TRUCAP FINANCE LIMITED

EMPOWERING ENTREPRENEURS

ANNUAL REPORT 2024

Contents

Strategic Overview

01	Corporate Information	02
02	Board of Directors	03
03	Senior Management	05
04	Letter from Independent Director & Chairperson	07
05	Letter from Managing Director & CEO	08
06	Financial Highlights	10
07	Key Highlights	11

Statutory Reports

08	Directors' Report	18
09	Management Discussion and Analysis	51
10	Business Responsibility Report	59
11	Corporate Governance Report	69

Financial Statements

12	Standalone Financial Statements along with the Auditor's Report	100
13	Consolidated Financial Statements along with the Auditor's Report	188

Forward Looking Statements

This Annual Report contains statements about expected future events and financial and operating results of TruCap Finance Limited (formerly Dhanvarsha Finvest Limited), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Do not place undue reliance on forward looking statements as a number of factors could cause assumptions and actual future results or events to differ materially from those expressed in these forward-looking statements.

Corporate Information

Board of Directors

Mr. Rakesh Sethi	Independent Director, Chairperson
Mr. Nirmal Vinod Momaya	Independent Director
Mr. Krishipal Raghuvanshi	Independent Director
Ms. Geetu Gidwani Verma	Independent Director
Ms. Abha Kapoor	Independent Director
Mr. Rajiv Kapoor	Non-Executive Non-Independent Director
Mr. Atwood Porter Collins	Non-Executive Non-Independent Director
Mrs. Rushina Mehta	Non-Executive Non-Independent Director
Mr. Rohanjeet Singh Juneja	Managing Director & CEO

Senior Management

Mr. Sanjay Kukreja	Chief Financial Officer
Mr. Mahendra Kumar Servaiya	Chief Credit Officer
Mr. Lalit Chendvankar	Chief Compliance Officer & Legal Head
Ms. Sonal Sharma	Company Secretary & Compliance Officer
Mr. Gaurav Bhargava	Business Head – Gold Loans
Mr. Vishal Miglani	Senior Vice President - Business Loan, Cross Sell, Collaborations & Strategy
Mr. Syamantak Mayekar	Head-Operations and Customer Service
Mr. Mohinder Dogra	Head-Collections

Registered Office Address

3rd Floor, A Wing, D.J. House, Old Nagardas Road, Andheri (East), Mumbai – 400 069.

Statutory Auditors

M/s. Bansal Bansal & Co. (Chartered Accountants)
120, Building No. 6, Mittal Industrial Estate,
Andheri Kurla Road,
Andheri (East), Mumbai – 400 059.

Registrar and Share Transfer Agent

MCS Share Transfer Agent Limited
3B3, 3rd Floor, B-Wing,
Gundecha Onclave Premises Co-op. Society Ltd.,
Kherani Road, Saki Naka,
Andheri (East), Mumbai – 400 072.

Debenture Trustee

Catalyst Trusteeship Limited
GDA House, 1st Floor, Plot No. 85, S.No. 94 & 95,
Bhusari Colony (Right), Kothrud, Pune – 411 038.

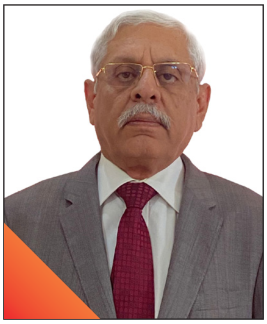
Internal Auditors

Grant Thornton Bharat LLP
(formerly Grant Thornton India LLP)
L-41, Connaught Circus, Outer Circle,
New Delhi – 110 001.

Secretarial Auditor

M/s. U. Hegde & Associates (Company Secretaries)
B-401, Janki Niwas, Shree Rambalakdas Nagri CHS.,
Tapovan, Malad (East), Mumbai – 400 097.

Board of Directors



Mr. Rakesh Sethi

Independent Director, Chairperson

Mr. Rakesh Sethi is a Gold Medalist in Master of Commerce from the Osmania University, Hyderabad. He has been a career banker and has held several top positions during his 39 years of experience in banking industry.

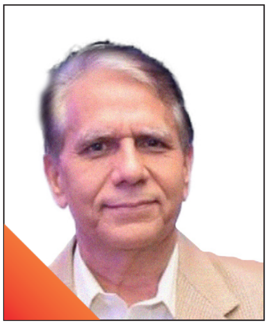
Some of his accomplishments include being the Executive Director with Punjab National Bank from January 01, 2011 to March 11, 2014 (appointed by the Government of India), Chairman and Managing Director of Allahabad Bank from March 12, 2014 to April 30, 2017 and in various capacities in Andhra Bank. He is a veteran banker and has worked in various segments in banking industry including but not limited to Corporate Banking, Foreign Exchange, Credit, Risk Management, Deposit Planning, Corporate Communications, Government Business etc.

Recently he has been appointed as Director in J. K. Cement Limited and Heritage Finlease Limited.

Mr. Nirmal Vinod Momaya

Independent Director

Mr. Nirmal Vinod Momaya, possess over 30+ years of professional experience in finance, taxation, audit and management consultancy. He holds a bachelor's degree in commerce and is a Chartered Accountant. He is serving as a Managing Director in Camlin Fine Sciences Limited.



Mr. Krishipal Raghuvanshi

Independent Director

Mr. Raghuvanshi is an IPS officer (1980 batch) and has held a wide array of important and sensitive postings in the state of Maharashtra.

He has varied experience over 35 years in leadership roles across Administration, Collection of Intelligence Investigations, Security Management (Valued Assets, General & VIP), Prevention & Detection of Crime, Vigilance, Anti-Corruption, Maintenance of Law and Order, Counter Terrorism measures and Anti Naxal Operations etc. He has previously served as Additional Director General of Police (Law & Order), Maharashtra. He currently acts as a Strategic Security Advisor to the Reserve Bank of India. He is currently acting as Security Adviser at Hindustan Petroleum Corporation Limited and also advising Rajasthan Royals on ethics and is on the governing council of Rajasthan Royals of Indian Premier League (IPL).

Ms. Geetu Gidwani Verma

Independent Director

Ms. Geetu Gidwani Verma is a global business leader & innovator driven by the urgency to build businesses with purpose that have a lasting impact on the health of the world. A seasoned leader, she has over 30 years' experience in the FMCG sector with Procter & Gamble, Pernod Ricard, Pepsico and Unilever.

After her last 10 years in Unilever, she is now a global management consultant, focused on helping businesses with innovation, strategy & new business models to create sustainable growth. She partners Oxfordsm, a BCorp and a global strategic and marketing consultancy headquartered in the UK.

She has been recognized as among the most powerful women in Indian business by Business Today and ranked among the top 10 most influential marketers, several years in a row. She in an immensely respected FMCG industry voice, an ardent advocate on authentic leadership and a strong proponent of an inclusive culture that helps diversity thrive. She actively supports causes related to underprivileged children's health care and education.

Ms. Abha Kapoor

Independent Director

Ms. Abha Kapoor contributes actively to building companies and enhancing their governance. Today, as an Independent Director on multiple Boards, she adds perspectives to business building and brings "responsible" capitalism to the Boardroom. Her contributions have seen traction in strengthening both business and governance.

Earlier, Ms. Kapoor established, as a Founding Partner, K&J Search, a specialist Media and Entertainment talent firm. K&J established itself as a leader, partnering with the Media Sectors growth from its early days, onboarding talent across global and Indian satellite brands, music labels, production houses, film studios, radio, digital/mobile companies, and multinational advertising agencies. The firm also took on numerous CXO-level mandates across the FMCG and Telecom sectors, garnering an impressive client list.

It has been extremely gratifying for her to be at the forefront of the Media and Entertainment space and significantly contribute to the rapid expansion of India's M&E sector in the last few decades. Her "eye for talent" drove the aggressive growth trajectory of many new startups in the Sector, and Founders relied on her for building their teams and establishing their brands.

An avid reader and a practicing Buddhist, she interestedly pursues the study of "personal growth" and the evolution of a "responsible" self.

Mr. Rajiv Kapoor

Non-Executive Non-Independent Director

Mr. Rajiv Kapoor holds a Post Graduate Diploma in Management from the Indian Institute of Management Calcutta, and a Bachelor of Technology in Chemical Engineering from the Indian Institute of Technology, New Delhi.

He has over 39 years of international corporate experience in senior positions in Marketing, Sales, Product Management, General Management and Corporate Advisory. His last corporate role was as Senior Vice President, Marketing and Cross Border for Asia Pacific at Visa Inc. Prior to that he worked at Proctor & Gamble, Nestle, PepsiCo, across multiple geographies including India, Switzerland, Australia, Singapore, United Kingdom, with oversight for international markets in Asia Pacific, Middle East, Eastern Europe, Russia and Africa. He is currently an Advisor and Board Member in fintech, healthtech and market research & data analytics companies.

Mr. Atwood Porter Collins

Non-Executive Non-Independent Director

Mr. Atwood Porter Collins has over 23 years' experience investing in global financial services companies with over 16 years of investing experience in India. He was Co-founder and Portfolio Manager of Seawolf Capital LLC, an equity hedge fund investing in global financial services companies based in New York City from 2011-2018.

Prior to co-founding Seawolf Capital, He was a Partner of the FrontPoint Financial Services Fund where he was featured in the Michael Lewis book and the movie 'The Big Short' for accurately predicting the Global Financial Crisis of 2008. Winning substantial critical acclaim for foreseeing excess leverage in the US financial system well before 2008, Mr. Collins and his team made several presentations to US Government offices on resurrecting the economy post the crisis.

Prior to joining FrontPoint in 2004, He was a Financial Services Analyst and a Retail/Consumer Analyst at Chilton Investment Co., Inc and also served as a Portfolio Analyst at Goldman Sachs & Co. Commodities Corporation.

He is on the Board of the Emily Hall Tremaine Foundation, the Investment Committee of Salisbury School, the Board of Directors of the National Rowing Foundation and the Board of Stewards of Power Ten New York, Inc., and is a Steward of the Brown Rowing Association.

Mrs. Rushina Mehta

Non-Executive Non-Independent Director

Mrs. Rushina Mehta graduated from the University of Mumbai with specialization in financial accounting and auditing. She further completed her M.A. Inclusion (Special Educational Needs) from University of Birmingham. She is an entrepreneur and a Director in NRAM Regent Private Limited.

Mr. Rohanjeet Singh Juneja

Managing Director & CEO

Mr. Rohanjeet Singh Juneja is an investment banker and hedge fund manager with over 18 years of experience in research, strategy, portfolio management, financial analysis, mergers and acquisitions etc.

He started his career as Equity Research Associate with Keefe Bruyette & Woods and was elevated to the position of Assistant Vice President. He worked with FrontPoint Partners, L.P. as Financial Analyst and Vice President where he extensively worked on analysis, research and investment in financial services and real estate companies in India and USA. Post FrontPoint Partners, he was associated with Seawolf Capital LLC as Vice President, responsible for investing and managing a portfolio of listed equities within financial services companies in India and USA. He also worked on companies in similar sectors located in Australia, Brazil and Canada.

Senior Management

Mr. Sanjay Kukreja

Chief Financial Officer

Mr. Kukreja has over 30 years of experience in Financial Planning and Control, Profit Centre Operations, Taxation & Budgeting etc. He was a practising Chartered Accountant for almost 25 years. He has worked as Joint CEO in Masscorp Ltd., KPL Exports Pvt. Ltd and has also been previously associated with Rotex Wheels Pvt. Ltd and Welspun Group of Companies. Prior to joining TruCap, he was a part of Wilson Holdings Pvt. Ltd as Chief Financial Officer. He is a Fellow member of the Indian Institute of Chartered Accountants of India.

Mr. Mahendra Kumar Servaiya

Chief Credit Officer

Mr. Servaiya is one of the most experienced member with over three decades of banking experience. He last served as an Assistant General Manager in Credit team of Union Bank. At TruCap, he is designated as a Principal Officer under PMLA guidelines and heads the credit function.

Mr. Lalit Chendvankar

Chief Compliance Officer and Legal Head

Mr. Chendvankar is a qualified company secretary and LL.B. with nearly 19 years of experience in steering Secretarial, Compliance and Legal functions. He was previously associated as Head – Corporate Affairs, Company Secretary and Legal with MIRC Electronics Limited, a well-known name in the Consumer Durables industry. He has robust experience in handling Mergers & Acquisitions, IPOs, Corporate Restructuring, Corporate Advisory Services, Private Equity investments and Foreign Investments.

Ms. Sonal Sharma

Company Secretary & Compliance Officer

Ms. Sharma is a qualified Company Secretary with an overall experience of 15 years in secretarial and compliances pertaining to Non-Banking Financial Companies. She was earlier associated with India Factoring and Finance Solution Private Limited and Motilal Oswal Group where she worked in Corporate Secretarial and Compliances profile.

Mr. Gaurav Bhargava

Business Head – Gold Loans

Mr. Bhargava is a Post-Graduate in MBA Marketing from ICFAI Business School, Hyderabad. He has over 17 years of experience in retail assets industry. He has worked with various reputed finance companies and has rich experience in all retail assets products viz. Personal Loans, Business Loans, Loan Against Property, Home Loans and Gold Loans. He is skilled in Business Planning, Development, Retail Sales and Portfolio Analysis. He has been instrumental in setting up the Gold loan business at and is currently managing the Gold loan vertical.

Mr. Vishal Miglani

Senior Vice President – Business Loan, Cross Sell, Collaborations & Strategy

Mr. Miglani has an extensive background in team building, project management, financial analysis and new product development right from building relationship to distribution to manufacturing. He has an overall experience of over 23 years in operations, sales & marketing in financial & automotive industry. He had a successful career in running self-owned businesses previously in the automotive industry. He has completed his graduation from University of Mumbai.

Mr. Syamantak Mayekar

Head - Operations & Customer Service

Mr. Mayekar has an experience of over 25 years in Operations, Assets, Liabilities, Internal Audit & Product Management in BFSI. He has completed his PGDBA in Marketing from Symbiosis Pune. He has been associated with companies like SBFC Finance Ltd., Karvy Financial Services Limited, IIFL, Reliance Commercial Finance, HDFC Bank, etc.

Mr. Mohinder Dogra

Head - Collections

Mr. Dogra is a seasoned BFSI sector professional with an experience of over 3 decades in multiple products, verticals, and geographies for secured as well as unsecured lending. He comes with expertise in collections and recoveries. He has an experience of handling multiple products viz., auto loans, commercial vehicles, construction equipment, two-wheelers, home loans, micro, personal and business loans, while working with the leading financial services players – Peerless Housing Finance, Tata Finance, GE Capital, Bajaj Finance and Samrat Motor Finance. He holds a postgraduate degree in Commerce (M. Com) & Executive program in Leadership & Management (EPLM) from IIM-Calcutta.

Letter from

INDEPENDENT DIRECTOR & CHAIRPERSON

Dear Shareholders,

I extend my warm greetings to each of you on behalf of TruCap as we reflect on the fiscal year 2023-24.

In FY24, India's economy expanded by 8.2%, a notable increase from the previous year's 7%, largely propelled by a substantial push in infrastructure projects along with an increase in foreign investments. In tandem with the domestic growth in FY24, substantial foreign investments not only bolstered overall economic expansion but also had a pronounced impact on the MSME (Micro, Small, and Medium Enterprises) lending space. The influx of capital into infrastructure and technology sectors provided MSMEs with improved access to funding and resources, facilitating their growth and development. This support enabled MSMEs to enhance productivity and competitiveness, aligning them with the broader economic diversification strategy. Additionally, heightened industrial production and consumer demand further stimulated opportunities for MSMEs, reinforcing their pivotal role in driving India's economic dynamism and global influence.

Through the year, TruCap maintained a steadfast commitment for sustainable growth and consistency as a leading MSME lender, catering specifically to the last-mile small business owners. Leveraging our innovative Lending-as-a-Service (L-a-a-S) partnerships with four banks and as a prominent NBFC, we significantly augmented our asset base. Gross loans under management surged to ₹1,031 crores, marking a remarkable 77% increase over the previous year.

Our financial performance underscored this growth trajectory, with total revenue from operations surging by 30.1% to ₹161.1 crores. Our customer base expanded impressively, reaching 96,700 from 64,824, supported by the strategic addition of 59 branches across 8 states. Notably, our footprint extended into Gujarat and Rajasthan while strengthening our presence in Maharashtra, Madhya Pradesh, Goa, and Delhi NCR.

Looking ahead, we are confident in TruCap's potential to emerge as a formidable MSME lender. I extend heartfelt gratitude to every stakeholder for their unwavering support, which has been instrumental in our journey thus far.

Yours sincerely,

Rakesh Sethi

Chairperson

Letter from
MANAGING DIRECTOR & CEO

Dear Shareholders,

We commenced FY 2023-24 with strong revenue growth and robust trajectory of disbursements. In a competitive industry, we have set ourselves apart through our commitment to superior customer service, strong co-lending partnerships, and a dedicated team with a deep investment in your Company's success. These factors contribute to our competitive edge and support our strategic goals. Our emphasis on exceptional customer service and retention fosters long-term customer loyalty. This has led to your Company emerging as a leading lender to MSMEs with a thrust on sustainability and financial inclusion.

We have achieved a milestone of ₹1,000+ crores AUM in Q4 FY24. Our assets under management, which include on balance sheet loans plus loans that we originate for L-A-A-S partners have surged to ₹ 1,031 crores, up 77% over the last year, while gross NPAs have declined to 1.32% from 2.2% in March 2023 and 3.1% in fiscal' 22. Our total assets under management are composed of 65% in gold loans, 34% in MSME business loans, and 1% in loan against property and personal loans which are in run-off mode. This achievement has been driven by multi-fold factors such as opening 59 new branches leading to a total network of 128 branches which provides wide geographical coverage, focused around MSME hubs. 55% of our branches broke even in FY24 as compared to 46% in the last year.

As we navigate through dynamic market conditions, I am pleased to report significant progress and achievements across various facets of our business. We disbursed 1,62,000 loans in whole of Fiscal' 24, up from 94,000 loans in Fiscal' 23 and 53,000 loans in Fiscal' 22. We have reached disbursements of 563 Loans per working day versus 288 loans per working day in March 2023. Our active customer count that was 33,000 in March 2022 and 65,000 in March 2023 is up to almost 97,000 customers as of March 31, 2024. This growth was driven largely by MSME business loans backed by gold as collateral. We have successfully increased our operating efficiencies through productivity and technological enhancements.

Your Company has been investing in on-ground outreach initiatives, improving customer service, as well as expanding opportunities with its Lending-as-a-Service or L-A-A-S partners. The strategic collaboration with banks and financial institutions (FIs) and the focus on financial inclusion suggest a solid foundation for growth and market penetration. We have forged Lending-as-a-service (L-A-A-S) or co-lending partnerships with prominent financial institutions such as HDFC Bank, DCB Bank, Central Bank of India and four others.

Our Lending-as-a-Service (L-A-A-S) portfolio is a vital part of our strategy, representing 43% of our total Assets Under Management (AUM), which will make our balance sheet even more capital efficient. With a focus on long-term collaborations, our co-lending strategy aims to handle sourcing, servicing, and collection while partners contribute capital. We remain steadfast in our focus on improving net interest margin and increasing the operating efficiency. For the full year Fiscal' 24, our NIM of just under 5% is still well below, an expected steady range of 7.5% to 8%. This compression in Fiscal' 24 came largely from the liability side, which we anticipate will start to go in our favour in this fiscal.

Our commitment to prudent credit underwriting standards and a focus on MSME business loans backed by gold as collateral drives our growth strategy. While the pace of branch additions reaches an optimal level, we remain committed to enhancing branch productivity and profitability. Our goal is to achieve 40% - 45% co-lending to total AUM by FY25 through our branch network and co-lending partnerships. We have raised equity to strengthen our balance sheet and expand our co-lending relationships benefiting us in multiple ways.

I would like to express my gratitude for your continued support and confidence in TruCap Finance Limited. We remain committed to delivering sustainable value for our shareholders while empowering MSMEs and fostering economic growth.

Warm regards,

Rohanjeet Singh Juneja

Managing Director & CEO

Lenders

Financial Highlights

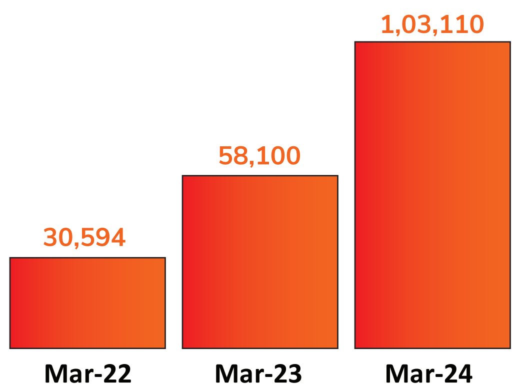
(₹ in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	Audited		Audited		Audited	
	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone
Net Worth	21,190.81	21,931.36	21,608.92	22,275.45	17,207.68	17,394.12
Cash And Cash Equivalents	13,331.14	13,327.50	8,774.84	8,759.48	7,879.58	7,782.81
Current Investments	2,807.55	5,997.65	4,861.00	8,051.10	2,589.37	5,089.47
Assets Under Management (Net)	59,267.71	59,267.71	41,790.77	41,790.77	28,812.20	28,905.66
Total Debts to Total Assets	0.74	0.74	0.66	0.65	0.61	0.61
Interest Income	11,662.75	11,576.62	9,313.28	9,318.32	4,536.31	4,546.75
Interest Expense	7,869.24	7,869.24	5,079.24	5,078.85	2,435.97	2,435.24
Impairment on financial instruments (Including Bad debts)	410.62	410.62	(158.42)	(81.32)	207.34	130.23
- Bad Debts	100.71	100.71	181.72	181.72	118.08	118.08
- Bad Debts To Account Receivable Ratio	0.17	0.17	0.43	0.43	0.41	0.41
Profit After Tax (PAT)	1,096.31	1,170.82	63.14	554.35	398.48	737.21
Gross NPA (%)*	1.32	1.32	2.25	2.25	3.02	3.02
Net NPA (%)*	0.83	0.83	1.98	1.98	2.02	2.02
Tier 1 Capital Adequacy ratio (%)	24.47	24.47	34.38	34.40	28.34	28.34

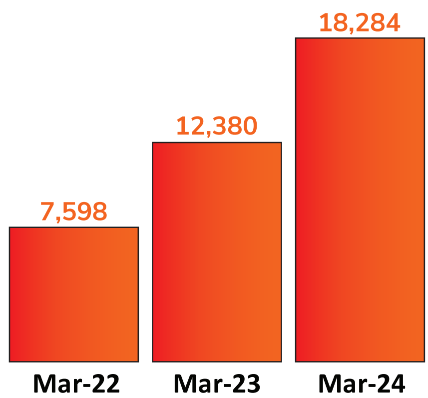
* NPA have been considered as per 90+ day NPA recognition norms. Further, Gross and Net NPA have been calculated based on assets under management which includes off-balance sheet AUM.

KEY HIGHLIGHTS

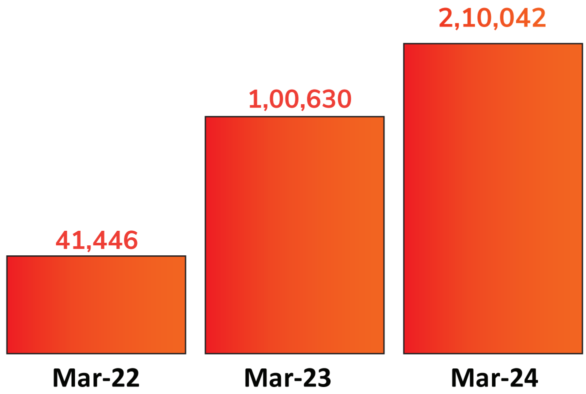
Assets Under Management (AUM)* (₹ In Lakhs)
FY24 (₹ 1,03,110) CAGR 84%



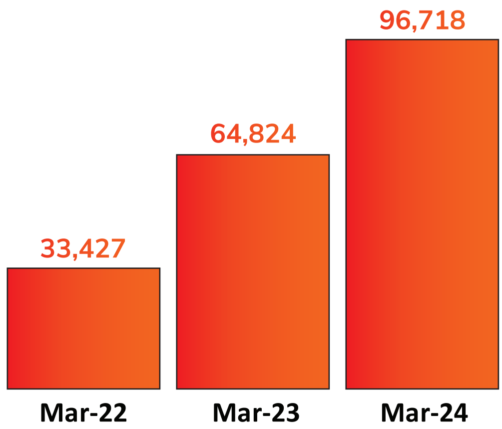
Total Revenue (₹ In Lakhs)**
FY24 (₹ 18,284) CAGR 55%



Disbursement* (₹ In Lakhs)
FY24 (₹ 2,10,042) CAGR 125%



Customer Count *(In Nos.)
FY24 (96,718) CAGR 70%

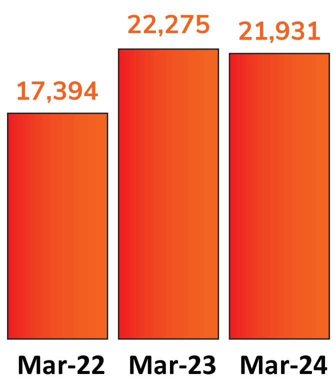


* Assets Under Management, Disbursement and Customer Count includes On-Balance Sheet as well as Off-Balance Sheet portfolio.

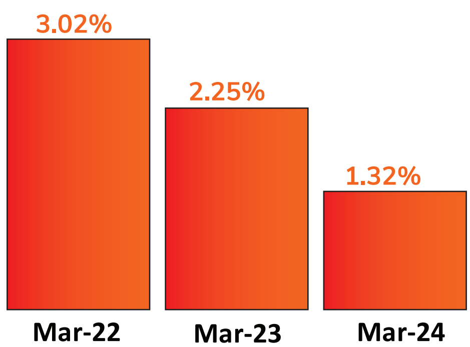
** On Consolidated Basis.

KEY HIGHLIGHTS

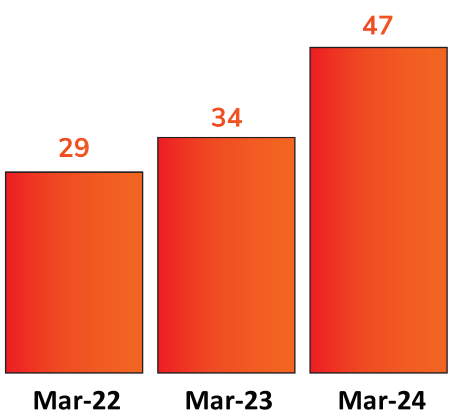
Net Worth* (₹ In Lakhs)**
FY24 (₹ 21,931) CAGR 12%



Gross NPAs **(In %)**
FY24 (1.32%) CAGR 34%



Number of Lenders (In Nos)
FY24 (47) CAGR 27%



*** On Standalone Basis

**** NPA have been consider as per 90+ day NPA recognition norms

Corporate Social Responsibility

Paramedical skills training Program towards creating livelihood opportunities

FPA India is a leading organization dedicated to advancing SRH rights across India, with a focus on marginalized communities. They provide essential healthcare services, education, and advocacy to empower women and youth in making informed decisions about their health and lives.

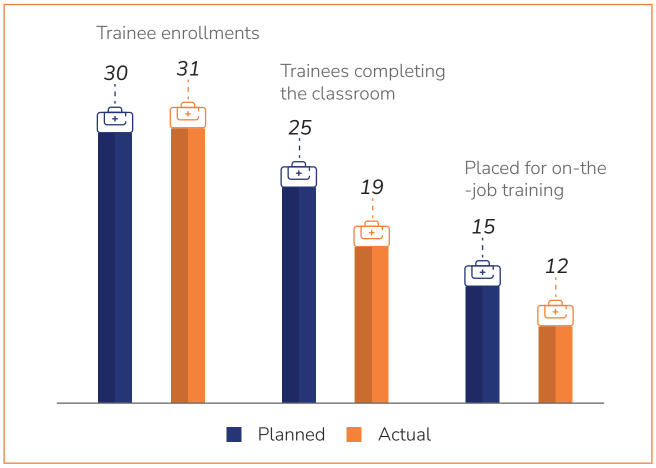
The TruCap Project aims to enhance self-efficacy and employability among underprivileged women in urban slums. It offers paramedical skill development training to equip women with vocational skills and knowledge of sexual and reproductive health, enabling them to pursue healthcare careers and make informed health choices.

FPA India conducted 31 SRH awareness sessions in Mumbai's M ward and Bhiwandi, reaching 774 women and young people with crucial health information.

Responding to community demand, FPA India administered HPV vaccinations to 75 adolescent girls in Mumbai, protecting them against cervical cancer.

Women's groups received financial literacy training under TruCap Project, empowering them with essential financial management skills for economic independence and sustainable community development.

Impact & Outcome of CSR Intervention



31 underprivileged young women were enrolled in the Paramedical Skill Development Programme. 19 participants successfully completed theory classes, and 12 have accepted hospital internships for practical, hands-on training.

SENSITIZATION ON GENDER EQUALITY AND SEXUAL AND REPRODUCTIVE RIGHTS

10	31
Sessions Planned	Sessions Delivered

A total of 31 community awareness sessions were conducted, surpassing the initial target by 210%. This initiative effectively sensitized 774 community members to the pertinent issues addressed.

ACCESS TO PREVENTIVE SCREENING AND HEALTH SERVICE SESSIONS

200	612
Expected Beneficiries	Actual Beneficiries

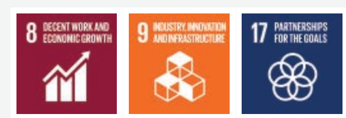
A total of 612 beneficiaries received services, surpassing the initial target by 206%. This initiative effectively provided access to prevention screening and health service sessions, where a total of 6,812 services were delivered.

#truprogress : Empowered Entrepreneurs

Noorjahan Mullaji

Nutrend Lifestyle Private Limited

"Women should keep working hard. When things get tough, companies like TruCap are there to help.

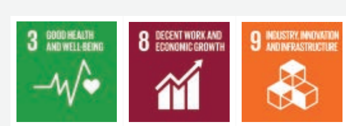


Noorjahan Mullaji, Director of Nutrend Lifestyle Private Limited, is a first generation entrepreneur. She revitalized her business in 2017 after overcoming significant financial challenges. With the support of TruCap, she expanded her team from one to 20 employees, promoting economic growth and innovation. Her journey underscores the importance of resilience and partnerships for achieving business goals.

Dinesh Prajapati

Kartik hosiery

"With TruCap Finance's growth funding and support, I'm determined to move forward and establish my brand.

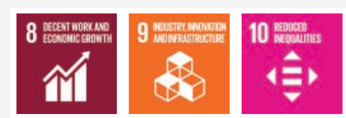


Dinesh Prajapati moved from Azamgarh to Mumbai in 2004 with his family, embarking on a journey from jobholder to first generation entrepreneur in 2012. Specializing in stitching undergarments, he started with four machines and four employees, growing his business to 25-30 employees and supplying various areas. The lockdown brought immense challenges, but Dinesh's resilience and dedication kept his business afloat with TruCap's support. He is now determined to launch his own brand, Beauty, and take his entrepreneurial dreams to new heights.

Rajesh Kumar Devnath Mahato

RR Kurti and Collection

"You can achieve success too with the right support. I've expanded my business and plan to grow even further with TRU's Support.

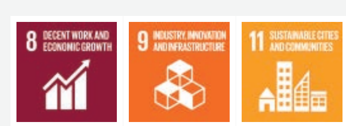


Rajesh Kumar Devnath Mahato, owner of RR Kurti and Collection, transitioned from an employee to a first generation entrepreneur in 2012. In 2018, he faced financial difficulties and turned to TruCap Finance for help. Their support allowed him to double his workforce from 8 to 16 employees. Even during COVID-19, TruCap's assistance kept his business running smoothly. Rajesh now plans to expand further, aiming to hire 50 more employees and continue growing his business.

Kamlesh Munshi

SMS Mat House

"Thanks to TruCap Finance, we're not just growing, we're thriving. Our goal is to keep expanding and serving our customers better.

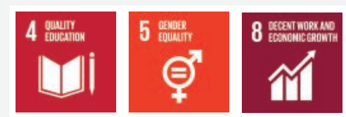


Kamlesh Munshi Vishwa Verma inherited SMS Mat House in 2002, specializing in plastic, rubber, and gym mats. By diversifying into products like gym rubber tiles and blankets, he ensured steady annual growth of 20-50%. With a dedicated team of 40 employees and an expanded customer base of 3,000, Kamlesh aims to scale his business to a ₹50 Cr turnover. TruCap Finance's consistent support has been instrumental in his journey towards sustainable growth and community empowerment.

Rachna Tripathi, Meenakshi Jaiswal and Madhuri Tiwari

Kumud's Academy

"We never anticipated our journey would take us this far in just a year. With TruCap's support, we're proud to empower students and women in our community.

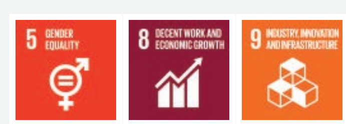


Kumud's Academy, Prayas to Lakshya, founded by Rachna Tripathi, Meenakshi Jaiswal, and Madhuri Tiwari. They are the first-generation entrepreneur, who aim to provide equal opportunities for underprivileged students. With TruCap Finance's support, they empower 82 students, striving to break the cycle of poverty through quality education and create a brighter future for all.

Shobha Pandurang Kamble

Shabri Tyres

"Success in business demands dedication, perseverance, and a genuine passion for your chosen field. With determination, any woman can excel and make a lasting impact.



Shobha Pandurang Kamble runs Shabri Tyres, a successful tyre business, breaking barriers as the first woman in her community to enter this industry. She is the first generation entrepreneur, With over fifteen years of experience and a background in M.Com. with a Diploma in Financial Management, she seized the opportunity to lead the business. With TruCap Finance's support, she expanded operations, purchased necessary machinery, and believes in empowering women through dedication and passion in business.

Directors' Report

Dear Members,
TruCap Finance Limited
(formerly Dhanvarsha Finvest Limited)
Mumbai

Your directors are pleased to present the 30th Annual Report along with the Audited Standalone and Consolidated Financial Statements of TruCap Finance Limited (**"Company"**) for the financial year ended March 31, 2024 **("Report")**.

The equity shares of your Company are listed on BSE Limited (**"BSE"**) and National Stock Exchange of India Limited (**"NSE"**). The Company is registered with the Reserve Bank of India (**"RBI"**) as a Non-Deposit accepting Non-Banking Financial Company (**"NBFC"**). Further, as per the Master Direction-Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023, dated October 19, 2023, as amended, issued by RBI (**"Master Direction"**), based on the asset size, as on March 31, 2024, the Company falls under the Base Layer and accordingly is required to comply with the regulations as are applicable for NBFC-Base Layer.

Pursuant to the applicable provisions of the Companies Act, 2013 read with applicable circulars (including any statutory modification(s) or re-enactment(s) thereof, for time being in force) (**"Act"**) and the Securities and Exchange Board of India (**"SEBI"**) (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**"Listing Regulations"**), Master Direction, and other applicable circular(s)/notification(s) issued by RBI, this Report covers the financial statements and other developments in respect of the Company, during the financial year ended March 31, 2024 and up to the date of the Board Meeting held on August 13, 2024, approving this Report.

Financial Highlights

A summary of the financial performance of the Company, on standalone and consolidated basis, for the financial year 2023-24 as compared to the previous financial year 2022-23 is given below:

(₹ in Lakhs)

Particulars	Consolidated		Standalone	
	2023-24	**2022-23**	**2023-24**	**2022-23**
Gross Total Income	18,284.39	12,380.47	18,200.54	12,395.87
Profit before finance cost, depreciation, exceptional items	9,937.59	6,096.92	9,918.62	6,398.58
Finance Cost	7,869.24	5,079.24	7,869.24	5,078.85
Depreciation	926.03	771.12	830.20	596.40
Profit before exceptional items	1,142.32	246.55	1,219.18	723.33
Exceptional items	-	-	-	-
Profit before tax	**1,142.32**	**246.55**	**1,219.18**	**723.33**
Less: Taxation – Current tax	250.99	111.62	250.99	111.62
Less: Deferred Tax	(335.02)	71.79	(332.67)	57.36
Less: Short or excess provision for income tax	130.04	-	130.04	-
Net profit for the year	**1,096.31**	**63.14**	**1,170.82**	**554.35**
Add: Other Comprehensive Income	(6.93)	4.04	(6.92)	4.49
Total Comprehensive Income	1,089.38	67.18	1,163.90	558.84
Add: Balance brought forward from the previous year	992.56	1,047.94	1,674.20	1,323.14
Balance available for appropriation	2,081.94	1,115.12	2,838.10	1,881.98
Statutory Reserves under Section 45IC of the Reserve Bank of India Act, 1934	232.78	111.77	232.78	111.77
Other Addition/(Deletion) (Net)	(31.25)	(10.79)	(31.76)	(96.01)
Balance to be carried forward	1,817.91	992.56	2,573.56	1,674.20
Basic Earnings Per Share (EPS) (₹)	0.94	0.06	1.00	0.50
Diluted EPS (₹)	0.93	0.06	0.99	0.50
Proposed Dividend on equity shares of ₹2/- each	11.69	11.62	11.69	11.62

Note: *Previous period's figures have been regrouped/rearranged wherever necessary.*

The financial statements are prepared in accordance with the Act read with Schedule III of the Act and in accordance with the Indian Accounting Standards and relevant provisions of the Listing Regulations and Master Direction for the financial year ended March 31, 2024, and forms part of this Annual Report and are also available on the website of the Company i.e., www.trucapfinance.com.

Review of Business Operations and State of Affairs of the Company

During the year under review, the Company's total income, on a consolidated basis, amounted to ₹ 18,284.39 Lakhs compared to ₹ 12,380.47 Lakhs in the previous year and total income, on a standalone basis, amounted to ₹ 18,200.54 Lakhs compared to ₹ 12,395.87 Lakhs in the previous year. Profit before tax on a consolidated basis stood at ₹ 1,142.32 Lakhs compared to ₹ 246.55 Lakhs in the previous year and profit after tax on consolidated basis stood at ₹ 1,096.31 Lakhs compared to ₹ 63.14 Lakhs in the previous year.

The net interest margin compressed during the financial year ended March 31, 2024. This compression came largely from the liability side. With the RBI having raised rates by 250 basis points during the financial year ended March 31, 2023, most of the lenders have started passing on rate hikes to the Company since June and July 2022 which resulted in an increase in the finance cost of the Company. Further, there has been an increase in the operating expenses from ₹ 6,590 Lakhs in the financial year ended March 31, 2023 to ₹ 9,110 Lakhs during the financial year ended March 31, 2024, which was largely due to expediting and building the branch network.

The loan assets under management (AUM) grew 77.47% year-on-year to ₹ 1,03,110 Lakhs as compared to ₹ 58,100 Lakhs in the previous year (including Off-Balance Sheet AUM).

Listing of Shares of the Company

During the year under review, in addition to being listed on BSE, the equity shares of the Company have also been listed on NSE with effect from June 20, 2023.

Change in Nature of Business

The Master Direction issued by the RBI enables a Non-Banking Financial Company to undertake insurance business as a corporate agent without prior approval of the RBI, subject to it receiving an approval from the Insurance Regulatory and Development Authority of India (**"IRDAI"**). Further, IRDAI has amended the corporate agency guidelines to enable corporate agents to work with more insurers and thereby offer greater product solutions and options to its customers. Foreseeing the benefits of acting as a corporate agent for the insurance companies by cross-selling the insurance products to its borrowers, during the year under review, the Shareholders of the Company have, on recommendation of the Board of Directors, at the Extra Ordinary General Meeting of the Company held on May 22, 2024, approved amendment in the main objects of the Memorandum of Association of the Company by incorporating object clause with respect to undertaking the business of Corporate Agency (Composite) and distributing products of life insurance, health insurance & general insurance, subject to regulatory approvals. The Company will continue to carry out its main business as a non-banking financial company registered with the RBI.

Co-Lending and Business Correspondent model

In order to provide greater operational flexibility to banks and NBFCs for reaching out to priority sector, a revised scheme, renamed as co-lending model (CLM) was introduced by the RBI effective November 05, 2020. The primary focus of the co-lending scheme is to improve the flow of credit to the unserved and underserved sectors of the economy and make available funds to the ultimate beneficiary at an affordable cost, considering the comparative advantage of lower cost of funds of banks and greater reach of NBFCs. Taking benefit of banks' low-cost funding and leveraging the extensive reach and presence of the Company in the northern and western geographies of India, as on March 31, 2024, the Company has entered into strategic alliances with 5 leading public and private sector banks and 7 financial institutions for Co-Lending and Business Correspondent arrangements. During the year under review, the overall AUM through co-lending model stood at ₹ 22,790 Lakhs including loan against collateral of Gold which was 38.12% of the total AUM as on March 31, 2024.

