: Company, ICRA Research

Complexity level of the rated instruments

Instrument	Complexity Indicator
Retail non-convertible debenture	Very Simple
Non-convertible debenture	Very Simple/Simple^
Unsecured non-convertible debenture	Very Simple
Subordinated debt programme	Simple
Perpetual debt programme	Moderately Complex
Commercial paper programme	Very Simple
Bank lines	Simple

^ The applicable indicator is 'Very Simple' for ISINs with a fixed rate payout and 'Simple' for ISINs with a floating payout

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: Click Here

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE860H07BX1	Non-convertible debenture	Oct-19-15	8.77%	Oct-17-25	15.0	[ICRA]AAA (Stable)
INE860H07BZ6	Non-convertible debenture	Nov-03-15	8.71%	50% on Nov-01-24 & 50% on Oct-31-25	500.0	[ICRA]AAA (Stable)
INE860H07CL4	Non-convertible debenture	Feb-23-16	8.85%	Feb-23-26	10.0	[ICRA]AAA (Stable)
INE860H07CM2	Non-convertible debenture	Mar-09-16	8.90%	Mar-06-26	10.0	[ICRA]AAA (Stable)
INE860H07CS9	Non-convertible debenture	Mar-21-16	8.90%	Mar-20-26	5.0	[ICRA]AAA (Stable)
INE860H07FD4	Non-convertible debenture	Jun-13-17	8.00% XIRR	Jun-11-27	5.0	[ICRA]AAA (Stable)
INE860H07FT0	Non-convertible debenture	Jun-26-18	8.90%	Jun-26-25	51.0	[ICRA]AAA (Stable)
INE860H07GL5	Non-convertible debenture	Dec-21-18	9.15%	Dec-21-23	70.0	[ICRA]AAA (Stable)
INE860H07GM3	Non-convertible debenture	Dec-21-18	9.15%	Dec-21-28	15.0	[ICRA]AAA (Stable)
INE860H07GL5	Non-convertible debenture	Dec-27-18	9.10%	Dec-21-23	81.0	[ICRA]AAA (Stable)
INE860H07GM3	Non-convertible debenture	Dec-27-18	9.10%	Dec-21-28	69.0	[ICRA]AAA (Stable)
INE860H07GL5	Non-convertible debenture	Jan-07-19	9.15%	Dec-21-23	16.0	[ICRA]AAA (Stable)
INE860H07GM3	Non-convertible debenture	Feb-12-19	9.15%	Dec-21-28	38.5	[ICRA]AAA (Stable)
INE860H07GM3	Non-convertible debenture	Mar-29-19	9.15%	Dec-21-28	150.0	[ICRA]AAA (Stable)
INE860H07GS0	Non-convertible debenture	May-20-19	9.00%	50%: May-19-28 50%: May-18-29	1,500.0	[ICRA]AAA (Stable)
INE860H07GT8	Non-convertible debenture	Jun-12-19	8.65%	Jun-12-24	173.0	[ICRA]AAA (Stable)
INE860H07GT8	Non-convertible debenture	Jun-24-19	8.65%	Jun-12-24	198.0	[ICRA]AAA (Stable)
INE860H07GT8	Non-convertible debenture	Jun-28-19	8.65%	Jun-12-24	111.6	[ICRA]AAA (Stable)
INE860H07GU6	Non-convertible debenture	Jul-04-19	8.70%	Jul-04-29	29.2	[ICRA]AAA (Stable)
INE860H07GT8	Non-convertible debenture	Jul-24-19	8.65%	Jun-12-24	98.7	[ICRA]AAA (Stable)
INE860H07GX0	Non-convertible debenture	Jan-20-20	8.15%	25%: Jan-20-27 25%: Jan-20-28 25%: Jan-19-29 25%: Jan-18-30	1,000.0	[ICRA]AAA (Stable)
INE860H07HA6	Non-convertible debenture	Apr-28-20	7.69%	Apr-25-25	25.0	[ICRA]AAA (Stable)
INE860H07HC2	Non-convertible debenture	Oct-22-20	5.90%	Dec-29-23	330.0	[ICRA]AAA (Stable)
INE860H07HD0	Non-convertible debenture	Dec-23-20	6.25%	Dec-23-25	75.0	[ICRA]AAA (Stable)
INE860H07HE8	Non-convertible debenture	Feb-18-21	7.24%	Feb-18-31	25.0	[ICRA]AAA (Stable)
INE860H07HI9	Non-convertible debenture	Mar-31-21	6.15%	Mar-28-24	420.0	[ICRA]AAA (Stable)
INE860H07HK5	Non-convertible debenture	May-31-21	7.26%	25%: May-31-28 25%: May-31-29 25%: May-31-30 25%: May-30-31	750.0	[ICRA]AAA (Stable)
INE860H07HM1	Non-convertible debenture	Jun-17-21	Zero Coupon	Jun-14-24	75.0	[ICRA]AAA (Stable)
INE860H07HN9	Non-convertible debenture	Jul-26-21	6.55%	Jul-24-26	500.0	[ICRA]AAA (Stable)
INE860H07HO7	Non-convertible debenture	Aug-05-21	5.85%	Aug-02-24	250.0	[ICRA]AAA (Stable)
INE860H07HP4	Non-convertible debenture	Oct-04-21	7.10%	Oct-03-31	50.0	[ICRA]AAA (Stable)
INE860H07HQ2	Non-convertible debenture	Oct-04-21	6.45%	Oct-01-26	115.0	[ICRA]AAA (Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE860H07HR0	Non-convertible debenture	Jan-21-22	3M T-bill Linked	Jan-21-25	500.0	[ICRA]AAA (Stable)
INE860H07HS8	Non-convertible debenture	Jan-21-22	6.40%	Jul-22-25	350.0	[ICRA]AAA (Stable)
INE860H07HU4	Non-convertible debenture	Jun-08-22	7.60%	Jun-06-25	110.0	[ICRA]AAA (Stable)
INE860H07HU4	Non-convertible debenture	Jun-14-22	7.60%	Jun-06-25	250.0	[ICRA]AAA (Stable)
INE860H07HU4	Non-convertible debenture	Jul-01-22	7.60%	Jun-06-25	250.0	[ICRA]AAA (Stable)
INE860H07FT0	Non-convertible debenture	Jul-12-22	8.90%	Jun-26-25	300.0	[ICRA]AAA (Stable)
INE860H07HW0	Non-convertible debenture	Jul-12-22	Zero Coupon	Jul-11-25	325.0	[ICRA]AAA (Stable)
INE860H07HX8	Non-convertible debenture	Aug-18-22	7.50%	Aug-18-25	400.0	[ICRA]AAA (Stable)
INE860H07HY6	Non-convertible debenture	Aug-24-22	Zero Coupon	Aug-23-24	136.0	[ICRA]AAA (Stable)
INE860H07GM3	Non-convertible debenture	Sep-08-22	9.15%	Dec-21-28	25.0	[ICRA]AAA (Stable)
INE860H07HX8	Non-convertible debenture	Sep-19-22	7.50%	Aug-18-25	465.0	[ICRA]AAA (Stable)
INE860H07FT0	Non-convertible debenture	Sep-28-22	8.90%	Jun-26-25	25.0	[ICRA]AAA (Stable)
INE860H07IA4	Non-convertible debenture	Oct-14-22	7.90%	Sep-19-25	510.0	[ICRA]AAA (Stable)
INE860H07IB2	Non-convertible debenture	Nov-18-22	Zero Coupon	Nov-28-24	50.0	[ICRA]AAA (Stable)
INE860H07IC0	Non-convertible debenture	Nov-18-22	7.95%	Mar-18-26	597.0	[ICRA]AAA (Stable)
INE860H07ID8	Non-convertible debenture	Nov-18-22	8.12%	Nov-18-32	200.0	[ICRA]AAA (Stable)
INE860H07IE6	Non-convertible debenture	Nov-29-22	7.93%	Jan-15-26	305.0	[ICRA]AAA (Stable)
INE860H07FT0	Non-convertible debenture	Nov-29-22	8.90%	Jun-26-25	25.0	[ICRA]AAA (Stable)
INE860H07IF3	Non-convertible debenture	Dec-05-22	7.95%	Dec-03-27	50.0	[ICRA]AAA (Stable)
INE860H07ID8	Non-convertible debenture	Dec-21-22	8.12%	Nov-18-32	400.0	[ICRA]AAA (Stable)
INE860H07IG1	Non-convertible debenture	Dec-27-22	7.92%	Dec-27-27	410.0	[ICRA]AAA (Stable)
INE860H07IH9	Non-convertible debenture	Dec-30-22	7.88%	Feb-12-26	400.0	[ICRA]AAA (Stable)
INE860H07IH9	Non-convertible debenture	Feb-02-23	7.88%	Feb-12-26	150.0	[ICRA]AAA (Stable)
INE860H07IH9	Non-convertible debenture	Feb-02-23	7.88%	Feb-12-26	151.7	[ICRA]AAA (Stable)
INE860H07FT0	Non-convertible debenture	Feb-09-23	8.90%	Jun-26-25	30.0	[ICRA]AAA (Stable)
INE860H07ID8	Non-convertible debenture	Feb-09-23	8.12%	Nov-18-32	225.0	[ICRA]AAA (Stable)
INE860H07II7	Non-convertible debenture	Mar-06-23	8.12%	Mar-06-28	523.0	[ICRA]AAA (Stable)
INE860H07ID8	Non-convertible debenture	Mar-15-23	8.12%	Nov-18-32	100.0	[ICRA]AAA (Stable)
INE860H07II7	Non-convertible debenture	Mar-21-23	8.12%	Mar-06-28	75.5	[ICRA]AAA (Stable)
INE860H07IJ5	Non-convertible debenture	Mar-21-23	8.30%	Sep-16-26	210.0	[ICRA]AAA (Stable)
INE860H07IK3	Non-convertible debenture	May-2-23	8.01%	May-2-28	1,000.0	[ICRA]AAA (Stable)
INE860H07IM9	Non-convertible debenture	Jun-08-23	7.90%	Jun-08-28	328.0	[ICRA]AAA (Stable)
NA	Non-convertible debenture*	-	-	-	10,634.2	[ICRA]AAA (Stable)
INE860H07FV6	Non-convertible debenture	Jul-27-18	8.90%	Jul-27-23	15.0	[ICRA]AAA (stable); withdrawn
INE860H07FV6	Non-convertible debenture	Dec-11-18	8.90%	Jul-27-23	145.0	[ICRA]AAA (stable); withdrawn
INE860H07GY8	Non-convertible debenture	Apr-17-20	7.75%	May-17-23	205.0	[ICRA]AAA (stable); withdrawn
INE860H07GZ5	Non-convertible debenture	Apr-28-20	7.57%	Jun-28-23	225.0	[ICRA]AAA (stable); withdrawn

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE860H07HF5	Non-convertible debenture	Feb-25-21	6.15%	May-30-23	775.0	[ICRA]AAA (stable); withdrawn
INE860H07HG3	Non-convertible debenture	Mar-16-21	5.75% (Floating Coupon)	Mar-16-23	500.0	[ICRA]AAA (Stable); withdrawn
INE860H07HH1	Non-convertible debenture	Mar-19-21	5.75% (Floating Coupon)	Mar-17-23	250.0	[ICRA]AAA (Stable); withdrawn
INE860H07HJ7	Non-convertible debenture	May-07-21	5.11% (Floating Coupon)	May-05-23	250.0	[ICRA]AAA (Stable); withdrawn
INE860H07HL3	Non-convertible debenture	Jun-17-21	5.15%	Jun-16-23	50.0	[ICRA]AAA (Stable); withdrawn
INE860H08EH6	Unsecured non-convertible debenture	Aug-06-20	7.57%	Aug-03-35	49.0	[ICRA]AAA (Stable)
INE860H08EF0	Unsecured non-convertible debenture	Aug-06-20	7.57%	Aug-03-35	49.0	[ICRA]AAA (Stable)
INE860H08EC7	Unsecured non-convertible debenture	Aug-06-20	7.57%	Aug-03-35	56.0	[ICRA]AAA (Stable)
NA	Unsecured non-convertible debenture*	-	-	-	1,346.0	[ICRA]AAA (Stable)
INE860H08DL0	Subordinated debt programme	Jun-17-15	9.25%	Jun-06-25	25.0	[ICRA]AAA (Stable)
INE860H08DM8	Subordinated debt programme	Jul-14-15	9.25%	Jul-11-25	30.0	[ICRA]AAA (Stable)
INE860H08DN6	Subordinated debt programme	Aug-25-15	9.25%	Aug-22-25	33.0	[ICRA]AAA (Stable)
INE860H08DP1	Subordinated debt programme	Mar-08-16	9.10%	Mar-06-26	25.0	[ICRA]AAA (Stable)
INE860H08DQ9	Subordinated debt programme	Mar-10-16	9.10%	Mar-10-26	8.0	[ICRA]AAA (Stable)
INE860H08DR7	Subordinated debt programme	Mar-18-16	9.10%	Mar-10-26	25.5	[ICRA]AAA (Stable)
INE860H08DS5	Subordinated debt programme	Jun-23-16	9.10%	Jun-23-26	52.5	[ICRA]AAA (Stable)
INE860H08DT3	Subordinated debt programme	Jul-28-16	8.97%	Jul-28-26	100.0	[ICRA]AAA (Stable)
INE860H08DU1	Subordinated debt programme	Jul-28-16	8.95%	Jul-28-26	75.0	[ICRA]AAA (Stable)
INE860H08DV9	Subordinated debt programme	Sep-29-16	8.90%	Sep-29-26	200.0	[ICRA]AAA (Stable)
INE860H08DW7	Subordinated debt programme	Nov-21-16	8.90%	Nov-20-26	200.0	[ICRA]AAA (Stable)
INE860H08DX5	Subordinated debt programme	Mar-09-17	8.25%	Mar-09-27	10.0	[ICRA]AAA (Stable)
INE860H08DY3	Subordinated debt programme	May-18-17	8.50%	May-18-27	165.0	[ICRA]AAA (Stable)
INE860H08EA1	Subordinated debt programme	Dec-04-18	9.76%	Dec-04-28	250.0	[ICRA]AAA (Stable)
INE860H08EB9	Subordinated debt programme	Jun-06-19	8.95%	Jun-06-29	200.0	[ICRA]AAA (Stable)
INE860H08EB9	Subordinated debt programme	Dec-30-19	8.95%	Jun-06-29	100.0	[ICRA]AAA (Stable)
INE860H08EB9	Subordinated debt programme	Feb-13-20	8.95%	Jun-06-29	50.0	[ICRA]AAA (Stable)
INE860H08ED5	Subordinated debt programme	Dec-29-20	7.43%	Dec-27-30	45.0	[ICRA]AAA (Stable)
INE860H08ED5	Subordinated debt programme	Dec-29-20	7.43%	Dec-27-30	35.0	[ICRA]AAA (Stable)
INE860H08EE3	Subordinated debt programme	Jun-11-21	7.34%	Jun-11-31	75.0	[ICRA]AAA (Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE860H08EG8	Subordinated debt programme	Dec-06-21	7.43%	Dec-05-31	35.0	[ICRA]AAA (Stable)
INE860H08EG8	Subordinated debt programme	Feb-28-22	7.43%	Dec-05-31	210.0	[ICRA]AAA (Stable)
INE860H08DJ4	Subordinated debt programme	Dec-12-14	9.75%	Dec-12-24	45.0	[ICRA]AAA (Stable)
INE860H08DJ4	Subordinated debt programme	Dec-12-14	9.75%	Dec-12-24	5.0	[ICRA]AAA (Stable)
INE860H08DK2	Subordinated debt programme	Sep-01-15	9.45%	Jan-09-25	35.0	[ICRA]AAA (Stable)
INE860H08DK2	Subordinated debt programme	Sep-01-15	9.45%	Jan-09-25	10.0	[ICRA]AAA (Stable)
INE860H08EI4	Subordinated debt programme	Jun-26-23	8.03%	Jun-24-33	160.0	[ICRA]AAA (Stable)
NA	Subordinated debt programme*	-	-	-	1,196.0	[ICRA]AAA (Stable)
INE860H08DI6	Subordinated debt programme	Jun-04-13	9.85%	Jun-02-23	100.0	[ICRA]AAA (Stable); withdrawn
INE860H08DZ0	Perpetual debt programme	Jul-21-17	8.70%	-	200.0	[ICRA]AA+ (Stable)
NA	Perpetual debt programme*	-	-	-	500.0	[ICRA]AA+ (Stable)
NA	Bank lines – Long-term/short-term fund based/non-fund based	-	-	-	70,000.0	[ICRA]AAA(Stable) / [ICRA]A1+
INE860H14Z99	Commercial paper	Feb-10-23	7.80%	Aug-10-23	100.0	[ICRA]A1+
INE860H14Z99	Commercial paper	Feb-10-23	7.80%	Aug-10-23	10.0	[ICRA]A1+
INE860H140D2	Commercial paper	Feb-21-23	7.99%	Aug-21-23	75.0	[ICRA]A1+
INE860H140D2	Commercial paper	Feb-21-23	7.99%	Aug-21-23	100.0	[ICRA]A1+
INE860H140D2	Commercial paper	Feb-21-23	7.99%	Aug-21-23	50.0	[ICRA]A1+
INE860H140D2	Commercial paper	Feb-22-23	7.99%	Aug-21-23	25.0	[ICRA]A1+
INE860H140D2	Commercial paper	Feb-23-23	7.99%	Aug-21-23	50.0	[ICRA]A1+
INE860H140D2	Commercial paper	Feb-23-23	7.99%	Aug-21-23	20.0	[ICRA]A1+
INE860H140D2	Commercial paper	Feb-24-23	7.99%	Aug-21-23	100.0	[ICRA]A1+
INE860H140D2	Commercial paper	Feb-24-23	7.99%	Aug-21-23	100.0	[ICRA]A1+
INE860H140E0	Commercial paper	Feb-28-23	7.99%	Aug-25-23	200.0	[ICRA]A1+
INE860H140H3	Commercial paper	Mar-15-23	8.14%	Mar-14-24	150.0	[ICRA]A1+
INE860H140H3	Commercial paper	Mar-15-23	8.14%	Mar-14-24	75.0	[ICRA]A1+
INE860H140K7	Commercial paper	Apr-20-23	7.85%	Apr-19-24	250.0	[ICRA]A1+
INE860H140L5	Commercial paper	Apr-28-23	7.32%	Jul-28-23	250.0	[ICRA]A1+
INE860H140L5	Commercial paper	Apr-28-23	7.32%	Jul-28-23	25.0	[ICRA]A1+
INE860H140L5	Commercial paper	May-02-23	7.32%	Jul-28-23	50.0	[ICRA]A1+
INE860H140L5	Commercial paper	May-04-23	7.32%	Jul-28-23	200.0	[ICRA]A1+
INE860H140M3	Commercial paper	May-10-23	7.34%	Jul-31-23	500.0	[ICRA]A1+
INE860H140M3	Commercial paper	May-12-23	7.34%	Jul-31-23	500.0	[ICRA]A1+
INE860H140N1	Commercial paper	May-10-23	7.35%	Aug-18-23	500.0	[ICRA]A1+
INE860H140N1	Commercial paper	May-19-23	7.35%	Aug-18-23	500.0	[ICRA]A1+
INE860H140N1	Commercial paper	May-19-23	7.35%	Aug-18-23	50.0	[ICRA]A1+
INE860H140N1	Commercial paper	May-19-23	7.35%	Aug-18-23	25.0	[ICRA]A1+
INE860H140O9	Commercial paper	May-19-23	7.06%	Aug-28-23	500.0	[ICRA]A1+
INE860H140O9	Commercial paper	May-29-23	7.06%	Aug-28-23	100.0	[ICRA]A1+