Transfer to Statutory Reserve

In compliance with Section 45-IC (1) of Reserve Bank of India Act, 1934, the Company, has transferred a sum of ₹ 232.78 Lakhs to the Statutory Reserve Fund for the financial year ended March 31, 2024.

Credit Rating

The details of ratings assigned by credit rating agencies and migration of ratings during the year ended March 31, 2024, and as on the date of this Report, are as follows:

Rating Agency	Program	Rating Assigned	Migration in Ratings
CARE Ratings Limited (CARE)	Long Term Bank Facilities – ₹750 Crores	CARE BBB; Positive (Triple B; Outlook: Positive)	Reaffirmed with Outlook Revision on December 01, 2023
CARE	Non-Convertible Debentures – ₹ 50 Crores	CARE BBB; Positive (Triple B; Outlook: Positive)	Reaffirmed with Outlook Revision on December 01, 2023
CARE	Non-Convertible Debentures – ₹ 100 Crores (Enhanced from ₹ 50 Crores)	CARE BBB; Positive (Triple B; Outlook: Positive)	Enhancement on January 23, 2024
Informerics Valuation & Rating Private Limited	Non-Convertible Debentures – ₹ 50 Crores	IVR BBB+ / Stable outlook (IVR Triple B+ with Outlook: Stable)	Reaffirmed on March 30, 2024

Dividend on Equity Shares

Pursuant to the provisions of Regulation 43A of the Listing Regulations and circular issued by RBI on declaration of dividends by NBFCs on June 24, 2021, as amended, the Company has formulated and adopted a Dividend Distribution Policy approved by the Board of Directors of the Company (**"Policy"**).

The Directors recommend, for consideration and approval of the Members at the ensuing Annual General Meeting **("AGM")**, for payment of a dividend of ₹ 0.01/- per equity share i.e., 0.5% of face value of ₹ 2/- each. The total dividend for the financial year 2023-24 is ₹ 11.69 Lakhs to be paid out of the profits of the Company vis-à-vis ₹ 11.62 Lakhs paid for the financial year ended 2022-23.

The dividend recommended is in accordance with the principles and criteria set out in the Policy. The Finance Act, 2020, has abolished the Dividend Distribution Tax and has introduced the system of dividend taxation in the hands of the shareholders with effect from April 01, 2020. Accordingly, the Company would be required to deduct Tax at Source in respect of payment of dividend, if declared, to its shareholders (resident as well as non-resident).

The Policy is annexed as **Annexure – I** to this Report and the same is also available on the website of the Company i.e., www.trucapfinance.com and link is https://trucapfinance.com/wp-content/uploads/Dividend-Distribution-Policy-Final.pdf.

Debentures

During the year under review and till the date of this Report, the Company has allotted 15,949 Listed Non-Convertible Debentures having face value of ₹ 1,00,000/- each total aggregating to ₹ 15,949 Lakhs (**"Listed NCDs"**) on private placement basis and the same are listed on BSE. Further, during the year under review, the Company has allotted 35 unlisted Non-Convertible Debentures (**"Unlisted NCDs"**) of the Company amounting to ₹ 3,500 Lakhs.

Further, the Company has allotted 500 secured, United States Dollar denominated bonds of face value of USD 10,000 (United States Dollar Ten Thousand only) each, aggregating up to USD 5,000,000 (United States Dollar Five Million only) (hereinafter referred to as **"Bonds"**) on a private placement basis on June 27, 2024. The Bonds are listed on global securities market platform of India International Exchange (India INX).

During the year under review, the Company has made timely payment of its interest and redemption of principal obligations pertaining to Listed NCDs and Unlisted NCDs respectively.

The details of the Debenture Trustee of the Company for the aforesaid outstanding Unlisted NCDs, Listed NCDs and Bonds are as under:

Catalyst Trusteeship Limited

GDA House, 1st Floor,
Plot No. 85, S. No. 94 & 95,
Bhusari Colony (Right), Kothrud, Pune - 411 038.
Website: https://catalysttrustee.com/

Share Capital of the Company

During the financial year 2023-24, the total paid up equity share capital of the Company increased from ₹ 23,24,29,432/- divided into 11,62,14,716 equity shares having face value of ₹ 2/- each to ₹ 23,37,98,742/- divided into 11,68,99,371 equity shares having face value of ₹ 2/- each .

The movement of equity share capital during the financial year ended March 31, 2024, till the date of this Report is as under:

(Amount in ₹)

Particulars	No. of equity shares allotted	Cumulative Outstanding capital (No. of equity shares * face value of ₹ 2/- each)
Number of shares/Capital at the beginning of the year i.e. April 01, 2023.	11,62,14,716	23,24,29,432
Allotment of shares to employee on May 23, 2023, pursuant to exercise of options granted under Employee Stock Option Plan 2018.	58,175	23,25,45,782
Allotment of shares to employees on August 11, 2023, pursuant to exercise of options granted under Employee Stock Option Plan 2018.	26,480	23,25,98,742
Allotment of shares to employee on October 09, 2023, pursuant to exercise of options granted under Employee Stock Option Plan 2018.	6,00,000	23,37,98,742

Further, during the year under review, 27,74,706 convertible warrants allotted to non-promoter category on May 09, 2022, were not exercised within 18 months from the date of allotment of such warrants. Accordingly, the right to exercise conversion of the warrants into equity shares was lapsed and the upfront consideration amounting to ₹ 9,15,65,298/- (Rupees Nine Crores Fifteen Lakhs Sixty-Five Thousand Two Hundred and Ninety-Eight only) received was forfeited by the Company in compliance with Regulation 169(3) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (**"ICDR Regulations"**).

Furthermore, upon receipt of approval of the Shareholders of the Company at the Extra Ordinary General meeting(s) held on December 08, 2023 and May 22, 2024 respectively and approval(s) received from the respective stock exchange(s), the Finance Committee constituted by the Board of Directors of the Company have approved the below allotment of convertible warrants to non-promoter category on preferential basis:

a. 65,42,372 convertible warrants having face value of ₹ 2/- each at issue price of ₹ 73.75/- each for aggregate consideration of ₹ 48,24,99,935/- (Rupees Forty-Eight Crores Twenty-Four Lakhs Ninety-Nine Thousand Nine Hundred and Thirty-Five only) allotted on February 01, 2024, convertible into equivalent number of equity shares of the Company within 18 months from the date of allotment of such warrants. These convertible warrants have been allotted against receipt of the subscription price equivalent to 25% of the issue price i.e. ₹ 12,06,24,984/- (Rupees Twelve Crores Six Lakhs Twenty-Four Thousand Nine Hundred and Eighty-Four only) and balance exercise price equivalent to 75% of the conversion price of the equity shares shall be payable by the warrant holder(s) at the time of exercising options of conversion of the warrants.

b. 55,74,912 convertible warrants having face value of ₹ 2/- each at issue price of ₹ 71.75/- each for aggregate consideration of ₹ 39,99,99,936/- (Rupees Thirty-Nine Crores Ninety-Nine Lakhs Ninety-Nine Thousand Nine Hundred and Thirty-Six only) allotted on June 13, 2024, convertible into equivalent number of equity shares of the Company within 18 months from the date of allotment of such warrants. These convertible warrants have been allotted against receipt of the subscription price equivalent to 25% of the issue price i.e. ₹ 9,99,99,984/- (Rupees Nine Crores Ninety-Nine Lakhs Ninety-Nine Thousand Nine Hundred and Eighty-Four only) and balance exercise price equivalent to 75% of the conversion price of the equity shares shall be payable by the warrant holder(s) at the time of exercising options of conversion of the warrants.

Public Deposits

The Company is registered with RBI as a Non-Deposit accepting NBFC. Further, pursuant to the provisions of para 2 of the Master Direction – Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016, as amended, the Board of Directors have confirmed that during the financial year ended March 31, 2024, the Company has not accepted public deposits as defined under the Reserve Bank of India Act, 1934 and will not accept public deposits during the financial year 2024-25 without prior written approval of RBI.

Board of Directors

The Company recognizes the importance of a diverse Board in its success and believes that it will help the Company to enhance its governance and competitive arc. The Company has an optimum combination of executive, non-executive and independent directors, including an independent woman director. The composition of the Board of Directors of the

Company is in accordance with the provisions specified in the Act and Listing Regulations. The Board comprises of eminent persons of proven competence and integrity. Besides experience, strong financial acumen, strategic astuteness and leadership qualities, the Board of Directors have a significant degree of commitment towards the Company and devotes adequate time to meetings and preparation.

As on the date of this Report, the Board of Directors of the Company comprises of the following directors:

Sr. No.	Name of the Director	DIN	Designation
1.	Mr. Rakesh Sethi	02420709	Independent Director, Chairperson
2.	Mr. Nirmal Vinod Momaya	01641934	Independent Director
3.	Mr. Krishipal Raghuvanshi	07529826	Independent Director
4.	Ms. Abha Kapoor	01277168	Independent Director
5.	Ms. Geetu Gidwani Verma	00696047	Independent Director
6.	Mr. Rajiv Kapoor	08204049	Non-Executive Non-Independent Director
7.	Mr. Atwood Porter Collins	09239511	Non-Executive Non-Independent Director
8.	Mrs. Rushina Mehta	01042204	Non-Executive Non-Independent Director
9.	Mr. Rohanjeet Singh Juneja	08342094	Managing Director & Chief Executive Officer

During the financial year ended March 31, 2024, and till the date of this Report, there were no changes in the composition of the Board of Directors of the Company. However, on recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the Shareholders of the Company at the 29th Annual General Meeting of the Company held on September 26, 2023, have approved the below re-appointments:

(a) Re-appointment of Mr. Nirmal Vinod Momaya (DIN: 01641934) as an Independent Director of the Company for a further term of 5 (Five) consecutive years with effect from August 10, 2023 till August 09, 2028 (both days inclusive).

(b) Re-appointment of Mr. Krishipal Raghuvanshi (DIN: 07529826) as an Independent Director of the Company for a further term of 5 (Five) consecutive years with effect from August 24, 2023, till August 23, 2028 (both days inclusive).

All the Directors of the Company have confirmed that they are not disqualified to act as Director in terms of Section 164 of the Act.

In accordance with the provisions of Section 152(6) of the Act, Mr. Rajiv Kapoor, Non-Executive Non-Independent Director of the Company, is liable to retire by rotation at the ensuing AGM and, being eligible, has offered himself for re-appointment. The Board of Directors of the Company recommends the same for the approval of the Members of the Company.

The notice convening the AGM includes brief information and a proposal for re-appointment of Mr. Rajiv Kapoor as Director of the Company.

Declaration by Independent Directors

Pursuant to the provisions of Section 149(7) of the Act, the Independent Director(s) have submitted declarations confirming that they meet the criteria of independence as provided in Section 149(6) of the Act along with rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations. There has been no change in the circumstances affecting the status as Independent Directors of the Company during the financial year ended March 31, 2024.

Further, the Company has obtained the certificate from M/s. U. Hegde & Associates, Practicing Company Secretaries, pursuant to Regulation 34(3) and Schedule V Para C Clause 10(i) of the Listing Regulations confirming that none of the Directors on Board of the Company as on March 31, 2024, have been debarred or disqualified from being appointed or continuing as Director of the Company by SEBI/MCA or any such statutory authority. The aforesaid certificate is annexed to the Corporate Governance Report which forms part of the Annual Report.

Meetings of the Board

The Board met 4 (Four) times during the financial year. The details of the meeting(s) of the Board of Directors of the Company held during the financial year 2023-24 and attendance of the directors are included in the Corporate Governance Report which forms part of the Annual Report.

Composition of Committees of Board

The Board has various board level committees constituted in accordance with the applicable provisions of the Act and Listing Regulations.

(a) Audit Committee

The constitution of the Audit Committee as on March 31, 2024 and up to the date of this Report, is given below:

Sr. No.	Name of the Member	Designation
1.	Mr. Krishipal Raghuvanshi	Independent Director, Chairperson
2.	Mr. Rakesh Sethi	Independent Director, Member
3.	Mr. Nirmal Vinod Momaya	Independent Director, Member
4.	Mr. Rajiv Kapoor	Non-Executive Non-Independent Director, Member

Note: *The Board of Directors vide circular resolution passed on August 04, 2023, re-constituted the Audit Committee by appointing Mr. Rakesh Sethi, Independent Director of the Company, as a member of the Audit Committee.*

The composition, role, terms of reference and powers of the Audit Committee are in conformity with the requirements of the Act and the Listing Regulations and the same have been provided in the Corporate Governance Report which forms part of the Annual Report.

During the year under review, the Audit Committee met and discussed various matters including financials, internal audit reports and statutory audit reports. During the period under review, the Board of Directors of the Company accepted all the recommendations of the Audit Committee.

The details with respect to the meeting(s) of Audit Committee held during the year under review and quorum are provided in the Corporate Governance Report which forms part of the Annual Report.

(b) Nomination and Remuneration Committee

The constitution of the Nomination and Remuneration Committee as on March 31, 2024, and up to the date of this Report, is given below:

Sr. No.	Name of the Member	Designation
1.	Ms. Abha Kapoor	Independent Director, Chairperson
2.	Mr. Rakesh Sethi	Independent Director, Member
3.	Mr. Nirmal Vinod Momaya	Independent Director, Member

The composition, terms of reference and powers of the Nomination and Remuneration Committee are in conformity with the requirements of the Act and Listing Regulations and the same have been provided in the Corporate Governance Report which forms part of the Annual Report.

The Company has formulated a policy on Appointment and Evaluation of Directors and the Board, that includes the terms of reference of the Nomination and Remuneration Committee and the same is hosted on the website of the Company i.e., www.trucapfinance.com.

The details with respect to the meeting(s) of Nomination and Remuneration Committee held during the year under review and quorum are provided in the Corporate Governance Report which forms part of the Annual Report.

(c) Stakeholders Relationship Committee

The constitution of the Stakeholders Relationship Committee as on March 31, 2024, and up to the date of this Report, is given below:

Sr. No.	Name of the Member	Designation
1.	Mr. Rajiv Kapoor	Non-Executive Non-Independent Director, Chairperson
2.	Mr. Krishipal Raghuvanshi	Independent Director, Member
3.	Mr. Rohanjeet Singh Juneja	Managing Director & Chief Executive Officer, Member

The composition, role, terms of reference and powers of the Stakeholders Relationship Committee are in conformity with the requirements of the Act and Listing Regulations and the same have been provided in the Corporate Governance Report which forms part of the Annual Report.

The details with respect to the meeting(s) of the Stakeholders Relationship Committee held during the year under review, quorum and status of investors' complaints are provided in the Corporate Governance Report which forms part of the Annual Report.

(d) Risk Management and Strategy Committee

The constitution of the Risk Management and Strategy Committee as on March 31, 2024, and up to the date of this Report, consists of the following members:

Sr. No.	Name of the Member	Designation
1.	Mr. Rakesh Sethi	Independent Director, Chairperson
2.	Mr. Nirmal Vinod Momaya	Independent Director, Member
3.	Mr. Rajiv Kapoor	Non-Executive Non-Independent Director, Member
4.	Mr. Rohanjeet Singh Juneja	Managing Director & Chief Executive Officer, Member

The composition, role, terms of reference and powers of the Risk Management and Strategy Committee are in conformity with the requirements of the RBI Master Direction. Further, the details with respect to the meeting(s) of the Risk Management and Strategy Committee held during the year under review and quorum, along with the terms of reference have been provided in the Corporate Governance Report which forms part of the Annual Report.

(e) Corporate Social Responsibility Committee

The constitution of the Corporate Social Responsibility (**"CSR"**) Committee as on March 31, 2024, and up to the date of this Report, consists of the following members:

Sr. No.	Name of the Member	Designation
1.	Ms. Abha Kapoor	Independent Director, Chairperson
2.	Mr. Rajiv Kapoor	Non-Executive Non-Independent Director, Member
3.	Mr. Rohanjeet Singh Juneja	Managing Director & Chief Executive Officer, Member

The composition, role, terms of reference and powers of the CSR Committee are in conformity with the requirements of the Act. Further, the details with respect to meeting(s) of the CSR Committee held during the year under review and quorum along with the terms of reference have been provided in the Corporate Governance Report which forms part of the Annual Report.

Apart from the aforesaid committee(s), details with respect to the other committee(s) constituted by the Board/committee(s) are included in the Corporate Governance Report forming part of the Annual Report.

Board Evaluation

Pursuant to the provisions of the Act and Listing Regulations, the Company has devised Appointment and Evaluation Policy comprising of parameters and criteria with respect to evaluation of performance of the Independent Directors, Board of Directors, Committee(s) and other individual Directors which includes evaluation of the Non-Executive Directors and Executive Director. A structured questionnaire was prepared after taking into consideration various aspects such as performance of specific duties, obligations, Board's functioning, composition of the Board and its committees, culture and governance and circulated to the Board members. The performance evaluation of the Chairperson, Executive Director, Non-Executive Directors, Independent Directors and Board as a whole, was carried out by the entire Board of Directors of the Company excluding the directors being evaluated. The Board of Directors expresses their satisfaction with the evaluation process.

The Board considered and discussed the inputs received from the Directors. The Independent Directors in their meeting held on May 19, 2023, considered and reviewed the following:

(a) Performance of Directors, various committees of Board and the Board as a whole.

(b) Performance of the Chairperson of the Company.

(c) Assessed the quality, quantity, and timeliness of flow of information between the Company's management and the Board, which is necessary for the Board to perform their duties effectively and reasonably.

The Appointment and Evaluation Policy which lays down criteria for appointment of Executive Director(s) and Independent Director(s) and remuneration of Directors, Key Managerial Personnel and senior management employees is annexed herewith as **Annexure – II**.

Familiarization Programme for Independent Directors

All Independent Directors are familiarized with the operations and functioning of the Company at the time of their appointment and on an ongoing basis. The Board, including all Independent Directors, were provided with relevant documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices from time to time. Updates on relevant statutory changes in laws concerning the Company were informed to the entire Board on regular intervals. The Independent Directors are facilitated to meet without the presence of the Company's management to discuss matters pertaining to the Company's affairs. The Board including Independent Directors is also updated periodically on Related Party Transactions, various policies and Standard Operating Procedures of the Company, Entity Level Risk, Risk Mitigation Plans, etc. The details of programmes for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company i.e., www.trucapfinance.com.

Compliance with Fit and Proper Criteria & Code of Conduct

Each of the Director of the Company has submitted undertaking and declaration confirming on being fit and proper in terms of the provisions of Master Direction. The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, has reviewed and confirmed that all existing Directors are fit and proper to continue to be appointed as a Director on the Board.

The Company has adopted a Code of Conduct for the Board Members, Key Managerial Personnel and Senior Management of the Company. All Board Members, Key Managerial Personnel and senior management personnel have affirmed compliance with the Company's code of conduct during the financial year under review. The Managing Director & Chief Executive Officer has given the declaration as required under Regulation 34(3) read with Part D of Schedule V of the Listing Regulations regarding compliance with the Code of Conduct of the Company for the year ended on March 31, 2024, which forms part of the Report.

Key Managerial Personnel

In terms of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2024, are:

Sr. No.	Name of the Person	Designation
1.	Mr. Rohanjeet Singh Juneja	Managing Director & Chief Executive Officer
2.	Mr. Sanjay Kukreja	Chief Financial Officer
3.	Mr. Lalit Chendvankar	Chief Compliance Officer & Legal Head
4.	Ms. Sonal Sharma	Company Secretary & Compliance Officer

During the year under review and upto the date of this Report, there has been no change in the Key Managerial Personnel of the Company.

Subsidiary Company

DFL Technologies Private Limited is the wholly owned subsidiary company of the Company (**"WoS"**).

Accordingly, pursuant to the provisions of Sections 129, 134 and 136 of the Act, read with applicable rules thereunder, Regulation 33 of the Listing Regulations and applicable Indian Accounting Standards (**"Ind AS"**), the Board of Directors of the Company approves the Consolidated Financial Statements of the Company and its WoS. Copies of the Balance Sheet, Profit and Loss Account, Report of the Board of Directors and Report of the Auditors of the WoS are not attached to the accounts of the Company for the financial year 2023-24. The Company will make these documents/details available upon request by any Member of the Company. These documents/details will also be available for inspection by any Member of the Company at the registered office of the Company and at the registered office of the WoS during business hours on working days and through electronic means. Members of the Company can request the same by sending an email to corpsec@trucapfinance.com till the date of ensuing AGM. The Company's financial statements, which form part of the Annual Report, are prepared in accordance with Act and Ind AS 110.

As on March 31, 2024, the total investment made by the Company in the equity share capital of the WoS stood at ₹ 3,190.10 Lakhs.

As required under Regulations 16(1)(c) and 46 of the Listing Regulations, the Board has approved and adopted the Policy on determining Material Subsidiaries. The said Policy is available on the Company's website i.e., www.trucapfinance.com. Further, pursuant to Regulation 16(1)(c) of Listing Regulations and the policy on determining material subsidiary, based on the audited financial statements of the Company as on March 31, 2024, WoS continues to be the material subsidiary company of the Company.

Statement containing Salient Features of the Financial Statements of Subsidiary

A report on the performance and financial position of WoS, as per Section 129(3) of the Act read with the Companies (Accounts) Rules, 2014, as amended, is provided in the prescribed Form AOC-1 as **Annexure – III** of this Report and hence not repeated here for the sake of brevity.

Joint Ventures/Associates

As per the provisions of the Act, during the year under review and as on the date of this Report, the Company did not have any Joint Ventures/Associates.

Directors' Responsibility Statement

In terms of Section 134(5) of the Act read with the Companies (Accounts) Rules, 2014, as amended, your Directors state that:

(a) in the preparation of the annual accounts for the year ended March 31, 2024, the applicable accounting standards read with the requirements set out under Schedule III to the Act, have been followed along with proper explanation relating to material departures;

(b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit and loss of the Company for the year ended on that date;

(c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors have prepared the annual accounts on a 'going concern' basis;

(e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

(f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Employees Stock Option Plan

The Company has in force the Dhanvarsha ESOP Plan – 2018 **("ESOP Plan 2018")** which is prepared as per the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 (**"SBEB Regulations"**).

The Shareholders of the Company have at the 28th Annual General Meeting of the Company held on September 29, 2022, on recommendation of the Board of Directors of the Company, approved amendment in ESOP Plan 2018 to bring it in lines with the provisions of the SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021, as amended (**"SEBI SBEB & SE Regulations"**). The amendments approved are not detrimental to the interests of the current grantees of the Company under the ESOP Plan 2018. A certificate from M/s. U. Hegde & Associates, Practicing Company Secretaries, Secretarial Auditor of the Company, has been obtained that the ESOP Plan 2018 has been implemented in accordance with SEBI SBEB & SE Regulations, and the same will be available for inspection by Members of the Company through electronic means.

Under IND AS, equity settled share-based payment transactions with employees are required to be accounted for as per IND AS 102 "Share-based Payment", whereby the fair value of options as on the grant date should be estimated and recognized as an expense over the vesting period. In accordance with the above, the Company has followed fair value method for equity options while preparing its financial statements.

The disclosures relating to ESOP Plan 2018 required to be made under the provisions of the Act and SEBI SBEB & SE Regulations, are provided on the website of the Company i.e., www.trucapfinance.com and link is https://trucapfinance.com/wp-content/uploads/ESOP-Certificate-FY-2023-24.pdf and the same is available for inspection by the Members of the Company at the registered office of the Company on all working days, except Saturdays and Public Holidays, during business hours and through electronic means. Members of the Company can request the same by sending an email to corpsec@trucapfinance.com till the date of the ensuing AGM.

Leverage Ratio

As on March 31, 2024, the Company is classified as a Base Layer Non-Banking Financial Company as per Master Direction and is accordingly required to maintain a leverage ratio which as per regulatory norms shall not be more than 7 times. Accordingly, the Company is adequately capitalized and the leverage ratio of the Company as on March 31, 2024 was at 3.56 times.

Management Discussion and Analysis

A detailed review of the operations, performance and future outlook of the Company and its business, as stipulated under Regulation 34(2)(e) read with Schedule V of the Listing Regulations, is presented in a separate section forming part of the Annual Report under the head 'Management Discussion and Analysis.'

Business Responsibility Report

Pursuant to amendment in Listing Regulations, top 1,000 listed entities based on market capitalisation on either BSE or NSE are required to submit a Business Responsibility and Sustainability Report (**"BRSR"**). Since, as on March 31, 2024, the Company is not under top 1,000 companies based on market capitalization either on BSE and NSE, BRSR is not required to be annexed to this Report. However, as instructed by SEBI vide interpretive letter regarding the applicability of BRSR, issued under SEBI (Informal Guidance) Scheme, 2003, dated May 31, 2023, SEBI directed all top 1,000 entities basis market capitalisation till financial year 2021-22, to continue to annex a business responsibility report to its annual report. Accordingly, the Business Responsibility Report (**"BRR"**), in terms of Regulation 34(2)(f) of the Listing Regulations, describing the initiatives taken by the Company from an environmental, social and governance perspective is attached as part of the Annual Report.

Corporate Governance

Your Company believes in adopting best Corporate Governance practices and has also implemented several best practices prevalent globally. The report on Corporate Governance as stipulated under Regulation 34(3) read with Schedule V of the Listing Regulations forms an integral part of the Annual Report.

Further, certificate obtained from M/s. U. Hegde & Associates, Practicing Company Secretaries, confirming compliance with the conditions of the Corporate Governance as stipulated under Regulation 34(3) and Schedule V to the Listing Regulations is annexed to the Corporate Governance Report which forms part of the Annual Report.

Compliance with the Secretarial Standards

The Board of Directors affirms that the applicable Secretarial Standards, i.e., SS-1 and SS-2, as amended, issued by the Institute of Company Secretaries of India (**"ICSI"**) relating to 'Meetings of Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

Contracts and Arrangements with Related Parties

The Company has put in place Board approved Policy on Related Party Transactions (**"RPT Policy"**). The

RPT Policy is available on the website of the Company i.e., www.trucapfinance.com and the link is https://trucapfinance.com/wp-content/uploads/Policy-on-RPT.pdf. The RPT Policy provides for identification of Related Party Transactions (**"RPT"**), necessary approvals by the Audit Committee/Board/Shareholders, reporting and disclosure requirements in compliance with the Act and provisions of the Listing Regulations.

All contracts executed by the Company during the financial year with related parties were on an arm's length basis and in the ordinary course of business. All such RPTs were placed before the Audit Committee/Board for approval, wherever applicable. The Audit Committee reviews all RPTs on quarterly basis.

During the year, the contracts/arrangements/transactions with related parties entered into by the Company were not material in accordance with Regulation 23 of the Listing Regulations.

Further, in terms of SEBI vide circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 amended and Regulation 30 and 30A of the Listing Regulations, the revised Policy for Determination and Disclosure of Material Events was approved by the Board in its meeting held on November 09, 2023.

Since all RPTs entered into by the Company during the financial year ended March 31, 2024, were on an arm's length basis and in the ordinary course of business, the disclosure required in Form AOC-2 under Section 134(3)(h) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, as amended, is not applicable. Further, in compliance with Regulation 23 of the Listing Regulations, disclosures relating to RPTs on a consolidated basis are filed with the stock exchange(s) on a half-yearly basis.

The Policy for Determining Material Subsidiaries and the Policy for Determination and Disclosure of Material Events along with the RPT Policy, as approved by the Board may be accessed on the website of the Company i.e., www.trucapfinance.com. Please refer to Note No. 44 of the Standalone Financial Statements, which contains related party disclosures.

Internal Financial Controls and adequacy

Your Company maintains a robust internal control, compliance, and audit framework tailored to match the operational scale and the intricate nature of the business of the Company. The Company has in place adequate internal financial controls with reference to the financial statements and the same are commensurate with the scale and complexity of its operations. Further, pursuant to provisions of Section 138 of the Act, the Company has appointed internal auditors who conduct internal audits on a periodic basis to independently validate the existing controls as per scope assigned to them. The internal audit program is reviewed by the Audit Committee at the beginning of the year to ensure that the coverage of the areas is adequate. Internal Auditors test the design and effectiveness of the key controls. Significant audit observations, if any, are presented to the Audit Committee along with the status of management actions and the progress of implementation of recommendations. The Company also periodically engages outside experts to carry out independent reviews of the effectiveness of various business processes. The observations and best practices suggested are reviewed and appropriately implemented with a view to continuously strengthening the internal controls.

During the year under review, no reportable material weaknesses in the design or operations was observed.

Annual Return

Pursuant to the provisions of Section 92(3) and Section 134(3)(a) of the Act, and the rules made thereunder, as amended, the Annual Return of the Company as prescribed in Form MGT-7 is available on the website of the Company i.e., www.trucapfinance.com.

Statutory Auditors and Auditors' Report

The audit for the financial year 2023-24 was conducted by M/s. Bansal Bansal & Co., Chartered Accountants (Firm Registration No.100986W with the Institute of Chartered Accountants of India), Statutory Auditors of the Company and there are no qualifications, reservations, adverse remarks, or disclaimers made by them in their Audit Report(s). The notes to financial statements referred to in the Auditors' Report are self-explanatory and therefore do not call for any comments under Section 134 of the Act. The report(s) issued by the Statutory Auditors of the Company are annexed to the financial statements in the Annual Report.

Secretarial Auditor

Pursuant to Section 204(1) of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, M/s. U. Hegde and Associates, Practicing Company Secretaries (Membership Number: A22133 with the Institute of Company Secretaries of India), is appointed as the Secretarial Auditor of the Company for the financial year 2023-24. The Secretarial Audit Report in Form MR-3 for the financial year ended March 31, 2024, is annexed herewith as **Annexure–IV-A** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Annual Secretarial Compliance Report

Pursuant to Regulation 24A of the Listing Regulations, the Annual Secretarial Compliance Report for the financial year 2023-24 was issued by M/s. U. Hegde & Associates, Practicing Company Secretaries, Secretarial Auditor of the Company. The Annual Secretarial Compliance Report for the financial year 2023-24 has been submitted to BSE and NSE in compliance with the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated March 19, 2020, read with BSE Circular No. 20230410-41 dated April 10, 2023 and NSE Circular No. NSE/CML/2023/30 dated April 10, 2023.

Since, pursuant to Regulation 16(1)(c) of the Listing Regulations, based on the audited financial statements of the Company as on March 31, 2024, WoS continues to be the material subsidiary company of the Company, accordingly, as per Regulation 24A of the Listing Regulations, the Secretarial Audit Report of the WoS for financial year 2023-24 is annexed herewith as **Annexure–IV-B** to this Report.

Reporting of Frauds by the Auditors

During the year under review, the Statutory Auditors and the Secretarial Auditor have not reported any instances of fraud committed in the Company by its officers or employees to the Audit Committee/Board under Section 143(12) of the Act.

Corporate Social Responsibility

In accordance with Section 135 of the Act, the Company has constituted a CSR Committee.

The Board of Directors of the Company, have on recommendation of the CSR Committee, approved Policy on Corporate Social Responsibility of the Company and the same is available on the website of the Company i.e., www.trucapfinance.com. The Annual Report on CSR activities in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, is annexed as **Annexure- V** to this Report.

Conservation of Energy, Technological Absorption, Foreign Exchange Earnings and Outgo

The Company is engaged in the activity of providing financial services and, as such, its operations have limited impact vis-a-vis substantial energy consumption. Energy is consumed on a regular level to aid regular office work, however, the Company appreciates the need to reduce the net carbon footprint. Accordingly, the Company is taking all possible measures to conserve energy and reduce consumption by adopting alternative power devices or employing technology solutions.

The information pursuant to Section 134(3)(m) of the Act read with Companies (Accounts) Rules, 2014, as amended is as follows:

a. Considering the nature of Company's business, the Company is not required to undertake any activity involving the Conservation of Energy or Technological or Technology Absorption and nor has it applied its resources towards research and development;

b. The Company's Foreign Exchange Earning was Nil during the year under review.

c. Foreign Exchange Outgo was ₹ 104.56 Lakhs during the year under review.

Particulars of Loan given, Investment made, Guarantee given, and Securities provided by the Company

The Company, being an NBFC registered with the RBI, the provisions mentioned in Section 186 of the Act, related to loans made, guarantees given, and securities provided do not apply to the Company. Accordingly, the disclosures under the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended, have not been made in this Report.

Further, in accordance with the Master Direction, the Board of Directors have, on recommendation of the Audit Committee, approved Policy on Loan to Directors and Senior Officers. Further, during the year under review and up to the date of this Report, no loans to directors and senior officers of the Company have been advanced.

Whistle Blower Policy/Vigil Mechanism

In compliance with the provisions of Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended, and Regulation 22 of the Listing Regulations, and to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior, your Company has adopted a Vigil Mechanism / Whistle Blower Policy. The aim of the policy is to provide adequate safeguards against victimization of whistle blower who avails of the mechanism and is also provided direct access to the Chairperson of the Audit Committee, in appropriate or exceptional cases.

Accordingly, 'Whistle Blower Policy' has been formulated with a view to provide a mechanism for the Directors and employees of the Company to approach the Chairperson of the Audit Committee of the Company.

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees willing to raise a concern about serious irregularities within the Company.

The policy has also been uploaded on the website of Company i.e., www.trucapfinance.com and the link is https://trucapfinance.com/wp-content/uploads/Vigil-Mechanism.pdf.

Risk Management

As an NBFC, the Company is exposed to various risks which, inter alia, includes credit, liquidity, market, operational, interest rate risk and other risk associated with the business and the industry it operates in. To mitigate such risks, the Company continues to invest in talent, processes and emerging technologies for building advanced risk management capabilities and has a well-defined risk management framework in place for managing and reporting on risks. A systematic approach has been adopted that originates with the identification of risk, categorization and assessment of identified risk, evaluating effectiveness of existing controls and building additional controls to mitigate risk and monitoring the residual risk through effective Key Risk Indicators.

The Board has constituted a Risk Management and Strategy Committee as required under Master Direction.

The Company has a Board approved Policy on Risk Management, which, inter alia, provides for principles of risk management, risk governance, organization structure, business control measures, principle risks and business continuity plan. The management identifies and controls risks through a defined framework in terms of the aforesaid policy.

Further, the Board, on a periodic basis, reviews and assesses the Risk Assessment Statement, monitoring the various risks to which the Company is exposed to vis-à-vis the prudential parameters.

Particulars of employees and related disclosures

In terms of the provisions of Section 197(12) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, the disclosures pertaining to the remuneration and other details as required is annexed as **Annexure - VI** to this Report.

A statement with the names and other particulars of employees drawing remuneration in excess of the limits prescribed under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is available for inspection at the registered office of the Company and through electronic mode. Having regard to the provisions of the first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the Members of the Company. Any Member interested in obtaining such information may send an email on corpsec@trucapfinance.com.

Listing Fees

As on date, the equity shares of the Company are listed on BSE and NSE. The listing fees for the financial year 2024-25 for BSE and NSE have been paid by the Company.

Auction for Recovery for Loan against Gold

The Company is into the business of lending and also offers loans against the collateral of gold. In its normal course of business, whenever default occurs, the Company disposes such assets through auction, to settle outstanding debt as per the auction policy of the Company and in compliance with the provisions specified in the applicable Master Directions. Any surplus funds from the auction proceeds are returned to the customers/obligors. The disclosure in compliance with the Master Direction in respect of auctions made during the year is provided in Note No. 55.12 of the Standalone Audited Financial Statements of the Company annexed to the Annual Report.

Transfer and Acquisition of Loan Exposure and Securitization

During the year under review, pursuant to provisions prescribed in the Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 issued by RBI on September 24, 2021, as amended (**"TLE Direction"**) and Master Direction – Reserve Bank of India (Securitization of Standard Assets) Directions, 2021, as amended (**"Securitization Direction"**), the Company has transferred, acquired and securitized loan exposure under the TLE Direction and Securitization Direction. The disclosures as required under both the respective Directions are included in Note No. 55.09 and 55.15 of the Standalone Audited Financial Statements annexed to the Annual Report.

Registration with Reserve Bank of India

The Company is registered as NBFC under Section 45-IA of the Reserve Bank of India Act, 1934. However, 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.

Investor Education and Protection Fund (IEPF)

a) For dividend pertaining to equity

In accordance with the applicable provisions of the Act read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (**"IEPF Rules"**), all unclaimed dividends are required to be transferred by the Company to the IEPF, after completion of 7 (Seven) years. Further, according to IEPF Rules, the shares on which dividend has not been claimed by the shareholders for 7 (Seven) consecutive years or more shall be transferred to the demat account of the IEPF Authority.

Since there was no dividend declared and paid for financial year 2015-16, your Company did not have any funds as lying unpaid or unclaimed for a period of 7 (Seven) years in terms of provisions of Section 124 of the Act. Therefore, there are no funds which are required to be transferred to IEPF established by the Central Government pursuant to the provisions of Section 125 of the Act.

During the year under review, the Company did not have any equity shares which were required to be transferred to IEPF as per the provisions of Section 124 of the Act.

b) For Interest/Redemption amount pertaining to NCDs

SEBI has, vide its circular SEBI/HO/DDHS/DDHS-RAC-1/P/CIR/2023/176 dated November 08, 2023, introduced the 'Framework for transfer of unclaimed amounts to Escrow Accounts and claim thereof by investors of the non-convertible debentures' by amending Regulation 61A of the Listing Regulations.

In terms with the said Framework, the Board of Directors on recommendation of the Stakeholders Relationship Committee approved the 'Policy for claiming and verification of unclaimed amounts with respect to non-convertible debentures' and the said policy is hosted on the website of the Company at www.trucapfinance.com. Further, during the year under review, no interest/redemption was required to be transferred to the Escrow Account or IEPF in terms with the Framework.

Material changes and commitments affecting financial position between end of the financial year and date of this Report.

There are no material changes and commitments affecting the financial position of the Company during the period between end of the financial year and date of this Report.

Code of Conduct for Prevention of Insider Trading

The Board of Directors of the Company has adopted the 'Code for Insider Trading & Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' (**"Code"**) as formulated under SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended.

The Code lays down the guidelines and procedure to be followed and disclosures to be made while dealing with the securities of the Company. The Code has been formulated to regulate, monitor and ensure reporting of dealings by the employees of the Company and is available on the website of the Company i.e., www.trucapfinance.com.

Policy on Prevention of Sexual Harassment at Workplace

Your Company recognizes its responsibility and continues to provide a safe working environment for women, free from sexual harassment and discrimination. In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has put in place a Policy on Prevention of Sexual Harassment of Women at Workplace and the same is available on the website of the Company i.e., www.trucapfinance.com and has duly constituted an internal complaints committee under the same.

The Company also provides for mandatory training on prevention of sexual harassment for every new joinee, as well as all employees on an annual basis.

During the year under review, there were no complaints made or case filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Cost Records and Auditors

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

Significant and Material order passed by the Regulatory or Courts

There were no significant material orders passed by the Regulators / Courts that would impact the going concern status of the Company and its future operation.

Applications under the Insolvency and Bankruptcy Code, 2016

There was no application made against the Company under the Insolvency and Bankruptcy Code, 2016 during the year under review. There are no proceedings pending under the Insolvency and Bankruptcy Code, 2016 against the Company as on March 31, 2024.

Details of difference between amount of the valuation

During the year under review, there were no one time settlements made by the Company for any loan/borrowing taken from the Banks and/or Financial Institutions. Therefore, as per Rule 8(5)(xii) of Companies (Accounts) Rules, 2014, reasons of difference in the valuation at the time of one-time settlement and valuation done while taking loan from the Banks or Financial Institutions are not required to be reported.

General

Your Directors state that no disclosure or reporting is required in respect of the following items, as there were no transactions / events on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
3. None of the Executive Director(s) of the Company receives any remuneration or commission from its subsidiary.

Appreciation

Your Directors place on records their sincere appreciation for the assistance and guidance provided by the Reserve Bank of India, the Ministry of Corporate Affairs, the Securities and Exchange Board of India, government and other Regulatory Authorities, Stock Exchanges, other statutory bodies, bankers and Members of the Company for the assistance, co-operation and encouragement and continued support extended to the Company.

Your directors take this opportunity to thank the customers, vendors and investors and other business partners of the Company for their continued support during the year and also place on record their appreciation to the contribution made by the employees of the Company at all levels.