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE860H140E0	Commercial paper	May-29-23	7.06%	Aug-25-23	25.0	[ICRA]A1+
INE860H140E0	Commercial paper	May-26-23	7.17%	Aug-25-23	450.0	[ICRA]A1+
INE860H140P6	Commercial paper	Jun-05-2023	7.18%	Sep-04-23	50.0	[ICRA]A1+
INE860H140P6	Commercial paper	Jun-05-2023	7.18%	Sep-04-23	150.0	[ICRA]A1+
INE860H140P6	Commercial paper	Jun-07-2023	7.18%	Sep-04-23	350.0	[ICRA]A1+
INE860H140P6	Commercial paper	Jun-05-2023	7.10%	Sep-04-23	250.0	[ICRA]A1+
INE860H140Q4	Commercial paper	Jun-09-2023	7.10%	Sep-08-23	300.0	[ICRA]A1+
INE860H140R2	Commercial paper	Jun-15-2023	7.13%	Sep-14-23	500.0	[ICRA]A1+
INE860H140S0	Commercial paper	Jun-22-2023	7.35%	Dec-15-23	50.0	[ICRA]A1+
INE860H140T8	Commercial paper	Jun-22-2023	7.07%	Sep-21-23	500.0	[ICRA]A1+
NA	Commercial paper^	-	-	7-365 days	7,870.0	[ICRA]A1+
NA	Retail non-convertible debenture programme*	-	-	-	5,000.0	[ICRA]AAA (Stable)

*Source: Company; *Yet to be placed; ^Unutilised*

Please click here to view details of lender-wise facilities rated by ICRA

Key features of rated perpetual debt programme

The one notch lower rating assigned to ABFL's perpetual debt programme compared to the [ICRA]AAA rating for the other long-term debt programmes reflects the specific features of these instruments wherein the debt servicing is additionally linked to meeting the regulatory norms on capitalisation and reported profitability. The domestic regulatory norms include regulatory approvals from the RBI for debt servicing (including principal repayments) if the company reports a loss and is not liable to service the debt in case it breaches the minimum regulatory capitalisation norms.

Annexure II: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
Aditya Birla PE Advisors Private Limited	100%	Full consolidation
Aditya Birla Capital Technology Services Limited	100%	Full consolidation
Aditya Birla Trustee Company Private Limited	100%	Full consolidation
ABCAP Trustee Company Private Limited	100%	Full consolidation
Aditya Birla Money Limited	73.60%	Full consolidation
Aditya Birla Financial Shared Services Limited	100%	Full consolidation
Aditya Birla Finance Limited	100%	Full consolidation
Aditya Birla Housing Finance Limited	100%	Full consolidation
Aditya Birla Sun Life Insurance Company Limited	51%	Full consolidation
Aditya Birla Sun Life Pension Management Limited	51%	Full consolidation
Aditya Birla Insurance Brokers Limited	50.002%	Full consolidation
Aditya Birla Money Mart Limited	100%	Full consolidation
Aditya Birla Money Insurance Advisory Services Limited	100%	Full consolidation
Aditya Birla ARC Limited	100%	Full consolidation
Aditya Birla Stressed Asset AMC Private Limited	100%	Full consolidation
Aditya Birla Special Situation Fund 01	100%	Full consolidation

Company Name	Ownership	Consolidation Approach
ABARC-ARC-001-Trust	100%	Full consolidation
ABARC-ARC-008-Trust	100%	Full consolidation
ABARC-ARC-010-Trust	100%	Full consolidation
Aditya Birla Capital Digital Limited	100%	Full consolidation
Aditya Birla Sun Life Trustee Private Limited	50.85%	Equity method
Aditya Birla Wellness Private Limited	51%	Equity method
Aditya Birla Sun Life AMC Company Limited	50.01%	Equity method
Aditya Birla Sun Life AMC (Mauritius) Ltd.	50.01%	Equity method
Aditya Birla Sun Life Asset Management Company Ltd., Dubai	50.01%	Equity method
Aditya Birla Sun Life Asset Management Company Pte. Ltd., Singapore	50.01%	Equity method
Aditya Birla Health Insurance Company Limited	45.91%	Equity method

Source: Company; Details as on March 31, 2023

ANALYST CONTACTS

Karthik Srinivasan
+91 22 6114 3444
karthiks@icraindia.com

Anil Gupta
+91 124 4545 314
anilg@icraindia.com

Neha Parikh
+91 22 6114 3426
neha.parikh@icraindia.com

Niraj Jalan
+91 33 7150 1146
niraj.jalan@icraindia.com

Bharat Toplani
+91 22 6114 3428
bharat.toplani@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited

Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45

Branches

© Copyright, 2023 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.

ANNEXURE D

CONSENT OF THE DEBENTURE TRUSTEE

[*This page has been intentionally left blank*]

VISTRA

CL.No: CL/MUM/2023/DEB/113 **Date: 05th September 2023**

To,
The Board of Directors
Aditya Birla Finance Limited
One World Centre, Tower 1-C, 18th Floor
841, Jupiter Mills Compound
Senapati Bapat Marg, Elphinstone Road
Mumbai 400 013, Maharashtra, India

Dear Sir/ Madam

Sub: Proposed public issue by Aditya Birla Finance Limited (the "Company") of secured, rated, listed, redeemable, non-convertible debentures of face value of ₹1,000/- each ("NCDs") aggregating upto ₹5,000 crores (the "Issue")

We, the undersigned, hereby consent to act as the Debenture Trustee to the Issue and to our name being inserted as the Debenture Trustee to the Issue in the Draft Prospectus to be filed with BSE Limited & National Stock Exchange of India Limited ("**Stock Exchange**") and to be forwarded to Securities and Exchange Board of India ("**SEBI**") and the Prospectus to be filed with the Registrar of Companies, Ahmedabad ("**RoC**"), Stock Exchange and to be forwarded to SEBI in respect of the Issue and also in all related advertisements and communications sent pursuant to the Issue. The following details with respect to us may be disclosed:

Logo	VISTRA
Name	Vistra ITCL (India) Limited
Address	The IL&FS Financial Centre, Plot C - 22, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051
Tel	022 – 2659 3333
Fax	022 – 2653 3297
E-mail	itclcomplianceofficer@vistra.com
Investor Grievance e-mail	itclcomplianceofficer@vistra.com
Website	www.vistraitcl.com
Contact Person	Mr. Jatin Chonani - Compliance Officer
SEBI Registration Number	IND000000578
CIN	U66020MH1995PLC095507

We confirm that we are registered with the SEBI and that such registration is valid as on the date of this letter. We enclose a copy of our registration certificate enclosed herein as **Annexure A** and declaration regarding our registration with SEBI as **Annexure B**.

We also confirm that we have not been prohibited by SEBI to act as an intermediary in capital market issues. We confirm that we have not been prohibited to act as a debenture trustee by the SEBI.

We hereby authorise you to deliver this letter of consent to the RoC, pursuant to the provisions of Section 26 of the Companies Act, 2013 and other applicable laws or any other regulatory/statutory authorities as required by law.

We also agree to keep strictly confidential, until such time as the proposed transaction is publicly announced by the Company in the form of a press release, (i) the nature and scope of this transaction; and (ii) our knowledge of the

proposed transaction of the Company.

We confirm that we will immediately inform the Company and the Lead Manager of any change to the above information until the date when the proposed public issue of NCDs commence trading on the Stock Exchange. In the absence of any such communication from us, the above information should be taken as updated information until the NCDs commence trading.

This letter may be relied upon by you, the Lead Manager and the legal counsel to the Issue in respect of the Issue.

Sincerely,

For Vistra ITCL (India) Limited

Authorised Signatory
Name: Audrey Menezes
Designation: AVP - Trust Operations

CC:

Lead Managers

A.K. Capital Services Limited
603, 6th Floor, Windsor
Off CST Road, Kalina
Santacruz (East)
Mumbai - 400 098
Maharashtra, India

Trust Investment Advisors Private Limited
109/110, Balarama, Bandra Kurla
Complex Bandra (East)
Mumbai – 400 051
Maharashtra, India

Legal Counsel to the Issue

Cyril Amarchand Mangaldas
5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg, Lower Parel
Mumbai – 400 013
Maharashtra, India

Encl: As above

डिबेंचर न्यासी

प्रपत्र ख
FORM-B

DEBENTURE TRUSTEE

भारतीय प्रतिभूति और विनिमय बोर्ड
SECURITIES AND EXCHANGE BOARD OF INDIA

(डिबेंचर न्यासी) विनियम, 1993

(DEBENTURE TRUSTEE) REGULATIONS, 1993

000260

(विनियम 8)

(Regulation 8)

INITIAL REGISTRATION

रजिस्ट्रीकरण प्रमाणपत्र
CERTIFICATE OF REGISTRATION

1) बोर्ड, भारतीय प्रतिभूति और विनिमय बोर्ड अधिनियम, 1992 के अधीन डिबेंचर न्यासी के लिए बनाए गए नियमों और विनियमों के साथ पठित इस अधिनियम की धारा 12 की उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए,

1) In exercise of the powers conferred by sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992, read with the rules and regulations made thereunder for the debenture trustee the Board hereby grants a certificate of registration to

VISTRA ITCL (INDIA) LIMITED
IL&FS FINANCIAL CENTRE,
PLOT NO C-22, G BLOCK,
BANDRA-KURLA COMPLEX, BANDRA (EAST)
MUMBAI - 400051

को नियमों में, शर्तों के अधीन रहते हुए और विनियमों के अनुसार डिबेंचर न्यासी के रूप में रजिस्ट्रीकरण का प्रमाणपत्र इसके द्वारा प्रदान करता है।

as a debenture trustee subject to the conditions in the rules and in accordance with the regulations.