For and on behalf of the Board of Directors

Sd/-
Rohanjeet Singh Juneja
Managing Director & CEO
DIN: 08342094

Sd/-
Rushina Mehta
Non-Executive Non-Independent Director
DIN: 01042204

August 13, 2024
Mumbai

Annexure - I

DIVIDEND DISTRIBUTION POLICY

1. Background and Preamble

Dividend is the payment made by a company to its shareholders, usually in the form of distribution of its profits. The profits earned by a company can either be retained in business and/or be used for acquisitions, expansion, diversification, business growth or it can be distributed to the shareholders. A company may choose to retain a part of its profits and distribute the balance among its shareholders as dividend.

This Dividend Distribution Policy (**"Policy"**) will guide dividend declaration and its pay-out by TruCap Finance Limited (Formerly known as Dhanvarsha Finvest Limited) (**"Company"**) in accordance with the provisions of Companies Act, 2013 and rules made thereunder (**"Act"**), Secretarial Standard issued by Institute of Company Secretaries of India (**"SS-3"**), Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**"Listing Regulations"**), Guidelines issued by Reserve Bank of India (**"RBI"**) on Declaration of dividends by Non-Banking Financial Company issued on June 24, 2021 as amended (**"RBI Guidelines"**) and any other applicable rules and regulations. The objective of this Policy is to ensure a regular dividend income for the shareholders and long-term capital appreciation for all shareholders of the Company. The Board of Directors of the Company (**"Board"**) will refer to the Policy for declaring/recommending dividends. This Policy is framed as required under SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016, with effect from July 08, 2016.

As per newly inserted Regulation 43A of the Listing Regulations amended from time to time (inserted vide SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016, w.e.f. July 08, 2016), the top one thousand listed entities based on market capitalization (calculated as on March 31 of every financial year) are required to formulate a dividend distribution policy and disclose the same in the annual reports and on the website of the company. In addition, RBI Guidelines requires that a policy to be drafted for distribution of dividend applicable to all systemically and non-systemically important NBFCs.

2. Applicability

It shall come into force with effect from August 13, 2021. Any change in applicable law, Listing Regulations, RBI Guidelines shall prevail over this Policy. This Policy shall be reviewed by the Board periodically for any changes or amendments. The Company has issued only equity shares and no preference shares issued by the Company are outstanding.

3. Objective

(a) To define the policy and procedures of the Company in relation to the calculation, declaration and settlement of Dividends and the determination of the form and time periods within which Dividends are paid.

(b) To ensure that the Company has sufficient distributable profits and/or general reserves, as determined by a review of the audited financial statements of the Company, prior to any declaration and/or payment of dividends.

(c) To create a transparent and methodological dividend policy, adherence to which will be required before declaring dividends.

4. Dividend

(a) Interim Dividend

The Board shall have the absolute power to declare interim dividend during a financial year, as and when it considers fit. The Board may endeavor to declare an interim dividend one or more times in a financial year after finalization of quarterly/half yearly/yearly financial accounts based on the profits of the Company and in accordance with the provisions of the Act.

(b) Final Dividend

The Final Dividend shall be recommended to the shareholders of the Company by the Board after the annual financial statements are approved by the Board. The Board shall recommend the payment of Final Dividend to the shareholders of the Company for their approval as an ordinary business item of the Annual General Meeting (AGM) of the Company. If the Board declares more than one interim dividend in a financial year, the Board may recommend to the shareholders of the Company to treat the last interim dividend as a final dividend.

5. Eligibility criteria mentioned by RBI

The Company shall comply with the following minimum prudential requirements to be eligible to declare dividend in a financial year:

Sr. No.	Parameters	Criteria
1.	Capital Adequacy	The Company shall meet the applicable regulatory capital requirement i.e., (a) Leverage Ratio shall not be more than 7 at any point of time; (b) minimum Tier I capital of 12 percent for each of the last three financial years including the financial year for which the dividend is proposed in terms of Paragraph 6 of Master Direction - Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016; or (c) such other capital adequacy ratio as may be prescribed and applicable to the Company.
2.	Net Non-Performing Asset (NPA)	The net NPA ratio of the Company shall be less than 6 percent in each of the last three years, including as at the close of the financial year for which dividend is proposed to be declared.
3.	Other conditions	The Company shall be compliant with the provisions of Section 45IC of the Reserve Bank of India Act, 1934. The Company shall also be compliant with the prevailing regulations/guidelines issued by the Reserve Bank as applicable from time to time and shall not have placed any explicit restrictions on declaration of dividend.

In case the Company is eligible to declare dividend as per aforesaid criteria, it may pay dividend, subject to the following:

(a) The maximum Dividend Payout Ratio shall not exceed 50%. For this Policy, the dividend pay-out ratio shall be the ratio between the amount of the dividend payable in a year and the net profit as per the audited financial statements for the financial year for which the dividend is proposed.

(b) Proposed dividend shall include both dividend on equity shares and compulsorily convertible preference shares (if issued and outstanding) eligible for inclusion in Tier 1 Capital.

(c) In case the net profit for the relevant period includes any exceptional and/or extraordinary profits/income or the financial statements are qualified (including 'emphasis of matter') by the Statutory Auditors of the Company that indicates an overstatement of net profit, the same shall be reduced from net profits while determining the dividend payout ratio.

In the event, if the Company does not meet the aforesaid applicable prudential requirements as prescribed by RBI for each of the last three financial years, then the Company may declare dividend, subject to a cap of 10 percent on the dividend payout ratio, PROVIDED the Company complies with the following conditions:

(a) meets the applicable capital adequacy requirement in the financial year for which it proposes to pay dividend; and

(b) has net NPA of less than 4 percent as at the close of the financial year.

6. Parameters to be considered before recommending dividend

The Board of Directors of the Company shall consider the following financial parameters while declaring or recommending dividend to the shareholders:

Internal Parameters

(i) Supervisory findings of RBI on divergence in classification and provisioning for NPAs.

(ii) Profits earned during the financial year.

(iii) Qualifications in the Statutory Auditors Report to the financial statements.

(iv) Long term growth plans of the Company.

(v) Retained Earnings.

(vi) Earnings outlook for next three to five years.

(vii) funding requirements for expansion, diversification, growth, new projects, brand / business acquisitions.

(viii) Any other relevant factors and material events.

External Parameters

(i) Restrictions imposed under the Act and any other laws, the regulatory developments with regard to declaration of dividend, the contractual obligations of the Company under the loan agreements / debenture trust deed and other agreements, documents, writings, limiting / putting restrictions on dividend pay-out.

(ii) Significant changes in macro-economic environment materially affecting the businesses in which the Company is engaged and in the geographies in which the Company operates.

(iii) Introduction of new regulatory requirements or material changes in existing taxation or regulatory requirements, which significantly affect the businesses in which the Company is engaged.

(iv) Technological changes which necessitate significant new investments in any of the businesses in which the Company is engaged.

7. Circumstances under which the shareholders may or may not expect dividend

The Board of Directors of the Company, while declaring or recommending dividend shall ensure compliance with statutory requirements under applicable laws including the provisions of the Act and Listing Regulations. The Board of Directors, while determining the dividend to be declared or recommended, shall take into consideration the advice of the executive management of the Company and plan any further investments for growth apart from other parameters set out in this Policy. The Board of Directors of the Company may not declare or recommend dividend for a particular period if it is of the view that it would be prudent to conserve capital for the then ongoing or planned business expansion or other factors which may be considered by the Board.

8. Utilisation of Retained Earnings

The Company shall endeavour to utilise the retained earnings in a manner which shall be beneficial to the interests of the Company and also its shareholders. The Company may utilise the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board of Directors of the Company.

9. Process of Payment of Dividend

➢ The Company will give prior intimation of atleast 2 working days to Stock Exchange/(s) (excluding the date of intimation and the date of the board meeting) of date of board meeting in which the declaration/recommendation of dividend will be considered.

➢ The Company will inform about the decision taken by the Board regarding dividend to Stock Exchange/(s) within 30 minutes of the closure of the board meeting.

➢ The Company will fix Record Date for the purpose of determination for list of shareholders of the Company eligible to receive dividend. Persons appearing as members in the register of members or beneficiary ownership statement provided by the Registrar & Share Transfer Agent of the Company shall be entitled for the dividend.

➢ The intimation for fixing Record Date shall be given to stock exchange/(s) atleast seven working days in advance (excluding the date of intimation and the record date).

➢ Payment of dividend shall be made through electronic mode or cheques or payable at par warrants. If dividend is payable by at par warrants or cheques, they shall be sent by speed post, if it exceeds one thousand five hundred rupees. The Company shall be discharged of its responsibility of payment of dividend on the amount debited to the dividend account maintained with the banker of the Company with such dividend paying bank.

➢ The dividend declared shall be deposited in a scheduled bank in a separate account within five days from the date of declaration of such dividend.

10. Unclaimed/Unpaid Dividend

➢ Dividend declared by a Company remaining unpaid or unclaimed within 30 days from the date of declaration of dividend, the Company shall within 7 days from the date of expiry of the said period of 30 days transfer to a special account to be opened by the Company in any Scheduled Bank to be called the Unpaid Dividend Account.

➢ Any money transferred to the Unpaid Dividend Account of the Company which remains unpaid or unclaimed for a period of 7 (Seven) years from the date of such transfer shall be transferred by the Company along with interest accrued, if any, thereon to the fund established by the Central Government called the Investor Education and Protection Fund (**"IEPF"**) and investors can claim refund from IEPF and not from the Company.

11. Parameters that shall be adopted with regard to various classes of shares

The Company has issued only one class of shares viz., equity shares. Parameters for dividend payments in respect of any other class of shares will be as per the respective terms of issue and in accordance with the applicable regulations and will be determined, if and when the Company decides to issue other classes of shares.

12. Reporting to RBI

Pursuant to the requirement specified in the RBI Guidelines, the Company shall report details of dividend declared during the financial year 2021-22 onwards as per the format prescribed in the RBI Guidelines. The report shall be furnished within a fortnight after declaration of dividend to the Regional Office of the Department of Supervision of the Reserve Bank, under whose jurisdiction the Company is registered.

13. Conflict in Policy

In the event of any conflict between this Policy and the provisions contained in the Listing Regulations, the Listing Regulations shall prevail.

14. Amendments

The Board may, from time to time, make amendments to this Policy to the extent required due to change in applicable laws and Listing Regulations or as deemed fit on a review.

Annexure II

APPOINTMENT AND EVALUATION POLICY

1. Scope

1.1 This Policy on Appointment and Evaluation of Directors and the Board (**"Appointment and Evaluation Policy"**) sets out the criteria for appointment of Directors, Key Managerial Personnel (**"KMP"**) and Senior Management, recommend to the Board, the remuneration of the Directors, KMP and Senior Management and evaluating the performance of directors, the board of directors of the Company (**"Board"**) and committees of the Board, as required by the provisions of the Companies Act, 2013 (**"Act"**), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**"SEBI Regulations"**), applicable provisions of the Master Directions issued by Reserve Bank of India (**"RBI"**) and other applicable laws, rules and guidelines.

1.2 The Policy applies to and covers Directors, the Board and Board committees, Key Managerial Personnel and/or Senior Management.

1.3 The Nomination and Remuneration Committee (**"NRC/Committee"**) shall be constituted as per the provisions of the Act and SEBI Regulations and shall have the right to review this Appointment and Evaluation Policy from time to time and make suitable modifications, subject to approval of the Board.

2. Responsibility of NRC and Board

The NRC and the Board shall be responsible for ensuring that any person proposed to be appointed on the Board of the Company/continues on the Board of the Company shall be fit and proper to be acting on the Board of the Company.

2.1. Appointment, Removal and Retirement of Directors (including Independent Director)

a) Appointment Criteria and Qualifications

A person proposed to be appointed as a Director, Key Managerial Personnel or Senior Management should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The NRC shall evaluate and recommend the appointment basis various information, undertaking, disclosures obtained from the Director under various Acts/Regulations/Directions ensuring that the Directors are fit and proper to be appointed on the Board of the Company.

(i) Qualifications of Independent Director:

An Independent Director shall possess appropriate skills, experience, and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the Company's business and shall have fit and proper status for the proposed appointment.

(ii) Positive attributes of Independent Directors:

An Independent Director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his/her responsibilities in a bona-fide manner in the interest of the Company; devote sufficient time and attention to his/her professional obligations for informed and balanced decision making; and assist the Company in implementing the best corporate governance practices.

b) Removal of Director, KMP or Senior Management

Due to reasons for any disqualification mentioned in the Act or under any other applicable act, rules, and regulations thereunder, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or senior management personnel subject to the provisions and compliance of the Act, Rules and Regulations.

c) Retirement

The Director, KMP and senior management personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, senior management personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

2.2 Remuneration

(i) Directors:

a) Executive Directors (Managing Director, Manager or Whole Time Director):

(i) At the time of appointment or reappointment, the Executive Directors shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination & Remuneration Committee and the Board of Directors) within the overall limits prescribed under the Companies Act, 2013, SEBI Regulations and other applicable laws.

(ii) The remuneration shall be subject to the approval of the Members of the Company in General Meeting as per the requirement of the Act.

(iii) The remuneration of the Manager/ Chief Executive Officer/ Managing Director/Whole Time Director is broadly divided into fixed, and incentive pay reflecting short-term and long-term performance objectives appropriate to the working of the Company. In determining the remuneration (including the fixed increment and performance bonus), the Committee shall consider the following:

- the relationship of remuneration and performance benchmark;
- balance between fixed and incentive pay reflecting short and long-term performance objectives, appropriate to the working of the Company and its goals;
- responsibility required to be shouldered, the industry benchmarks and the current trends;
- The Company's performance vis-a-vis the annual budget achievement and individual performance.

b) Non-Executive Director:

(i) The Non-Executive Director may receive fees for attending meeting of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rupees One Lakh per meeting of the Board or Committee, or such amount as may be prescribed by the Central Government from time to time.

(ii) A Non-Executive Director may be paid commission on an annual basis, of such sum as may be approved by the Board on the recommendation of the Committee.

(iii) The Committee may recommend to the Board, the payment of commission, to reinforce the principles of collective responsibility of the Board.

(iv) In determining the quantum of commission payable to the Directors, the Committee shall make its recommendation after taking into consideration the overall performance of the Company and the onerous responsibilities required to be shouldered by the Director.

(v) The total commission payable to the Directors shall not exceed prescribed limits as specified under the Act.

(vi) The commission shall be payable on pro-rata basis to those Directors who occupy office for part of the year.

(ii) KMP & Senior Management Personnel:

The remuneration to the KMP and Senior Management Personnel will be based on following guidelines:

a. Maintaining a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company;

b. Compensation should be reasonable and sufficient to attract, retain and motivate KMP and Senior Management Personnel;

c. Remuneration payable should comprise a fixed component and a performance linked variable based on the extent of achievement of individual performance vis-a-vis overall performance of the Company;

d. Remuneration shall be also considered in the form of long-term incentive plans for key employees, based on their contribution, position, and length of service, in the nature of ESOPs.

3. Evaluation of Directors (including Independent Directors), Board and Committees of the Board

The Chairperson of NRC and the Board shall initiate the process to carry out the performance evaluations of the Directors (including Independent Directors), Board level committees and the Board as a whole on an annual basis in accordance with the criteria set out in this policy by following such method as they deem appropriate considering the provisions of the Act and SEBI Regulations. The Chairperson of Board shall initiate the process to carry out the performance evaluations of the Chairperson of NRC. Similarly, the Chairperson of NRC shall initiate the process to carry out the performance evaluations of the Chairperson of the Board. A person being appointed as Director should possess adequate qualification, expertise and experience for the position he/she is considered for appointment.

3.1 The Chairperson of NRC and the Board shall prepare evaluation report and forward the same to all Board Members on or before April 20 in every financial year for the preceding financial year.

3.2 On receipt of the performance evaluation report, the Board shall undertake the following:

a) Review the said performance evaluation report together with any suggestions on improving the effectiveness of the Board, its committees and directors;

b) Set performance objectives for directors, consistent with the varying nature and requirements of the Company's business and strategies, as deemed applicable or relevant;

c) Approve payment of commission payable to eligible directors of the Company based on the said performance evaluation report;

d) Recommend appointment/reappointment of directors to the shareholders; and

e) 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.

3.3 The performance evaluation shall be conducted in a fair, transparent and objective manner. In case of evaluation of individual directors, the concerned director who is being evaluated shall be excluded from the relevant evaluation team of the Board or NRC as the case may be.

3.4 Without prejudice to the foregoing, as required by the relevant provisions of the Act, Independent Directors of the Company shall:

a) review the performance of non-independent directors and the Board as a whole;

b) review the performance of the Chairperson of the Board, taking into account the views of executive directors and non-executive directors; and

c) assess the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

4. Evaluation Factors

4.1 The following broad parameters shall be considered for the purpose of evaluating the performance of each director and the Board and its committees.

A. Parameters for evaluating the performance of the Board

- Development of suitable strategies and business plans at appropriate time and its effectiveness;
- Implementation of robust policies and procedures;
- Size, structure and expertise of the Board;
- Oversight of the Financial Reporting Process, including Internal Controls;
- Willingness to spend time and effort to learn about the Company and its business; and
- Awareness about the latest developments in the areas such as corporate governance framework, financial reporting, industry and market conditions.

B. Parameters for evaluating the performance of the Committee(s)

- Discharge of its functions and duties as per its terms of reference;
- Process and procedures followed for discharging its functions;
- Effectiveness of suggestion and recommendation received;
- Size, structure and expertise of the Committee; and
- Conduct of its meetings and procedures followed in this regard.

C. Parameters for evaluating the performance of the Director(s)

- ➢ Participation at the Board/ Committee meetings;
- ➢ Commitment (including guidance provided to senior management outside of Board/Committee meetings);
- ➢ Effective deployment of knowledge and expertise;
- ➢ Effective management of relationship with stakeholders;
- ➢ Integrity and maintenance of confidentiality;
- ➢ Independence of behaviour and judgment; and
- ➢ Impact and influence.

In addition to the above parameters, which shall be common for evaluation to both Independent and Non-Executive Directors, an Independent Director shall also be evaluated on the following parameters:

- ➢ Exercise of objective independent judgment in the best interest of Company;
- ➢ Ability to contribute to and monitor corporate governance practice; and
- ➢ Adherence to the code of conduct for independent directors.

D. Parameters for evaluating the performance of the Chairperson of the Board

- ➢ Managing relationship with the members of the Board, management and other stakeholders;
- ➢ Demonstration of leadership qualities;
- ➢ Relationship and communication within the Board;
- ➢ Ease of raising of issues and concerns by the Board members; and
- ➢ Personal attributes i.e., Integrity, Honesty, Knowledge, etc.

In addition to the above parameters, the performance of the Chairperson shall be evaluated on the evaluation parameters applicable to both Independent and Non-Executive Directors.

E. Parameters for evaluating the performance of the Managing Director/Executive Director

- ➢ Achievement of financial/business targets prescribed by the Board;
- ➢ Developing and managing/executing business plans, operational plans, risk management and financial affairs of the organization;
- ➢ Display of leadership qualities i.e., correctly anticipating business trends, opportunities, and priorities affecting the Company's prosperity and operations;
- ➢ Development of clear mission/vision statements, policies and strategic plans that harmoniously balance the needs of shareholders, clients, employees and other stakeholders;
- ➢ Establishment of an effective organization structure to ensure that there is management focus on key functions necessary for the organization to align with its mission; and
- ➢ Managing relationships with the Board, management team, regulators, bankers, industry representatives and other stakeholders.

4.2 Rating Scale: The ratings shall be based on the scales as may be decided by the Chairperson of the Board and NRC.

5. Fit and Proper Status on Continuous Basis

As per the applicable provisions of the Master Directions, basis the annual disclosures, other declarations and confirmations received from the Directors of the Company, the NRC and the Board shall evaluate and ascertain on whether the Directors continue to remain fit and proper on continuing basis.

6. Review/Revision of Policy

If at any point a conflict of interpretation/information between the Policy and any regulations, rules, guidelines, notification, clarifications, circulars, master circulars/ directions issued by relevant authorities (**"Regulatory Provisions"**) arises, then interpretation of the Regulatory Provisions shall prevail. In case of any amendment(s) and/or clarification(s) to the Regulatory Provisions, the Policy shall stand amended accordingly from the effective date specified as per the Regulatory Provisions. The Board reserve(s) the right to alter, modify, add, delete or amend any of the provisions of the Policy.

Annexure - III

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures as on March 31, 2024

Part "A": Subsidiaries

(₹ in Lakhs)

Sr. No.	Particulars	Details
1.	Name of the subsidiary	DFL Technologies Private Limited
2.	The date since when subsidiary was acquired	October 07, 2019
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable
5.	Share Capital	2,258.88
6.	Reserves & Surplus	190.67
7.	Total Assets	2,608.69
8.	Total Liabilities	159.14
9.	Investments	-
10.	Turnover	93.30
11.	Profit/(Loss) before taxation	(76.86)
12.	Provision for taxation (Deferred Tax)	2.36
13.	Profit/(Loss) after taxation	(74.50)
14.	Proposed Dividend	Nil
15.	Extent of shareholding (in percentage)	100%

Notes: *The following information shall be furnished at the end of the statement:*

1. Names of subsidiaries which are yet to commence operations – NIL

2. Names of subsidiaries which have been liquidated or sold during the year - NIL

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures – Not Applicable

For and on behalf of the Board of Directors

Sd/-
Rohanjeet Singh Juneja
Managing Director & CEO
DIN: 08342094

Sd/-
Rushina Mehta
Non-Executive Non-Independent Director
DIN: 01042204

Sd/-
Sanjay Kukreja
Chief Financial Officer

Sd/-
Sonal Sharma
Company Secretary & Compliance Officer

August 13, 2024
Mumbai

Annexure - IV - A

FORM MR-3
SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

For the Financial Year Ended March 31, 2024

To,
The Members,
TruCap Finance Limited
(Formerly known as Dhanvarsha Finvest Limited)
CIN: L64920MH1994PLC334457

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by TruCap Finance Limited (Formerly known as Dhanvarsha Finvest Limited) (**"TruCap"/ "Company"**) and having its registered office at 3rd Floor, A-Wing, D.J. House, Old Nagardas Road, Andheri (East), Mumbai - 400 069. Secretarial Audit was conducted in a manner that provided me with a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on such verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 has generally complied with the statutory provisions listed hereunder. I further report that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

(i) The Companies Act, 2013 (the Act) and applicable rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder (to the extent of Foreign Direct Investment);

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   (d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 & Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; to the extent applicable;

   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the audit period**);

   (h) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period);** and

   (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as **"Listing Regulations"**).

(vi) I have relied on the representation made by the Company and its officers and compliance mechanism prevailing in the Company and on examination of documents on test check basis for compliance of the following specific applicable laws and rules made thereunder, being laws that are applicable to the Company based on their sector/industry;

   1) Reserve Bank of India Act, 1934 and the directions, regulations, master circulars, circulars issued by Reserve Bank of India thereunder and as applicable to Base Layer NBFC and further categorized as an Investment & Credit Company (ICC).

2) Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 and Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 and Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023, to the extent applicable;

3) Master Direction - Information Technology Framework for the NBFC Sector;

4) Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016;

5) Credit Information Companies (Regulation) Act, 2005; and

6) The Prevention of Money Laundering Act, 2002.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreement(s) entered into by the Company with Stock Exchanges pursuant to the Listing Regulations.

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

I further report that:

The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors including Woman Independent Director. Further, there were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. The decisions were carried unanimously.

Majority decision is carried through while the dissenting members' views if any, are captured and recorded as part of the minutes

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the Company has:

1) Allotted 6,84,655 equity shares pursuant to ESOP Scheme of the Company.

2) Issue and Allotment of 65,42,372 Convertible Warrants of the Company having face value of ₹ 2/- each at an issue price of ₹ 73.75/- (Rupees Seventy-Three and Paise Seventy-Five only) per Warrant (including warrant subscription price and warrant exercise price), for an aggregate amount of ₹ 48,24,99,935/-.

3) Allotment of following Debentures: -

   a) 35 Secured, Redeemable, Unrated and Unlisted Non-Convertible Debentures of a nominal value of ₹ 1,00,00,000/- each.

   b) 999 Secured, Guaranteed, Unsubordinated, Taxable, Non-Cumulative, Rated, Redeemable, Principal Protected, Listed Non-Convertible Debentures having face value of ₹ 1,00,000/- each.

   c) 4,000 Secured, Rated, Listed, Redeemable, Non-Convertible Debentures having face value of ₹ 1,00,000/- each.

   d) 3,000 Fully Paid up, Senior, Secured, Rated, Listed Redeemable Non-Convertible Debentures of ₹ 1,00,000/- each.

   e) Series A – 800 13.10% Secured, Listed, Rated, Taxable, Transferable Redeemable Non-Convertible Debentures having face value of ₹ 1,00,000/- each.

   f) Series B - 800 13.00% Secured, Listed, Rated, Taxable, Transferable Redeemable Non-Convertible Debentures having face value of ₹ 1,00,000/- each.

4) Re-appointment of Mr. Nirmal Vinod Momaya (DIN: 01641934) & Mr. Krishipal Raghuvanshi (DIN: 07529826) as Non-Executive Independent Director for period of 5 years.

5) Listing of equity shares of the Company on National Stock Exchange of India Limited w.e.f. June 20, 2023.

I further report that during the audit period, except for the events covered above, there was no other event/action having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, and standards.

FOR U. HEGDE & ASSOCIATES,
COMPANY SECRETARIES

Umashankar K Hegde
(Proprietor)
COP No- 11161 # M. No- A22133
ICSI Unique Code: S2012MH18 8100
Peer Review Certificate No - 1263/2021
UDIN: A022133F000962776

August 13, 2024
Mumbai

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
Members,
TruCap Finance Limited
(Formerly known as Dhanvarsha Finvest Limited)
CIN: L64920MH1994PLC334457

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices have been followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.

5. The compliance of the provisions of the Act and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

FOR U. HEGDE & ASSOCIATES,
COMPANY SECRETARIES

Umashankar K Hegde
(Proprietor)
COP No- 11161 # M. No- A22133
ICSI Unique Code: S2012MH18 8100
Peer Review Certificate No - 1263/2021
UDIN: A022133F000962776

August 13, 2024
Mumbai

Annexure - IV-B

SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]
For the Financial Year Ended March 31, 2024

To,
The Members,
DFL Technologies Private Limited
CIN- U67190MH2019PTC331368

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DFL Technologies Private Limited ("DFL Tech"/ "Company")** and having its registered office at Ground Floor, D.J. House, Old Nagardas Road, Andheri (East), Mumbai – 400 069. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 has generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

(i) The Companies Act, 2013 (the Act) and the rules made thereunder.

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder (to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings) – **Not Applicable**.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; ***(Not applicable during the audit period)***

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; ***(to the extent applicable to the intermediary)***

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; ***(Not applicable during the audit period)***

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; ***(Not applicable during the audit period)***

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; ***(Not applicable during the audit period)***

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; ***(Not applicable during the audit period)***

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; ***(Not applicable during the audit period)***

(h) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018; ***(Not applicable during the audit period)*** and

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ***(to the extent applicable to a Material Subsidiary)***

(vi) Based on the representation made by the Company and its officer and compliance mechanism prevailing in the Company, there are no specific laws applicable to the Company compliance of which have to be ensured by the Company.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

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

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Director.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views if any, are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were following specific events /action reported having major bearing on company's operations.

1) Approval of Members was sought for appointment of Mr. Rohanjeet Singh Juneja (DIN: 08342094) as a Managing Director of the Company for period of 3 years effective from February 13, 2023 upto February 12, 2026 .

For U. Hegde & Associates,
Company Secretaries

Umashankar K Hegde
(Proprietor)
COP No- 11161 # M. No- A22133
ICSI Unique Code: S2012MH18 8100
Peer Review Certificate No - 1263/2021
UDIN: A022133F000963040

August 13, 2024
Mumbai

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members
DFL Technologies Private Limited
CIN: U67190MH2019PTC331368

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Act and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For U. Hegde & Associates,
Company Secretaries

Umashankar K Hegde
(Proprietor)
COP No- 11161 # M. No- A22133
ICSI Unique Code: S2012MH18 8100
Peer Review Certificate No - 1263/2021
UDIN: A022133F000963040

August 13, 2024
Mumbai

Annexure – V

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES OF TRUCAP FINANCE LIMITED

[Pursuant to clause (o) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline on CSR Policy of the Company:

   The Company's commitment is to ensure that our activities extend beyond business and include initiatives and endeavours for the benefit and development of the community and society at large, social responsibility, and environmental sustainability to benefit the economically & socially disadvantaged sections of the society. The Company endeavours to undertake programmes geared towards social welfare activities or initiatives.

   The Policy on Corporate Social Responsibility **("CSR") ("CSR Policy"),** including overview of the projects or programs proposed to be undertaken, is available on the website of the Company at www.trucapfinance.com and the link is https://trucapfinance.com/wp-content/uploads/CSR-Policy.pdf.

2. Composition of CSR Committee:

   As on March 31, 2024 and the date of this report, the CSR Committee comprises of the following members:

Sr. No.	Name of Member	Designation in Committee/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Ms. Abha Kapoor	Independent Director, Chairperson	1	1
2.	Mr. Rajiv Kapoor	Non-Executive Non-Independent Director, Member	1	1
3.	Mr. Rohanjeet Singh Juneja	Managing Director and Chief Executive Officer, Member	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

   The web-link where the composition of CSR Committee is hosted on the website of the Company is https://trucapfinance.com/composition-of-committees-2/.

   The web-link where the CSR Policy of the Company is hosted on the website of the Company is https://trucapfinance.com/wp-content/uploads/CSR-Policy.pdf.

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

   Not Applicable

5. (a) Average net profit of the company as per sub-section (5) of section 135 – ₹ 452.97 Lakhs.
   (b) Two percent of average net profit of the company as per sub-section (5) of section 135 - ₹ 9.05 Lakhs.
   (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – NIL
   (d) Amount required to be set off for the financial year, if any - NIL.
   (e) Total CSR obligation for the financial year (b+c-d) – ₹ 9.05 Lakhs.

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) - ₹ 9.05 lakhs.
   (b) Amount spent in Administrative overheads – NIL.
   (c) Amount spent on Impact Assessment, if applicable – Not Applicable.
   (d) Total amount spent for the Financial Year [(a)+(b)+(c)] - ₹ 9.05 Lakhs.
   (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso of sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
9,05,935	Not Applicable	Not Applicable	Not Applicable	NIL	Not Applicable

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

Sr. No.	Particulars	Amount (₹ in Lakhs)
1.	Two percent of average net profit of the company as per sub-section (5) of section 135	9.05
2.	Total amount spent for the Financial Year	9.05
3.	Excess amount spent for the Financial Year [(ii)-(i)]	0.00
4.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	1.93*
5.	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	1.93

* *Excess spent in the previous financial year ended March 31, 2023.*

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

1	2	3	4	5	6	7	8
Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any	Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
				Amount (in ₹)	Date of transfer		
1	FY-1	Not Applicable					
2	FY-2						
3	FY-3						

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If yes, enter the number of Capital assets created/ acquired – Not Applicable

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

Sr. No.	Short particulars of the property or asset(s) (including complete address and location of the property)	Pin-code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
Not Applicable							

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135 – Not Applicable. Pursuant to the provisions of the Companies Act, 2013, during the financial year ended March 31, 2024, the amount required to be spent by the Company towards CSR activities was ₹ 9.05 Lakhs, and on recommendation of the CSR Committee and subsequent to the approval of the Board of Directors of the Company, during the financial year ended March 31, 2024, the entire sum of ₹ 9.05 Lakhs has been spent by the Company for the CSR activities.

Sd/-
Abha Kapoor
Chairperson of CSR Committee

Sd/-
Rohanjeet Singh Juneja
Managing Director & CEO
Member of CSR Committee

August 13, 2024
Mumbai

Annexure – VI

The ratio of the remuneration of each Director to the median employee's remuneration and such other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

<table>
<tr><th>Sr. No.</th><th>Requirements</th><th>Disclosure</th></tr>
<tr><td>i.</td><td>The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year</td><td>
<table>
<tr><th>Name</th><th>Ratio</th></tr>
<tr><td>Mr. Rohanjeet Singh Juneja</td><td>41.15</td></tr>
<tr><td>Mr. Nirmal Vinod Momaya</td><td>1.28</td></tr>
<tr><td>Mr. Krishipal Raghuvanshi</td><td>2.05</td></tr>
<tr><td>Mr. Rakesh Sethi</td><td>2.18</td></tr>
<tr><td>Mr. Rajiv Kapoor</td><td>2.31</td></tr>
<tr><td>Mr. Atwood Porter Collins</td><td>0.51</td></tr>
<tr><td>Ms. Abha Kapoor</td><td>1.41</td></tr>
<tr><td>Mrs. Rushina Mehta</td><td>0.77</td></tr>
<tr><td>Ms. Geetu Gidwani Verma</td><td>1.15</td></tr>
</table>
</td></tr>
<tr><td>ii.</td><td>Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary, if any, in the financial year</td><td>
<table>
<tr><th>Name</th><th>Designation</th><th>% Increase</th></tr>
<tr><td>Mr. Rohanjeet Singh Juneja</td><td>Managing Director & CEO</td><td>16.67</td></tr>
<tr><td>Mr. Sanjay Kukreja</td><td>Chief Financial Officer</td><td>11.67</td></tr>
<tr><td>Ms. Sonal Sharma</td><td>Company Secretary & Compliance Officer</td><td>15</td></tr>
<tr><td>Mr. Lalit Chendvankar</td><td>Chief Compliance Officer & Legal Head</td><td>10</td></tr>
</table>
</td></tr>
<tr><td>iii.</td><td>The percentage increase in the median remuneration of employees in the financial year</td><td>There is no increase in the median remuneration of employees in the financial year.</td></tr>
<tr><td>iv.</td><td>The number of permanent employees on the payroll of the Company</td><td>772</td></tr>
<tr><td>v.</td><td>Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.</td><td>There is no increase in either of the type of personnel salaries. The increase in remuneration is in lines with the Appointment and Evaluation Policy, trends of remuneration in the industry and performance of the Company.</td></tr>
<tr><td>vi.</td><td>Affirmation that the remuneration is as per the remuneration policy of the Company</td><td>Yes</td></tr>
</table>

For and on behalf of the Board of Directors

Sd/-
Rohanjeet Singh Juneja
Managing Director & CEO
DIN: 08342094

Sd/-
Rushina Mehta
Non-Executive Non-Independent Director
DIN: 01042204

August 13, 2024
Mumbai

Management Discussion and Analysis

We are delighted to share the Management Discussion and Analysis (MD&A) Report for the year ended March 31, 2024. This segment outlines the performance and outlook of our Non-Banking Financial Company (NBFC). Here, we offer a detailed review of our Company's operations, financial standing, and future prospects.

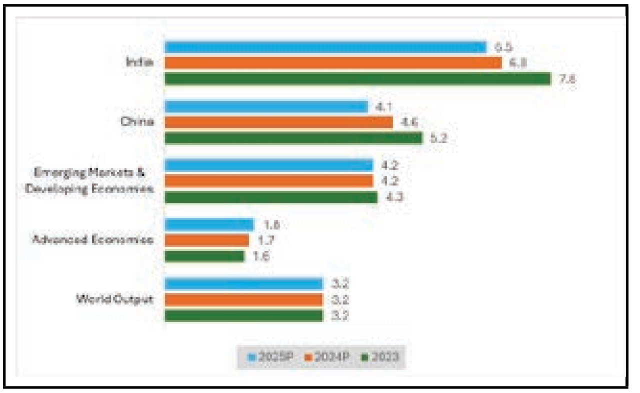
Economic Review

Global Economy

The global economic environment remains modestly challenging, with growth estimated at a sluggish 3.2% in 2023. This slowdown is driven by the cost-of-living crisis, tightening financial conditions in most regions, Russia's invasion of Ukraine, Gaza-Israel conflict, weak productivity growth and increasing geoeconomic fragmentation. The United States and several large emerging and middle-income economies showed significant over-performance, with aggregate demand bolstered by stronger-than-expected private consumption and easy labour markets. Greater-than-expected government spending further supported demand expansion in most regions. Conversely, the euro area showed the smallest growth surprise, reflecting weak consumer sentiment and lingering high energy prices.

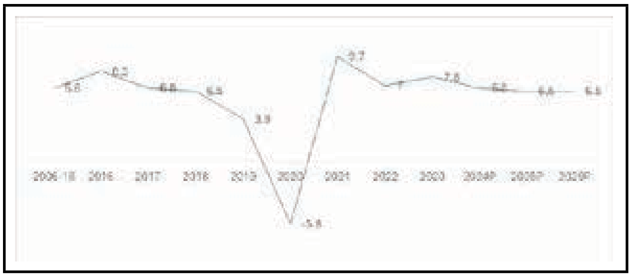
In lower-income countries, inflation exceeded expectations due to higher-than-anticipated domestic price pass-through from international food, fuel, and fertilizer costs, as well as currency depreciation. This led to significant price pressures and slower-than-expected economic growth, indicating a negative supply shock. In China, inflation unexpectedly declined, driven by sharp drops in domestic food prices and their impact on core inflation.

To combat higher inflation, in the last few years, central banks globally have raised rates which have now seemingly tempered inflation with price levels having receded from its peak. Data points over the last few weeks especially have highlighted concerns on a potential slowdown in the US economy due to the lagged effect of higher interest rates. The latest update from the International Monetary Fund (IMF) though provides a ray of hope, indicating a slight improvement in growth forecasts for 2024 and 2025. The IMF projects global growth to hold steady at 3.2% for both fiscal years, attributed to resilience in the United States and major emerging market economies, along with fiscal support measures in China. Meanwhile, the World Bank expects global growth to slow to 2.6% in 2024, slightly above the typical 2.5% threshold that often signals a recession.



(Source: IMF, World Economic Outlook, April 2024)

Indian Economic Outlook



(Source: IMF, World Economic Outlook, April 2024)

Despite prevailing global economic challenges, strong growth in the manufacturing sector, higher-than-expected agricultural output, and robust government spending have positioned India as the world's fastest-growing major economy in FY24. Additionally, India ranked fifth globally in nominal GDP for 2023. From Fiscal 2021 to Fiscal 2023, the Indian economy outperformed its global counterparts with faster growth.

According to the IMF, India's growth is projected to remain strong at 6.8% in 2024 and 6.5% in 2025, compared to 5.2% in 2024 and 4.9% in 2025 for Emerging and Developing Asia, reflecting continuing robustness in domestic demand from a rising working-age population.

The Union Budget 2023-24's emphasis on bolstering public infrastructure through increased capital expenditure spurred growth and catalyzed private investment with substantial multiplier effects. Consequently, FY24's full-year real GDP reached around ₹ 172.9 trillion, marking a 7.6% year-on-year increase, buoyed by fixed investment and improved net exports.

The manufacturing sector maintained strong growth momentum, benefiting from favorable demand conditions and lower input prices. On the supply side, significant enhancements in manufacturing and construction activities contributed to overall growth. The agricultural sector has played a pivotal role in India's economic recovery and development, underpinning the nation's resilience and potential.

Over the past three years, investment rates have consistently exceeded FY16 levels relative to GDP, driven by all sectors of the economy, indicating confidence in India's future economic prospects.

India has experienced fluctuating inflation rates over the years, with periods of both high and low inflation. Factors such as supply shocks, notably in food and oil, have historically influenced inflation spikes. Despite moderation in world oil prices and base-year effects, certain food items like pulses and cereals have continued to see price increases. The Reserve Bank of India is committed to maintaining macroeconomic stability and controlling inflation through flexible targeting, with inflation forecasted to moderate to 4.5% in FY25, moving towards the RBI target of 4%.

Despite global challenges such as the COVID-19 pandemic, inflation and geopolitical tensions, India stands out as a major contributor to global economic growth. With a resilient financial sector, growing foreign trade and stable investment activity supported by government initiatives, India's economy is expected to outperform others, with growth rates exceeding 6% in the coming years, positioning it as the third-largest economy globally by 2027.