2) डिबेंचर न्यासी के लिए रजिस्ट्रीकरण कूट है।

2) Registration Code for the debenture trustee is **IND000000578**

3) जब तक नवीकृत न किया जाए, रजिस्ट्रीकरण का प्रमाणपत्र से तक विधिमान्य है।

3) Unless renewed, the certificate of registration is valid from to

3) This Certificate of Registration shall be valid from 27/09/2016 to 26/09/2021, unless suspended or cancelled by the Board

आदेश से
भारतीय प्रतिभूति और विनिमय बोर्ड
के लिए और उसकी ओर से
By order
For and on behalf of
Securities and Exchange Board of India

स्थान Place : **MUMBAI**

तारीख Date : **SEPTEMBER 27, 2016**

MJSonparote

MEDHA SONPAROTE

प्राधिकृत हस्ताक्षरकर्ता Authorised Signatory

VISTRA

Annexure B

To,
The Board of Directors
Aditya Birla Finance Limited
One World Centre, Tower 1-C, 18th Floor
841, Jupiter Mills Compound
Senapati Bapat Marg, Elphinstone Road
Mumbai 400 013, Maharashtra, India
Dear Sir/ Madam

Sub: Proposed public issue by Aditya Birla Finance Limited (the "Company") of secured, rated, listed, redeemable, non-convertible debentures of face value of ₹1,000/- each ("NCDs") aggregating upto ₹5,000 crores (the "Issue")

We hereby confirm that as on date the following details in relation to our registration with SEBI as a Debenture Trustee is true and correct.

Sr. No.	Particulars	Details
1.	Registration Number	U66020MH1995PLC095507
2.	Date of registration/ Renewal of registration	IND00000057857
3.	Date of expiry of registration	Not Applicable
4.	If applied for renewal, date of application	Not Applicable
5.	Any communication from SEBI prohibiting the entity from acting as an intermediary	Not Applicable
6.	Any enquiry/ investigation being conducted by SEBI	Not Applicable
7.	Details of any penalty imposed by SEBI	Refer Annexure I

We hereby enclose a copy of our SEBI registration certificate.

We shall immediately intimate the Company of any changes, additions or deletions in respect of the matters covered in this certificate till the date when the securities of the Issuer, offered, issued and allotted pursuant to the Issue, are traded on the relevant stock exchange. In the absence of any such communication from us, the above information should be taken as updated information until the NCDs commence trading.

For Vistra ITCL (India) Limited

Authorised Signatory
Name: Audrey Menezes
Designation: AVP - Trust Operations

VISTRA

CL.No: CL/MUM/2023/DEB/113 **Date: 21st September 2023**

To,
The Board of Directors
Aditya Birla Finance Limited
One World Centre, Tower 1-C, 18th Floor
841, Jupiter Mills Compound
Senapati Bapat Marg, Elphinstone Road
Mumbai 400 013, Maharashtra, India

Dear Sir/ Madam

Sub: Proposed public issue by Aditya Birla Finance Limited (the "Company") of secured, rated, listed, redeemable, non-convertible debentures of face value of ₹1,000/- each ("NCDs") aggregating upto ₹5,000 crores (the "Issue")

Ref: Consent letter dated 05th September 2023

We, the undersigned, hereby consent to act as the Debenture Trustee to the Issue and to our name being inserted as the Debenture Trustee to the Issue in the Draft Prospectus to be filed with BSE Limited ("**Stock Exchange**") and to be forwarded to Securities and Exchange Board of India ("**SEBI**") and the Prospectus to be filed with the Registrar of Companies, Ahmedabad ("**RoC**"), Stock Exchange and to be forwarded to SEBI in respect of the Issue and also in all related advertisements and communications sent pursuant to the Issue. The following details with respect to us may be disclosed:

Logo	VISTRA
Name	Vistra ITCL (India) Limited
Address	The IL&FS Financial Centre, Plot C - 22, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051
Tel	022 – 2659 3333
Fax	022 – 2653 3297
E-mail	itclcomplianceofficer@vistra.com
Investor Grievance e-mail	itclcomplianceofficer@vistra.com
Website	www.vistraitcl.com
Contact Person	Mr. Jatin Chonani - Compliance Officer
SEBI Registration Number	IND000000578
CIN	U66020MH1995PLC095507

We confirm that we are registered with the SEBI and that such registration is valid as on the date of this letter. We enclose a copy of our registration certificate enclosed herein as **Annexure A** and declaration regarding our registration with SEBI as **Annexure B**.

VISTRA

We also confirm that we have not been prohibited by SEBI to act as an intermediary in capital market issues. We confirm that we have not been prohibited to act as a debenture trustee by the SEBI.

We hereby authorise you to deliver this letter of consent to the RoC, pursuant to the provisions of Section 26 of the Companies Act, 2013 and other applicable laws or any other regulatory/statutory authorities as required by law.

We also agree to keep strictly confidential, until such time as the proposed transaction is publicly announced by the Company in the form of a press release, (i) the nature and scope of this transaction; and (ii) our knowledge of the proposed transaction of the Company.

We confirm that we will immediately inform the Company and the Lead Manager of any change to the above information until the date when the proposed public issue of NCDs commence trading on the Stock Exchange. In the absence of any such communication from us, the above information should be taken as updated information until the NCDs commence trading.

This letter may be relied upon by you, the Lead Manager and the legal counsel to the Issue in respect of the Issue.

Sincerely,

For Vistra ITCL (India) Limited

Authorised Signatory
Name: Sanjay Dodti
Designation: Manager

CC:

Lead Managers

A.K. Capital Services Limited
603, 6th Floor, Windsor
Off CST Road, Kalina
Santacruz (East)
Mumbai - 400 098
Maharashtra, India

Trust Investment Advisors Private Limited
109/110, Balarama, Bandra Kurla
Complex Bandra (East)
Mumbai – 400 051
Maharashtra, India

VISTRA

JM Financial Limited
7th Floor, Cnergy
Appasaheb Marathe Marg
Prabhadevi, Mumbai 400 025
Maharashtra, India

Nuvama Wealth Management Limited
(Formerly known as Edelweiss Securities Limited)
8th Floor, Wing A, Building no.3
Inspire BKC, G Block, Bandra Kurla Complex
Bandra (East), Mumbai 400 051
Maharashtra, India

Legal Counsel to the Issue

Cyril Amarchand Mangaldas
5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg, Lower Parel
Mumbai – 400 013
Maharashtra, India

Encl: As above

VISTRA

Annexure B

To,
The Board of Directors
Aditya Birla Finance Limited
One World Centre, Tower 1-C, 18th Floor
841, Jupiter Mills Compound
Senapati Bapat Marg, Elphinstone Road
Mumbai 400 013, Maharashtra, India
Dear Sir/ Madam

Sub: Proposed public issue by Aditya Birla Finance Limited (the "Company") of secured, rated, listed, redeemable, non-convertible debentures of face value of ₹1,000/- each ("NCDs") aggregating upto ₹5,000 crores (the "Issue")

We hereby confirm that as on date the following details in relation to our registration with SEBI as a Debenture Trustee is true and correct.

Sr. No.	Particulars	Details
1.	Registration Number	U66020MH1995PLC095507
2.	Date of registration/ Renewal of registration	IND00000057857
3.	Date of expiry of registration	Not Applicable
4.	If applied for renewal, date of application	Not Applicable
5.	Any communication from SEBI prohibiting the entity from acting as an intermediary	Not Applicable
6.	Any enquiry/ investigation being conducted by SEBI	Not Applicable
7.	Details of any penalty imposed by SEBI	Refer Annexure I

We hereby enclose a copy of our SEBI registration certificate.

We shall immediately intimate the Company of any changes, additions or deletions in respect of the matters covered in this certificate till the date when the securities of the Issuer, offered, issued and allotted pursuant to the Issue, are traded on the relevant stock exchange. In the absence of any such communication from us, the above information should be taken as updated information until the NCDs commence trading.

For Vistra ITCL (India) Limited

Authorised Signatory
Name: Sanjay Dodti
Designation: Manager

ANNEXURE E

ILLUSTRATIVE CASH FLOW AND DAY COUNT CONVENTION

ILLUSTRATION FOR GUIDANCE IN RESPECT OF THE DAY COUNT CONVENTION AND EFFECT OF HOLIDAYS ON PAYMENTS

Series I	
Company	Aditya Birla Finance Limited
Face Value per NCD (in ₹)	1000
Number of NCDs held (assumed)	10
Deemed date of allotment (assumed)	October 18, 2023
Tenor	3 years
Coupon Rate (% per annum) for NCD Holders in all Categories of Investors	8.00%
Redemption Date/Maturity Date (assumed)	October 18, 2026
Frequency of interest payment with specified dates	Annual First interest due on October 18, 2024 and subsequently on October 18th day of every year and the last interest payment will be made at the time of redemption of the NCDs
Effective Yield (% per annum) for NCD Holders in all Categories of Investors	7.99%
Day Count Convention	Actual / Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	For Category I, II, III & IV Investors (₹)
Deemed date of allotment	**Wednesday, 18 October, 2023**	**Wednesday, 18 October, 2023**		**-10000**
Coupon / Interest Payment 1	Friday, 18 October, 2024	Friday, 18 October, 2024	366	800
Coupon / Interest Payment 2	Saturday, 18 October, 2025	Saturday, 18 October, 2025	365	800
Coupon / Interest Payment 3	Sunday, 18 October, 2026	Saturday, 17 October, 2026	364	797.81
Principal	Sunday, 18 October, 2026	Saturday, 17 October, 2026		10000

Series II	
Company	Aditya Birla Finance Limited
Face Value per NCD (in ₹)	1000
Number of NCDs held (assumed)	10
Deemed date of allotment (assumed)	October 18, 2023
Tenor	3 years
Coupon Rate (% per annum) for NCD Holders in all Categories of Investors	NA
Redemption Date/Maturity Date (assumed)	October 18, 2026
Frequency of interest payment with specified dates	NA
Effective Yield (% per annum) for NCD Holders in all Categories of Investors	7.99%
Day Count Convention	Actual / Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	For Category I, II, III & IV Investors (₹)
Deemed date of allotment	**Wednesday, 18 October, 2023**	**Wednesday, 18 October, 2023**		**-10000**
Coupon / Interest Payment	Sunday, 18 October, 2026	Saturday, 17 October, 2026	1095	2594.56
Principal	Sunday, 18 October, 2026	Saturday, 17 October, 2026		10000

Series III	
Company	Aditya Birla Finance Limited
Face Value per NCD (in ₹)	1000
Number of NCDs held (assumed)	10
Deemed date of allotment (assumed)	October 18, 2023
Tenor	5 years

Series III	
Coupon Rate (% per annum) for NCD Holders in all Categories of Investors	8.05%
Redemption Date/Maturity Date (assumed)	October 18, 2028
Frequency of interest payment with specified dates	Annual First interest due on October 18, 2024 and subsequently on October 18th day of every year and the last interest payment will be made at the time of redemption of the NCDs
Effective Yield (% per annum) for NCD Holders in all Categories of Investors	8.04%
Day Count Convention	Actual / Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	For Category I, II, III & IV Investors (₹)
Deemed date of allotment	**Wednesday, 18 October, 2023**	**Wednesday, 18 October, 2023**		**-10000**
Coupon / Interest Payment 1	Friday, 18 October, 2024	Friday, 18 October, 2024	366	805
Coupon / Interest Payment 2	Saturday, 18 October, 2025	Saturday, 18 October, 2025	365	805
Coupon / Interest Payment 3	Sunday, 18 October, 2026	Monday, 19 October, 2026	365	805
Coupon / Interest Payment 4	Monday, 18 October, 2027	Monday, 18 October, 2027	365	805
Coupon / Interest Payment 5	Wednesday, 18 October, 2028	Wednesday, 18 October, 2028	366	805
Principal	Wednesday, 18 October, 2028	Wednesday, 18 October, 2028		10000

Series IV	
Company	Aditya Birla Finance Limited
Face Value per NCD (in ₹)	1000
Number of NCDs held (assumed)	10
Deemed date of allotment (assumed)	October 18, 2023
Tenor	5 years
Coupon Rate (% per annum) for NCD Holders in all Categories of Investors	NA
Redemption Date/Maturity Date (assumed)	October 18, 2028
Frequency of interest payment with specified dates	NA
Effective Yield (% per annum) for NCD Holders in all Categories of Investors	8.04%
Day Count Convention	Actual / Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	For Category I, II, III & IV Investors (₹)
Deemed date of allotment	**Wednesday, 18 October, 2023**	**Wednesday, 18 October, 2023**		**-10000**
Coupon / Interest Payment	Wednesday, 18 October, 2028	Wednesday, 18 October, 2028	1827	4727.32
Principal	Wednesday, 18 October, 2028	Wednesday, 18 October, 2028		10000