(Source: IMF, World Economic Outlook, April 2024)

Industry Overview

The MSME sector stands as a formidable force in the nation's economic landscape, showcasing robust growth and significant contributions across various metrics. With over 44 million MSMEs registered on the Udyam portal, the sector underscores its vibrancy and dynamism. Micro-enterprises dominate this landscape, representing approximately 98% of registered MSMEs, followed by small enterprises at 1.6% and medium-sized enterprises constituting the remaining portion. The MSME sector is poised for rapid growth, with India having the largest MSME base in the world after China. The government's push for a self-reliant economy, or Atmanirbhar Bharat, has led to significant policy support for the sector. Women-owned MSMEs constitute 20.5% of Udyam Portal registrations, contributing 18.7% to employment and 10.2% to turnover. Various initiatives support their growth and empowerment in the sector.

Geographically, the distribution of MSMEs across states reflects diverse regional contributions, with Uttar Pradesh, Maharashtra and Tamil Nadu comprising the majority share of MSME activity, collectively contributing a substantial portion to the sector's overall presence in the country.

The number of MSMEs in the country is expected to grow from 63 million (of which only 25 million have ever availed credit from formal sources) to approximately 75 million in the coming years, growing at a projected CAGR of 2.5% *(Source: IBEF MSME, March 2024)*. Domestic businesses require a strong financial stimulus with concessional working capital loans to ensure adequate liquidity is maintained in business operations from the government and financial institutions. The sector's access to credit has been pivotal in driving growth, particularly amidst economic uncertainties and the challenges posed by the COVID-19 pandemic. As per RBI data, the gross bank credit by scheduled commercial banks to MSMEs under priority sector lending norms grew by 18% in April 2024.

The Government of India has designed various policies for the growth of MSMEs in the country.

- Since the launch of the Credit Guarantee Trust Fund for Micro and Small Enterprises (CGTMSE), till November 30, 2023, guarantees amounting to ₹5.3 trillion (US$ 64.4 billion) have been issued under the Credit Guarantee Scheme for Micro and Small Enterprises (CGMSE).
- Under Pradhan Mantri Mudra Yojana (PMMY), in FY24, ₹4.8 trillion (US$ 58.1 billion) was sanctioned under 58 million Mudra loans to non-corporate and non-farm MSMEs.
- In the interim budget 2024-2025, the establishment of a corpus totaling ₹1 trillion (~US$ 12 billion), offering 50-year interest-free loans, was announced. This initiative aims to incentivize the private sector, particularly MSMEs, to enhance research and innovation in emerging sunrise domains.

NBFCs, Fintechs, and Banks have increasingly catered to the underserved MSME sector due to the higher availability of data on these entities. MSME loans grew at a robust pace, registering a CAGR of 17% between FY16 and FY23. However, growth in FY19 and FY20 was relatively muted due to the NBFC liquidity crisis and a cautious lending approach amid slower economic growth. In FY21, the COVID-19 pandemic adversely affected the MSME industry, impacting lending growth for that year and the next. By FY23, as the pandemic receded and economic activity resumed, MSMEs rebounded strongly, with the overall MSME loan outstanding reaching ₹26.4 trillion, growing at 17% year-on-year. Industry reports estimate that MSME loans will grow at a 12-14% CAGR between FY23 and FY26, supported by continued government support, technological advancements, and improved data availability facilitating easier underwriting.

The SIDBI MSME Pulse report for February 2024 highlights the increasing share of NBFCs in MSME lending over recent years. From September 2020 to September 2023, NBFCs' contribution to the lending mix increased from 12% to 26% for micro enterprises, from 8% to 20% for small enterprises, and from 8% to 16% for medium enterprises. This growth is primarily due to NBFCs' focus on meeting customer needs, offering cost-effective credit through technology, faster turnaround times, superior customer service, and extensive geographic reach. This trend is expected to continue, driven by increasing data availability and improved efficiency in the credit assessment process.

According to the Ministry of MSME, the states in which we are present collectively represent ~42% of all Udyam registered micro, small, and medium enterprises in India. With increasing MSME penetration in these states, there will be a corresponding rise in credit demand within the industry. TruCap's significant contribution to its Assets Under Management (AUM) mix comes from these states and the Company aims to capitalize on this favorable position to further expand its offerings to the MSMEs.

(Source: SIDBI MSME Pulse – February 2024)

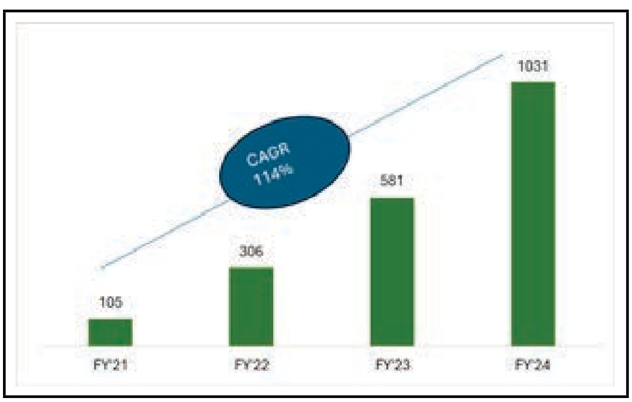
Business Overview

TruCap is dedicated to addressing India's MSME credit gap, which was estimated at ₹ 92 trillion for FY23, by offering a diversified portfolio of financial products. These include Gold backed MSME Loans and collateral free MSME Business Loans. We have effectively leveraged the Lending-as-a-Service or L-a-a-S model to make last mile credit accessible through our robust distribution network by partnering with marquee financial institutions and gained significant vintage in our portfolio while pursuing this model. This focused approach has enabled us to increase our L-a-a-S Assets Under Management (AUM) proportion to 42% in Mar'24, up from 28% in Mar'23, showcasing our robust liquidity funnel and our capability as a reliable credit originator, underwriter and servicing partner for larger financial institutions. TruCap also had the privilege to onboard responAbility AG, a Development Finance Institution (DFI) on its debt capital table to bring forth greater diversity amongst its lenders.

Our strong base of over 40 lenders and effective Co-lending partnerships have facilitated the expansion of all distribution channels, leading to significant overall AUM growth, surpassing the ₹ 1,031 crore mark. As of Mar'24, TruCap employs more than 700 people, reflecting our commitment to providing comprehensive financial solutions and driving growth in the MSME sector.

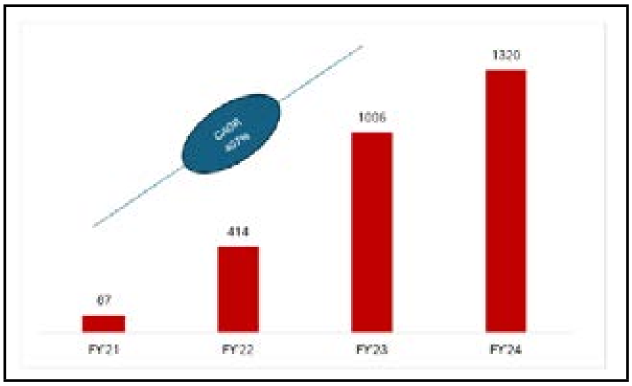
AUM Growth

TruCap surpassed AUM of ₹ 1,000 crore in this fiscal. This is a significant growth benchmark for us.



Disbursement Growth

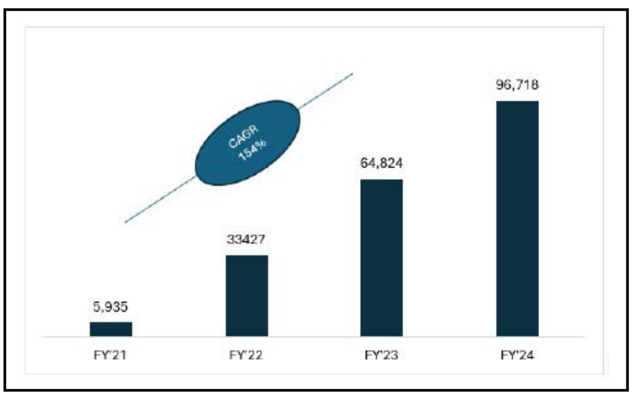
TruCap crossed a major milestone of disbursing beyond 100 Crores in a month in this fiscal year.



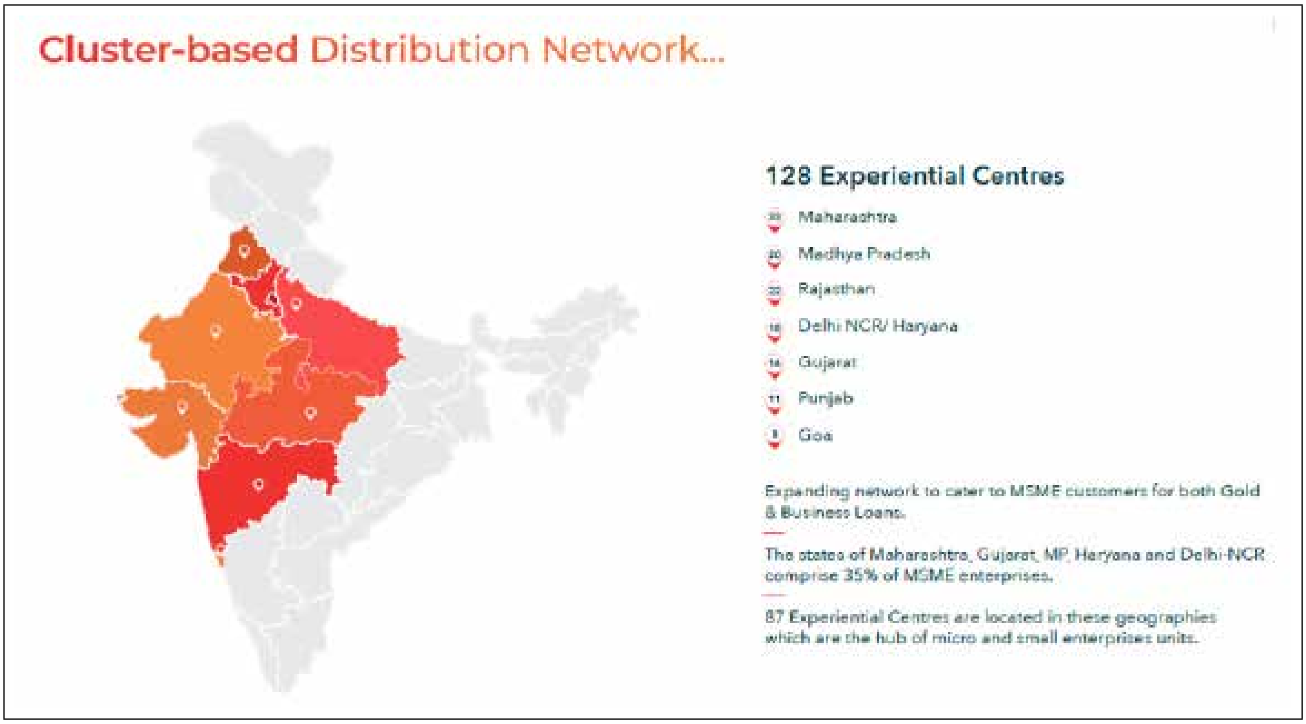
Substantial Improvement in Asset Quality – GNPA Reduction

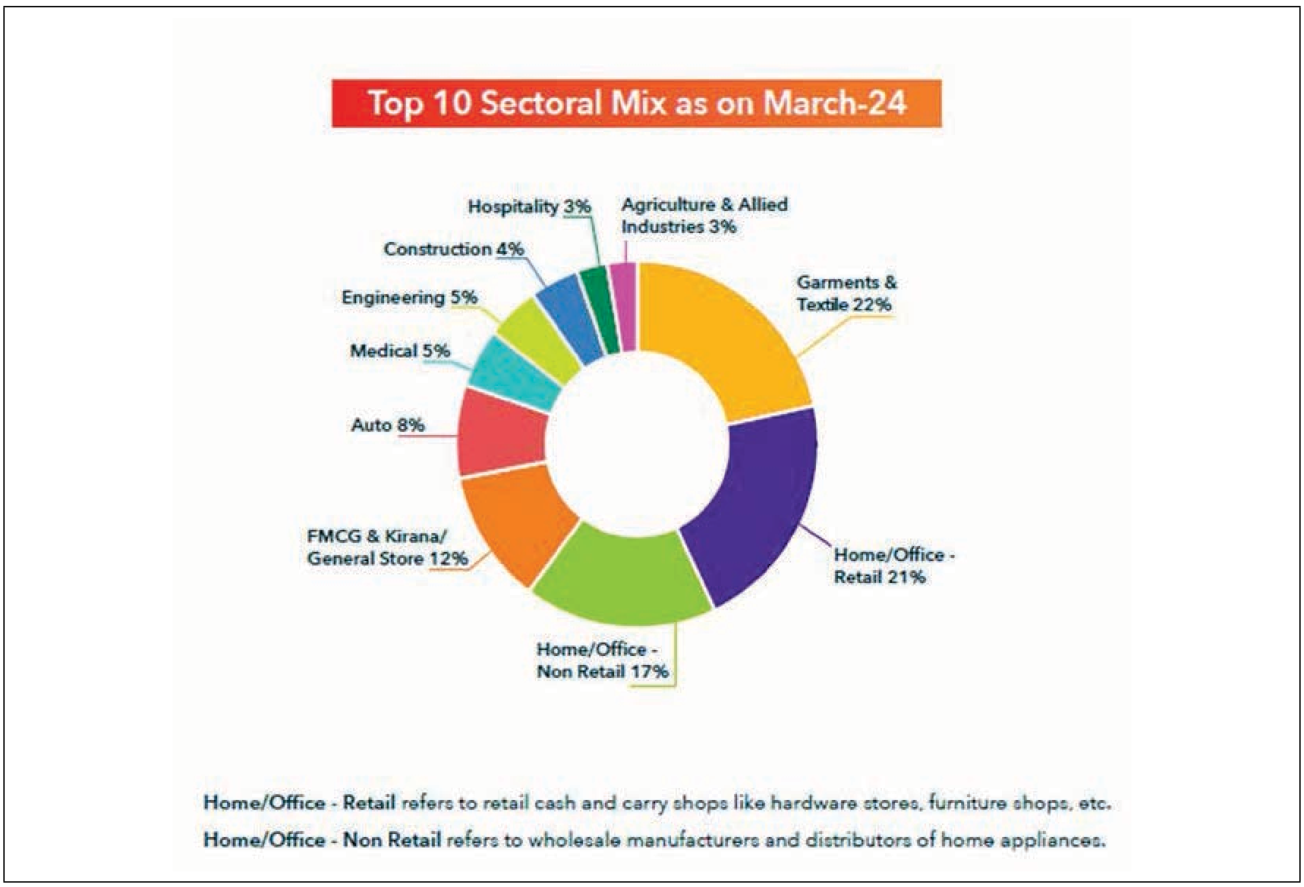
The GNPA reduced by 170 bps in the last 4 years and the NNPA improved by a significant 100 bps from 1.8% in FY'23 to 0.8% in FY'24.

Active Customer Count



Building a Robust Cluster-based Distribution Network with an increasing focus on sectoral performance across geographies





At TruCap Finance, our objective is to cater to every financial need of MSMEs, from short-term working capital loans to quick access to working capital funds through gold-backed loans. We offer a range of financial products, from ₹ 3,000 to ₹25 lakhs business loans, backed by gold, FLDG, receivables etc. Our data-tech models integrate diverse data sources, including banking, credit bureau, GST and multiple alternative data sources, enabling us to deliver credit based on a cashflow-based lending method and subsequent refining of this model through the sectoral data analysis across our geographies.

We have structured our customer asset origination through the specific channels:

- Branch-based Lending: This channel has seen significant growth, with the branch network increase during the financial year ended March 2024.
- Focused MSME Lending: This channel taps into business opportunities within various ecosystems, particularly focused on working capital and business expansion loans in select MSME hubs through intermediary support or anchor-based support.

Through these diversified channels and innovative data-driven approaches, TruCap remains at the forefront of providing unique credit solutions to our MSMEs.

Over the year, we expanded our network from 79 branches in Mar'23 to 128 branches in Mar'24, adding 49 new branches across various states. The year also marked TruCap's entry into the state of Rajasthan and steady presence in its T2 and T3 locations. Steadily, these branches are increasing their focus beyond gold-backed lending and focusing on other credit products to address diverse needs of small businesses. More than 85% of branches are located in MSME clusters based in non-metro locations to empower the next wave of small businesses that lack access to formal credit.

Our sourcing model for branch-based lending relies on a robust "feet on the street" approach, ensuring a strong local presence and engagement within the local market and communities. This expansion has given us a robust presence, and we plan to continue scaling our lending operations within these states in our next phase. Our branches operate with the purpose of meeting every MSME need, providing credit and unsecured small business loans, thus serving as a true multi-product channel for our customers.

Our employees have established a strong presence through various activities such as catchment area marketing, local branding, and co-branding with existing customers. This approach focuses on a series of workshops and events in several micro-markets, focusing on overall financial health and well-being of the small business owners and the communities in an evolving business landscape.

Through these efforts, TruCap's branch network effectively supports the growth and success of MSMEs, ensuring that we continue to meet the diverse needs of emerging entrepreneurs across our geographical presence.

Scaling L-a-a-S Operations

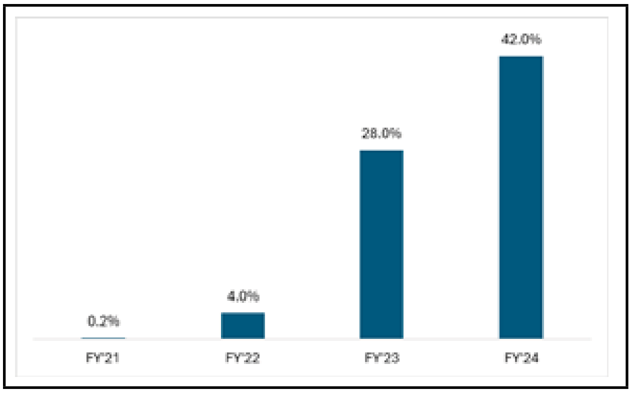
Over the past few years, TruCap has operationalized multiple Co-lending and Co-origination arrangements, establishing itself as a reliable partner in this business model. As of March 2024, we have formed 5 Co-lending and Co-origination partnerships with major banks and NBFCs, strengthening the confidence our lending partners have in our business model.

There is strong demand for L-a-a-S across our product range where the off-book share in AUM is close to 42%. As of Mar'24, our off-book AUM stood at ₹~433 crore, representing 42% of our total AUM with 7 co-lending partners across our products and grown significantly from ₹ ~161 crore in Mar'23 representing 28% of the book. We plan to scale operations significantly owing to the highly accretive nature of this model.

Benefits of L-a-a-S Model

- Ensure scalable growth accompanied with high IRR
- Growth is not capital intensive for smaller NBFCs as they contribute upto 20% of the loan amount while the remainder is funded by the larger financial institution
- Thereby, it enables cheaper source of funding for smaller NBFCs on their cap table
- Finally, it allows the ecosystem to achieve overall last mile delivery of affordable credit solutions to underserved borrowers including, new to credit small businesses

Steady growth in L-a-a-S Portfolio as percentage of AUM



Leveraging Technology

Our Company's lending processes are supported by comprehensive technology that spans all stages of the customer's journey. We have implemented several key technological integrations and tools to enhance our operations, including:

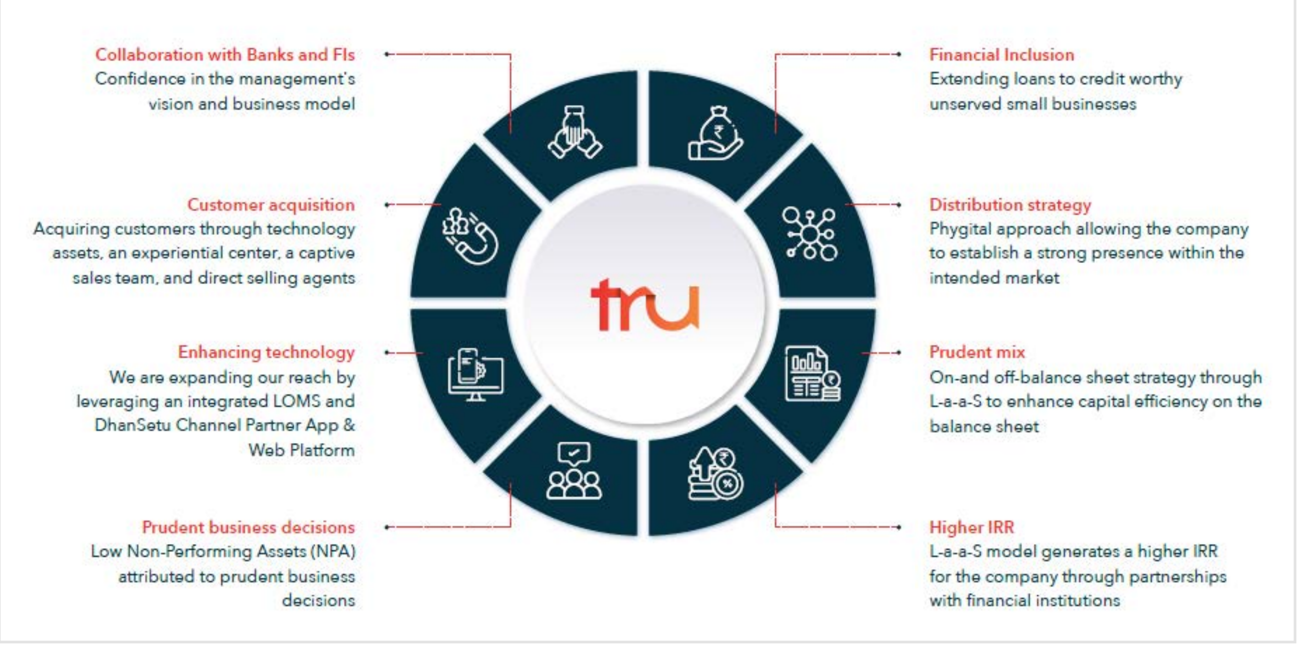
- Robust API suites for integrations with micro-services
- Bank, CIBIL, and GST statement analyzers
- Rules based automated policy approvals
- In-house Business Rule Engines (BREs) for accuracy and faster turn around
- Customized sourcing modules
- A data pool providing a 360-degree customer view to eventually build a robust CRM solution

These technological advancements enable us to deliver in-principal loan approvals to customers within minutes and ensure faster turn-around-time in credit delivery.

Recently, Go-Collect App was introduced to strengthen the Collections vertical and enhance its productivity. This will enable an upgrade to the collections strategy and reduce human intervention. With a richer data pool available with the introduction of the App, the vertical will be better equipped to ensure pristine asset quality.

Further, the LOMS system for loan origination and management is also undergoing an upgrade to a 2.0 version to further expand the suite of products, ensure better customer service and a more refined technology stack to handle the dynamic nature of evolving lending scape for MSMEs.

Summary of Key Strengths



Risk Management & Internal control systems

The Board of Directors of the Company has established a Risk Management & Strategy Committee to develop, implement, and oversee the Company's risk management plan. This Committee is tasked with reviewing and ensuring the effectiveness of the risk management strategy. It takes into account risks that could impact on the Company's mid-term to long-term objectives, including reputational risks.

The Company has an extensive risk charter and a comprehensive Risk Management Policy. Additionally, the Audit Committee provides further oversight in areas related to financial risks and controls.

The Board has adopted comprehensive policies and procedures to ensure the orderly and efficient conduct of business. These measures include adherence to the Company's policies, safeguarding assets, preventing and detecting fraud and errors, ensuring the accuracy and completeness of accounting records, and timely preparation of reliable financial disclosures.

The Company's internal control systems are designed to be commensurate with the nature of its business and the size and complexity of its operations. This system is supported by an internal audit process that reviews the design, adequacy, and efficacy of the Company's internal controls, systems, and processes, ensuring compliance with regulations and procedures. Internal Audit Reports are discussed with Management and reviewed by the Audit Committee of the Board, which also evaluates the adequacy and effectiveness of the Company's internal controls.

Outlook for the Company

In its initial years, our Company has made substantial investments in headcount, technology, and infrastructure to develop a robust multi-channel distribution network and a proprietary underwriting model. This foundation positions our experienced management team to significantly scale our current AUM.

Following our recent successful fund raise through warrants and NCDs, we have established the following objectives for FY25:

- **Expand Higher Yielding Products:** We aim to increase the proportion of higher-yielding products in our AUM mix, focusing on MSME Gold-backed loans, MSME Unsecured Business Loans. We plan to leverage the scale of operations and introduce new products to maximize output from our branch network.
- **Enhance L-a-a-S Strategies:** This will remain a central component of our AUM expansion strategy. We plan to further develop our model and increase the share of off-book AUM with special focus on maintaining a pristine asset quality.
- **Boost Profitability:** Improving profitability is a key goal. By increasing the share of higher-yielding products and leveraging operational efficiencies, we aim to enhance our return on asset & equity.

Opportunities

1. **MSME Contribution and Government Initiatives:** MSMEs contribute nearly 30% of India's GDP, with the Government aiming to elevate this contribution to 50% by 2030. The Ministry of MSME administers various schemes focused on providing credit, financial assistance, skill development, infrastructure enhancement, technological upgrades, and other services for MSMEs nationwide. Despite these efforts, there remains a substantial credit gap in the sector, largely due to inadequate documentation and credit history needed for formal bank financing. This credit gap, estimated at ₹92 trillion for FY23, represents a significant market opportunity for MSME lending. Out of 63 million MSMEs in India, only 25 million have accessed credit from formal sources. As the economy formalizes, there is potential for a shift towards organized lending, offering timely credit at competitive rates.
2. **Future of Data-Tech Led Lending:** The advent of GST and banking-based models, coupled with advancements in machine learning tools and initiatives such as OCEN and Account Aggregator, presents a promising future for data-driven, cashflow-based lending models. These developments are expected to benefit India's MSME sector by providing easier and more convenient access to credit, thereby fuelling the nation's economic progress.
3. **Co-Lending Framework for NBFCs:** NBFCs are increasingly facing challenges in diversifying their cap table, and face challenges in securing debt from banks at competitive rates. The co-lending framework addresses this issue by allowing NBFCs to serve a broader customer base through the strong balance sheets of their banking partners. This model facilitates the sharing of risks and rewards between banks and NBFCs throughout the loan lifecycle, enhancing the overall effectiveness of lending operations.

Threats

1. **Impact of Economic Conditions:** Negative economic developments, whether global or domestic, may undermine investor confidence and increase volatility in the Indian securities markets. A slowdown in the Indian economy could impair our customers' ability to repay their debts, thereby adversely affecting our business, operational results, and financial performance.
2. **Regulatory and Policy Risks:** Unanticipated changes in laws, regulations, or government policies could lead to higher compliance costs and impact the viability of our current operations or restrict future growth opportunities.
3. **Dependence on Credit Ratings:** Our borrowing costs and access to debt capital markets are heavily influenced by the credit ratings of both India and the Company. Any adverse changes in these credit ratings by rating agencies could negatively affect our ability to secure additional financing.
4. **Funding Challenges:** Access to timely, diverse and competitively priced funding has been challenging, particularly for smaller and mid-sized NBFCs, following the Reserve Bank of India's increase in risk weights on bank borrowings to NBFCs.

Financial Summary

As of Mar'24, the Company's Assets Under Management (AUM) reached ₹1,031 crore, reflecting a 78% growth compared to ₹581 crore as of Mar'23. The total income increased by 47% in Mar'24. This growth is attributed to a rising mix of higher-yielding products and a focus on scaling the L-a-a-S model. Consequently, improved the profitability by 111% in Mar'24.

Particulars (all amounts in ₹ crore)	FY'23	FY'24	Y-o-Y
Interest Income	93.2	115.8	24%
Less: Finance Cost	50.8	78.7	55%
Net Interest Income	42.4	37.1	-13%
Total Income	124	182	47%
Operating Expenses	65.9	91.1	38%
Profit Before Tax	7.2	12.2	69%
Less: Tax	1.7	0.5	-71%
Profit for the Period	5.5	11.7	111%

Material Financial & Commercial Transactions Involving Senior Management

The Company has in place a Code of Corporate Governance which stipulates that senior management personnel shall make disclosures to the Board of Directors of the Company regarding any material, financial and/ or commercial transactions in which they are interested which may have a potential conflict with the interest of the Company.

Cautionary Statement

The statements made in Management Discussion and Analysis describing the Company's expectations and estimations may be forward looking within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectation of future events. The actual results may differ from those expressed or implied in this report due to the influence of factors beyond the control of the Company. The Company assumes no responsibility in respect of forward-looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events. Readers are cautioned not to place undue reliance on the forward-looking statements.

Business Responsibility Report

TruCap Finance Limited (formerly Dhanvarsha Finvest Limited) **("TruCap/Company")** is a sustainability driven NBFC with a purpose to solve financial inclusion and make credit accessible. It applies a well-defined Environmental Social and Governance **("ESG")** framework as a guiding principle for sustainable growth while serving the underserved and unserved small businesses.

The business products and processes are aligned to meet the credit needs of emergent businesses and small entrepreneurs looking for growth capital to scale their current operations. The Company has invested in building an extensive branch network through brand **'Dhanvarsha-powered by TRU'** to ensure delivery of credit solutions to the last mile customer and promote financial inclusion. The Company takes actions at ground level to deliver outcomes on ESG impact metrics through its products, processes and services.

TruCap assesses the impact of its business through the lens of UN Sustainable Development Goals (UN-SDGs) spanning across Environmental, Socio-Economic and Governance metrics. It follows a top-down approach to give primacy to the interests of the customers and stakeholders. The Company emphasizes following responsible business practices through regular training interventions to become more customer centric, and forge deep relationships within the communities in which it operates.

In line with its philosophy of building social capital, guided by the principle of Lending Hand-Heart-Hand, the report will lay down the responses to the practices and performance on few key principles defined by Regulation 34(2)(f) of Securities and Exchange Board of India **("SEBI")** (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended **("Listing Regulations")**. We will be sharing the initiatives and activities across major key performance indicators that are material to us and to our stakeholders. Pursuant to amendment in the Listing Regulations, top 1,000 listed entities based on market capitalization are required to submit a Business Responsibility and Sustainability Report **("BRSR")** for the financial year ended March 31, 2024. Since, as on March 31, 2024, the Company is not under top 1,000 companies based on market capitalization on BSE Limited and/or National Stock Exchange of India Limited, BRSR is not applicable to the Company for the financial year 2023-24. However, as instructed by SEBI vide interpretive letter regarding the applicability of BRSR, issued under SEBI (Informal Guidance) Scheme, 2003, dated May 31, 2023, SEBI has directed all top 1,000 entities basis market capitalization till financial year 2021-22, to continue to furnish a business responsibility report as part of the annual report.

In the last one year, the Company has taken efforts and initiatives to quantify impact through various business activities that are aligned with ESG goals. TruCap's ESG framework has been drafted after rigorous assessment spanning global ESG standards and India-specific alterations to address our unique challenges effectively through product, policy or process interventions.

TruCap acknowledges that with regard to unprecedented macro-events & challenges, the Company will have little to no control, except to build a proactive and robust response strategy to address the issues at hand in an agile manner and minimize or avert negative impact, if any. These emerging challenges also present an opportunity to assess the efficiency of the Company's operations, build controls and crisis response strategies to build a better business and run prudent measures aimed at building value for its stakeholders. The internal control team has made significant headway in building a basic response mechanism and anticipating future challenge response.

During the year under review, TruCap has spear-headed initiatives to promote credit access and financial inclusion by onboarding new-to-credit users and women entrepreneurs with a host of product schemes to suit their unique needs. The Company strives to ensure that financial inclusion has beneficial impact for its customers and sensitize its frontline people to interact with empathy with the customers while maintaining factual correctness.

TruCap regularly conducts health care and financial literacy outreach campaigns and events in the geographies where it is present for the benefit of the local communities. The Company aspires to make meaningful contributions towards building a sustainable financial ecosystem aimed at addressing the credit needs of underserved and unserved communities. TruCap is committed to financial inclusion, diversity and equality, strong dignity of labour practices, fair business policies and working towards the health and wellness of its employees.

Key ESG Focus:

The 7-pillars to build responsible and sustainable business for the stakeholders are:

1. Financial Inclusion
2. Responsible Lending
3. Customer Satisfaction
4. Employee Well-being

5. Diversity and Equal Opportunity
6. Corporate Governance and Business Ethics
7. Stakeholder Engagement

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Sr. No.	Particulars	Details
1.	Corporate Identity Number (CIN) of the Company	L24231MH1994PLC334457
2.	Name of the Company	TruCap Finance Limited (formerly Dhanvarsha Finvest Limited)
3.	Registered address	3rd Floor, A Wing, D. J. House, Old Nagardas Road, Andheri (East), Mumbai - 400 069, Maharashtra
4.	Website	www.trucapfinance.com
5.	E-mail ID	corpsec@trucapfinance.com
6.	Financial Year reported	April 01, 2023 – March 31, 2024
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	**NIC Code** / **Group** / **Description**: K / 649 / Other financial service activities, except insurance and pension funding activities
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	The Company is engaged in lending business, offering financing through varied loan products such as loan against collateral of gold, business loans, etc.
9.	Total number of locations where business activity is undertaken by the Company	128
10.	Markets served by the Company – Local/State/ National/International	National

Note: *The Corporate Identification Number (CIN) of the Company has been changed to L64920MH1994PLC334457 with effect from July 18, 2024.*

SECTION B: FINANCIAL DETAILS OF THE COMPANY:

Sr. No.	Particulars	Company Information
1.	Paid up Capital (₹ in Lakhs)	2,337.99/-
2.	Total Turnover (₹ in Lakhs)	Standalone - 18,200.54/- Consolidated - 18,284.39/-
3.	Total Profit after Tax (₹ In Lakhs)	Standalone - 1,170.82/- Consolidated - 1,096.31/-
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Please refer Annual Report on CSR activities annexed to Directors' Report
5.	List of activities in which expenditure in 4 above has been incurred	

SECTION C: OTHER DETAILS

1. Does the Company have any subsidiary company/companies?

Yes, the Company has a wholly owned subsidiary viz., DFL Technologies Private Limited.

2. Do the subsidiary company/companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s).

Yes, DFL Technologies Private Limited, wholly owned subsidiary company participates in the BR activity of the Company.

3. **Do any other entity/entities (e.g., suppliers, distributors, etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities (Less than 30%, 30%, 60%, More than 60%).**

   No.

SECTION D: BR INFORMATION

1. **Details of Director/Directors responsible for BR:**

   (a) Details of the Director/Directors responsible for implementation of the BR policy/policies

   The following members of the Committee are collectively responsible for implementation of the BR polices of the Company: -

Sr. No.	Name of the Member	Designation	DIN
1.	Mr. Rakesh Sethi	Independent Director, Chairperson	02420709
2.	Mr. Rajiv Kapoor	Non-Executive Non-Independent Director, Member	08204049
3.	Mr. Rohanjeet Singh Juneja	Managing Director & CEO, Member	08342094

   (b) Details of the BR head

Sr. No.	Particulars	Details
1.	DIN	Not Applicable
2.	Name	Ms. Priyanka Singh
3.	Designation	Chief Impact Officer
4.	Telephone Number	+91 22 6845 7200
5.	E-mail ID	priyanka@trucapfinance.com

2. **Principle-wise (as per National Voluntary Guidelines) Business Responsibility (BR) policy/policies (reply with Yes / No)**

   (a) Details of compliance

   National Voluntary Guidelines (NVGs) on social, environmental, and economic responsibilities of business prescribed by the Ministry of Corporate Affairs (MCA) advocates the nine principles detailed below:

P1	-	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	-	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	-	Businesses should promote the well-being of all employees.
P4	-	Businesses should respect the interests of, and be responsive towards stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	-	Businesses should respect and promote human rights.
P6	-	Business should respect, protect, and make efforts to restore the environment.
P7	-	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	-	Businesses should support inclusive growth and equitable development.
P9	-	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

The principle wise responses are as follow:

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for?	Y	NA (Refer note 1)	Y	Y	Y	NA (Refer note 5)	NA (Refer note 6)	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	NA	Y	Y	Y	NA	NA	Y	Y
3.	Does the policy conform to any national / international standards?	The policies adopted by the Company are in conformity with the applicable rules and regulations.								
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/Owner/CEO/ appropriate Board Director?	Policies wherever stated have been approved by the Board/ Committee of the Board/Senior Management of the Company and followed by the Company.								
5.	Does the company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	NA	Y	Y	Y	NA	NA	Y	Y
6.	Indicate the link for the policy to be viewed online	As per regulatory requirement, the policies of the Company have been uploaded on the website of the Company i.e., www.trucapfinance.com.								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	NA	Y	Y	Y	NA	NA	Y	Y
8.	Does the company have in-house structure to implement the policy/ policies?	Yes, the Company has an in-house structure under the supervision of the management, where each business function is responsible for the implementation of the policies. These functions are headed by respective functional heads, who manage and review the policies regularly. Further, the Company has constituted various committees to oversee the implementation of these policies.								
9.	Does the company have a grievance redressal mechanism related to the stakeholders' grievances related to the policy/ policies?	Y	NA	Y	Y	Y	NA	NA	Y	Y
10.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	NA	Y	Y	Y	NA	NA	Y	Y

Notes:

1. *The Company is into the financial services business and many metrics of the principles listed above would have limited applicability. However, the Company complies with applicable regulations in respect of its operations.*
2. *The Company has adopted various employee-oriented policies covering areas such as employee benefits, Whistle Blower mechanism, Prevention of Sexual Harassment Policy and Code of Conduct for employees at the workplace as per applicable laws.*
3. *The Company has prescribed processes to achieve the objectives described under this principle.*
4. *The Company has put in place Code of Conduct which focuses on best employment practices. The Code of Conduct is in adherence to the regulatory and business requirements. The said Code of Conduct is made available on the HR portal of the Company.*

5. *The questions relating to Principle 6 are not substantially relevant to the Company given that the Company operates in the financial services sector. The Company complies with the applicable environmental norms in respect to the areas of its operations. The Company along with its employees make continues efforts to ensure that there is an optimum utilization of the available resources with minimum or no wastages at all.*

6. *Keeping in view the Company's nature of business i.e., financial services, such policy is not applicable to the Company.*

7. *All policies and processes are subject to internal audit and internal reviews from time to time.*

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the Principles									
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The Company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify):									
(a)	The Company is into Financial Services and hence this principle has a limited applicability.		✓							
(b)	The questions relating to Principle 6 are not substantially relevant to the Company given that the Company operates into the financial services sector.						✓			
(c)	Keeping in view the Company's nature of business i.e., financial services, such policy is not applicable to the Company.							✓		

3. Governance related to BR

a. Indicate the frequency with which the Board of Directors, committee of the Board or CEO assesses the BR performance of the Company – Within 3 months, 3-6 months, annually, more than 1 year.

The Business Responsibility Report is reviewed annually by the Board of Directors of the Company.

b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently is it published?

This Business Responsibility Report of the Company will be a part of the Annual Report for the financial year 2023-24. The same will also be available on the website of the Company i.e., www.trucapfinance.com.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/NGOs /Others?

The Company conducts its business with utmost integrity. It considers ethics, transparency and accountability to be its most important operational priorities and these are ingrained into its practices across the organization. The Company is committed to acting professionally, fairly and with integrity in all its dealings. The Company, through its Code of Conduct, has adopted a 'zero tolerance' approach to bribery and corruption. The Code of Conduct is applicable to the Directors and employees of the Company as well as the directors and employees of the subsidiary company.

Ethics form a core part of the Company's core principles. Moreover, the Company has a separate Whistle Blower Policy. Further, the Company is abided to take suitable action, if any fraud has been communicated by the auditors of the Company. The Company, in order to have an ethical business model of working, also emphasis on non-cash transaction. The Company also has an exhaustive manual and online portal on human resources which covers all aspects pertaining to employment which encourages principles of ethics, transparency and accountability. Further, the Company arranges training, conducts seminars for employees to abide by the Company's policies in true spirit.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

   During the financial year 2023-24, the Company had not received any complaint from the investors.

   With respect to employees, the Company has a mechanism as provided under the Whistle Blower Policy and Prevention of Sexual Harassment Policy whereby employees can raise their concerns. A report on the concerns received and the manner in which they are dealt with is periodically reported to the Audit Committee/Board of Directors of the Company.

   Any complaints received from the customers directly or through various regulators in the ordinary course of business are handled by a grievance redressal team or operations and legal team as per applicability and the resolution provided is within the prescribed timelines as required under the various regulations.