Series V	
Company	Aditya Birla Finance Limited
Face Value per NCD (in ₹)	1000
Number of NCDs held (assumed)	10
Deemed date of allotment (assumed)	October 18, 2023
Tenor	10 years
Coupon Rate (% per annum) for NCD Holders in all Categories of Investors	7.85%
Redemption Date/Maturity Date (assumed)	October 18, 2033
Frequency of interest payment with specified dates	Monthly First interest due on November 18, 2023 and subsequently on the 18th day of every month and the last interest payment will be made at the time of redemption of the NCDs
Effective Yield (% per annum) for NCD Holders in all Categories of Investors	8.08%
Day Count Convention	Actual / Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	For Category I, II, III & IV Investors (₹)
Deemed date of allotment	**Wednesday, 18 October, 2023**	**Friday, 20 October, 2023**		**-10000**
Coupon / Interest Payment 1	Saturday, 18 November, 2023	Saturday, 18 November, 2023	31	66.07
Coupon / Interest Payment 2	Monday, 18 December, 2023	Monday, 18 December, 2023	30	63.93
Coupon / Interest Payment 3	Thursday, 18 January, 2024	Thursday, 18 January, 2024	31	66.07
Coupon / Interest Payment 4	Sunday, 18 February, 2024	Monday, 19 February, 2024	31	66.07
Coupon / Interest Payment 5	Monday, 18 March, 2024	Monday, 18 March, 2024	29	61.80
Coupon / Interest Payment 6	Thursday, 18 April, 2024	Thursday, 18 April, 2024	31	66.07
Coupon / Interest Payment 7	Saturday, 18 May, 2024	Saturday, 18 May, 2024	30	63.93
Coupon / Interest Payment 8	Tuesday, 18 June, 2024	Tuesday, 18 June, 2024	31	66.07
Coupon / Interest Payment 9	Thursday, 18 July, 2024	Thursday, 18 July, 2024	30	63.93
Coupon / Interest Payment 10	Sunday, 18 August, 2024	Monday, 19 August, 2024	31	66.07
Coupon / Interest Payment 11	Wednesday, 18 September, 2024	Wednesday, 18 September, 2024	31	66.07
Coupon / Interest Payment 12	Friday, 18 October, 2024	Friday, 18 October, 2024	30	63.93
Coupon / Interest Payment 13	Monday, 18 November, 2024	Monday, 18 November, 2024	31	66.25
Coupon / Interest Payment 14	Wednesday, 18 December, 2024	Wednesday, 18 December, 2024	30	64.11
Coupon / Interest Payment 15	Saturday, 18 January, 2025	Saturday, 18 January, 2025	31	66.25
Coupon / Interest Payment 16	Tuesday, 18 February, 2025	Tuesday, 18 February, 2025	31	66.25
Coupon / Interest Payment 17	Tuesday, 18 March, 2025	Tuesday, 18 March, 2025	28	59.84
Coupon / Interest Payment 18	Friday, 18 April, 2025	Friday, 18 April, 2025	31	66.25
Coupon / Interest Payment 19	Sunday, 18 May, 2025	Monday, 19 May, 2025	30	64.11
Coupon / Interest Payment 20	Wednesday, 18 June, 2025	Wednesday, 18 June, 2025	31	66.25
Coupon / Interest Payment 21	Friday, 18 July, 2025	Friday, 18 July, 2025	30	64.11
Coupon / Interest Payment 22	Monday, 18 August, 2025	Monday, 18 August, 2025	31	66.25
Coupon / Interest Payment 23	Thursday, 18 September, 2025	Thursday, 18 September, 2025	31	66.25
Coupon / Interest Payment 24	Saturday, 18 October, 2025	Saturday, 18 October, 2025	30	64.11
Coupon / Interest Payment 25	Tuesday, 18 November, 2025	Tuesday, 18 November, 2025	31	66.25
Coupon / Interest Payment 26	Thursday, 18 December, 2025	Thursday, 18 December, 2025	30	64.11
Coupon / Interest Payment 27	Sunday, 18 January, 2026	Monday, 19 January, 2026	31	66.25
Coupon / Interest Payment 28	Wednesday, 18 February, 2026	Wednesday, 18 February, 2026	31	66.25
Coupon / Interest Payment 29	Wednesday, 18 March, 2026	Wednesday, 18 March, 2026	28	59.84
Coupon / Interest Payment 30	Saturday, 18 April, 2026	Saturday, 18 April, 2026	31	66.25
Coupon / Interest Payment 31	Monday, 18 May, 2026	Monday, 18 May, 2026	30	64.11
Coupon / Interest Payment 32	Thursday, 18 June, 2026	Thursday, 18 June, 2026	31	66.25
Coupon / Interest Payment 33	Saturday, 18 July, 2026	Saturday, 18 July, 2026	30	64.11
Coupon / Interest Payment 34	Tuesday, 18 August, 2026	Tuesday, 18 August, 2026	31	66.25
Coupon / Interest Payment 35	Friday, 18 September, 2026	Friday, 18 September, 2026	31	66.25
Coupon / Interest Payment 36	Sunday, 18 October, 2026	Monday, 19 October, 2026	30	64.11
Coupon / Interest Payment 37	Wednesday, 18 November, 2026	Wednesday, 18 November, 2026	31	66.25
Coupon / Interest Payment 38	Friday, 18 December, 2026	Friday, 18 December, 2026	30	64.11
Coupon / Interest Payment 39	Monday, 18 January, 2027	Monday, 18 January, 2027	31	66.25
Coupon / Interest Payment 40	Thursday, 18 February, 2027	Thursday, 18 February, 2027	31	66.25
Coupon / Interest Payment 41	Thursday, 18 March, 2027	Thursday, 18 March, 2027	28	59.84
Coupon / Interest Payment 42	Sunday, 18 April, 2027	Monday, 19 April, 2027	31	66.25
Coupon / Interest Payment 43	Tuesday, 18 May, 2027	Tuesday, 18 May, 2027	30	64.11
Coupon / Interest Payment 44	Friday, 18 June, 2027	Friday, 18 June, 2027	31	66.25
Coupon / Interest Payment 45	Sunday, 18 July, 2027	Monday, 19 July, 2027	30	64.11
Coupon / Interest Payment 46	Wednesday, 18 August, 2027	Wednesday, 18 August, 2027	31	66.25
Coupon / Interest Payment 47	Saturday, 18 September, 2027	Saturday, 18 September, 2027	31	66.25
Coupon / Interest Payment 48	Monday, 18 October, 2027	Monday, 18 October, 2027	30	64.11
Coupon / Interest Payment 49	Thursday, 18 November, 2027	Thursday, 18 November, 2027	31	66.07
Coupon / Interest Payment 50	Saturday, 18 December, 2027	Saturday, 18 December, 2027	30	63.93
Coupon / Interest Payment 51	Tuesday, 18 January, 2028	Tuesday, 18 January, 2028	31	66.07
Coupon / Interest Payment 52	Friday, 18 February, 2028	Friday, 18 February, 2028	31	66.07
Coupon / Interest Payment 53	Saturday, 18 March, 2028	Saturday, 18 March, 2028	29	61.80
Coupon / Interest Payment 54	Tuesday, 18 April, 2028	Tuesday, 18 April, 2028	31	66.07
Coupon / Interest Payment 55	Thursday, 18 May, 2028	Thursday, 18 May, 2028	30	63.93
Coupon / Interest Payment 56	Sunday, 18 June, 2028	Monday, 19 June, 2028	31	66.07
Coupon / Interest Payment 57	Tuesday, 18 July, 2028	Tuesday, 18 July, 2028	30	63.93
Coupon / Interest Payment 58	Friday, 18 August, 2028	Friday, 18 August, 2028	31	66.07
Coupon / Interest Payment 59	Monday, 18 September, 2028	Monday, 18 September, 2028	31	66.07