Principle 2

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   Considering the nature of business of the Company, the said principle may not be strictly applicable to the Company. However, the Company is committed to undertake endeavors to the best of its capability to serve the socio-economic opportunities through our products such as Unsecured MSME Loans, Loans against collateral of Gold for businesses and retail clients, enable livelihood generation and solve for last mile connectivity challenges to bridge the gap in opportunities between urban and rural spaces.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

   Considering the nature of business of the Company and the products/initiatives referred to above, some of the questions below are not applicable to the Company.

   i. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

      Not Applicable.

   ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

      Since the Company is not involved in manufacturing activity, the reporting on use of energy, water, raw material, etc., is not applicable.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)?**

   The Company being a financial service Company does not have any goods and raw material utilisation as part of its products and services. The Company's major material requirements are related to office infrastructure, administration and IT-related equipment and services. Although, there is very limited procurement requirement, the Company takes various initiatives to have responsible sourcing.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

   The Company wherever practically possible and feasible, has tried to improve the capacity and capability of local and small vendors by prioritizing them to supply/provide different services required by the Company for its day-to-day administration/operation. Further, the Company being a specialized MSME lender, solves the gap in providing access to affordable credit solutions to entrepreneurs. The Company enables and ensures that small business owners get finance to drive business growth aligned with their ambitious aspirations of building sustainable and profitable entities.

5. **Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

   Since the Company is not involved in any manufacturing activity, the reporting on recycling mechanism is not applicable. However, solid waste management is done by recycling paper, tissue, plastic bottles and cardboard waste. Also, old papers and documents are scrapped in such a manner that they may be recycled.

Principle 3

Building and enhancing the talent pool has always been a top priority initiative. The Company has been successful in attracting varied talent that brings sound expertise, new perspectives and enthusiasm to the job. We have adopted various policies, procedures, manuals and conducted various training programs, throughout the year, for the protection and welfare of the employees. The Company promotes work-life balance approach. The Company has taken various initiatives for the welfare of the employees like leaves, insurance coverage, health checkups, off sites, etc.

1. **Please indicate the total number of employees**

   The total number of employees of the Company as on March 31, 2024 is 772.

2. **Please indicate the total number of employees hired on temporary/contractual/casual basis**

   The total number of employees hired on temporary/contractual/casual basis is 57.

3. **Please indicate the number of permanent women employees**

   The total number of permanent women employees is 186.

4. **Please indicate the number of permanent employees with disabilities**

   There are no employees with disability in the Company and its subsidiary. However, the Company provides equal opportunity to all and does not discriminate on the basis of disabilities.

5. **Do you have an employee association that is recognized by management?**

   No. However, mechanisms are in place for employees to represent their issues, if any, and the same are resolved amicably.

6. **What percentage of your permanent employees are members of this recognized employee association?**

   Not Applicable.

7. **Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

Sr. No.	Category	Number of complaints filed during the financial year	Number of complaints pending as on end of the financial year
1.	Child labour/forced labour/ involuntary labour	The Company does not support child labour, forced labour or involuntary labour. There are no reported cases of child labour, forced labour or involuntary labour.	Not Applicable
2.	Sexual harassment	Nil	Nil
3.	Discriminatory employment	Nil	Nil

8. **What percentage of your under-mentioned employees were given safety & skill upgradation training in the last year?**

   The Company is making continuous efforts in providing various platforms to all its employees (permanent, casual, contractual, temporary) to upgrade their innate skills and learn new things.

   a. **Permanent Employees**

      All the permanent employees of the Company and its subsidiary have received training during the year. Employees undergo fire drills and fire safety training and other skill upgradation training every year.

   b. **Permanent Women Employees**

      All the permanent women employees of the Company and its subsidiary have received training during the year. Employees undergo fire drills and fire safety training and other skill upgradation training every year.

   c. **Casual/Temporary/Contractual Employees**

      All the Casual/Temporary/Contractual employees have undergone fire drills and fire safety training and other skill upgradation training every year.

d. **Employees with Disabilities**

The Company did not have any employees with disabilities in employment during the year.

Principle 4

1. **Has the company mapped its internal and external stakeholders?**

Yes.

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**

Yes.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

The Company engages with each of its stakeholders through a variety of forums and platforms. The Company operates with a vision to empower, with financial access, the unserved and underserved entrepreneurs of India. The mission is to promote financial inclusion and responsible credit behaviour.

Principle 5

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others?**

The Company follows the Code of Conduct which covers employees of the Company and its subsidiary. In addition, the Company's Whistle Blower program covers all its internal and external stakeholders.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

Please refer to response for question number 2 under Principle 1.

Principle 6

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs/others?**

As mentioned under responses to Principle 2, given the nature of business of the Company, this Principle is not largely relevant. However, the Company and its subsidiary are in compliance with environmental regulations, to the extent applicable and practicable.

2. **Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage, etc.**

As an environmentally responsible corporate, the Company has been striving towards imbibing green sustainable products, processes, policies, and practices. Energy conservation measures such as installation of energy efficient equipment are some of the key initiatives undertaken by the Company. The Company is an environment friendly organization constantly working towards developing solutions to minimize its impact on the environment. The Company emphasizes reducing dependency on paper communications and encourages use of electronic means of communication which serves towards environmental protection and sustainable growth. The Company further ran initiatives to remove single-use plastic from its premises during the fiscal.

3. **Does the company identify and assess potential environmental risks?**

Since the Company is not a manufacturing entity, the above question is not applicable.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

Since the Company is not a manufacturing entity, the above question is not applicable.

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc.**

As mentioned above, the Company participates in several initiatives in the area of environment and sustainability. The Company has also taken several measures to minimise the environmental impact due to business travel. These measures include carpooling, audio-video conferencing facilities at all major offices. The Company has also moved to a digitalization platform wherein the Company saves on paper and stationery. In the bid to promote adoption of clean energy, the Company piloted an attempt to introduce clean energy products. The Company is exploring ways to enhance the geographic expansion of this pilot project across its presence.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Since the Company is not a manufacturing entity, the above question is not applicable.

7. **Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e., not resolved to satisfaction) as on end of Financial Year.**

   Nil.

Principle 7

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with.**

   No.

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).**

   Not applicable.

Principle 8

1. **Does the company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes, details thereof.**

   The Company has engaged with an NGO, FPA India which has implemented a Paramedical Skills Training Programme to empower marginalized and excluded young women by providing vocational training and essential sexual and reproductive health services. The project aimed to create livelihood opportunities for these women by providing them with employable skills, knowledge about gender equality, sexual reproductive health, and rights, and improved health through essential sexual and reproductive health services. Key activities included:

   - **Paramedical Skills Training:** 31 underprivileged young women from urban slum communities were enrolled in a Bedside Attendant Course, with 23 completing the theory classes and 19 accepting internship offers for hands-on training.
   - **Community Awareness Sessions:** 31 sessions were conducted, reaching 774 women and young people in Mumbai and Bhiwandi, focusing on sexual and reproductive health and rights, including prevention of cervical cancer.
   - **Clinical Service Delivery:** 6,812 services related to sexual and reproductive health care were provided, including cervical and breast cancer screenings, gynecological treatment, and general health services.
   - **HPV Vaccination Drive:** 75 adolescent girls in Mumbai received HPV vaccination to protect against cervical cancer.
   - **Financial Literacy Sessions:** Women's community groups were oriented about financial literacy sessions to promote self-empowerment.

   The project aimed to improve the self-efficacy and employability of women, providing them with long-term income-generation opportunities and a better understanding of their sexual and reproductive health and rights.

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?**

   Yes. The Company has undertaken CSR initiatives through external NGO i.e., FPA India.

3. **Have you done any impact assessment of your initiative?**

   Yes, the TruCap project, implemented by FPA India, enrolled 31 underprivileged young women from urban slum communities in Mumbai and Bhiwandi, providing them with paramedical skills training and internships at hospitals. Additionally, the project conducted 31 community awareness sessions on sexual and reproductive health, reaching 774 women and young people, and delivered 6,812 services related to sexual and reproductive health care. The project also included an HPV vaccination campaign, vaccinating 75 adolescent girls in Mumbai.

4. **What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**

   The Company contributed approximately ₹ 9.05 Lakhs to an NGO, FPA India which aimed to empower marginalized and excluded young women through vocational training and essential sexual and reproductive health services.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   The Company took initiatives to support FPA India's Paramedical Skills Training Programme, which aimed to empower marginalized and excluded young women through vocational training. The project was conducted in close coordination between the FPAI team and consistent feedback from the Impact team of TruCap to ensure proper implementation with positive outcome for participants. The project included community awareness sessions, internships, and job placements to empower marginalized young women with employable skills and knowledge about gender equality, sexual reproductive health, and rights.

Principle 9

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year?**

   Customer complaints have a defined time for resolution as per internal policies and regulatory requirements applicable in usual course of business and there are dedicated resources to resolve complaints as and when they are received. The Company/subsidiary in their normal course of business resolve/reply to the customer grievances within the given timelines. As on the end of the financial year ended March 31, 2024, there were no pending customer complaints which were unresolved or unanswered.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information).**

   Not Applicable.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.**

   No.

4. **Did your company carry out any consumer survey/consumer satisfaction trends?**

   In the normal course of the Company's services to customers, the customer service teams do ascertain the satisfaction of the customers as per the laid down systems and methodologies and also the management assesses the customer satisfaction level on important/critical areas from time to time.

Corporate Governance Report

The Corporate Governance Report (**"Report"**) of TruCap Finance Limited (formerly Dhanvarsha Finvest Limited) (hereinafter referred to as the **"Company"**) for the financial year ended March 31, 2024, is prepared as per the provisions prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**"Listing Regulations"**).

In compliance with the applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification/(s) or re-enactment/(s) thereof, for time being in force) (**"Act"**) and the Listing Regulations, this Report covers the developments in the Company during the financial year ended March 31, 2024 and up to the date of the board meeting held on August 13, 2024 approving this Report.

1. Company's Philosophy on Code of Governance

Your Company is committed to conduct its business in accordance with the applicable laws, rules and regulations. Your Company ensures exercising principles of corporate ethics, accountability and integrity and sees corporate governance beyond the compliance of regulatory norms. Transparency, fairness, integrity, effective internal controls at each level of operation in each business transactions, adequate and prompt disclosure to respective stakeholders are the key ingredients to the corporate governance. Your Company believes in and adheres to good corporate governance practices, implements policies and guidelines, communicates and trains all its stakeholders to develop a culture of compliance at every level of the organization.

The Company's philosophy is aimed at assisting the management of the Company in efficient conduct of business and in meeting its obligations to all its stakeholders. The Company aims at enhancing long term shareholder value through sound decisions. Further, it aims at achieving excellence in corporate governance by conforming to the prevalent guidelines on corporate governance and excelling in systems and controls through periodic review and improvements.

An active, well-informed and independent board is necessary to ensure the highest standards of corporate governance. It is well-recognized that an effective board is a pre-requisite for a strong and effective corporate governance. At TruCap, we believe that with effective leadership, strong corporate governance practices, sincerity, fairness and commitment towards doing the things the right way, we can achieve strengthening high stakeholder value and helps in driving relationships of the board and senior management with other stakeholders.

The Company's philosophy on the corporate governance is based on the following main principles:

- ➢ Constitution of a Board of Directors of appropriate composition, size and commitment to discharge its responsibilities and duties.
- ➢ Ensuring timely flow of information to the Board and its Committees to enable them to discharge their functions effectively.
- ➢ Independent verification and safeguarding integrity of the Company's financial reporting.
- ➢ A sound system of risk management and internal control.
- ➢ Timely and balanced disclosure of material information concerning the Company to its stakeholders.
- ➢ Integrity and ethics in all our dealings.
- ➢ Transparency and accountability.
- ➢ Fair and equitable treatment of its employees, borrowers, shareholders, investors and other stakeholders.
- ➢ Periodic training program for ensuring effective customer servicing and implementation of internal processes.

Adoption of key governance policies is paramount to practice best corporate governance. Your Company has made available to stakeholders for viewing and downloading the Board approved policies from the website of the Company i.e., www.trucapfinance.com. These include: –

- Whistle Blower Policy/Vigil Mechanism;
- Policy on materiality of related party transactions and dealing with related party transactions;
- Dividend Distribution Policy;
- Policy on Prevention of Sexual Harassment at Workplace;
- Fair Practices Code;
- Code of Conduct for Prevention of Insider Trading and Code of Conduct for Directors and Senior Management;

- Appointment and Evaluation Policy;
- Customer and Investor awareness information

While conforming to best Corporate Governance ethics, your Company follows the provisions of Corporate Governance specified in the Listing Regulations. The Company believes that all its actions must serve the underlying goal of enhancing overall shareholders' value on a sustained basis.

2. Board of Directors

(a) Composition of the Board of Directors

The Board of Directors of the Company (**"Board"**) has optimum combination of executive and non-executive directors with at least one-woman director and not less than fifty per cent of the board of directors comprise of non-executive directors as per the provisions of Regulation 17 of Listing Regulations. The Board comprises of 9 (Nine) directors out of which 5 (Five) directors are Independent Directors, 3 (Three) are Non-Executive Non-Independent Directors and 1 (One) is an Executive Director. Mr. Rakesh Sethi, Independent Director is the Chairperson of the Board. None of the Non-Executive Directors has any pecuniary relationships or transactions vis-à-vis the Company save and except the payment of sitting fees and commission paid to the Non-Executive Directors.

As on date of this Report, the composition of the Board of Directors of the Company comprises of the following:

Category	Name of the Director	DIN
Independent Directors	Mr. Rakesh Sethi (Chairperson)	02420709
	Mr. Krishipal Raghuvanshi	07529826
	Mr. Nirmal Vinod Momaya	01641934
	Ms. Abha Kapoor	01277168
	Ms. Geetu Gidwani Verma	00696047
Non-Executive Non-Independent Directors	Mr. Rajiv Kapoor	08204049
	Mrs. Rushina Mehta	01042204
	Mr. Atwood Porter Collins	09239511
Executive Director	Mr. Rohanjeet Singh Juneja	08342094

Brief profiles of the Directors

The brief profiles of the Directors are in the introductory part of the Annual Report and is also available on website of the Company i.e., www.trucapfinance.com.

Further, the details pertaining to the directorship of the Directors as on the date of this Report in other listed companies are as under:

Name of Director	Name of other Listed Companies	Category of Directorship
Mr. Rakesh Sethi	J.K. Cement Limited	Independent Director
Mr. Krishipal Raghuvanshi	-	-
Mr. Nirmal Vinod Momaya	Camlin Fine Sciences Limited	Executive Director
Ms. Abha Kapoor	Quint Digital Media Limited	Independent Director
Ms. Geetu Gidwani Verma	United Breweries Limited	Independent Director
Mr. Rajiv Kapoor	-	-
Mrs. Rushina Mehta	-	-
Mr. Atwood Porter Collins	-	-
Mr. Rohanjeet Singh Juneja	-	-

Notes:

1. *Pursuant to the Listing Regulations, none of the Directors on the Board of the Company is a member of more than 10 (Ten) specified committees and none of the Director is a Chairperson of more than 5 (Five)*

specified committees in which they are directors across all the public limited companies except private limited companies, foreign companies, high value debt listed entities and companies incorporated under Section 8 of the Act.

2. *None of the Directors of the Company holds directorship in more than 7 (Seven) listed companies and none of the Independent Directors of the Company serve as an Independent Director in more than 7 (Seven) listed companies.*
3. *None of the Independent Directors serves as Non-Independent Director of any company, on the board of which any Non-Independent Director is an Independent Director.*
4. *The Company has received necessary disclosures from all the Directors regarding directorships and/or committee positions held by them in other companies. As of date, none of the Directors on the Board of the Company are inter-se related.*

(b) Matrix chart of core skills/expertise/competencies of the Board members

Your Company maintains a Board comprising of talented and dedicated directors with a diverse mix of expertise, experience, skills and background. For maintaining adequate and appropriate composition and diversity on the Board, the parameters used for appointment includes, but not limited to educational and functional background, industry experience, geography, age, insider status, gender and ethnicity. The skills and backgrounds collectively represented on the Board, reflects the diverse nature of the business environment in which the Company operates.

Pursuant to the Listing Regulations, a matrix chart setting out the core skills/expertise/competencies of the Board is mentioned below:

Sr. No.	List of core skills/ expertise/ competence	Mr. Rakesh Sethi	Mr. Krishipal Raghuvanshi	Mr. Nirmal Vinod Momaya	Ms. Abha Kapoor	Ms. Geetu Gidwani Verma	Mr. Rajiv Kapoor	Mrs. Rushina Mehta	Mr. Atwood Porter Collins	Mr. Rohanjeet Singh Juneja
1.	Industry experience and Knowledge	✓	✓	✓	✓	✓	✓	✓	✓	✓
2.	Accounting & Finance	✓	✓	✓	-	-	-	-	-	-
3.	Capital Markets / Treasury	✓	-	✓	-	-	-	-	✓	✓
4.	Corporate Governance & Compliances	✓	✓	✓	-	✓	✓	-	-	-
5.	Business Development and Strategy Planning	✓	✓	✓	✓	✓	✓	✓	✓	✓
6.	Information Technology	-	✓	-	-	-	✓	-	-	-
7.	Risk Management System	✓	-	✓	-	-	✓	-	-	✓
8.	CEO / Senior Management Experience / Leadership	✓	✓	✓	-	✓	✓	-	✓	✓
9.	Marketing Experience	✓	-	-	✓	✓	✓	✓	-	-
10.	Risk and Compliance oversight	✓	✓	✓	-	-	-	-	-	✓
11.	Human Resource Management	✓	-	-	✓	✓	✓	✓	-	✓
12.	Stakeholders Relationship	✓	✓	✓	-	-	✓	-	✓	✓

(c) Board Meetings and Directorship/Committee Membership(s) of Directors

The Board of Directors take active participation at the meetings of the Board and committee(s) and provide valuable guidance to the senior management on various aspects of business and governance.

During the financial year ended March 31, 2024, the Board of Directors of the Company met 4 (Four) times on May 23, 2023, August 11, 2023, November 09, 2023, and February 13, 2024. The maximum time gap between any two board meetings was less than 120 days. The necessary quorum was present for all the meetings. The table below gives the details of members of the Board, their category, attendance at the Board Meetings held during the year under review and at the last Annual General Meeting (**"AGM"**), their Directorships, Committee Memberships and Chairmanships in Indian public limited companies. It excludes the directorships of private limited companies, foreign companies, high value debt listed entities and Section 8 companies.

Name of Director	Category	Attendance		No. of Directorships and Committee Chairmanship/Membership (including the Company)				
		Number of Board Meetings Attended	Last AGM held on September 26, 2023	Directorship	Chairmanship in Listed companies	Directorship in Listed companies	Committee Chairmanship	Committee Membership
Mr. Rakesh Sethi	Independent Director-Chairperson	4	Yes	3	1	2	0	1
Mr. Krishipal Raghuvanshi	Independent Director	4	Yes	1	0	1	1	2
Mr. Nirmal Vinod Momaya	Independent Director	3	No	5	0	2	0	2
Ms. Abha Kapoor	Independent Director	4	Yes	3	0	2	0	0
Ms. Geetu Gidwani Verma	Independent Director	4	Yes	3	0	2	0	3
Mr. Rajiv Kapoor	Non-Executive Non-Independent Director	4	Yes	1	0	1	1	2
Mrs. Rushina Mehta	Non-Executive Non-Independent Director	3	Yes	1	0	1	0	0
Mr. Atwood Porter Collins	Non-Executive Non-Independent Director	2	No	1	0	1	0	0
Mr. Rohanjeet Singh Juneja	Executive Director	4	Yes	1	0	1	0	1

Notes:

1. *The Committees considered for the above purpose are those prescribed in the Listing Regulations i.e., Audit Committee and Stakeholders Relationship Committee.*
2. *The membership count also includes the count in which the Director is Chairperson.*

The details of the board meeting(s) along with the attendance are given below:

Date on which Board Meeting was held	Total Strength of the Board	No. of Directors Present
May 23, 2023	9	9
August 11, 2023	9	8
November 09, 2023	9	8
February 13, 2024	9	7

Further, during the financial year, none of the recommendations made by any Committee which is mandatorily required to have Board approval were rejected or not accepted by the Board.

In compliance with the Listing Regulations, the minutes of the meetings of the board of directors of DFL Technologies Private Limited, unlisted material wholly owned subsidiary (**"WoS"**), are reviewed by the Board of Directors of the Company on quarterly basis along with statement(s) of all significant transactions and arrangements entered by WoS.

(d) Board Level Performance Evaluation

The Nomination and Remuneration Committee of the Company has laid down the criteria for evaluation of the performance of the Executive Directors, Non-Executive Directors including Independent Directors, Committees of the Board and the Board as a whole. The criteria for performance evaluation are as under:

For Executive Directors:

The criteria for evaluation of Executive Directors, inter alia, includes achievement of financial/business targets prescribed by the Board; developing and managing/executing business plans, operational plans, risk management and financial affairs of the organization; display of leadership qualities i.e., correctly anticipating business trends, opportunities and priorities affecting the Company's prosperity and operations; development of clear mission/vision statements, policies and strategic plans that harmoniously balance the needs of shareholders, clients, employees and other stakeholders; establishment of an effective organization structure to ensure that there is management focus on key functions necessary for the organization to align with its mission; and managing relationships with the Board, management team, regulators, bankers, industry representatives and other stakeholders.

For Non-Executive Directors (including Independent Directors):

The criteria for evaluation of the Non-Executive Directors, inter alia, includes participation at the Board/Committee meetings; commitment (including guidance provided to senior management outside of the Board/Committee meetings); effective deployment of knowledge and expertise; effective management of relationship with stakeholders; integrity and maintenance of confidentiality; independence of behaviour and judgment, impact and influence. In addition to the above parameters, which shall be common for evaluation to both Independent and Non-Executive Directors, an Independent Director shall also be evaluated on the following parameters:

(a) Exercise of objective independent judgment in the best interest of the Company;

(b) Ability to contribute to and monitor corporate governance practice; and

(c) Adherence to the code of conduct for Independent Directors.

For Board as a whole:

The criteria for evaluation of the Board, inter alia, includes development of suitable strategies and business plans at appropriate time and its effectiveness; implementation of robust policies and procedures; size, structure and expertise of the Board; oversight of the financial reporting process including internal controls; willingness to spend time and effort to learn about the Company and its business; and awareness about the latest developments in the areas such as corporate governance framework, financial reporting, industry and market conditions.

(e) Disclosure from Board of Directors

The Directors of the Company have declared and confirmed that none of them are disqualified to be the director of the Company. The Nomination and Remuneration Committee and the Board have reviewed the annual disclosures and have confirmed that the directors continue to be fit and proper to be the director of the Company. Further, the Board confirms that in their opinion, the Independent Directors fulfil the conditions specified in the Listing Regulations and the Act and are independent of the management.

Mr. Rohanjeet Singh Juneja, Managing Director and Chief Executive Officer and Mr. Sanjay Kukreja, Chief Financial Officer have made a certification, for the year under review, in terms of Regulation 17(8) of the Listing Regulations, which has been reviewed by the Audit Committee and taken on record by the Board. The same is reproduced to this Report and marked as **Annexure - I**.

(f) Code of Conduct

The Board has laid down a Code of Conduct for all Board members and Senior Management of the Company and it is uploaded on the website of the Company and the link is https://trucapfinance.com/wp-content/uploads/Code-of-Conduct-Directors-and-Senior-Managers.pdf.

The Code of Conduct has been circulated to all members of the Board and senior management and the compliance of the same has been affirmed by them. Declaration signed by Mr. Rohanjeet Singh Juneja, Managing Director and Chief Executive Officer of the Company as required under Listing Regulations is annexed to this Report as **Annexure - I**.

(g) Independent Directors

The Independent Directors play an important role in deliberations at the meeting(s) of the Board and Committee and bring to the Company their expertise in the field of finance, management and public policy. The Independent Directors satisfy the criteria of independence as defined in the Listing Regulations and the Act. They perform the duties as stipulated in the Act.

Details of appointment of the Independent Directors on the Board as on March 31, 2024 and as on the date of this Report are as mentioned below:

Sr. No.	Name of Director	Date of Appointment	Date of Re-Appointment
1.	Mr. Rakesh Sethi	October 15, 2019	-
2.	Mr. Krishipal Raghuvanshi	August 24, 2018	August 24, 2023
3.	Mr. Nirmal Vinod Momaya	August 10, 2018	August 10, 2023
4.	Ms. Abha Kapoor	March 30, 2022	-
5.	Ms. Geetu Gidwani Verma	May 31, 2022	-

Notes:

On recommendation of the Nomination and Remuneration Committee and the Board of Directors, the Shareholders of the Company have, at its Twenty Nineth Annual General Meeting held on September 26, 2023, inter-alia, approved the re-appointments of:

(a) Mr. Nirmal Vinod Momaya, Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (Five) consecutive years with effect from August 10, 2023 till August 09, 2028 (both days inclusive); and

(b) Mr. Krishipal Raghuvanshi, Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (Five) consecutive years with effect from August 24, 2023 till August 23, 2028 (both days inclusive).

All appointments were made pursuant to the provisions of Section 149 read with Schedule IV to the Act, Listing Regulations and requirements specified by the Reserve Bank of India through its applicable master direction.

The Company has issued a formal letter of appointment to the Independent Directors containing their duties, terms and conditions of appointment. A draft of same is also available on the website of the Company i.e., www.trucapfinance.com. The Independent Directors have confirmed about their independence and eligibility as required under Section 149(7) of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended.

The Company has familiarised the Independent Directors with their roles, rights, responsibilities in the Company, business model and nature of the Company. The details of familiarization programme is uploaded on the website of the Company, i.e., www.trucapfinance.com and the link is https://trucapfinance.com/wp-content/uploads/Familiarization-Programmes.pdf.

In compliance with the provisions of the Act and Listing Regulations, a separate meeting of Independent Directors of the Company was held on May 19, 2023, inter alia, to discuss the following:

- To review the performance of Non-Independent Directors, various committees of the Board and the Board as a whole;
- To review the performance of the Chairperson of the Company; and
- To assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors expressed their overall satisfaction over the performance of other Directors, the Board as a whole and the Chairperson of the Board.

The Board of Directors of the Company appreciated and applauded the efforts and hard work which has been put in by Mr. Rohanjeet Singh Juneja, Managing Director and Chief Executive Officer of the Company, towards the growth of the Company.

(h) Information supplied to the Board/Committees

The Company Secretary prepares the agenda in consultation with the Chairperson of the Board, and the Chairperson of various Committees. The agenda of the meeting, inter alia, includes the information as specified to be provided under Part–A of Schedule II to the Listing Regulations.

The Listing Regulations are made available to the Board. The agenda for the meetings of the Board and its Committees, together with the appropriate supporting documents, presentation and papers are circulated well in advance of the meetings to enable the Board and the Committees to deliberate and take informed decisions.

The Board periodically reviews the items required to be placed before it and have expressed their satisfaction over the quality, quantity and timeliness flow of information between the Company's management and the Board/Committees of the Board from time to time. The Board in particular reviews and approves quarterly/half yearly unaudited/audited financial results and the audited annual financial statements, annual operating plans and budgets, minutes of meetings of various committees of the Board. It monitors overall risks framework, operating performance and reviews such other items which require special attention of the Board of Directors of the Company. It directs and guides the activities of the management towards the set goals and seeks accountability. It also sets standards of corporate behaviour, ensures transparency in corporate dealings and compliance with the applicable laws and regulations.

3. Committees of the Board

In terms of the Act, Listing Regulations and Master Directions issued by Reserve Bank of India (**"RBI"**), the Board of Directors has constituted various Committee(s). The composition of the various Committee(s) along with their terms of reference are as under:

(a) Audit Committee

The composition, role and powers of the Audit Committee meet the requirements of Part C of Schedule II of the Listing Regulations and Section 177 of the Act read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended.

As on March 31, 2024 and as on the date of this Report, the Audit Committee comprises of the following members:

Sr. No.	Name of the Member	Designation
1.	Mr. Krishipal Raghuvanshi	Independent Director, Chairperson
2.	Mr. Rakesh Sethi	Independent Director, Member
3.	Mr. Nirmal Vinod Momaya	Independent Director, Member
4.	Mr. Rajiv Kapoor	Non-Executive Non-Independent Director, Member

Note: *Mr. Rakesh Sethi was appointed as a member of the Audit Committee with effect from August 04, 2023.*

The Company Secretary acts as the Secretary to the Audit Committee.

All the members of the Audit Committee are financially literate and possess accounting and financial management expertise.

The broad terms of reference of the Audit Committee are:

i. oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

ii. recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

iii. approval of payment to statutory auditors for any other services rendered by the statutory auditors;

iv. reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   (a) matters required to be included in the Director's Responsibility Statement, have been included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Act;

   (b) changes, if any, in accounting policies and practices and reasons for the same;

   (c) major accounting entries involving estimates based on the exercise of judgment by the management;

   (d) significant adjustments made in the financial statements and information arising out of audit findings;

   (e) compliance with listing and other legal requirements relating to financial statements;

   (f) disclosure of any related party transactions;

   (g) modified opinions on the draft audit report.

v. reviewing with the management, the quarterly financial results and annual financial statements before submission to the Board for its approval;

vi. reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue or preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter;

vii. reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;

viii. approval or any subsequent modification of transactions of the Company with related parties;

ix. scrutiny of inter-corporate loans and investments;

x. valuation of undertakings or assets of the Company, wherever it is necessary;

xi. evaluation of internal financial controls and risk management systems;

xii. reviewing with the management, performance of statutory and internal auditors and adequacy of the internal control systems;

xiii. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

xiv. discussion with internal auditors of any significant findings and follow up thereon;

xv. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

xvi. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

xvii. looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

xviii. reviewing the functioning of the Whistle Blower Mechanism;

xix. approval of appointment of Chief Financial Officer (CFO) (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

xx. carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

xxi. reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary company exceeding ₹100 Crores or 10% of the asset size of the subsidiary, whichever is lower;

xxii. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, etc., of the Company and its shareholders; and

xxiii. reviewing the following information:

(a) Management Discussion and Analysis of the financial condition and results of operations;

(b) Management letters/letters on internal control weaknesses issued by the statutory auditors;

(c) Internal audit reports relating to internal control weaknesses;

(d) The appointment, removal and terms of remuneration of the chief internal auditor; and

(e) Statement of deviation(s):

- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to the stock exchange(s) in terms of the Listing Regulations.
- Annual statement of funds utilized for the purposes other than those stated in the offer document/ prospectus/notice in terms of the Listing Regulations.

During the year under review, the Audit Committee met 4 (Four) times on May 23, 2023, August 11, 2023, November 09, 2023, and February 13, 2024. The necessary quorum was present at the meetings. The gap between two Audit Committee meetings was not more than 120 days.

The details of attendance of each Member of the Committee at the aforesaid meeting(s) is given below:

Name of the Member	Category of Directorship	Status	No. of meetings held	No. of meetings attended
Mr. Krishipal Raghuvanshi	Independent Director	Chairperson	4	4
Mr. Rakesh Sethi	Independent Director	Member	3	3
Mr. Nirmal Vinod Momaya	Independent Director	Member	4	2
Mr. Rajiv Kapoor	Non-Executive Non-Independent Director	Member	4	4

Note: *Mr. Rakesh Sethi was appointed as a member of the Audit Committee with effect from August 04, 2023.*

Mr. Krishipal Raghuvanshi, Chairperson of the Audit Committee, was present at the 29th AGM of the Company held on September 26, 2023.

The Audit Committee reviews the financial statements, in particular, the investments made by the WoS on periodic basis.

The Managing Director and Chief Executive Officer, Chief Financial Officer of the Company and representatives of the Statutory Auditors and Internal Auditors, attend the Audit Committee meetings on invitation, if required.

(b) Nomination and Remuneration Committee

The composition, role and powers of the Nomination and Remuneration Committee meet the requirements of Part D of Schedule II of the Listing Regulations and Section 178 of the Act read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended.

As on March 31, 2024 and as on the date of this Report, the Nomination and Remuneration Committee consists of the following members:

Sr. No.	Name of the Member	Designation
1.	Ms. Abha Kapoor	Independent Director, Chairperson
2.	Mr. Rakesh Sethi	Independent Director, Member
3.	Mr. Nirmal Vinod Momaya	Independent Director, Member

The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

The terms of reference of the Nomination and Remuneration Committee are broadly as follows:

i. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the directors, key managerial personnel and other employees.

ii. To 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 for the appointment of an independent director. For the purpose of identifying suitable candidates, the Committee may:

- use the services of an external agencies, if required;
- consider candidates from a wide range of backgrounds, having due regard to diversity; and
- consider the time commitments of the candidates.

iii. To ensure 'fit and proper' status and credentials of proposed/existing directors.

iv. To formulate criteria for evaluation of performance of Independent Directors and the Board of Directors.

v. To devise a policy on diversity of Board of Directors.

vi. To identify the persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal.

vii. To evaluate 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.

viii. To recommend to the Board, all remuneration, in whatever form, payable to senior management.

ix. To perform such other act, including the acts and functions stipulated by the Board of Directors, Act, RBI and any other regulatory authority, as prescribed from time to time.

During the year under review, the Nomination and Remuneration Committee of the Company met once i.e., on May 19, 2023. The necessary quorum was present at the meeting.

The details of attendance of each member of the Committee at the aforesaid meeting are given below:

Name of the Member	Category of Directorship	Status	No. of meetings held	No. of meetings attended
Ms. Abha Kapoor	Independent Director	Chairperson	1	1
Mr. Rakesh Sethi	Independent Director	Member	1	1
Mr. Nirmal Vinod Momaya	Independent Director	Member	1	1

Ms. Abha Kapoor, Chairperson of the Nomination and Remuneration Committee, was present at the 29th AGM of the Company held on September 26, 2023.

The members of the Company at the 24th AGM held on September 28, 2018, based on the recommendation of the Board had instituted "Dhanvarsha ESOP Plan - 2018" **("ESOP Plan")** to motivate, incentivise and reward employees.

The ESOP Plan follows the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021, as amended (**"SEBI SBEB & SE Regulations"**).

The Nomination and Remuneration Committee administers the ESOP Plan.

The Board of Directors of the Company has approved the Appointment and Evaluation Policy of the Company, which sets out the guiding principles for appointment & remuneration of Directors, Key Managerial Personnel and senior management of the Company.

I. Appointment and Evaluation Policy

I. Appointment and removal of Directors, Key Managerial Personnel and senior management:

1. Appointment Criteria and Qualifications:

(a) A person who is proposed to be appointed as Director, Key Managerial Personnel (**"KMP"**) or Senior Management should possess adequate qualification, expertise and experience for the position he/she is being considered for appointment.

(b) Independent Director:

(i) <u>Qualifications of Independent Director:</u>

An Independent Director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the Company's business and shall have fit and proper status for the proposed appointment.

(ii) <u>Positive attributes of Independent Director:</u>

An Independent Director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his/her responsibilities in a bona-fide manner in the interest of the Company; devote sufficient time and attention to his/her professional obligations for informed and balanced decision making; and assist the Company in implementing the best corporate governance practices.

2. Removal:

Due to reasons for any disqualification mentioned in the Act or under any other applicable act, rules and regulations made thereunder, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or senior management personnel subject to the provisions and compliance of the Act, or any other applicable act, rules and regulations.

3. Retirement:

The Director, KMP and senior management personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, senior management personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

II. Remuneration:

1. <u>Directors:</u>

(a) Executive Directors (Managing Director, Manager or Whole Time Director):

(i) At the time of appointment or re-appointment, the Executive Directors shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination & Remuneration Committee and the Board of Directors) within the overall limits prescribed under the Act,

(ii) The remuneration shall be subject to the approval of the Members of the Company in general meeting as per the requirement of the Act.

(iii) The remuneration of the Manager/CEO/Managing Director/Whole Time Director is broadly divided into fixed and incentive pay reflecting short-term and long-term performance objectives appropriate to the working of the Company. In determining the remuneration (including the fixed increment and performance bonus), the Committee shall consider the following:

- ➢ the relationship of remuneration and performance benchmark.
- ➢ balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals.
- ➢ responsibility required to be shouldered, the industry benchmarks and the current trends.
- ➢ the Company's performance vis-à-vis the annual budget achievement and individual performance.

(b) Non-Executive Directors (including Independent Directors):

(i) The Non-Executive Directors may receive fees for attending meeting of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rupees One Lakh per meeting of the Board or Committee, or such amount as may be prescribed by the Central Government from time to time.

(ii) A Non-Executive Directors may be paid commission on an annual basis, of such sum as may be approved by the Board on the recommendation of the Committee.

(iii) The Committee may recommend to the Board, the payment of commission, to reinforce the principles of collective responsibility of the Board.

(iv) In determining the quantum of commission payable to the Directors, the Committee shall make its recommendation after taking into consideration the overall performance of the Company and the onerous responsibilities required to be shouldered by the Director.

(v) The total commission payable to the Directors shall not exceed prescribed limits as specified under the Act.

(vi) The commission shall be payable on pro rata basis to those Directors who occupy office for part of the year.

2. <u>KMP & Senior Management Personnel:</u>

The remuneration of the KMP and senior management personnel will be based on following guidelines:

(a) Maintaining a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company.

(b) Compensation should be reasonable and sufficient to attract, retain and motivate KMP and senior management personnel.

(c) Remuneration payable should comprise a fixed component and a performance linked variable based on the extent of achievement of individual performance vis-a-vis overall performance of the Company.

(d) Remuneration shall also be considered in the form of long-term incentive plans for key employees, based on their contribution, position and length of service, in the nature of ESOPs/ESPS.

III. Evaluation:

The Committee shall carry out evaluation of performance of every Director at regular interval (yearly). The Committee shall also formulate and provide criteria for evaluation of Independent Directors and the Board as a whole, if applicable.

II. Details of Remuneration paid to Directors for the financial year 2023-24

(Amount in ₹)

Name of the Director	Designation	Salary & Perquisite	Commission	Sitting Fees	Contribution to Provident Fund	No. of Stock Options	No. of equity shares held
Mr. Rakesh Sethi	Independent Director, Chairperson	-	1,38,087	8,50,000	-	-	-
Mr. Krishipal Raghuvanshi	Independent Director	-	1,38,087	8,00,000	-	-	-
Mr. Nirmal Vinod Momaya	Independent Director	-	1,38,087	5,00,000	-	-	-
Ms. Abha Kapoor	Independent Director	-	1,38,087	5,50,000	-	-	-
Ms. Geetu Gidwani Verma	Independent Director	-	1,38,087	4,50,000	-	-	-
Mr. Rajiv Kapoor	Non-Executive Non-Independent Director	-	1,38,087	9,00,000	-	-	91,976
Mrs. Rushina Mehta	Non-Executive Non-Independent Director	-	1,38,087	3,00,000	-	-	-
Mr. Atwood Potter Collins	Non-Executive Non-Independent Director	-	1,38,087	2,00,000	-	-	-
Mr. Rohanjeet Singh Juneja	Executive Director	1,60,50,000	-	-	2,49,996	19,62,500	16,07,868

Notes:

1. *As the future liability for gratuity is provided on an actuarial basis for the Company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.*
2. *Contribution to provident fund & gratuity payable is not included in the computation of the ceiling on managerial remuneration specified in Schedule V to the Act.*
3. *As on the date of this Report Mr. Rohanjeet Singh Juneja, Managing Director & Chief Executive Officer of the Company is holding 13,07,868 equity shares of the Company.*

III. Remuneration to Non-Executive Directors (including Independent Directors)

The Company is availing professional expertise of the Non-Executive Directors (including Independent Directors) through their participation in the Board/Committee meetings and are paid remuneration by way of sitting fees, commission and other expenses viz., travelling, boarding and lodging incurred for attending the Board/Committee meetings.

The Non-Executive Directors are paid sitting fees of ₹ 1,00,000/- (Rupees One Lakh only) per meeting for attending Board meetings and ₹ 50,000/- (Rupees Fifty Thousand only) per meeting for attending Committee meetings where they are members. In addition, Non-Executive Directors are also eligible for commission as approved by the shareholders of the Company at the 29th Annual General Meeting of the Company held on September 26, 2023. The payment of commission is based on the overall financial performance and as decided by the Board of Directors of the Company. The Company has not granted any stock options to Non-Executive Directors.

Apart from the above, no other remuneration is paid to the Non-Executive/Independent Directors. There are no pecuniary relationships or transaction of the Non-Executive Directors with the Company. The Company has obtained a Directors and Officers Liabilities Insurance Policy covering all Directors and Officers of the Company in respect of any legal action that might be initiated against any Director or Officer of the Company. Further, none of the Independent Directors are holding any shares in the Company.