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	For Category I, II, III & IV Investors (₹)
Coupon / Interest Payment 60	Wednesday, 18 October, 2028	Wednesday, 18 October, 2028	30	63.93
Coupon / Interest Payment 61	Saturday, 18 November, 2028	Saturday, 18 November, 2028	31	66.25
Coupon / Interest Payment 62	Monday, 18 December, 2028	Monday, 18 December, 2028	30	64.11
Coupon / Interest Payment 63	Thursday, 18 January, 2029	Thursday, 18 January, 2029	31	66.25
Coupon / Interest Payment 64	Sunday, 18 February, 2029	Monday, 19 February, 2029	31	66.25
Coupon / Interest Payment 65	Sunday, 18 March, 2029	Monday, 19 March, 2029	28	59.84
Coupon / Interest Payment 66	Wednesday, 18 April, 2029	Wednesday, 18 April, 2029	31	66.25
Coupon / Interest Payment 67	Friday, 18 May, 2029	Friday, 18 May, 2029	30	64.11
Coupon / Interest Payment 68	Monday, 18 June, 2029	Monday, 18 June, 2029	31	66.25
Coupon / Interest Payment 69	Wednesday, 18 July, 2029	Wednesday, 18 July, 2029	30	64.11
Coupon / Interest Payment 70	Saturday, 18 August, 2029	Saturday, 18 August, 2029	31	66.25
Coupon / Interest Payment 71	Tuesday, 18 September, 2029	Tuesday, 18 September, 2029	31	66.25
Coupon / Interest Payment 72	Thursday, 18 October, 2029	Thursday, 18 October, 2029	30	64.11
Coupon / Interest Payment 73	Sunday, 18 November, 2029	Monday, 19 November, 2029	31	66.25
Coupon / Interest Payment 74	Tuesday, 18 December, 2029	Tuesday, 18 December, 2029	30	64.11
Coupon / Interest Payment 75	Friday, 18 January, 2030	Friday, 18 January, 2030	31	66.25
Coupon / Interest Payment 76	Monday, 18 February, 2030	Monday, 18 February, 2030	31	66.25
Coupon / Interest Payment 77	Monday, 18 March, 2030	Monday, 18 March, 2030	28	59.84
Coupon / Interest Payment 78	Thursday, 18 April, 2030	Thursday, 18 April, 2030	31	66.25
Coupon / Interest Payment 79	Saturday, 18 May, 2030	Saturday, 18 May, 2030	30	64.11
Coupon / Interest Payment 80	Tuesday, 18 June, 2030	Tuesday, 18 June, 2030	31	66.25
Coupon / Interest Payment 81	Thursday, 18 July, 2030	Thursday, 18 July, 2030	30	64.11
Coupon / Interest Payment 82	Sunday, 18 August, 2030	Monday, 19 August, 2030	31	66.25
Coupon / Interest Payment 83	Wednesday, 18 September, 2030	Wednesday, 18 September, 2030	31	66.25
Coupon / Interest Payment 84	Friday, 18 October, 2030	Friday, 18 October, 2030	30	64.11
Coupon / Interest Payment 85	Monday, 18 November, 2030	Monday, 18 November, 2030	31	66.25
Coupon / Interest Payment 86	Wednesday, 18 December, 2030	Wednesday, 18 December, 2030	30	64.11
Coupon / Interest Payment 87	Saturday, 18 January, 2031	Saturday, 18 January, 2031	31	66.25
Coupon / Interest Payment 88	Tuesday, 18 February, 2031	Tuesday, 18 February, 2031	31	66.25
Coupon / Interest Payment 89	Tuesday, 18 March, 2031	Tuesday, 18 March, 2031	28	59.84
Coupon / Interest Payment 90	Friday, 18 April, 2031	Friday, 18 April, 2031	31	66.25
Coupon / Interest Payment 91	Sunday, 18 May, 2031	Monday, 19 May, 2031	30	64.11
Coupon / Interest Payment 92	Wednesday, 18 June, 2031	Wednesday, 18 June, 2031	31	66.25
Coupon / Interest Payment 93	Friday, 18 July, 2031	Friday, 18 July, 2031	30	64.11
Coupon / Interest Payment 94	Monday, 18 August, 2031	Monday, 18 August, 2031	31	66.25
Coupon / Interest Payment 95	Thursday, 18 September, 2031	Thursday, 18 September, 2031	31	66.25
Coupon / Interest Payment 96	Saturday, 18 October, 2031	Saturday, 18 October, 2031	30	64.11
Coupon / Interest Payment 97	Tuesday, 18 November, 2031	Tuesday, 18 November, 2031	31	66.07
Coupon / Interest Payment 98	Thursday, 18 December, 2031	Thursday, 18 December, 2031	30	63.93
Coupon / Interest Payment 99	Sunday, 18 January, 2032	Monday, 19 January, 2032	31	66.07
Coupon / Interest Payment 100	Wednesday, 18 February, 2032	Wednesday, 18 February, 2032	31	66.07
Coupon / Interest Payment 101	Thursday, 18 March, 2032	Thursday, 18 March, 2032	29	61.80
Coupon / Interest Payment 102	Sunday, 18 April, 2032	Monday, 19 April, 2032	31	66.07
Coupon / Interest Payment 103	Tuesday, 18 May, 2032	Tuesday, 18 May, 2032	30	63.93
Coupon / Interest Payment 104	Friday, 18 June, 2032	Friday, 18 June, 2032	31	66.07
Coupon / Interest Payment 105	Sunday, 18 July, 2032	Monday, 19 July, 2032	30	63.93
Coupon / Interest Payment 106	Wednesday, 18 August, 2032	Wednesday, 18 August, 2032	31	66.07
Coupon / Interest Payment 107	Saturday, 18 September, 2032	Saturday, 18 September, 2032	31	66.07
Coupon / Interest Payment 108	Monday, 18 October, 2032	Monday, 18 October, 2032	30	63.93
Coupon / Interest Payment 109	Thursday, 18 November, 2032	Thursday, 18 November, 2032	31	66.25
Coupon / Interest Payment 110	Saturday, 18 December, 2032	Saturday, 18 December, 2032	30	64.11
Coupon / Interest Payment 111	Tuesday, 18 January, 2033	Tuesday, 18 January, 2033	31	66.25
Coupon / Interest Payment 112	Friday, 18 February, 2033	Friday, 18 February, 2033	31	66.25
Coupon / Interest Payment 113	Friday, 18 March, 2033	Friday, 18 March, 2033	28	59.84
Coupon / Interest Payment 114	Monday, 18 April, 2033	Monday, 18 April, 2033	31	66.25
Coupon / Interest Payment 115	Wednesday, 18 May, 2033	Wednesday, 18 May, 2033	30	64.11
Coupon / Interest Payment 116	Saturday, 18 June, 2033	Saturday, 18 June, 2033	31	66.25
Coupon / Interest Payment 117	Monday, 18 July, 2033	Monday, 18 July, 2033	30	64.11
Coupon / Interest Payment 118	Thursday, 18 August, 2033	Thursday, 18 August, 2033	31	66.25
Coupon / Interest Payment 119	Sunday, 18 September, 2033	Monday, 19 September, 2033	31	66.25
Coupon / Interest Payment 120	Tuesday, 18 October, 2033	Tuesday, 18 October, 2033	30	64.11

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	For Category I, II, III & IV Investors (₹)
Principal	Tuesday, 18 October, 2033	Tuesday, 18 October, 2033		10000

Series VI	
Company	Aditya Birla Finance Limited
Face Value per NCD (in ₹)	1000
Number of NCDs held (assumed)	10
Deemed date of allotment (assumed)	October 18, 2023
Tenor	10 years
Coupon Rate (% per annum) for NCD Holders in all Categories of Investors	8.10%
Redemption Date/Maturity Date (assumed)	October 18, 2033
Frequency of interest payment with specified dates	Annual First interest due on October 18, 2024 and subsequently on October 18th day of every year and the last interest payment will be made at the time of redemption of the NCDs
Effective Yield (% per annum) for NCD Holders in all Categories of Investors	8.09%
Day Count Convention	Actual / Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	For Category I, II, III & IV Investors (₹)
Deemed date of allotment	**Wednesday, 18 October, 2023**	**Wednesday, 18 October, 2023**		**-10000**
Coupon / Interest Payment 1	Friday, 18 October, 2024	Friday, 18 October, 2024	366	810
Coupon / Interest Payment 2	Saturday, 18 October, 2025	Saturday, 18 October, 2025	365	810
Coupon / Interest Payment 3	Sunday, 18 October, 2026	Monday, 19 October, 2026	365	810
Coupon / Interest Payment 4	Monday, 18 October, 2027	Monday, 18 October, 2027	365	810
Coupon / Interest Payment 5	Wednesday, 18 October, 2028	Wednesday, 18 October, 2028	366	810
Coupon / Interest Payment 6	Thursday, 18 October, 2029	Thursday, 18 October, 2029	365	810
Coupon / Interest Payment 7	Friday, 18 October, 2030	Friday, 18 October, 2030	365	810
Coupon / Interest Payment 8	Saturday, 18 October, 2031	Saturday, 18 October, 2031	365	810
Coupon / Interest Payment 9	Monday, 18 October, 2032	Monday, 18 October, 2032	366	810
Coupon / Interest Payment 10	Tuesday, 18 October, 2033	Tuesday, 18 October, 2033	365	810
Principal	Tuesday, 18 October, 2033	Tuesday, 18 October, 2033		10000

Assumptions:

1. The Deemed Date of Allotment is assumed to be October 18, 2023. If the Deemed Date of Allotment undergoes a change, the coupon payments dates, redemption dates, redemption amount and other cash flow working shall be changed accordingly.

2. Interest payable during the leap years have been calculated for 366 days.

3. Coupon Payments falling on working Saturdays will be made on same day.