(c) Stakeholders Relationship Committee

The composition, role and powers of the Stakeholders Relationship Committee meet the requirements of Regulation 20 read with Part D of Schedule II of the Listing Regulations and Section 178(5) of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended.

As on March 31, 2024 and as on the date of this Report, the Stakeholders Relationship Committee consists of the following members:

Sr. No.	Name of the Member	Designation
1.	Mr. Rajiv Kapoor	Non-Executive Non-Independent Director, Chairperson
2.	Mr. Krishipal Raghuvanshi	Independent Director, Member
3.	Mr. Rohanjeet Singh Juneja	Managing Director & Chief Executive Officer, Member

The Stakeholders Relationship Committee is entrusted with the responsibility of redressing the shareholders'/ investors' complaints related to transfer of shares, non-receipt of balance sheet and non-receipt of declared dividend and other queries/complaints, if any. The Committee also oversees the performance of the Registrar and Share Transfer Agent of the Company relating to the investor services and recommends measures for improvement.

The broad terms of reference of Stakeholders Relationship Committee are as under:

1. Resolving and reviewing grievances of security holders relating to transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time.
2. Resolving and reviewing grievances related to issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure.
3. Resolving and reviewing grievances related to issue of new certificates against sub-division of shares, renewal, split or consolidation of share or other securities.
4. Resolving and reviewing grievances related to issue and allotment of shares through right issues/bonus issues made by the Company, subject to such approvals as may be required.
5. Resolving, reviewing and monitoring grievances related to dematerialization of shares/debentures/other securities and all matters incidental or related thereto.
6. Monitoring expeditious redressal of investors'/stakeholders' grievances.
7. Review of measures taken for effective exercise of voting rights by the shareholders.
8. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
9. 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 shareholders of the Company.
10. All other matters incidental or related to shares, debentures and other securities of the Company.

During the year under review, the Stakeholders Relationship Committee of the Company met once i.e., on May 19, 2023. The necessary quorum was present at the meeting.

The details of attendance of each member of the Committee at the aforesaid meeting is given below:

Name of the Member	Category of Directorship	Status	No. of meetings held	No. of meetings attended
Mr. Rajiv Kapoor	Non-Executive Non-Independent Director	Chairperson	1	1
Mr. Krishipal Raghuvanshi	Independent Director	Member	1	1
Mr. Rohanjeet Singh Juneja	Managing Director & Chief Executive Officer	Member	1	1

Mr. Rajiv Kapoor, Chairperson of the Stakeholders Relationship Committee, was present at the 29th AGM of the Company held on September 26, 2023.

The name, designation and address of the Company Secretary & Compliance Officer of the Company is as under:

Name and Designation	Ms. Sonal Sharma, Company Secretary & Compliance Officer
Registered Office Address	3rd Floor, A Wing, D.J. House, Old Nagardas Road, Andheri (East), Mumbai – 400 069
Contact No.	Tel: 022 6845 7200 E-mail: corpsec@trucapfinance.com

The Company Secretary acts as the Secretary to the Stakeholders Relationship Committee.

Status Report of investor queries and complaints for the period from April 01, 2023 to March 31, 2024 is given below:

Sr. No.	Particulars	No. of Complaints
1.	Investor complaints pending at the beginning of the year	Nil
2.	Investor complaints received during the year	Nil
3.	Investor complaints disposed off during the year	Nil
4.	Investor complaints remaining unresolved at the end of the year	Nil

As on March 31, 2024, 2,70,25,266 equity shares of the Company held by Wilson Holdings Private Limited and 15,00,000 equity shares of the Company held by Anjaneya Realty Management LLP, belonging to promoter(s)/ promoter group of the Company, were under encumbrance.

(d) Risk Management and Strategy Committee

The composition, role and powers of the Risk Management & Strategy Committee meet the requirements of the applicable master directions issued by the RBI.

As on March 31, 2024 and as on the date of this Report, the Risk Management and Strategy Committee consists of the following members:

Sr. No.	Name of the Member	Designation
1.	Mr. Rakesh Sethi	Independent Director, Chairperson
2.	Mr. Nirmal Vinod Momaya	Independent Director, Member
3.	Mr. Rajiv Kapoor	Non-Executive Non-Independent Director, Member
4.	Mr. Rohanjeet Singh Juneja	Managing Director & Chief Executive Officer, Member

The broad terms of reference of the Risk Management and Strategy Committee are as under:

1. Approve and periodically review the risk management policies of the Company.
2. Review significant reports from regulatory agencies relating to risk management and compliance issues, and management's responses.
3. Review policies and procedures establishing risk management governance, risk management procedures and risk control infrastructure for operations.
4. Review and approve the Company's risk appetite statement on an annual basis and approve any material amendment to the risk appetite statement.
5. Review and approve the contingency funding plan contained in the Company's funding program at least annually and approve any material revisions to this plan prior to implementation.
6. Review significant risk exposures and the steps, including policies and procedures, that management has taken to identify, measure, monitor, control, limit and report such exposures, including but not limited to credit, market, fiduciary, liquidity, reputational, operational, fraud, strategic, technology (data-security, information, business-continuity risk, etc.) and risks associated with incentive compensation plans.
7. Evaluate risk exposure and tolerance.
8. Review and evaluate the Company's practices with respect to risk assessment and risk management.

9. Review reports and significant findings of Risk and Compliance and the Internal Audit Department with respect to the risk management and compliance activities of the Company, together with management's responses and follow-up to these reports.
10. Evaluate various risks of the business and draw out a risk management plan for the Company.
11. Take steps to identify and mitigate Information Technology and Cyber Security Risks that the Company is or may be exposed to, on a regular basis.
12. Monitor and review risk management and mitigation plan of the Company.
13. Inform Board on the effectiveness of the risk management framework and process of risk management.
14. Review any breaches in the Credit Exposure of the Company to any single/group borrowers do not exceed the internally set limits and the prescribed exposure ceilings by the regulator.
15. Research and make recommendations to the Board on the major financing plans of the Company and other major strategic issues influencing the development of the Company.
16. Research and make recommendations to the Board on the long-term development strategies and plans of the Company.
17. Review of key strategic projects.
18. Review of industry developments surrounding merger and acquisition activity in the NBFC sector.
19. Review of major organic ventures requiring significant capital expenditure.
20. Any diversification into new products or markets.
21. Overseeing the management's work on the strategic perspective and direction.
22. Consider and review (and where it thinks appropriate, recommending to the Board) all potential acquisitions and disposals of any business or business unit or significant asset of the Company, any proposed merger, joint venture, profit sharing or similar transaction.
23. Undertake such other functions as may be mandated by the Board or stipulated by the Companies Act, 2013, SEBI, RBI and Stock Exchanges or any other regulatory authorities from time to time.
24. Discussing and advising the Management:
    i. as to whether the governance, risk appetite, financial and capital planning, liquidity and funding management, control environment and resources can support the Company's strategic objectives.
    ii. on the impact of changes in the competitive environment.

During the year under review, the Risk Management and Strategy Committee of the Company met 3 (Three) times i.e., on May 23, 2023, August 11, 2023 and February 13, 2024. The necessary quorum was present at the meeting.

The constitution of the Risk Management and Strategy Committee and details of attendance of each member of the Committee at the aforesaid meeting(s) of Committee as on March 31, 2024, is given below:

Name of the Member	Category of Directorship	Status	No. of Meetings held	No. of Meetings attended
Mr. Rakesh Sethi	Independent Director	Chairperson	3	3
Mr. Nirmal Vinod Momaya	Independent Director	Member	3	1
Mr. Rajiv Kapoor	Non-Executive Non-Independent Director	Member	3	3
Mr. Rohanjeet Singh Juneja	Managing Director & Chief Executive Officer	Member	3	3

(e) <u>Corporate Social Responsibility Committee</u>

Pursuant to the requirement specified in Section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended and circulars and notifications issued by the Ministry of Corporate Affairs, a Corporate Social Responsibility (**"CSR"**) Committee was duly constituted by the Board of Directors.

As on March 31, 2024 and as on the date of this Report, the CSR Committee consists of the following members:

Sr. No.	Name of the Member	Designation
1.	Ms. Abha Kapoor	Independent Director, Chairperson
2.	Mr. Rajiv Kapoor	Non-Executive Non-Independent Director, Member
3.	Mr. Rohanjeet Singh Juneja	Managing Director & Chief Executive Officer, Member

The Company has adopted a CSR policy which indicates the activities to be undertaken by the Company as specified in Schedule VII to the Act. The policy is provided on the Company's website, i.e., www.trucapfinance.com and the link is https://trucapfinance.com/wp-content/uploads/CSR-Policy.pdf.

Brief terms of reference, roles and responsibilities of the CSR Committee:

1. Formulate and recommend to the Board, the Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013 and applicable rules made thereunder (**"Act"**).
2. Formulate and recommend an annual action plan to the Board.
3. Recommend the minimum expenditure to be incurred on the CSR activities. If the Company spends an amount in excess of the requirements provided under the Act in any financial year, the CSR Committee, after seeking approval from the Board of Directors to this effect, may consider and set off such excess amount against the requirement to spend for such number of succeeding financial years as may be permissible under the Act.
4. Approve projects/activities and amount to be spent towards CSR projects upto a limit of ₹ 1 Crore for each financial year.
5. Review the Policy of the Company from time to time and recommend any amendments in accordance with the laws.
6. Approve for transfer of unspent CSR amount, if any, in accordance with the law.

During the year under review, the CSR Committee of the Company met once i.e., on August 11, 2023.

The necessary quorum was present at the meeting.

The constitution of the CSR Committee as on March 31, 2024 and details of attendance of each member of the Committee at the meeting of the Committee held on August 11, 2023, is given below:

Name of the Member	Category of Directorship	Status	No. of Meetings held	No. of Meetings attended
Ms. Abha Kapoor	Independent Director	Chairperson	1	1
Mr. Rajiv Kapoor	Non-Executive Non-Independent Director	Member	1	1
Mr. Rohanjeet Singh Juneja	Managing Director & Chief Executive Officer	Member	1	1

Further, the report on CSR as required under the provisions of the Act is approved by the Board of Directors at its meeting held on August 13, 2024, on recommendation of the CSR Committee and is annexed to the Board's Report.

(f) <u>Finance Committee</u>

As on March 31, 2024, and as on the date of this Report, the Finance Committee consists of the following members:

Sr. No.	Name of the Member	Designation
1.	Mr. Rohanjeet Singh Juneja	Managing Director & Chief Executive Officer, Chairperson
2.	Mr. Mahendra Kumar Servaiya	Chief Credit Officer, Member
3.	Mr. Sanjay Kukreja	Chief Financial Officer, Member

The broad terms of reference of the Finance Committee are as under:

1. Review and approve availing loan facilities and borrowings within the limits approved by the Shareholders under section 180(1)(c) of the Companies Act, 2013 and applicable rules made thereunder (**"Act"**);
2. Approve creation of Pledge/hypothecation/mortgage and/or charge on both movable and immovable assets within the overall limits approved by the Shareholders under section 180(1)(a) of the Act;
3. Approve and designate representative(s) or officers to carry out the required documentation for the facilities approved by the Committee;
4. Approve investment, disinvestment and re-investment of the funds of the Company as per the Investment Policy approved by the Board, from time to time;
5. Approve allotment of securities of the Company and ancillary matters pertaining to the same;
6. Issue of Power of Attorneys/Delegation Letter to the Officials of the Company for various operational matters and to approve execution, sign, certify any agreement, MOU, undertaking, document, deed and other writings in relation to the day-to-day matters and authorize officials in this regard;
7. Approve officials of the Company to initiate legal action, sign documents/deeds/undertakings and other writings and represent the Company in litigation and settle any legal disputes in connections with any legal proceedings by or against the Company;
8. Registration, renewal/continuation of registration and continuing compliance and observance of various provisions of Shops & Establishment Act, 1948, Sales Tax, GST, Professional tax and such other legislations and rules, regulations and directions made or issued there under;
9. Approve officials of the Company to appoint Registered Valuer(s) and Merchant Banker(s) of the Company for various corporate structuring events/transactions;
10. Review the annual budget;
11. Review the funding mix from time to time to ensure mitigation of risk concentration in terms of specific lender or lender class;
12. Review of cash flows in comparison to the liquidity metric;
13. Approve authorities to open, operate and close bank accounts and grant of authority to avail online payment gateway facility;
14. Approve authorities to open, operate and close escrow accounts with banks and grant of authority to avail online payment gateway facility;
15. Approve authorities to open, operate and close special accounts with banks and grant of authority to avail online payment gateway facility;
16. Approve authorities to open, operate and close depository accounts with registered intermediary/depository participants of National Securities Depository Limited (**"NSDL"**) or Central Depository Services (India) Limited (**"CDSL"**);
17. Review and approve execution/signing of indemnities and such other documents as may be necessary in favour of banks and financial institutions;
18. Approve obtaining various kinds of insurance cover for the Company, employee(s), Key Managerial Personnel, Directors and to authorize officers of the Company for doing acts and deeds in relation to the same;
19. Approve filing of cases against any person, corporate, entity, firm, represent the Company for any of the cases by and against the Company and to authorize officers of Company for doing acts and deeds in relation to the same;
20. Authorize officers of the Company for registering any security in favor of the Company, to represent before any authorities for doing the same and to authorize officers of Company for doing acts and deeds in relation to the same; and
21. To do such other acts, deeds and things as may be directed by the Board and required to comply with the applicable laws.

During the year under review, the Finance Committee of the Company meets at required periodicity.

The necessary quorum was present at the meetings.

(g) Other Committee(s)

Apart from the aforesaid Committee(s), the Company has below committee(s) constituted to carry out functions under various regulatory norms:

i. Environmental, Social and Governance Committee

The Board has constituted the Environmental, Social and Governance (ESG) Committee overlooking the sustainable corporate growth, financial inclusion initiatives dedicated to support the MSME sector, women empowerment initiatives which plays a pivotal role in driving economic growth and generating employment opportunities.

As on March 31, 2024 and as on the date of this Report, the composition of ESG Committee is as below:

Sr. No.	Name of the Member	Designation
1.	Mr. Rakesh Sethi	Independent Director, Chairperson
2.	Mr. Rajiv Kapoor	Non-Executive Non- Independent Director, Member
3.	Mr. Rohanjeet Singh Juneja	Managing Director & Chief Executive Officer, Member

The Environmental, Social and Governance Committee meets at required periodicity with an adequate and appropriate quorum.

ii. Asset Liability Management Committee

The Asset Liability Management Committee is constituted to carry out functions as prescribed under the master direction specified by the RBI for Non-Banking Financial Companies. As on March 31, 2024 and as on the date of this Report, the composition of Asset Liability Management Committee is as below:

Sr. No.	Name of the Member	Designation
1.	Mr. Rohanjeet Singh Juneja	Managing Director & CEO, Chairperson
2.	Mr. Sanjay Kukreja	Chief Financial Officer, Member
3.	Mr. Mahendra Kumar Servaiya	Chief Credit Officer, Member
4.	Mr. Rambabu Yadav	Vice President – Treasury, Member

The Asset Liability Management Committee meets at required periodicity with an adequate and appropriate quorum.

iii. Credit Committee

For internal product and process strengthening, the Company has constituted the Credit Committee. As on the date of this Report, the composition of Credit Committee is as below:

Sr. No.	Name of the Member	Designation
1.	Mr. Rohanjeet Singh Juneja	Managing Director & CEO, Chairperson
2.	Mr. Sanjay Kukreja	Chief Financial Officer, Member
3.	Mr. Mahendra Kumar Servaiya	Chief Credit Officer, Member
4.	Mr. Lalit Chendvankar	Chief Compliance Officer and Legal Head, Member
5.	Mr. Syamantak Mayekar	Head – Operations, Member
6.	Mr. Mohinder Dogra	Head – Collections, Member

Note: *Mr. Mohinder Dogra was appointed as member of the Credit Committee with effect from May 28, 2024.*

The Credit Committee meets at required periodicity with adequate and appropriate quorum.

iv. IT Strategy Committee

As on March 31, 2024, the Company is categorized as a Base Layer NBFC and accordingly is required to comply with the provisions specified in the Master Directions issued by the RBI on IT Framework for NBFCs **("IT Direction")**. As specified under the IT Direction, the Company has a Board constituted IT Strategy Committee.

The IT Strategy Committee meets at required periodicity with adequate and appropriate quorum.

v. Directors' Loan Committee

To comply with the requirements specified by the RBI in its Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, as amended **("Scale Based Direction")**, the Company has constituted Directors' Loan Committee, authorizing it to approve loans upto ₹ 5 Crores to the Directors and the senior officers of the Company. As per the aforesaid Scale Based Direction, the Audit Committee can approve loans above ₹ 5 Crores. As on March 31, 2024 and till the date of this Report, the composition of Directors' Loan Committee is as below:

Sr. No.	Name of the Member	Designation
1.	Mr. Rajiv Kapoor	Non-Executive Non-Independent Director, Chairperson
2.	Mr. Rohanjeet Singh Juneja	Managing Director & Chief Executive Officer, Member
3.	Mr. Sanjay Kukreja	Chief Financial Officer, Member
4.	Mr. Mahendra Kumar Servaiya	Chief Credit Officer, Member
5.	Mr. Lalit Chendvankar	Chief Compliance Officer and Legal Head, Member

As on March 31, 2024 and till the date of this Report, no loans have been advanced to any Director or Senior Officers and accordingly, no meetings have been held during the financial year ended March 31, 2024.

4. Periodic Review of Compliances of all Applicable Laws

Your Company follows a system whereby all the acts, rules and regulations applicable to the Company are identified and compliance with such acts, rules and regulations is monitored by dedicated team on a regular basis. Verification of the compliances with the major acts/regulations is carried out by suitable external auditors/lawyers/consultants and their reports and implementation of their observations are reported to the Board/Audit Committee. In addition, the audit and verification plan and actual status thereof are reviewed by the Board/Audit Committee periodically. A consolidated compliance certificate based on the compliance status received from the respective functions in respect of various laws, rules and regulations applicable to the Company is placed before the Board on a regular basis and reviewed by the Board. Necessary reports are also submitted to the various regulatory authorities as per the requirements from time to time.

5. General Body Meetings

The annual general meeting(s) of the Company for the financial year 2020-21, 2021-22 and 2022-23 (**"AGM"**) were held through Video Conferencing (**"VC"**)/Other Audio-Visual Means (**"OAVM"**) in compliance with various circulars issued by the Ministry of Corporate Affairs and SEBI from time to time.

Further, the location, time and date where the AGM of the Company (in previous 3 years) were held are given hereunder:

Financial Year	Location	Date	Time	No. of Special Resolutions passed at AGM
2022-23	VC/OAVM	September 26, 2023	03:00 p.m. (IST)	4
2021-22	VC/OAVM	September 29, 2022	03:00 p.m. (IST)	2
2020-21	VC/OAVM	September 20, 2021	11:00 a.m. (IST)	2

6. Postal Ballot

During the year under review, no resolution was passed through postal ballot.

7. Disclosures

(i) Disclosure on materially significant Related Party Transactions that may have potential conflict with the interest of the Company at large

During the year under review, the Company has not entered into any material related party transaction. Further, the Company places all related party transactions before the Audit Committee and Board of Directors of the Company for their respective approvals/noting. All the related party transactions entered into by the Company are on arms' length basis and in ordinary course of business. A register of contracts containing the transactions in which the directors are interested are placed regularly before the Board of Directors of the Company. The

Company has adopted policy on Related Party Transactions and the same is available on the website of the Company i.e., www.trucapfinance.com and the link for the same is https://trucapfinance.com/wp-content/uploads/Policy-on-RPT.pdf.

(ii) Subsidiary

DFL Technologies Private Limited (CIN: U67190MH2019PTC331368), a company incorporated under the Act and having its registered office situated at Ground Floor, D.J. House, Old Nagardas Road, Andheri (East), Mumbai – 400 069, is a wholly owned subsidiary (**"WoS"**) of the Company incorporated on October 07, 2019. The WoS is engaged in the business of developing technology IP and providing advisory and consultancy services, retail franchising, etc.

The Audit Committee reviews the consolidated financial statements/results of the Company and investments made by its WoS. The minutes of the board meetings along with a report on significant developments of the WoS are periodically placed before the Board.

The management of the WoS periodically brings to the notice of the Board, a statement of all significant transactions, investments and arrangements entered by the WoS.

In accordance with the "Policy for determining Material Subsidiary Companies" of the Company and the provisions of the Listing Regulations, the Company has complied with all the obligations relating to WoS of the Company. The policy for determining material subsidiary companies of the Company is available on the website of the Company i.e., www.trucapfinance.com and the link is https://trucapfinance.com/wp-content/uploads/Policy-on-Determining-Material-Subsidiary.pdf.

As per the definition of material subsidiary company under the Listing Regulations and as per policy for determining material subsidiary companies, as on March 31, 2024, the WoS continues to be the material subsidiary of the Company. However, in terms of the Listing Regulations, the requirement pertaining to appointment of Independent Director of the Company on the Board of the WoS is not applicable.

(iii) Details of Non-Compliance

During the year under review, there have been no incidences of non-compliances by the Company on any matter related to the business and no penalties and/or strictures have been imposed on it by the stock exchanges or by the SEBI or by any statutory authority.

(iv) Vigil Mechanism/Whistle Blower Policy

Pursuant to the provisions of Section 177 of the Act and Regulation 22 of the Listing Regulations, the Company has formulated a Vigil Mechanism/Whistle Blower Policy for its Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct or ethics. This mechanism provides adequate safeguards against victimisation of director(s)/employee(s) who avail this mechanism and provides direct access to the Chairperson of the Audit Committee in exceptional cases. Further, no personnel have been denied access to the Chairperson of the Audit Committee. No complaints have been received under vigil mechanism for the financial year ended March 31, 2024.

The details of the establishment of such mechanism are disclosed by the Company on its website i.e., www.trucapfinance.com and the link is https://trucapfinance.com/wp-content/uploads/Vigil-Mechanism.pdf.

(v) Prevention of Insider Trading

Pursuant to the regulations specified in SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended (**"PIT Regulations"**), the Company has formulated and adopted code for prevention of insider trading including Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (**"Code"**).

This Code is applicable to all directors and designated employees of the Company. This Code ensures prevention and dealing in securities of the Company by person having access to unpublished price sensitive information. The Company monitors the transactions of directors/designated employees in terms of the Code and PIT Regulations periodically.

The Audit Committee reviews on an annual basis, the compliance with the provisions of PIT Regulations and that adequate systems and internal controls are in place and are operating effectively.

The Code is disclosed by the Company on its website, i.e., www.trucapfinance.com, and the link for the same is https://trucapfinance.com/wp-content/uploads/Code-of-UPSI.pdf.

(vi) Compliance with Mandatory and Non-Mandatory Provisions

Your Company has complied with all the mandatory corporate governance requirements under the Listing Regulations. The Company has adhered to all the mandatory requirements of the Corporate Governance norms as prescribed by Regulations 17 to 27 and Chapter V of the Listing Regulations to the extent applicable to the Company.

During the year under review and till the date of this Report, the Company has allotted 15,949 Listed Non-Convertible Debentures having face value of ₹ 1,00,000/- each total aggregating to ₹15,949 Lakhs (**"Listed NCDs"**) on private placement basis and the same are listed on BSE. Further, during the year under review, the Company has allotted 35 unlisted Non-Convertible Debentures (**"Unlisted NCDs"**) of the Company amounting to ₹ 3,500 Lakhs.

Further, the Company has allotted 500 secured, United States Dollar denominated bonds of face value of USD 10,000 (United States Dollar Ten Thousand only) each, aggregating up to USD 5,000,000 (United States Dollar Five Million only) (hereinafter referred to as **"Bonds"**) on a private placement basis on June 27, 2024. The Bonds are listed on Global Securities Market platform of India International Exchange (India INX)

The particulars of the senior management of the Company are provided in the introductory page of the Annual Report. Further, Mr. Mohinder Dogra, Head-Collections, has been made part of the Senior Management with effect from August 14, 2024.

The status on the compliance with the non-mandatory (discretionary requirements) recommendations in the Listing Regulations is as under:

(a) Internal Audit:

The Internal Auditor participates in the meetings of the Audit Committee and also presents internal audit observations to the Audit Committee for discussions and deliberations.

(b) Shareholders Rights:

During the year under review, equity shares of the Company are traded on National Stock Exchange of India Limited (**"NSE"**) with effect from the trading hours of Tuesday, June 20, 2023, and the designated symbol of the Company on NSE is TRU. The Company has submitted its quarterly and half-yearly limited reviewed financial results with BSE and NSE in compliance with Regulation 33 and 52 of the Listing Regulations and also publishes the same in the newspapers 'Financial Express' and 'Mumbai Lakshadeep' nationwide. The quarterly, half-yearly and yearly financial results/statements are also uploaded on the website of the Company i.e., www.trucapfinance.com and the link for the same is https://trucapfinance.com/newspaper-publication-2/.

Further, in compliance with various circulars issued by the SEBI, BSE and NSE, the Company has sent the below communication to the Shareholders of the Company within the advised timeline:

(i) Generating awareness on availability of Dispute Resolution Mechanism available at Stock Exchange(s) against any grievances against the Company/Registrar and Share Transfer Agents of the Company.

(i) Mandatory furnishing of PAN, KYC details and nomination by holders of physical securities to avoid folios being frozen by the Registrar and Share Transfer Agents and ancillary matters.

Further, all the respective formats for registering/furnishing, PAN, KYC, registering the nominee(s) etc. are also made available on the website of the Company, i.e., www.trucapfinance.com and the link for the same is https://trucapfinance.com/investor-relation/customer-awarness-investors-corner/.

(c) Non-Executive Chairperson's Office

The Chairperson's office is separate from that of the Managing Director and Chief Executive Officer.

(d) Modified Opinion in Auditors Report

The Statutory Auditor's report on financial statements for the financial year ended March 31, 2024 does not contain any modified opinion. Your Company continues to adopt best practices to ensure regime of the financial statements with unmodified audit qualifications.

Adoption of other non–mandatory requirements under Regulation 34 and 53 of the Listing Regulations are being reviewed by the Board from time to time.

The Board has accepted all the recommendations of the committee(s) of the Board.

(vii) Management Discussion and Analysis

The Management Discussion and Analysis Report forms part of the Annual Report and includes discussion on various matters specified under the Regulation 34(2)(e) and Part B of Schedule V of the Listing Regulations.

(viii) Details of Director seeking appointment/re-appointment as required under Regulation 36(3) of the Listing Regulations and Secretarial Standards

As required under Regulation 36(3) of the Listing Regulations and Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India, particulars of Director/(s) seeking appointment/re-appointment will be provided in the explanatory statement annexed to the Notice of the 30th AGM of the Company.

(ix) Details of total fees paid to Statutory Auditors

Total fees for all services paid by the Company and its subsidiary, on a consolidated basis, to the statutory auditors of the Company, during the year under review, are as follows:

(₹ In Lakhs)

Particulars	Financial Year 2023-24
Audit fees (including quarterly audits)	44
For other services (certifications, etc.)	20
For taxation matters	9.09
Out of pocket expenses	1.55
Total	**74.64**

(x) Proceeds from Public Issues, Rights Issues and Preferential Issue among others

During the year under review and till the date of this Report, the Company has raised money through preferential issue by allotment of:

a. 65,42,372 convertible warrants on February 01, 2024, to non-promoter category, in terms of SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018, as amended (**"ICDR Regulations"**). Further, the Board of Directors has appointed Infomerics Valuation and Rating Private Limited, Credit Rating Agency registered with Securities and Exchange Board of India, as the monitoring agency (**"Monitoring Agency"**) to monitor the utilisation of proceeds of the preferential issue in compliance with the Listing Regulations. The Monitoring Agency has submitted its report to the Audit Committee and has confirmed that there have been no deviations in the utilisation of funds received by the Company in terms of the ICDR Regulations.

b. 55,74,912 convertible warrants on June 13, 2024, to non-promoter category, in terms of ICDR Regulations. The Board, as good corporate governance practice, appointed the Monitory Agency to monitor the utilisation of proceeds of the said preferential issue in compliance with the Listing Regulations. the Monitoring Agency has submitted its report to the Audit Committee and has confirmed that there have been no deviations in the utilisation of funds received by the Company in terms of the ICDR Regulations.

Further, the Board confirms that the funds raised by the Company through allotment of Listed and Unlisted debentures were utilised for the objects for which the same were raised and that there has been no deviation with respect to the same..

(xi) Disclosure of Accounting Treatment

There was no deviation in adhering to the treatments prescribed in any of the Accounting Standards (AS) in the preparation of the financial statements of the Company.

(xii) Earnings Call

The earnings call for the first three quarters of the financial year 2023-24 were conducted on August 14, 2023, November 10, 2023, February 14, 2023, respectively. The earnings call for the last quarter of the financial year 2023-24 was conducted on May 29, 2024. Presentations on earnings call, audio and transcript recordings are uploaded on the website of the Company, i.e., www.trucapfinance.com.

8. Means of Communication

The Company has furnished quarterly financial results along with notes on a regular basis as per the format prescribed in Regulation 33 and 52 of the Listing Regulations, within prescribed time to the stock exchange(s) in respect of all the respective quarters of the financial year 2023-24.

The quarterly financial results of the Company were published within 48 hours from the conclusion of meeting of the Board of Directors of the Company in English newspaper viz., “Financial Express” and “Mumbai Lakshadeep”, a newspaper published in the language of the region where the registered office of the Company is situated. The audited financial results for financial year 2023-24 were published in “Financial Express” and “Mumbai Lakshadeep”. The Company informs the stock exchange where its shares are listed, about the meeting of the Board of Directors of the Company at least 7 (Seven) days in advance pursuant to the Regulation 29(2) and 51 of the Listing Regulations.

In terms of Regulation 46 and 62 of the Listing Regulations, the Company is maintaining its functional website i.e., www.trucapfinance.com, containing the basic information about the Company i.e., details of business, financial information, shareholding pattern, compliance with corporate governance, contact information of designated employees who are responsible for assisting and handling the investors’ grievance, details of the agreements entered into with the media companies and/or their associates, terms and conditions of appointment of Independent Directors, composition of various committees of Board of Directors, Code of Conduct of Board of Directors and Senior Management Personnel and various policies of the Company, etc. The said information is updated on the website of the Company, i.e., www.trucapfinance.com within the prescribed timelines.

Details of Unclaimed Dividend / Shares of the Company

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, (**“IEPF Rules”**), dividends if not claimed for a period of 7 (Seven) years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (**“IEPF”**). Further, the shares in respect of such dividends which have not been claimed for a period of 7 (Seven) consecutive years, are also liable to be transferred to the demat account of the IEPF Authority.

Since there was no dividend declared and paid for financial year 2015-16, your Company did not have any funds as lying unpaid or unclaimed for a period of 7 (Seven) years in terms of provisions of the Section 124 of the Act. Therefore, there are no such unclaimed amounts or shares which are required to be transferred to IEPF established by the Central Government pursuant to provisions of Section 125 of the Act.

Further, the Board has appointed a Nodal Officer and Deputy Nodal Officer(s) under the provisions of Act and the applicable circulars issued by the SEBI, the details of which are available on the website of the Company, i.e., www.trucapfinance.com and the link for the same is https://trucapfinance.com/investor-relation/.

9. General Shareholders Information

Annual General Meeting Date, Time and Mode	Thursday, September 26, 2024 at 03:00 p.m. (IST) through Video Conferencing / Other Audio-Visual Means.
Financial year	1st April – 31st March.
Book Closure	Friday, September 20, 2024 to Thursday, September 26, 2024 (both days inclusive).
Dividend payment date	Dividend of ₹ 0.01/- per equity share of ₹ 2/- each fully paid up for the financial year 2023-24 has been recommended by the Board of Directors to members of the Company for their approval. If approved by the members of the Company, payment will be made within 30 (Thirty) days from the date of 30th AGM. For the members who are unable to receive the dividend directly in their bank accounts, the Company shall dispatch dividend warrants to them.
E-Voting Dates	The cut-off date for the purpose of determining the shareholders eligible for e-voting is Thursday, September 19, 2024. The e-voting commences on Monday, September 23, 2024 at 09:00 a.m. (IST) and ends on Wednesday, September 25, 2024 at 05:00 p.m. (IST).

Listed on Stock Exchange	BSE Limited National Stock Exchange of India Limited Listing fees for the financial year 2024-25 have been paid by the Company.
Address of Stock Exchange	BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.
Correspondence for dematerialisation, transfer of shares, non-receipt of dividend on shares and any other query relating to the shares of the Company	**Details of Registrar and Share Transfer Agent (RTA)** MCS Share Transfer Agent Limited 3B3, 3rd Floor, Gundecha Onclave, Kherani Road, Sakinaka, Andheri (East), Mumbai – 400 072.
Scrip code	BSE: 540268 NSE: TRU
ISIN of the Company	INE615R01029
Website **Email ID**	www.trucapfinance.com corpsec@trucapfinance.com
Corporate Identification No. (CIN)	L64920MH1994PLC334457
Details of securities suspended	Not Applicable
Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity	The details of the same forms part of the Corporate Governance Report.
Credit Rating	The list of credit ratings for all instruments has been provided in the Directors' Report.
Debenture Trustee (Listed, Unlisted Non-Convertible Debentures and Bonds)	Catalyst Trusteeship Limited GDA House, First Floor, Plot No. 85, S.No. 94 & 95, Bhusari Colony (Right), Kothrud, Pune – 411 038.

SEBI Complaints Redress System ('SCORES')

The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Online Resolution of Disputes in the Indian Securities Market through Online Dispute Resolution ('ODR') Portal

Securities and Exchange Board of India ('SEBI') vide circular no. SEBI/HO/OIAE/OIAE_IAD 1/P/CIR/2023/131 dated July 31, 2023 issued guidelines for online resolution of disputes in the Indian securities market through establishment of a common ODR Portal which harnesses online conciliation and online arbitration for resolution of disputes arising between investors/clients and listed companies (including their RTA's) or specified intermediaries/regulated entities in the securities market.

SEBI vide circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 04, 2023 has further clarified that the investor shall first take up his/her/their grievance with the Market Participant (Listed companies, specified intermediaries, regulated entities) by lodging a complaint directly with the concerned Market Participant. If the grievance is not redressed satisfactorily, the investor may, escalate the same through the SCORES Portal in accordance with the process laid out. After exhausting the above options for resolution of the grievance, if the investor is still not satisfied with the outcome, he/she/they can initiate dispute resolution through the ODR Portal.

Stock Market Data

1. Table below gives the monthly high and low quotations of shares traded at BSE and NSE for the year ended March 31, 2024.

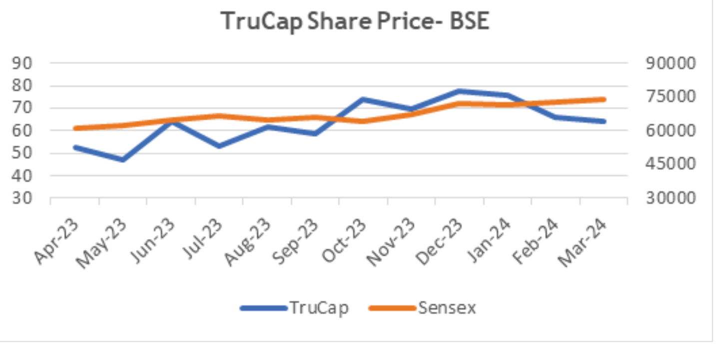
Month	BSE			NSE		
	High	Low	Volume	High	Low	Volume
April, 2023	64.80	44.10	11,10,943	-	-	-
May, 2023	55.50	43.16	98,24,172	-	-	-
June, 2023	71.29	44.50	2,44,89,029	71.40	54.20	2,40,05,788
July, 2023	66.70	40.09	1,23,80,724	66.75	40.05	5,64,98,732
August, 2023	64.35	49.43	1,35,59,396	64.45	49.25	5,82,50,971
September, 2023	66.61	56.35	89,76,266	66.75	56.25	6,56,58,185
October, 2023	79.00	57.81	57,06,011	79.00	57.90	9,15,75,814
November, 2023	77.50	67.57	42,14,756	77.85	67.55	4,34,31,830
December, 2023	78.39	66.97	37,85,381	78.90	66.90	4,08,38,084
January, 2024	87.00	71.72	60,23,181	87.10	71.65	4,46,15,672
February, 2024	79.10	58.65	33,78,515	79.20	58.50	4,14,80,913
March, 2024	72.00	47.35	38,10,893	70.80	47.20	4,03,62,990

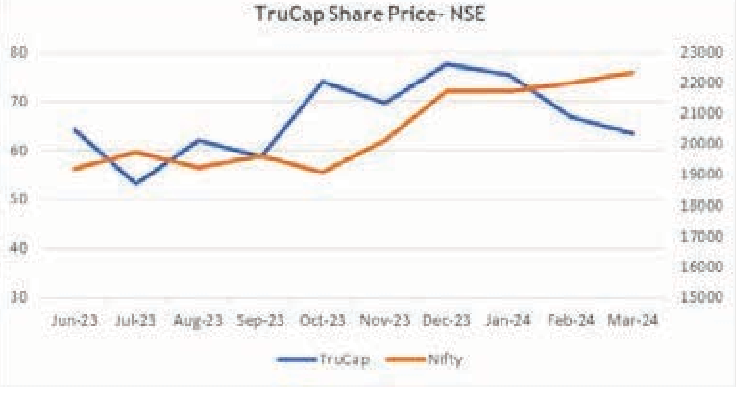
Note:

The Company got listed on National Stock Exchange of India Limited (NSE) with effect from June 20, 2023, hence the table above does not include details of stock market data pertaining to NSE for the month of April 2023, May 2023 and till June 19, 2023.

Market Price data (Source: *www.bseindia.com* & *www.nseindia.com*)

Graphical Presentation of the Company's price vis-à-vis stock exchange index





10. Share Transfer System

The shares of the Company are compulsorily traded in dematerialised form. SEBI has mandated transfer of securities only in dematerialised form with effect from April 01, 2019. Thereafter, SEBI had fixed March 31, 2021, as the cut-off date for re-lodgement of deficient transfer deeds. Accordingly, with effect from April 01, 2021, share transfers in physical form are prohibited under any circumstances and the same shall be processed only in dematerialised form. All requests for dematerialisation of shares are processed and confirmation are given to the respective depositories i.e., National Securities Depository Limited and Central Depository Services (India) Limited.

As per SEBI norms, with effect from April 01, 2019, only transmission or transposition requests for transfer of shares shall be processed in physical form. All other transfers shall be processed in dematerialised form only.

Further, during the year under review, SEBI has also simplified the process for transmission of shares and issue of duplicate share certificates to make it more efficient and investor friendly. The manner and process of making application as per the aforesaid revised framework and operational guidelines thereto is available on the website of the Registrar and Share Transfer Agent (RTA) at https://www.mcsregistrars.com/downloads.php and the Company at www.trucapfinance.com.

11. Distribution Pattern and Shareholding Pattern

(a) Distribution of Shareholding as on March 31, 2024

Equity shares held	Shareholders/Folio	%	Shares	%
1-500	14,847	85.17	12,96,285	1.11
501-1000	968	5.55	7,96,064	0.68
1001-2000	541	3.10	8,18,440	0.70
2001-3000	282	1.62	7,40,987	0.63
3001-4000	90	0.52	3,25,639	0.28
4001-5000	126	0.72	6,07,185	0.52
5001-10000	256	1.47	20,16,174	1.73
10000 and above	323	1.85	11,02,98,597	94.35
Total	**17,433**	**100**	**11,68,99,371**	**100**

(b) Shareholding Pattern of the Company as on March 31, 2024

Category		Number of shares	% of holdings
A	**Promoter's Holding**		
1	Indian Promoter	5,53,86,767	47.38
2	Foreign Promoter	-	-
	Sub Total (A)	**5,53,86,767**	**47.38**
B	**Non-Promoter's Holding**		
	Institutional Investors		
1	Foreign Direct Investment	51,06,941	4.37
2	Foreign Portfolio Investor	62,30,343	5.33
3	Financial Institutions / Banks	12,50,000	1.07
	Total (Institutional Investors)	**1,25,87,284**	**10.77**
	Non-Institutional Investors		
1	Directors and their relatives (excluding independent directors and nominee directors)	16,99,844	1.45
2	Key Managerial Personnel	5,012	0.00
3	Individuals	2,48,39,807	21.25
4	IEPF	-	-
5	Trusts	-	-

Category		Number of shares	% of holdings
6	Non-Resident Indians	12,58,658	1.08
7	Clearing Member	-	-
8	Bodies Corporate	2,11,21,999	18.07
9	Government Companies	-	-
	Total (Non-Institutional Investors)	**4,89,25,320**	**41.85**
	Sub Total (B)	**6,15,12,604**	**52.62**
	Grand Total (A + B)	**11,68,99,371**	**100.00**

Note: *The shareholding pattern does not include any stock options issued by the Company whether vested or otherwise.*

12. Dematerialisation of Shares and Liquidity

As on March 31, 2024, 99.15% (11,59,09,371 equity shares) of paid-up share capital was held in dematerialised form with NSDL and CDSL respectively. While 0.85% (9,90,000 equity shares) was held in physical form. All promoter's shareholding is in dematerialised form. Trading in equity shares of the Company is permitted only in dematerialised form through NSDL and CDSL as per notifications issued by SEBI.

13. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion Date and likely Impact on Equity

There are no outstanding GDRs/ADRs as on March 31, 2024, which are likely to have an impact on the equity share capital of the Company. However, during the year under review, and till the date of this Report the Board of Directors on (a) February 01, 2024 have allotted 65,42,372 convertible warrants having issue price of ₹ 73.75/- per warrant and (b) June 13, 2024 have allotted 55,74,912 convertible warrants having issue price of ₹ 71.75/- per warrant, on preferential basis to non-promoters. The aforesaid convertible warrants will be convertible within a period of 18 months from the date of allotment of said warrants into equivalent number of equity shares having a face value of ₹ 2/- per share. Pursuant to Regulation 169(2) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, the Company has received 25% of the consideration upfront from the allottees at the time of allotment of convertible warrants and the balance exercise price equivalent to 75% of the issue price, shall be payable by the warrant holder(s) at the time of exercising options of the conversion of the warrants.

14. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The Company is not exposed to commodity price risk or foreign exchange risk and hedging activities.

15. Prevention of Sexual Harassment

The Company recognises its responsibility and continues to provide a safe working environment for women, free from sexual harassment and discrimination. In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, as amended, the Company has put in place a Policy on prevention of Sexual Harassment of Women at Workplace.

Following are the details of number of instances/complaints reported under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

(a) Number of complaints filed during the financial year - Nil

(b) Number of complaints disposed of during the financial year - Nil

(c) Number of complaints pending as on end of the financial year – Nil

16. Certificate on Corporate Governance

The certificate received from the Secretarial Auditor of the Company, M/s. U. Hegde & Associates, Practicing Company Secretaries confirming the compliance of conditions of corporate governance is annexed as **Annexure - II** to this Report in terms of the provisions of Part E of Schedule V of the Listing Regulations.

17. Certificate from Company Secretary in Practice

The Company has obtained the certificate from M/s. U. Hegde & Associates, Practicing Company Secretaries, pursuant to Regulation 34(3) and Para C Clause 10(i) of Schedule V of the Listing Regulations confirming that none of the Directors of the Company as on March 31, 2024, have been debarred or disqualified from being appointed or continuing as directors of the companies by SEBI / MCA or any such statutory authority. The aforesaid certificate is annexed as **Annexure - III**.

For TruCap Finance Limited
(formerly Dhanvarsha Finvest Limited)

Sd/-
Rohanjeet Singh Juneja
Managing Director & CEO
DIN: 08342094

Sd/-
Rushina Mehta
Non-Executive Non-Independent Director
DIN: 01042204

August 13, 2024
Mumbai

Annexure - I

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Board of Directors
TruCap Finance Limited (formerly Dhanvarsha Finvest Limited)

We, Rohanjeet Singh Juneja, Managing Director & Chief Executive Officer and Sanjay Kukreja, Chief Financial Officer of TruCap Finance Limited **("Company")** certify that-

A. We have reviewed the annual financial statements and the cash flow statements (Standalone and Consolidated) for the year ended March 31, 2024 and that to the best of our knowledge and belief:

   1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

   2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have disclosed, based on our evaluation wherever applicable to the Auditors and the Audit Committee:

   1. significant changes, if any, in internal controls over financial reporting during the year;

   2. significant changes, if any, in accounting policies during the year, and that the same have been disclosed in the notes to the financial statements; and

   3. instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For TruCap Finance Limited
(formerly Dhanvarsha Finvest Limited)

Sd/-
Rohanjeet Singh Juneja
Managing Director & CEO

Sd/-
Sanjay Kukreja
Chief Financial Officer

August 13, 2024
Mumbai

DECLARATION ON COMPLIANCE WITH THE CODE OF CONDUCT

This is to confirm that TruCap Finance Limited (**"Company"**) has adopted a Code of Conduct for its board members and the senior management and the same is available on the website of the Company. We confirm that the Company has, in respect of financial year ended March 31, 2024, received from the senior management personnel of the Company and the members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

For TruCap Finance Limited
(formerly Dhanvarsha Finvest Limited)

Sd/-
Rohanjeet Singh Juneja
Managing Director & CEO
DIN: 08342094

August 13, 2024
Mumbai

Annexure - II

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members
TruCap Finance Limited
(Formerly Dhanvarsha Finvest Limited)
3rd Floor, A-Wing, D. J. House, Old Nagardas Road,
Andheri (East), Mumbai - 400 069.

I have examined all relevant records of TruCap Finance Limited (Formerly Dhanvarsha Finvest Limited) (**"Company"**) for the purpose of certifying compliance of the disclosure requirements and corporate governance norms for the financial year ended March 31, 2024, as stipulated in Regulation 17 to 27, Regulation 46 and para C, D and F of Schedule V of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (**"Listing Regulations"**), to the extent applicable.

I have obtained all the information and explanations to the best of my knowledge and belief, which were necessary for the purpose of this certification.

I state that the compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In my opinion and to the best of my information and according to the explanations given to me and representation made by the management, I certify that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.

For U. Hegde & Associates,
Company Secretaries

Sd/-
Umashankar K Hegde
(Proprietor)
COP No-11161 # M. No-A22133
ICSI Unique Code: S2012MH18 8100
Peer Review Certificate No - 1263/2021
UDIN: A022133F000962897

August 13, 2024
Mumbai

Annexure - III

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
TruCap Finance Limited
(formerly Dhanvarsha Finvest Limited)
3rd Floor, A-Wing, D. J. House, Old Nagardas Road,
Andheri (East), Mumbai - 400 069.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of TruCap Finance Limited (Formerly Dhanvarsha Finvest Limited) having CIN- L64920MH1994PLC334457 and having registered office at 3rd Floor, A-Wing, D.J. House, Old Nagardas Road, Andheri (East), Mumbai - 400 069 (**"Company"**), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C sub-clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from to time). In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company for the financial year ended March 31, 2024, as stated below, have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority/ies..

Sr. No	Name of the Director	Date of appointment	DIN
1.	Mr. Rakesh Sethi Chairperson & Independent Director	15/10/2019	02420709
2.	Mr. Nirmal Vinod Momaya Independent Director	10/08/2023*	01641934
3.	Mr. Krishipal Raghuvanshi Independent Director	24/08/2023*	07529826
4.	Ms. Abha Kapoor Independent Director	30/03/2022	01277168
5.	Ms. Geetu Gidwani Verma Independent Director	31/05/2022	00696047
6.	Mr. Rajiv Kapoor Non-Executive Non-Independent Director	03/02/2020	08204049
7.	Mrs. Rushina Mehta Non-Executive Non-Independent Director	17/06/2022	01042204
8.	Mr. Atwood Porter Collins Non-Executive Non-Independent Director	31/07/2021	09239511
9.	Mr. Rohanjeet Singh Juneja Managing Director & Chief Executive Officer	17/12/2022*	08342094

* Date of re-appointment

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

For U. Hegde & Associates,
Company Secretaries

Sd/-
Umashankar K Hegde
(Proprietor)
COP No-11161 # M. No-A22133
ICSI Unique Code: S2012MH18 8100
Peer Review Certificate No - 1263/2021
UDIN: A022133F000962820

August 13, 2024
Mumbai

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TRUCAP FINANCE LIMITED
(formerly known as DHANVARSHA FINVEST LIMITED)

REPORT ON AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

OPINION

We have audited the accompanying standalone Ind AS financial statements of TRUCAP FINANCE LIMITED (formerly known as DHANVARSHA FINVEST LIMITED) ("the Company"), which comprise the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 accounting principles generally accepted in India including India Accounting Standards ('Ind AS') specified under section 133 of the Act , of the state of affairs (financial position) of the Company as at 31st March 2024, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

BASIS OF OPINION

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

KEY AUDIT MATTERS

Key audit matter	How the matter was addressed in our audit
Allowances for expected credit losses ('ECL'): The company has reported that 'As at 31 March 2024', the carrying value of loan assets measured at amortised cost, aggregated ₹ 597.82 crore (net of allowance of expected credit loss ₹ 5.15 crore) constituting approximately 63.84 % of the Company's total assets. Significant judgment has been used in classifying these loan assets and applying appropriate measurement principles. ECL on such loan assets is a critical estimate involving greater level of judgment by the management. As part of risk assessment, determined that ECL on such loan assets has a high degree of estimation which may be uncertain, with a potential range of reasonable outcomes for the standalone financial statements. The elements of estimating ECL which involved increased level of audit focus are the following: • Quantitative and Qualitative factors used in staging the loan assets measured at amortised cost; • Basis used for estimating Loss Given Default ('LGD'), Probabilities of Default ('PD'), and exposure at default ('EAD') product level with past trends; • Judgments 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.	Auditors have examined the policies approved by the Boards of Directors of the Company and of the subsidiary that articulate the objectives of managing each portfolio and their business models. Also verified the methodology adopted for computation of ECL ('ECL Model') that addresses policies approved by the Boards of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures measured at amortised cost. Additionally, 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 been approved by the Audit Committee of the Board of Directors. 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. • accuracy of the computation of the ECL estimate including methodology used to determine macro-economic overlays and adjustments to the output of the ECL Model;

Key audit matter	How the matter was addressed in our audit
	• 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; Testing details on a sample basis in respect of the following: • the mathematical accuracy of the ECL computation by using the same input data as used by the company; • accuracy and completeness of the input data such as 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. • evaluating the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL model to ensure that the adjustment was in conformity with the overlay amount approved by the audit committee of the company.

INFORMATION OTHER THAN THE IND AS 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 to Board's Report, Management Discussion and Analysis, Corporate Governance and Shareholder's Information and Business Responsibility Report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

In preparing the Ind AS 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 are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITY

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statement 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 standalone Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

Materiality is the magnitude of misstatements in the Ind AS 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 Ind AS 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 Ind AS financial statements of the current period and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**", a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.

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

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards specified under

Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of written representations received from the directors as on 31st March 2024, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024, 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 B”; and

g) 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, 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 Standalone Ind AS financial statements – Refer Note. No. 35 on Contingent Liabilities to the Standalone Ind AS 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or

b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

h) With respect to the matter to be included in the Auditor’s Report under Section 197(16) of the Act:

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

For **Bansal Bansal & Co.**
Chartered Accountants
FRN: 100986W

Sd/-
Jatin Bansal
(Partner)
Membership No.135399
UDIN: 24135399BKFCXF7491

Place : Mumbai

Dated : 28th May 2024

ANNEXURE – A TO THE AUDITOR'S REPORT

The Annexure referred to in Paragraph 1 of the Auditors Report of Even date to the Members of **TRUCAP FINANCE LIMITED** (formerly known as DHANVARSHA FINVEST LIMITED)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Ind AS financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. 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. The company does not have any immovable property

d. The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

e. No proceedings have been initiated during the year or are pending against the Company as at 31st March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder

ii. a. The Company is a Non- Banking Finance Company, primarily engaged in the business of lending, providing of services and does not hold any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.

b. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of rupees five crore, in aggregate, from banks or financial institutions on the basis of security of Loans. Based on our examination of the records of the Company, the quarterly returns/statements filed by the company with the said bank are in agreement with the books of accounts of the Company.

iii. The Company has granted loans, secured or unsecured to companies, firms, limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.

a. The terms and conditions of the aforesaid loans granted by the Company are not prejudicial to the interest of the Company.

b. The schedule of repayment of principal and payment of interest in respect of such loans has been stipulated and the repayments or receipts of principal amounts and interest are regular.

c. In respect of the aforesaid loans, there is no overdue amount in respect of loans granted to companies, firms, Limited Liability Partnerships, or other parties listed in the register maintained under section 189 of the Act.

d. The Company, being a NBFC, registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly the Income Recognition, Asset Classification and Provisioning Norms, monitors and reports total amount overdue including principal and/or payment of interest by its customers for more than 90 days. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting.

e. Since the Company's principal business is to give loans, the provision of clause 3(iii)(e) of the Order is not applicable to it.

f. Based on our audit procedures and according to the information and explanation made available to us, the Company has not granted any loans or advances in the nature of loans to Promoters/ Related Parties (as defined in section 2(76) of the Act) which are either repayable on demand or without specifying any terms or period of repayment.

iv. The Company has complied with the provisions of section 185 and 186 (1) of the Act in respect of grant of loans, making investments and providing guarantees and securities as applicable. Further, as the Company is a Non-Banking Finance Company engaged in the business of financing, the provision of section 186 [except for subsection (1)] 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 the business activities carried out by the Company. Hence reporting under paragraph 3 (vi) of the Order is not applicable.

vii. a. The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Employees' State Insurance, Income-Tax, Sales-Tax, Goods and Services tax, Service tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues applicable to it.

b. The dues outstanding with respect to, income tax, sales tax, service tax, value added tax, GST, customs duty, excise duty on account of any dispute, are as follows:

Name of the statute	Nature Of dues	Amount in Lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	52.79*	AY 2016-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	1.20	AY 2021-22	Assessing Officer

*Net of ₹13.20 Lakhs paid under protest.

viii. There are no transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. a. The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender,

b. The company is a not declared wilful defaulter by any bank or financial institution or other lender;

c. The term loans were applied for the purpose for which the loans were obtained;

d. During the year no funds were raised on short term basis;

e. This sub clause is not applicable to the company;

f. This sub clause is not applicable to the company;

x. a. In our opinion and according to the information and explanations provided by the management, no money has been raised by way of initial public offer or further public offer (including debt instruments);

b. In our opinion and according to the information and explanations provided by the management, during the year under review, the Company has issued and allotted through preferential allotment or private placement basis shares/convertible debentures (fully, partially, or optionally convertible), convertible warrants during the year; the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised.

xi. a. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanations provided by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

b. No report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed

c. Under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government No whistle-blower complaints were received during the year by the company;

xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

xiii. In our opinion, 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 standalone financial statements, etc., as required by the applicable accounting standards.

xiv. a. Based on information and explanation provided to us and our audit procedures, in our opinion, The company have an internal audit system commensurate with size and nature of business.

b. We have considered, during the course of our audit, the reports of the Internal Auditor for the period under audit, issued to the Company during the year till date, in determining the nature, timing and extent of our audit procedures in accordance with the guidance provided in SA 610 "Using the work of Internal Auditors".

xv. In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the 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 and the registration has been obtained by the Company.

b. The company has not conducted any Non-Banking Financial activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;

c. The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

xvii. The company has not incurred cash losses in the current financial year. There were no cash losses in preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. There were no issues, objections or concerns raised by the outgoing auditor.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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;

xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project.

For **Bansal Bansal & Co.**
Chartered Accountants
FRN: 100986W

Sd/-
Jatin Bansal
(Partner)
Membership No.135399
UDIN: 24135399BKFCXF7491

Place : Mumbai
Dated : 28th May 2024

ANNEXURE – B TO THE AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **TRUCAP FINANCE LIMITED** (formerly known as DHANVARSHA FINVEST LIMITED) ("the Company") as of 31st March 2024 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 Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial control and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS 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 Ind AS 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 Ind AS 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, 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 2024, 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.

For **Bansal Bansal & Co.**
Chartered Accountants
FRN: 100986W

Sd/-
Jatin Bansal
(Partner)
Membership No.135399
UDIN: 24135399BKFCXF7491
Place : Mumbai
Dated : 28th May 2024

STANDALONE BALANCE SHEET AS AT MARCH 31, 2024

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Assets			
Financial Assets			
(a) Cash and cash equivalents	4	10,131.06	3,785.52
(b) Bank balances other than cash and cash equivalents	5	3,196.44	4,973.96
(c) Receivables	6		
(i) Trade receivables		7,026.50	3,553.60
(ii) Other receivables		-	-
(d) Loans	7	59,267.71	41,790.77
(e) Investments	8	5,997.65	8,051.10
(f) Other financials assets	9	1,567.44	849.55
Total financial assets		**87,186.80**	**63,004.50**
Non Financials Assets			
(a) Current tax assets (net)	10	1,036.04	649.04
(b) Deferred tax assets (net)	11	397.64	13.48
(c) Property, plant and equipment	12	1,622.68	1,267.23
(d) Right of use assets	12	352.12	583.02
(e) Capital work in progress	12	6.36	73.39
(f) Intangible assets under development	12	621.41	1,138.52
(g) Other Intangible assets	13	856.56	249.65
(h) Other non-financials assets	14	755.71	792.75
Total non financials assets		**5,648.52**	**4,767.08**
Total Assets		**92,835.32**	**67,771.58**
Liabilities and Equity			
Liabilities			
Financial Liabilities			
(a) Payables	15		
(i) Trade payables			
Total outstanding dues of micro enterprises and small enterprises		15.65	17.33
Total outstanding dues of creditors other than micro enterprises and small enterprises		300.55	163.09
(ii) Other payables			
Total outstanding dues of micro enterprises and small enterprises		20.40	26.28
Total outstanding dues of creditors other than micro enterprises and small enterprises		10.28	6.70
(b) Debt Securities	16	12,364.87	374.12
(c) Borrowings (Other than Debt Securities)	17	56,245.94	43,877.54
(d) Other financial liabilities	18	909.96	154.86
Total financial liabilities		**69,867.65**	**44,619.92**
Non-Financial Liabilities			
(a) Current tax liabilities (net)	10	-	36.85
(b) Provisions	19	104.15	57.28
(d) Other non-financial liabilities	20	932.16	782.08
Total non-financial liabilities		**1,036.31**	**876.21**
Total Liabilities		**70,903.96**	**45,496.13**
Equity			
(a) Equity share capital	21	2,337.99	2,324.29
(b) Other equity	22	19,593.37	19,951.16
Total Equity		**21,931.36**	**22,275.45**
Total Liabilities and Equity		**92,835.32**	**67,771.58**
Significant accounting policies and notes to the standalone financial statements	1 to 60		

As per our report of even date attached

For and on behalf of the Board of Directors of
TRUCAP FINANCE LIMITED [Formerly Dhanvarsha Finvest Limited]
CIN: L24231MH1994PLC334457

For Bansal Bansal & Co
Chartered Accountants
ICAI FRN 100986W

Sd/-
Rohanjeet Singh Juneja
Managing Director & CEO
DIN: 08342094

Sd/-
Rushina Mehta
Non-Executive Non-Independent Director
DIN: 01042204

Sd/-
Jatin Bansal
Partner
Membership No. 135399
Mumbai
Date : May 28, 2024

Sd/-
Sanjay Kukreja
Chief Financial Officer

Sd/-
Sonal Sharma
Company Secretary
M. No. A33260

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Particulars			Note No	For the year ended March 31, 2024	For the year ended March 31, 2023
I.	**Revenue from operations**				
	(i)	Interest income	23	11,576.62	9,318.32
	(ii)	Fees and commission income	24	4,414.73	2,982.55
	(iii)	Net gain on fair value changes	25	114.48	87.75
		Total Revenue from operations		**16,105.83**	**12,388.62**
II.	Other income		26	2,094.71	7.25
III.	**Total Income (I+II)**			**18,200.54**	**12,395.87**
IV.	**Expenses**				
	(i)	Finance costs	27	7,869.24	5,078.85
	(ii)	Fees and commission expense	28	185.78	133.68
	(iii)	Impairment on financial instruments	29	410.62	(81.32)
	(iv)	Employee benefits expenses	30	4,258.94	2,740.98
	(v)	Depreciation, amortization and impairment	31	830.20	596.40
	(vi)	Others expenses	32	3,426.58	3,203.95
	Total Expenses			**16,981.36**	**11,672.54**
V.	**Profit before exceptional items and tax (III-IV)**			**1,219.18**	**723.33**
	Exceptional Items			-	-
VI.	**Profit before tax (III-IV)**			**1,219.18**	**723.33**
VII.	**Tax expense:**		33		
	Current tax			250.99	111.62
	Deferred tax			(332.67)	57.36
	Earlier years tax			130.04	-
	Total Tax Expense			**48.36**	**168.98**
VIII.	**Profit for the period (VI-VII)**			**1,170.82**	**554.35**
IX.	Other comprehensive income				
	Items that will not be reclassified to profit or loss :				
	(i)	Remeasurement gain / (loss) on defined benefit plan		(9.16)	6.22
	(ii)	Income tax impact on above	33	2.24	(1.73)
	Total			**(6.92)**	**4.49**
	Other comprehensive income/(loss) (A+B)			(6.92)	4.49
X.	**Total comprehensive income (VIII+IX)**			**1,163.90**	**558.84**
XI.	**Earnings per equity share**		34		
	Basic (INR)			1.00	0.50
	Diluted (INR)			0.99	0.50
Significant accounting policies and notes to the standalone financial statements			1 to 60		

As per our report of even date attached

For and on behalf of the Board of Directors of
TRUCAP FINANCE LIMITED [Formerly Dhanvarsha Finvest Limited]
CIN: L24231MH1994PLC334457

For Bansal Bansal & Co
Chartered Accountants
ICAI FRN 100986W

Sd/-
Jatin Bansal
Partner
Membership No. 135399
Mumbai
Date : May 28, 2024

Sd/-
Rohanjeet Singh Juneja
Managing Director & CEO
DIN: 08342094

Sd/-
Sanjay Kukreja
Chief Financial Officer

Sd/-
Rushina Mehta
Non-Executive Non-Independent Director
DIN: 01042204

Sd/-
Sonal Sharma
Company Secretary
M. No. A33260

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Particulars		Year ended March 31, 2024	Year ended March 31, 2023
A.	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net profit before taxes	**1,219.18**	**723.33**
	Adjustment for:		
	Interest Income from Fixed Deposits	(186.02)	(119.02)
	Profit on sale of property, plant and equipment	-	-
	Profit on sale of Investment property	-	-
	Depreciation / Amortisation	830.20	596.40
	Impairment on financial instruments	410.62	(81.32)
	Realised gain on investments	(109.80)	(77.46)
	Unrealised gain on investments	(4.68)	(10.29)
	Fee Income Recognition per EIR	(180.90)	(112.13)
	Employee share based payment expenses	66.41	95.39
	Cash outflow towards finance cost	(1,253.43)	(5,078.85)
	Operating (loss)/ profit before working capital changes	**791.58**	**(4,063.95)**
	Movement in working capital		
	(Increase)/decrease in Loans	(17,706.66)	(12,691.66)
	(Increase)/Decrease in other financial assets	(608.48)	(116.04)
	(Increase)/Decrease in other assets	(96.13)	(155.11)
	(Increase)/Decrease in Trade Receivable	(3,472.90)	(2,278.01)
	Increase/(Decrease) in Other payables	133.48	(274.51)
	Increase/(Decrease) in Other Financial liabilities	253.58	4,839.13
	Increase/(Decrease) in Other liabilities	150.08	443.74
	Increase/(Decrease) in provisions	10.02	(37.97)
	Cash generated from operations	**(20,545.43)**	**(14,334.36)**
	Income taxes paid	(637.98)	(587.48)
	Net cash from/(utilised in) operating activities	**(21,183.41)**	**(14,921.85)**
B.	CASH FLOW FROM INVESTING ACTIVITIES:		
	Purchase of Property, plant and equipment and Intangible Assets	(977.60)	(1,025.55)
	Proceeds from sale of Property, plant and equipment and Intangible Assets	0.08	-
	Purchase of investment at fair value through profit and loss account	(24,580.96)	(28,240.07)
	Proceeds from sale of investment at fair value through profit and loss account	26,639.10	25,893.05
	Investment in equity shares of the subsidiary	-	(690.00)
	Investment in Fixed Deposits	(2,770.91)	(4,346.36)
	Proceeds from Fixed Deposits	4,548.81	1,396.00
	Interest Income from Fixed Deposits	186.02	119.02
	Net cash from/(utilised in) investing activities	**3,044.54**	**(6,893.91)**

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of share capital and share warrants including share premium	1,272.78	3,566.16
Debt securities issued	13,099.00	-
Debt securities repaid	(1,143.33)	(3,140.00)
Borrowings other than debt securities issued	42,090.83	34,216.39
Proceeds from / (Repayment of) borrowings	(30,680.90)	(14,573.17)
Payment of Lease Liability	(142.34)	(216.09)
Dividends paid including dividend distribution tax	(11.63)	(10.80)
Net cash from financing activities	**24,484.41**	**19,842.49**
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	**6,345.54**	**(1,973.25)**
Cash and cash equivalents at the beginning of the financial year	3,785.52	5,758.78
Cash and cash equivalents at end of the year	**10,131.06**	**3,785.52**

Reconciliation of cash and cash equivalents as per the cash flow statement

Cash and cash equivalents as per above comprise of the following

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balances with banks in Current accounts	10,012.79	3,510.06
Cash on hand (including foreign currencies)	118.27	275.46
Bank deposits with maturity of less than 3 months	-	-
Total	**10,131.06**	**3,785.52**

The above standalone statement of Cash Flows has been prepared under the Indirect Method as set out in the Indian Accounting Standard 7 'Statement of Cash Flows'.

For disclosures relating to changes in liabilities arising from financing activities, refer note 46

Significant accounting policies and notes to the standalone financial statements 1 to 60

As per our report of even date attached

For Bansal Bansal & Co
Chartered Accountants
ICAI FRN 100986W

Sd/-
Jatin Bansal
Partner
Membership No. 135399
Mumbai
Date : May 28, 2024

For and on behalf of the Board of Directors of
TRUCAP FINANCE LIMITED [Formerly Dhanvarsha Finvest Limited]
CIN: L24231MH1994PLC334457

Sd/-
Rohanjeet Singh Juneja
Managing Director & CEO
DIN: 08342094

Sd/-
Rushina Mehta
Non-Executive Non-Independent Director
DIN: 01042204

Sd/-
Sanjay Kukreja
Chief Financial Officer

Sd/-
Sonal Sharma
Company Secretary
M. No. A33260

STANDALONE STATEMENT OF CHANGES IN EQUITY AS AT MARCH 31, 2024

A. Equity share capital

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	**2,324.29**	**1,776.78**
Changes in equity share capital during the year	13.70	547.51
Balance at the end of the year	**2,337.99**	**2,324.29**

B. Other Equity

(₹ in Lakhs)

Particulars	Reserve and Surplus				Money received against share warrants	Share application money pending allotment	Equity component of compound financial instruments	Capital Contribution	Total
	Securities Premium	Employee stock option outstanding	Retained Earnings	Statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934					
Balance at April 1, 2022	**4,497.14**	**194.47**	**1,323.02**	**437.55**	**450.00**	**1.64**	**7,685.52**	**1,027.99**	**15,617.34**
Profit for the year	-	-	554.35	-	-	-	-	-	554.35
Additions for the year	10,219.36	-	-	-	465.65	-	(7,685.52)	870.77	3,870.25
Deletion for the year	-	-	-	-	-	(1.64)	-	-	(1.64)
Transfer to statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	-	-	(111.77)	111.77	-	-	-	-	-
Options Exercised and lapsed	-	-	-	-	-	-	-	-	-
Share based payments to employees	-	95.39	-	-	-	-	-	-	95.39
Utilisation of securities premium	-	(92.55)	-	-	-	-	-	-	(92.55)
ESOP's granted to employees of Subsidiary Company	-	(0.58)	(85.09)	-	-	-	-	-	(85.67)
Remeasurement of defined benefit plans (net of tax)	-	-	4.49	-	-	-	-	-	4.49
Dividend paid	-	-	(10.80)	-	-	-	-	-	(10.80)
Dividend distribution tax	-	-	-	-	-	-	-	-	-
Changes during the year	**10,219.36**	**2.26**	**351.18**	**111.77**	**465.65**	**(1.64)**	**(7,685.52)**	**870.77**	**4,333.82**
At March 31, 2023	**14,716.50**	**196.73**	**1,674.20**	**549.33**	**915.65**	**-**	**-**	**1,898.76**	**19,951.16**
Profit for the year	-	-	1,170.82	-	-	-	-	-	1,170.82
Additions for the year	113.58	-	-	-	1,206.25	65.49	-	-	1,385.32
Deletion for the year	-	-	(20.07)	-	(915.65)	(65.49)	-	(1,898.76)	(2,899.97)
Transfer to statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	-	-	(232.78)	232.78	-	-	-	-	-
Options Exercised and lapsed	-	-	-	-	-	-	-	-	-
Share based payments to employees	-	66.42	-	-	-	-	-	-	66.42
Utilisation of securities premium	-	(61.78)	-	-	-	-	-	-	(61.78)
ESOP's granted to employees of Subsidiary Company	-	-	-	-	-	-	-	-	-
Remeasurement of defined benefit plans (net of tax)	-	-	(6.92)	-	-	-	-	-	(6.92)
Dividend paid	-	-	(11.69)	-	-	-	-	-	(11.69)
Dividend distribution tax	-	-	-	-	-	-	-	-	-
Changes during the year	**113.58**	**4.64**	**899.37**	**232.78**	**290.60**	**-**	**-**	**(1,898.76)**	**(357.79)**
At March 31, 2024	**14,830.08**	**201.37**	**2,573.57**	**782.11**	**1,206.25**	**-**	**-**	**-**	**19,593.37**

Significant accounting policies and notes to the standalone financial statements 1 to 60

As per our report of even date attached

For and on behalf of the Board of Directors of
TRUCAP FINANCE LIMITED [Formerly Dhanvarsha Finvest Limited]
CIN: L24231MH1994PLC334457

For Bansal Bansal & Co
Chartered Accountants
ICAI FRN 100986W

Sd/-
Rohanjeet Singh Juneja
Managing Director & CEO
DIN: 08342094

Sd/-
Rushina Mehta
Non-Executive Non-Independent Director
DIN: 01042204

Sd/-
Jatin Bansal
Partner
Membership No. 135399
Mumbai
Date : May 28, 2024

Sd/-
Sanjay Kukreja
Chief Financial Officer

Sd/-
Sonal Sharma
Company Secretary
M. No. A33260

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

1. Nature of operations

Trucap Finance Limited (Formerly Known as Dhanvarsha Finvest Limited (the Company) is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged primarily in the business of providing Micro Enterprise Loans, SME Loans, Other Structured Business, Personal Loans, Gold Loans and in providing ancillary services related to the said business activities. The Company is Systematically Important Non-deposit taking Non-Banking Financial Company ("NBFC"), holding a Certificate of Registration from the Reserve Bank of India ("RBI") dated September 09, 2022 and its shares are listed on the BSE Limited.

2. Basis of preparation

A. Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act.

The new amended standards has been followed by the company and all the reclassifications consequent to amendments to schedule III has been incorporated.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the financial years presented in the financial statement.

The financial statements of the Company are presented as per Schedule III (Division III) to the Act applicable to NonBanking Financial Companies (NBFCs), as notified by the MCA.

These financial statements are approved for issue by the Board of Directors on May 28, 2024.

B. Significant and material orders

During the year, there is no significant or material orders were passed by any regulator or court or any tribunal impacting the going concern status and company's operations in future.

C. Functional and presentation currency

The financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. All the amounts are rounded to the nearest Lakhs with two decimals, except when otherwise indicated.

D. Basis of measurement

The financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the Act, except for:

- Financial instruments – measured at fair value
- Employees Stock Option plan as per fair value of the option
- Employee's Defined Benefit Plan as per actuarial valuation.

E. Use of estimates and judgements

The preparation of financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The actual amounts realized may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis.

Judgments, estimates and assumptions are recognised in particular for:

i. 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.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

ii. Determination of estimated useful lives of property, plant, equipment:

Useful lives of property, plant and equipment are based on nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes and maintenance support.

iii. Recognition and measurement of defined benefit obligations:

The obligation arising from defined benefit plan is determined on the basis of actuarial valuation. Key actuarial assumptions which form the basis of above valuation includes discount rate, trends in salary escalation, demographics and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Further details are disclosed in Note 38.

iv. Recognition of deferred tax assets:

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and depreciation carry-forwards could be utilized.

v. Recognition and measurement of provisions and contingencies:

The recognition and measurement of provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

vi. Fair value of financial instruments:

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Refer Note 49 about determination of fair value. For recognition of impairment loss on other financial assets and risk exposures, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month expected credit loss (ECL) is used to provide for impairment loss.

vii. Impairment of financial assets:

The Company recognizes loss allowances for expected credit losses on its financial assets measured at amortized cost. At each reporting date, the Company assesses whether the above financial assets are credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. The Company follows 'general approach' for recognition of impairment loss allowance on loan and advances. Under this approach impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumptions and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

viii. Impairment of non-financial assets:

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

F. Standards issued but not effective

The amendments are proposed to be effective for reporting periods beginning on or after April 1, 2021:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

3. Significant Accounting Policies

A summary of the significant accounting policies applied in the preparation of the financial statements is as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

A. Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefit associated with these will flow with the Company and the cost of the item can be measured reliably.

Borrowing costs to the extent related/attributable to the acquisition/construction of property , plant and equipment that takes substantial period of time to get ready for their intended use are capitalized up to the date such asset is ready for 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 Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Depreciation on plant, property and equipment

Depreciation on property, plant and equipment (except motor vehicles) is provided on straightline method at estimated useful life, which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013.

Particulars	Useful Life as per prescribed in Schedule II of the Act (year)
Computers	3
Networks and Servers	6
Furniture and fixtures	10
Office equipment	5

Motor vehicles are depreciated over a period of eight years on written down value method. Leasehold improvement is amortized over the period of the lease.

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

B. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Development expenditure on software is capitalized as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise it is recognized in the profit or loss.

Borrowing costs to the extent related/attributable to the acquisition/construction of intangible asset that takes substantial period of time to get ready for their intended use are capitalized from the date it meets capitalization criteria till such asset is ready for use.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

A summary of amortization policies applied to the Company's intangible assets is as below:

Particulars	Useful life (years)
Computer software	5

C. Impairment of property, plant and equipment and intangible assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired, if any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount of asset or recoverable amount of cash generating unit which the asset belongs to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at balance sheet date there is an indication that a previously assessed impaired loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. Recoverable amount is the higher of an asset's or cash generating unit's net selling price and value in use.

D. Revenue recognition

i. Interest income:

Interest income for all financial instruments except for those measured or designated as at Fair Value Through Profit and Loss account (FVTPL) are recognised in the profit or loss account using the effective interest method (EIR). Interest on financial instruments measured as at FVTPL is included within the fair value movement during the period.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses (ECLs)).

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.

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 expected cash flows are estimated 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.

ii. Processing fee and application fee:

Income from application and processing fees including recovery of documentation not forming part of effective rate calculation charges are recognised upfront.

iii. Delayed payment charges, penal interest, other penal charges, foreclosure charges:

Delayed Payment charges, Penal Interest, Other Penal Charges, Foreclosure Charges are recognised on receipt basis on account of uncertainty of the ultimate collection of the same.

iv. Dividends:

Dividend income is recognized when the Company's right to receive dividend is established on the reporting date.

v. Fees and 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

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

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

vi. Net gain on Fair value changes:

Any differences between the fair values of financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of profit and loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes. As at the reporting date, the Company does not have any debt instruments measured at FVOCI.

E. Investments in subsidiaries, associates and joint ventures

The investments in subsidiaries, are carried in these financial statements at historical 'cost'. Where the carrying amount of an investment in greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of profit and loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit and loss.

F. Leases

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.

As a Lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

The Company presents right-of-use assets that do not meet the definition of investment property and hence disclosed in 'property, plant and equipment' and lease liabilities in 'Borrowings' in the statement of financial position.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of properties that are having non-cancellable lease term of less than 12 months. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a Lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

G. Financial Instruments

i. Classification of financial instruments:

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 instruments to be measured at fair value through profit or loss account

The classification depends on the contractual terms of the cashflows of the financial assets and the Company's business model for managing financial assets which are explained below:

Business model assessment

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

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

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The Solely Payments of Principal and Interest (SPPI) test

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

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

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

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.

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 such as derivative liabilities.

ii. Financial assets at amortised cost:

The Company classifies the financial assets at amortised cost if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the assets are held under a business model to collect contractual cash flows. The gains and losses resulting from fluctuations in fair value are not recognised for financial assets classified in amortised cost measurement category.

iii. Financial assets at Fair value through Other Comprehensive Income (FVOCI):

The Company classifies the financial assets as FVOCI if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the Company's business model is achieved by both collecting contractual cash flow and selling financial assets. In case of debt instruments measured at FVOCI, changes in fair value are recognised in other comprehensive income.

The impairment gains or losses, foreign exchange gains or losses and interest calculated using the effective interest method are recognised in profit or loss. On de-recognition, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. In case of equity instruments irrevocably designated at FVOCI, gains / losses including relating to foreign exchange, are recognised through other comprehensive income. Further, cumulative gains or losses previously recognised in other comprehensive income remain permanently in equity and are not subsequently transferred to profit or loss on derecognition.

iv. Financial instruments at fair value through profit and loss account (FVTPL):

Items at fair value through profit or loss comprise:

- ➢ Investments (including equity shares) held for trading;
- ➢ Items specifically designated as fair value through profit or loss on initial recognition; and
- ➢ Debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking.

Financial instruments designated as measured at fair value through profit or loss

Upon initial recognition, financial instruments may be designated as measured at fair value through profit or loss. A financial asset may only be designated at fair value through profit or loss if doing so eliminates or significantly reduces measurement or recognition inconsistencies (i.e. eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis. As at the reporting date, the Company does not have any financial instruments designated as measured at fair value through profit or loss.

A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch or:

- ➢ if a host contract contains one or more embedded derivatives; or
- ➢ if financial assets and liabilities are both managed and their performance evaluated on a fair value basis in accordance with

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

a documented risk management or investment strategy.

Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Company's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income. As at the reporting date, the Company has not designated any financial instruments as measured at fair value through profit or loss.

v. Borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized 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 amortization is included as finance costs in the statement of profit and loss.

vi. Derecognition of financial assets and financial liabilities:

Recognition

a) Loans and Advances are initially recognised when the funds are transferred to the customers' account or delivery of assets by the dealer, whichever is earlier.

b) Investments are initially recognised on the settlement date.

c) Borrowings are initially recognised when funds reach the Company.

d) Other Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Derecognition of financial assets due to substantial modification of terms and conditions:

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

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

Derecognition of financial assets other than due to substantial modification :

a) Financial assets

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

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

i. The Company has transferred its contractual rights to receive cash flows from the financial asset, or ii. It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

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

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss. As at the reporting date, the Company does not have any financial liabilities which have been derecognised.

vii. 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 recognized amounts and there is an intention to settle on a net basis, to realise an asset and settle the liabilities simultaneously.

viii. Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity in accordance with the substance of the contractual arrangements. These are recognized at the amount of the proceeds received, net of direct issue costs.

ix. Compound Financial Instruments:

Compulsorily convertible instruments with a fixed conversion ratio are separated into liability and equity components. On issuance of the said instruments, the lliability component (being the present value of the future interest cash outflows discounted at a market rate for an equivalent non-convertible instrument) is reduced from the fair value of the instrument to arrive at the equity component. This Equity component is disclosed separately under Other Equity.

H. Impairment of financial assets:

The Company records allowance for expected credit losses (ECL) for all loans and debt investments, together with loan commitments to customers. The ECL allowance is based on the credit losses expected to arise over the life of the asset, unless there has been no significant increase in credit risk since origination, in which case the allowance is based on the 12 months' expected credit loss. Both life time expected credit loss and 12 months' expected credit loss are calculated on individual loan / instrument basis.

At the end of each reporting period, the Company performs an assessment of whether the loan's / investment's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the asset.

The method and significant judgments used while computing the expected credit losses and information about the exposure at default, probability of default and loss given default have been set out in note 50 (Risk Management).

Simplified approach for trade/other receivables and contract assets

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade/ other receivables that do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates. For trade receivables that contain a significant financing component a general approach is followed.

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. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

I. Determination of fair value

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a 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. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Level 1: quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (e.g. as prices) or indirectly (e.g. derived from the prices).

Level 3: inputs for the current assets or liability that are not based on observable market data (unobservable inputs).

J. Retirement and other employee benefits

Defined Contribution schemes

The employees of the Company who have opted, are entitled to receive benefits under the Provident Fund Scheme and Employee Pension Scheme, defined contribution plans in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. 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.

Defined benefit plans

Provision for Gratuity is recorded on the basis of actuarial valuation certificate provided by the actuary using Projected Unit Credit Method.

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

Any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the statement of profit and loss. Net interest expense / (income) on the defined liability / (assets) is computed by applying the discount rate, used to measure the net defined liability / (asset). Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

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

Other Long Term Employee Benefits

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/ losses are immediately taken to the statement of profit and loss and are not deferred.

K. Share based payments

Employees stock options plans ("ESOPs") - Equity settled

The Company grants share option schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Company's operations. Employees (including directors) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity settled transactions").

The cost of equity-settled transactions with employees and directors for grants is measured by reference to the fair value at the date at which they are granted. The cost of equity-settled transactions is recognised in statement profit and loss, together with a corresponding increase in other equity, representing contribution received from the shareholders, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

L. Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of temporary timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary timing differences. Deferred tax assets are recognized for deductible temporary timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternate tax

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

M. Finance costs

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed

➢ At the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.

➢ By considering all the contractual terms of the financial instrument in estimating the cash flows.

➢ Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

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

N. Foreign currency transactions and balances

i. Initial recognition:

Foreign currency transactions are recorded in the reporting currency (which is Indian Rupees), by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii. Conversion:

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii. Exchange differences:

All exchange differences arising on settlement or translation of monetary items are recognized as income or as expenses in the period in which they arise.

O. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

P. Segmental reporting

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

The Joint Managing Directors of the Company assesses the financial performance and position of the Company and make strategic decisions and hence has been identified as being chief operating decision maker.

Q. Provisions

A provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

R. Contingent liabilities and assets

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. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements if the inflow of the economic benefit is probable than it is disclosed in the financial statements.

S. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

T. Goods and service tax input credit

Goods and Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits. The Company has opted to claim 50% of eligible input tax credit on inputs, capital goods and input services and the balance 50% is charged to the statement of profit and loss as per applicable provisions.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

4 Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	112.28	274.29
Foreign currency on hand	5.99	1.17
Balance with Bank (of the nature of cash and cash equivalents)	10,012.79	3,510.06
Total	**10,131.06**	**3,785.52**

5 Bank balances other than cash and cash equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Unclaimed dividend accounts	16.98	16.60
Bank deposit with original maturity :	3,179.46	4,957.36
For more than three months	239.27	2,017.17
For less than three months	2,940.19	2,940.19
Total	**3,196.44**	**4,973.96**

Note: 1) Fixed deposit earns interest at a fixed interest rate.

2) Bank deposits amounting to Rs. 3179.46 Lakhs (March 31, 2023 Rs. 2,365.60 Lakhs) pledged as lien against borrowings.

6 Receivables

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Trade Receivable		
Considered good - secured	-	-
Considered good - unsecured	7,026.50	3,553.60
Trade receivables which have significant increase in credit risk	18.57	18.57
Trade receivables credit impaired	-	-
Gross	**7,045.07**	**3,572.17**
Less: Allowances for impairment loss on credit impaired trade receivables (Refer Note 46)	(18.57)	(18.57)
Total (Refer Note 46)	**7,026.50**	**3,553.60**
(ii) Other Receivables		
Considered good - secured	-	-
Considered good - unsecured	-	-
Trade receivables which have significant increase in credit risk	-	-
Trade receivables credit impaired	-	-
Total	**-**	**-**
Less: Allowances for impairment loss on credit impaired trade receivables (Refer Note 46)	-	-
Total	**7,026.50**	**3,553.60**

i) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.

ii) No trade receivables are due from firms or private Companies respectively in which any director is a partner,a director or a member. However, Other receivables balance as at March 31, 2024 includes Rs. Nil (March 31, 2023: Rs. Nil) due from firms or private Companies respectively in which any director is a partner,a director or a member.

iii) The company has not entered in any supplier finance arrangements during the financial year 2023-24.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Aging of trade receivables

Particulars	FY 2023-24						
	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	more than 3 years	
Undisputed trade receivables:							
Considered good	-	-	6,272.05	754.45	-	-	7,026.50
Which have significant increase in credit risk	-	-	18.57	-	-	-	18.57
Credit impaired	-	-	(18.57)	-	-	-	(18.57)
Total	**-**	**-**	**6,272.05**	**754.45**	**-**	**-**	**7,026.50**
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**

(₹ in Lakhs)

Particulars	FY 2022-23						
	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	more than 3 years	
Undisputed trade receivables							
Considered good	-	-	3,553.60	-	-	-	3,553.60
Which have significant increase in credit risk	-	-	18.57	-	-	-	18.57
Credit impaired	-	-	(18.57)	-	-	-	(18.57)
Total	**-**	**-**	**3,553.60**	**-**	**-**	**-**	**3,553.60**
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Reconciliation of impairment loss allowance on trade receivables:

(₹ in Lakhs)

Particulars	Amount
Impairment allowance measured as per simplified approach	
Impairment allowance as per April 01, 2022	**18.57**
Add: Addition during the year	-
(Less): Reduction during the year	-
Impairment allowance as per March 31, 2023	**18.57**
Add: Addition during the year	-
(Less): Reduction during the year	-
Impairment allowance as per March 31, 2024	**18.57**

The managements expects no default in receipt of other receivables; also there is no history of default observed by the management. Hence, no ECL has been recognised on other receivables.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

7 Loans and Advances

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Amortised Cost		
Term Loans		
Secured Loans (considered good)	29,516.03	18,275.26
Unsecured Loans (considered good)	30,266.24	23,720.16
Total Gross (A) (Refer Note 7.1 and 46)	**59,782.27**	**41,995.42**
Less: Impairment loss allowance (Refer Note 7.2 and 46)	(514.56)	(204.65)
Total Net (A)	**59,267.71**	**41,790.77**
(i) Secured by tangible assets	29,516.03	18,275.26
(ii) Secured by intangible assets	-	-
(iii) Covered by Bank/Government Guarantees	-	-
(iv) Unsecured	30,266.24	23,720.16
Total Gross (B)	**59,782.27**	**41,995.42**
Less: Impairment loss allowance	(514.56)	(204.65)
Total Net (B)	**59,267.71**	**41,790.77**
Loans in India		
(i) Public Sector	-	-
(ii) Others	59,782.27	41,995.42
Loans outside India	-	-
Total Gross (C)	**59,782.27**	**41,995.42**
Less: Impairment loss allowance	(514.56)	(204.65)
Total Net (C)	**59,267.71**	**41,790.77**

7.1 The ageing analysis of loans (gross of provision) has been considered from the date the contractual payment falls due:

(₹ in Lakhs)

Particulars	Stage 1	Stage 2	Stage 3
	Low Credit Risk	**Significant increase in credit risk**	**Credit Impaired**
	0-30 DPD	**30-90 DPD**	**> 90 DPD**
March 31, 2024			
Secured Loan	29,068.06	416.43	31.54
Unsecured Loan	28,428.70	564.10	1,273.44
Total	**57,496.76**	**980.53**	**1,304.98**
March 31, 2023			
Secured Loan	18,751.29	919.08	389.39
Unsecured Loan	20,477.60	530.19	927.87
Total	**39,228.89**	**1,449.27**	**1,317.26**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

7.2 The following table summarizes the changes in loss allowances measured using expected credit loss model:

(₹ in Lakhs)

Particulars	Stage 1	Stage 2	Stage 3
	Low Credit Risk	Significant increase in credit risk	Credit Impaired
	0-30 DPD	30-90 DPD	More than 90 DPD
ECL Allowance -			
March 31, 2024			
Secured Loan	10.10	3.55	3.53
Unsecured Loan	41.29	9.64	446.45
Total	**51.39**	**13.19**	**449.99**
March 31, 2023			
Secured Loan	4.31	2.50	-
Unsecured Loan	33.85	9.68	154.31
Total	**38.16**	**12.18**	**154.31**

7.3 Details of loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties:

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Loans:		
Promoters	-	-
Subsidiaries	-	-
Directors	-	-
Key-managerial personnel	-	-
Other related parties	-	-
Total	**-**	**-**
Advances:		
Promoters	-	-
Subsidiaries	-	-
Directors	-	-
Key-managerial personnel	-	-
Other related parties	-	-
Total	**-**	**-**
Loans & Advances repayable on demand		
Loans	-	-
Advances	-	-
Total	**-**	**-**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

8 Investments

(₹ in Lakhs)

Particulars	March 31, 2024						
	Amortised cost	At fair value				Others (at cost)	Total
		Through other comprehensive income	Through profit and loss	Designated at fair value through profit and loss	Sub total		
	(1)	(2)	(3)	(4)	(5=2+3+4)	(6)	(7=1+5+6)
(i) Mutual Funds	-	-	1,468.80	-	1,468.80	-	1,468.80
(ii) Securities	-	-	-	-	-	1,338.75	1,338.75
(iii) Equity Instruments							
Subsidiaries (Refer Note 8.1)	-	-	-	-	-	3,190.10	3,190.10
Total Gross (A)	**-**	**-**	**1,468.80**	**-**	**1,468.80**	**4,528.85**	**5,997.65**
(i) Investment outside India	-	-	-	-	-	-	-
(ii) Investment in India	-	-	1,468.80	-	1,468.80	4,528.85	5,997.65
Total (B)	**-**	**-**	**1,468.80**	**-**	**1,468.80**	**4,528.85**	**5,997.65**
Less: Impairment allowance (C)	-	-	-	-	-	-	-
Total Net (A-C)	**-**	**-**	**1,468.80**	**-**	**1,468.80**	**4,528.85**	**5,997.65**

(₹ in Lakhs)

Particulars	March 31, 2023						
	Amortised cost	At fair value				Others (at cost)	Total
		Through other comprehensive income	Through profit and loss	Designated at fair value through profit and loss	Sub total		
	(1)	(2)	(3)	(4)	(5=2+3+4)	(6)	(7=1+5+6)
(i) Mutual Funds	-	-	4,138.50	-	4,138.50	-	4,138.50
(ii) Securities	-	-	-	-	-	722.50	722.50
(iii) Equity Instruments							
Subsidiaries (Refer Note 8.1)	-	-	-	-	-	3,190.10	3,190.10
Total Gross (A)	**-**	**-**	**4,138.50**	**-**	**4,138.50**	**3,912.60**	**8,051.10**
(i) Investment outside India	-	-	-	-	-	-	-
(ii) Investment in India	-	-	4,138.50	-	4,138.50	3,912.60	8,051.10
Total (B)	**-**	**-**	**4,138.50**	**-**	**4,138.50**	**3,912.60**	**8,051.10**
Less: Impairment allowance (C)	-	-	-	-	-	-	-
Total Net (A-C)	**-**	**-**	**4,138.50**	**-**	**4,138.50**	**3,912.60**	**8,051.10**

The Company has Employee Stock Option Plans (ESOP) in force. Based on such ESOP schemes, the Company has granted options to acquire equity shares of the company to certain employees of subsidiary.

There are no investments measured at FVOCI.

More information regarding the valuation methodologies can be found in Note 46

8.1 In compliance with Ind AS 27 "Separate Financial Statements" the required information is as under:

Name of entity	Principal place of business/ country of origin	Subsidiary/ Associate/ Joint Venture	Percentage of ownership Interest as on	
			As at March 31, 2024	As at March 31, 2023
			%	%
DFL Technologies Private Limited	India	Subsidiary	100	100

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

9 Other financials assets

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposits	215.10	151.14
Other advances*	1,069.19	537.71
Other Financial Assets	283.15	160.70
Total	**1,567.44**	**849.55**

* Includes the amount recoverable from related party: Current year ₹ Nil (previous year ₹ Nil)

Gratuity fund: Current year Rs. 15.93 (previous year Rs. 12.75) (Refer Note 38)

10 Current Tax assets/(Liabilities)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Current Tax assets		
Advance income tax(Net of provisions of Rs. 1,246.72 Lakhs (March 31, 2023 Rs. 779.59 Lakhs)	1,036.04	649.04
Current Tax Liabilities		
Prevision Current tax(Net of Advance Tax of Rs. NIL (March 31, 2023 Rs. NIL)	-	(36.85)
Total	**1,036.04**	**612.19**

11 Deferred Tax assets/(Liabilities) (net)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax asset on account of:		
Impairment loss allowance	125.68	48.46
Provision on Employee Stock Option	50.68	48.16
Expenses allowable for tax purposes when paid	21.52	10.97
EIR impact on loans measured at amortised cost	(22.65)	38.41
Other Temporary Differences	-	-
Right of Use Assets	(5.01)	18.41
EIR impact of Subvention Income	-	-
Property, plant and equipment and other intangible assets - carrying amount	(90.16)	3.16
Deferred tax liability on account of:		
Property, plant and equipment and other intangible assets - carrying amount	-	-
EIR impact of DSA Commission	97.43	(56.47)
EIR impact on debt instrument in the nature of borrowings measured at amortised cost	291.28	(45.55)
Liability component of Compound Financial Instrument	-	(43.38)
Other Temporary Differences	(36.61)	(8.68)
EIR impact of Subvention Income	-	(0.01)
EIR impact of unamortised PF	(83.80)	
MAT Entitlement Credit	**49.25**	**-**
Net deferred tax assets	**397.64**	**13.48**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

11.1 Note (a): Summary of deferred tax assets/(liabilities)

(₹ in Lakhs)

Particulars	**As at April 1, 2022**	**(Charged)/ Credited to P & L**	**(Charged)/ Credited to OCI**	**Utilised**	**As at March 31, 2023**
Impairment loss allowance	125.17	(76.71)	-	-	48.46
Provision on Employee Stock Option	54.11	(5.95)	-	-	48.16
Expenses allowable for tax purposes when paid	24.21	(11.51)	(1.73)	-	10.97
EIR impact on loans measured at amortised cost	65.22	(26.81)	-	-	38.41
Other Temporary Differences	0.20	(0.20)	-	-	-
Right of use assets	18.70	(0.29)	-	-	18.41
EIR impact of subvension income	1.73	(1.73)	-	-	-
Property, plant and equipment and other intangible assets - carrying amount	(7.13)	10.29	-	-	3.16
EIR impact of DSA Commission	(64.90)	8.43	-	-	(56.47)
EIR impact on debt instrument in the nature of borrowings measured at amortised cost	(103.40)	57.85	-	-	(45.55)
Liability component of Compound Financial Instrument	(35.32)	(8.06)	-	-	(43.38)
Other Temporary Differences	(6.02)	(2.66)	-	-	(8.68)
EIR impact of Subvention Income	-	(0.01)	-	-	(0.01)
MAT Entitlement Credit	**-**	**-**	**-**	**-**	**-**
Net deferred tax assets/(liability)	**72.57**	**(57.35)**	**(1.73)**	**-**	**13.48**

(₹ in Lakhs)

Particulars	**As at April 1, 2023**	**(Charged)/ Credited to P & L**	**(Charged)/ Credited to OCI**	**Utilised**	**As at March 31, 2024**
Impairment loss allowance	48.46	77.23	-	-	125.68
Provision on Employee Stock Option	48.16	2.52	-	-	50.68
Expenses allowable for tax purposes when paid	10.97	8.31	2.24	-	21.52
EIR impact on loans measured at amortised cost	38.41	(61.06)	-	-	(22.65)
Other Temporary Differences	-	-	-	-	-
Right of use assets	18.41	(23.42)	-	-	(5.01)
EIR impact of subvension income	-	-	-	-	-
Property, plant and equipment and other intangible assets - carrying amount	3.16	(93.32)	-	-	(90.16)
EIR impact of DSA Commission	(56.47)	153.90	-	-	97.43
EIR impact on debt instrument in the nature of borrowings measured at amortised cost	(45.55)	336.84	-	-	291.28
Liability component of Compound Financial Instrument	(43.38)	43.38	-	-	-
Other Temporary Differences	(8.68)	(27.93)	-	-	(36.61)
EIR impact of Unamortised PF	(0.01)	(83.79)	-	-	(83.80)
MAT Entitlement Credit	**-**	**49.25**	**-**	**-**	**49.25**
Net deferred tax assets/(liability)	**13.48**	**381.92**	**2.24**	**-**	**397.64**

NOTES TO STANDALON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

12 (a) Property, plant and equipment

(b) Right of use assets

(₹ in Lakhs)

Particularsh	(a) Property, plant and equipment						(b) Right of use assets	
	Computers	Motor Cars	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Total	Right to Use	Total
For the year ended March 31, 2024								
Gross Carrying Amount								
Cost as at April 1, 2023	180.04	0.17	459.14	406.60	638.20	1,684.15	1,019.24	1,019.24
Additions	62.16	23.87	235.61	124.26	298.60	744.50	44.79	44.79
Adjustments	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Gross carrying value as of March 31, 2024	**242.20**	**24.04**	**694.75**	**530.86**	**936.80**	**2,428.65**	**1,064.03**	**1,064.03**
Accumulated Depreciation								
Accumulated Depreciation as at April 1, 2023	97.77	-	114.50	57.67	146.97	416.90	436.22	436.22
Depreciation charge during the year	50.34	1.55	116.46	46.59	174.13	389.07	275.69	275.69
Disposals	-	-	-	-	-	-	-	-
Impairment loss	-	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2024	148.11	1.55	230.96	104.26	321.10	805.97	711.91	711.91
Net carrying value as of March 31, 2024	**94.09**	**22.49**	**463.78**	**426.61**	**615.70**	**1,622.68**	**352.12**	**352.12**
For the year ended March 31, 2023								
Gross Carrying Amount								
Cost as at April 1, 2022	127.37	0.17	243.50	255.14	290.32	916.50	852.19	852.19
Additions	52.67	-	215.64	151.46	347.88	767.65	167.05	167.05
Adjustments	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Gross carrying value as of March 31, 2023	**180.04**	**0.17**	**459.14**	**406.60**	**638.20**	**1,684.15**	**1,019.24**	**1,019.24**
Accumulated Depreciation								
Accumulated Depreciation as at April 1, 2022	57.69	-	43.97	23.63	53.35	178.65	214.81	214.81
Depreciation charge during the year	40.08	-	70.53	34.04	93.62	238.27	221.41	221.41
Disposals	-	-	-	-	-	-	-	-
Impairment loss	-	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2023	**97.77**	**-**	**114.50**	**57.67**	**146.97**	**416.92**	**436.22**	**436.22**
Net carrying value as of March 31, 2023	**82.27**	**0.17**	**344.64**	**348.93**	**491.23**	**1,267.23**	**583.02**	**583.02**

* **Revaluations of right to use assets:** The right of use assets has been revalued by by the company itself instead of any independent registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(c) Capital work-in-progress (₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital work in progress	6.36	73.39
Total	**6.36**	**73.39**

(d) Intangible assets under development (₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Intangible assets under development	621.41	1,138.52
Total	**621.41**	**1,138.52**

Aging of Capital work in progress and intangible assets under development (₹ in Lakhs)

Particulars	Less than one year	1 - 2 year	2 - 3 year	More than 3 Year	Total
i. Projects in progress					
Capital work in progress	6.36	-	-	-	6.36
Intangible assets under development	621.41	-	-	-	621.41
Total	**627.77**	**-**	**-**	**-**	**627.77**
ii. Projects temporarily suspended					
Capital work in progress	-	-	-	-	-
Intangible assets under development	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

13 Other intangible assets

(₹ in Lakhs)

Particulars	Computer software	Total
For the year ended March 31, 2024		
Gross Carrying Amount		
Cost as at April 1, 2023	577.47	577.47
Additions	772.34	772.34
Disposals	-	-
Gross carrying value as of March 31, 2024	**1,349.81**	**1,349.81**
Accumulated Depreciation		
Accumulated Depreciation as at April 1, 2023	327.81	327.81
Depreciation charge during the year	165.44	165.44
Disposals	-	-
Impairment loss	-	-
Accumulated depreciation as of March 31, 2024	493.25	493.25
Net carrying value as of March 31, 2024	**856.56**	**856.56**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

For the year ended March 31, 2023		
Gross Carrying Amount		-
Cost as at April 1, 2022	577.47	577.47
Additions	-	-
Disposals	-	-
Gross carrying value as of March 31, 2023	**577.47**	**577.47**
Accumulated Depreciation		
Accumulated Depreciation as at April 1, 2022	191.09	191.09
Depreciation charge during the year	136.72	136.72
Disposals	-	-
Impairment loss	-	-
Accumulated depreciation as of March 31, 2023	327.81	327.81
Net carrying value as of March 31, 2023	**249.65**	**249.65**

14 Other non-financials assets

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid expense	457.73	751.74
Advance to vendors	249.61	-
Advance to employees	48.37	41.01
Total	**755.71**	**792.75**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

15 Payables

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	15.65	17.33
Total outstanding dues of creditors other than micro enterprises and small enterprises	300.55	163.09
Total	**316.20**	**180.42**
Other payables		
Total outstanding dues of micro enterprises and small enterprises	20.40	26.28
Total outstanding dues of creditors other than micro enterprises and small enterprises	10.28	6.70
Total	**30.68**	**32.98**

i) The company has not entered in any supplier finance arrangements during the financial year 2023-24.

ii) Information required to be disclosed in accordance with Micro, Small and Medium Enterprises Development Act, 2006 has been determined based on the parties identified on the basis of information available with the Company. Accordingly, the disclosures relating to amounts unpaid as at the year ended together with interest paid /payable are furnished below:

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
The principal amount remaining unpaid to supplier as at the end of the year	36.05	43.61
The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
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 Micro, Small and Medium Enterprise Development Act, 2006	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Particulars	FY 2023-24						
	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	more than 3 years	
Undisputed trade payables:							
Micro enterprises and small enterprises	-	-	36.05	-	-	-	36.05
Others	215.53	-	95.30	-	-	-	310.83
Total	**215.53**	**-**	**131.35**	**-**	**-**	**-**	**346.88**
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**

(₹ in Lakhs)

Particulars	FY 2022-23						
	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	more than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	-	43.61	-	-	-	43.61
Others	67.95	-	101.83	-	-	-	169.78
Total	**67.95**	**-**	**145.44**	**-**	**-**	**-**	**213.39**
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

16 Debt Securities

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
At Amortised Cost		
Unsecured		
Compulsorily Convertible Debentures *	-	-
Secured		
Non Convertible Debentures - Privately Placed	12,364.87	374.12
Total	**12,364.87**	**374.12**
Deb Securities within India	12,364.87	374.12
Deb Securities outside India	-	-
Total	**12,364.87**	**374.12**

Debt Securities Disclosure

i) Privately placed redeemable non-convertible debenture

(₹ in Lakhs)

Tenure (from the date of the Balance Sheet)	Term of Repayment	Rate of Interest	As at March 31, 2024	As at March 31, 2023
i) Upto 12 Months	Bullet Payment	11.00% - 13.00%	-	360.00
ii) Upto 12 Months	Monthly Instalment	13.50% - 14.00%	3,909.13	-
iii) Upto 12 Months	Quarterly Instalment	13.50% - 14.00%	670.79	-
iv) 13-24 Months	Monthly Instalment	13.50% - 14.00%	1,800.00	-
v) 13-24 Months	Quarterly Instalment	13.50% - 14.00%	333.00	-
vi) 25-36 Months	Bullet Payment	13.10% - 13.40%	4,000.00	-
vii) 25-36 Months	Monthly Instalment	13.50% - 14.00%	116.67	-
viii) 25-36 Months	Bullet Payment	11.00% - 13.00%	800.00	-
ix) 61-66 Months	Bullet Payment	13.10% - 13.40%	800.00	-
Gross			**12,429.59**	**360.00**
Add: Effective Interest Rate Adjustment			(64.72)	14.12
Net			**12,364.87**	**374.12**

Nature of Security

The company raised ₹131 crores through listed and unlisted non-convertible debentures in the financial year 2024, with varied tenure of 15 to 66 months. These facilities are secured by a first and exclusive hypothecation charge on the portfolio with security cover of 1.10 times.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

17 Borrowings (other than debt securities)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
At amortised cost		
Secured		
Term Loan from Banks		
- from Banks	13,441.29	12,809.80
- from Financial Institutions	41,472.38	29,056.32
Bank Over draft	1,291.53	1,882.87
Unsecured		
Loans repayable on demand from other parties	-	-
Lease Liability (Refer Note 49)	40.74	128.55
Total (A)	**56,245.94**	**43,877.54**
Borrowings India	56,245.94	43,877.54
Borrowings outside India	-	-
Total (B)	**56,245.94**	**43,877.54**
Current borrowings	-	-
Current maturities of Long term borrowings	4,310.21	26,382.08
Long term borrowings	51,935.73	17,495.46
Total (C)	**56,245.94**	**43,877.54**

The Company has not defaulted in the repayment of borrowings and interest as at Balance Sheet date.

Borrowings Disclosure

i) Term loans from Banks & Financial Institutions

(₹ in Lakhs)

Tenure (from the date of the Balance Sheet)	Terms of Repayment	Rate of Interest	As at March 31, 2024	As at March 31, 2023
Upto 12 Months	Bulleyt Payment	7.00%-11.00%	1,364.75	1,955.99
Upto 12 Months	Monthly Instalment	9.28% - 11.00%	3,351.94	267.93
Upto 12 Months	Monthly Instalment	11.01% - 12.00%	1,371.28	374.16
Upto 12 Months	Monthly Instalment	12.01% - 13.00%	7,530.51	4,911.43
Upto 12 Months	Monthly Instalment	13.01% - 14.00%	14,051.97	5,740.71
Upto 12 Months	Monthly Instalment	14.01% - 15.00%	4,121.50	6,786.89
Upto 12 Months	Monthly Instalment	15.01% - 15.70%	637.99	-
Upto 12 Months	Quarterly Instalment	10.85% - 11.00%	-	363.19
Upto 12 Months	Quarterly Instalment	11.01% - 12.00%	270.67	574.25
Upto 12 Months	Quarterly Instalment	12.01% - 13.00%	907.17	958.32
Upto 12 Months	Quarterly Instalment	13.01% - 14.00%	2,339.75	3,699.19
Upto 12 Months	Quarterly Instalment	14.01% - 14.95%	375.00	750.00
13-24 Months	Monthly Instalment	9.28% - 11.00%	1,595.45	260.87
13-24 Months	Monthly Instalment	11.01% - 12.00%	791.67	375.00
13-24 Months	Monthly Instalment	12.01% - 13.00%	1,829.31	3,927.78

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Tenure (from the date of the Balance Sheet)	Terms of Repayment	Rate of Interest	As at March 31, 2024	As at March 31, 2023
13-24 Months	Monthly Instalment	13.01% - 14.00%	9,679.91	3,788.68
13-24 Months	Monthly Instalment	14.01% - 15.00%	2,141.67	2,721.10
13-24 Months	Monthly Instalment	15.01% - 15.70%	106.12	-
13-24 Months	Quarterly Instalment	10.85% - 11.00%	-	272.72
13-24 Months	Quarterly Instalment	11.01% - 12.00%	-	583.34
13-24 Months	Quarterly Instalment	12.01% - 13.00%	583.34	489.61
13-24 Months	Quarterly Instalment	13.01% - 14.00%	1,162.50	1,208.33
13-24 Months	Quarterly Instalment	14.01% - 14.95%	-	375.00
25-36 Months	Monthly Instalment	9.28% - 11.00%	100.00	260.87
25-36 Months	Monthly Instalment	11.01% - 12.00%	-	375.00
25-36 Months	Monthly Instalment	12.01% - 13.00%	90.91	461.00
25-36 Months	Monthly Instalment	13.01% - 14.00%	1,626.55	1,973.58
25-36 Months	Monthly Instalment	14.01% - 15.00%	445.71	470.47
25-36 Months	Quarterly Instalment	11.01% - 12.00%	-	583.34
25-36 Months	Quarterly Instalment	12.01% - 13.00%	249.98	-
25-36 Months	Quarterly Instalment	13.01% - 14.00%	125.00	333.33
37-48 Months	Monthly Instalment	12.01% - 13.00%	-	116.34
37-48 Months	Monthly Instalment	13.01% - 14.00%	375.00	614.98
37-48 Months	Quarterly Instalment	11.01% - 12.00%	-	249.98
Gross			**57,225.65**	**45,823.38**
Less: Effective Interest Rate Adjustment			(4,210.74)	(3,086.50)
Less: Capital Contribution by the Holding Company in the Form of Corporate Guarantee			1,898.76	(870.77)
Net			54,913.67	41,866.11

Nature of Security

The facility is secured by first and exclusive hypothecation charge on the portfolio with security cover of 1.10 to 1.33 times. Further, the Company has provided additional security by way of lien on Fixed Deposits and Corporate Guarantee in certain cases

ii) Bank Overdraft

(₹ in Lakhs)

Tenure (from the date of the Balance Sheet)	Rate of Interest	As at March 31, 2024	As at March 31, 2023
Upto 12 Months	10.95%	1,291.53	1,882.87

Nature of Security

The facility is secured by pledge of gold ornaments.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

18 Other financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Unpaid dividends	14.18	14.95
Loan Pending Disbursal	717.76	1.33
Payable to employees	66.55	12.88
Other financial liabilities	111.47	125.70
Total	**909.96**	**154.86**

19 Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Leave encashment (Refer Note 38)	85.50	44.81
PF and ESIC (Refer Note 38)	18.65	12.47
Total	**104.15**	**57.28**

20 Other non-financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance from customers and others	583.38	340.67
Liability towards Statutory Dues	348.78	441.41
Total	**932.16**	**782.08**

21 Equity share capital

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a. Authorised Share Capital		
25,00,00,000 (March 31, 2023: 25,00,00,000) Equity Shares of Rs. 2 each	5,000.00	5,000.00
Total	**5,000.00**	**5,000.00**
b. Issued, Subscribed and Paid-up:		
11,68,99,371 (March 31, 2023: 11,62,14,716) Equity Shares of Rs. 2 each	2,337.99	2,324.29
Total	**2,337.99**	**2,324.29**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

c. Reconciliation of number of equity shares:

(₹ in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Balance as at the beginning of the year	11,62,14,216	2,324.29	8,88,38,939	1,776.78
Issued during the year	6,85,155	13.70	2,73,75,277	547.51
Balance as at the end of the year	**11,68,99,371**	**2,337.99**	**11,62,14,216**	**2,324.29**

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

(₹ in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% of holding	No. of Shares	% of holding
Wilson Holdings Private Limited (earlier known as 'Truvalue Agro Ventures Private Limited')	5,16,40,587	44.18%	6,56,78,273	56.51%
Aviator Emerging Market Fund	-	-	70,52,500	6.07%
Total	**5,16,40,587**	**44.18%**	**7,27,30,773**	**62.58%**

e. Shares of the Company held by the Holding Company

Particulars	As at March 31, 2024	As at March 31, 2023
Wilson Holdings Private Limited (earlier known as 'Truvalue Agro Ventures Private Limited')	5,16,40,587	6,56,78,273
Total	**5,16,40,587**	**6,56,78,273**

f. Details of shareholding of promoters:

Particulars	As at March 31, 2024		
	Number of shares	Percentage of total No of shares	Percentage of change during the year
Wilson Holdings Private Limited (earlier known as 'Truvalue Agro Ventures Private Limited')	5,16,40,587	44.18%	-12.33%
Total	**5,16,40,587**	**44.18%**	**-12.33%**

Particulars	As at March 31, 2023		
	Number of shares	Percentage of total No of shares	Percentage of change during the year
Wilson Holdings Private Limited (earlier known as 'Truvalue Agro Ventures Private Limited')	6,56,78,273	56.51%	-8.63%
Total	**6,56,78,273**	**56.51%**	**-8.63%**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

g. Aggregate number of shares issued for consideration other than cash

Particulars	Number of shares	Number of shares
Shares issued as consideration for acquisition of subsidiary	-	-
Total	**-**	**-**

h. Shares reserved for issues under options

(₹ in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of Shares	Amount in ₹	No of Shares	Amount in ₹
Equity shares of ₹ 2 each reserved for issue under employee stock option scheme	34,66,564	69.33	26,71,356	53.43

i. Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 2/- per share. Each holder of equity shares is entitled to one vote per share In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be proportional to the number of equity shares held by the shareholders.

j. The Company has not alloted any bonus shares for the period of 5 years immediately preceding March 31, 2024.

k. Proposed dividends on equity shares

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Proposed dividend on equity shares for the year ended on March 31, 2024:Rs 0.01 per share (March 31, 2023: Rs. 0.01 per share)	11.69	11.62

l. Refer Note 41- Capital for the Company's objectives, policies and processes for managing capital

22 Other equity

(₹ in Lakhs)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
Securities Premium	(i)	14,830.08	14,716.50
Retained earnings	(ii)	2,573.57	1,674.20
Employee stock option outstanding reserve	(iii)	201.37	196.73
Statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	(iv)	782.11	549.33
Money received against share warrants	(v)	1,206.25	915.65
Share application money pending allotment	(vi)	-	-
Equity component of compound financial instruments	(vii)	-	-
Capital Contribution towards corporate guarantee	(viii)	-	1,898.76
Total		**19,593.37**	**19,951.16**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(i) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act,2013.

(₹ in Lakhs)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year		14,716.50	4,497.14
Add: premium received on issue of shares/Utilisation on account of exercise option		113.58	10,219.36
Balance at the end of the year		**14,830.08**	**14,716.50**

(ii) Retained earnings

Retained Earnings are the profits of the Company earned till date net of appropriations.

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	1,674.20	1,323.02
Profit for the year	1,170.82	554.35
Remeasurement of defined benefit plans (net of tax)	(6.92)	4.49
Transfer to statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	(232.78)	(111.77)
Deletion for the year	(20.07)	-
Dividends	(11.69)	(10.80)
Dividend distribution tax	-	-
ESOP's granted to employees of Subsidiary Company	-	(85.09)
Balance at the end of the year	**2,573.57**	**1,674.20**

(iii) Employee stock option outstanding reserves

Employee stock option outstanding reserves 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 group

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	196.73	194.47
Add:Share based payment expense	66.42	95.39
Add:ESOP's granted to employees of Subsidiary Company	-	(0.58)
Less:Transfer to securities premium on account of exercise of Options	(61.78)	(92.55)
Balance at the end of the year	**201.37**	**196.73**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(iv) Statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934

The Company maintains statutory reserve u/s 45-IC of Reserve Bank of India Act,1934 under which a specified amount is transferred from retained earnings

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	549.33	437.55
Add: Profit transferred during the year	232.78	111.77
Balance at the end of the year	**782.11**	**549.33**

(v) Money received against share warrants

Money received against share warrants is to be made since shares are yet to be allotted against the share warrants

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	915.65	450.00
Add: Warrants issued during the year	1,206.25	465.65
Less: Converted/forfeited during the year	915.65	-
Balance at the end of the year	**1,206.25**	**915.65**

(vi) Share application money pending allotment

The amount received on the application on which allotment is not yet made

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	-	1.64
Add: Application money received during the year	65.49	-
Less: Allotment made during the year	65.49	1.64
Balance at the end of the year	**-**	**-**

(vii) Equity component of compound financial instruments

This represent the equity component of compound financial instruments

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	**-**	**7,685.52**
Add: Equity component of compound financial instruments	-	(7,685.52)
Balance at the end of the year	**-**	**-**

(viii) Capital Contribution towards corporate guarantee

This represent the Capital Contribution towards corporate guarantee

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	1,898.76	1,027.99
Add: Capital Contribution/Reverse by the Holding Company in the Form of Corporate Guarantee	(1,898.76)	870.77
Balance at the end of the year	**-**	**1,898.76**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

23 Interest income

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on loans (at amortised cost)	11,384.91	9,192.90
Interest on deposit with banks (at amortised cost)	186.02	119.02
Other interest Income	5.70	6.40
Total	**11,576.62**	**9,318.32**

24 Fees and commission Income

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Income from loan services	190.77	1.32
Income from other services	4,223.96	2,981.23
Total	**4,414.73**	**2,982.55**

Revenue from contracts with customers

Below is the revenue from contracts with customers and reconciliation to statement of profit and loss

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Type of Services		
Fee and commission income	4,414.73	2,982.55
Total revenue from contract with customers	**4,414.73**	**2,982.55**
Geographical markets		
India	4,414.73	2,982.55
Outside India	-	-
Total revenue from contract with customers	**4,414.73**	**2,982.55**
Timing of revenue recognition		
Services transferred at a point in time	4,414.73	2,982.55
Services transferred over time	-	-
Total revenue from contracts with customers	**4,414.73**	**2,982.55**

Contract balance

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Trade receivables	7,007.92	3,535.03
Contract Assets	-	-

The Company does not have any contract assets or liability, hence disclosures related to it has not been presented.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

25 Net gain on fair value changes

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(A) Net gain on financial instruments at fair value through profit or loss		
(i) On Trading Portfolio		
- Investments	109.80	77.46
- Derivatives	-	-
(ii) Others	4.68	10.29
Total Net Gain on Fair Value Changes (B)	114.48	87.75
Fair value changes:		
Realised	109.80	77.46
Unrealised	4.68	10.29
Total Net Gain on Fair Value Changes (C)	**114.48**	**87.75**

* Fair value changes in this schedule are other than those arising on account of accrued interest income/expense.

26 Other Income

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Dividend income	-	3.15
Recovery from written off accounts	25.04	4.10
Miscellaneous income	2,069.67	-
Total	**2,094.71**	**7.25**

27 Finance costs

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
On Financial liabilities measured at amortised cost		
Interest on borrowings (other than debt securities)	7,645.03	4,777.90
Interest on debt securities	224.20	275.43
Other interest expense		
Interest on lease liabilities	-	25.52
Total	**7,869.24**	**5,078.85**

28 Fees and commission expense

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Commission	185.78	133.68
Total	**185.78**	**133.68**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

29 Impairment on financial instruments

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Loans	309.91	(263.04)
Receivable	-	-
Bad debts written off	100.71	181.72
Total	**410.62**	**(81.32)**

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

For the year ended March 31, 2024

(₹ in Lakhs)

Particulars	General Approach			Simplified Approach	Total
	Stage 1	Stage 2	Stage 3		
Loans and advances to customers	13.23	1.01	295.68	-	309.91
Receivables	-	-	-	-	-
Total impairment loss	**13.23**	**1.01**	**295.68**	**-**	**309.91**

For the year ended March 31, 2023

(₹ in Lakhs)

Particulars	General Approach			Simplified Approach	Total
	Stage 1	Stage 2	Stage 3		
Loans and advances to customers	(26.85)	(85.95)	(150.24)	-	(263.04)
Receivables	-	-	-	-	-
Total impairment loss	**(26.85)**	**(85.95)**	**(150.24)**	**-**	**(263.04)**

30 Employee benefits expenses

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages	3,894.53	2,440.45
Gratuity Expenses (Refer Note 38)	41.13	29.29
Contribution to provident and other funds	201.08	131.66
Share Based Payments to employees	66.41	95.39
Staff welfare expenses	55.79	44.19
Total	**4,258.94**	**2,740.98**

31 Depreciation, amortization and impairment

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of property, plant and equipment (Refer Note 12)	664.76	459.68
Amortization of intangible assets (Refer Note 13)	165.44	136.72
Total	**830.20**	**596.40**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

32 Others expenses

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Rent, Rates and taxes	451.91	149.43
Repairs and maintenance	81.40	37.99
Energy Costs	52.83	34.72
Communication costs	57.23	35.32
Printing and stationery	56.92	43.84
Advertisement and publicity	117.15	89.44
Director's fees, allowances, and expenses	45.50	63.42
Auditor fees and expenses [Refer Note 32.1]	74.65	52.44
Legal and professional charges	1,524.17	1,815.61
Insurance	83.24	81.85
Other expenditure:		
- Annual Maintenance Charges	19.53	27.12
- Brokerage	21.79	106.41
- CSR	9.06	10.00
- GST Input Tax Credit written off	221.74	238.10
- Office Expenses	77.58	56.86
- Processing fee on co-lending business	24.21	5.36
- Software Licences Expenses	48.00	24.52
- Travel & Conveyance	23.15	128.42
- Website & Server Maintenance Expenses	101.34	105.61
- Miscellaneous Expenditure	335.19	97.49
Total	**3,426.58**	**3,203.95**

32.1 Auditor fees and expenses

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
As Auditor:		
- Statutory audit fees	28.00	20.02
- Limited review fees	16.00	8.00
- Taxation matters	9.09	2.00
- Out of pocket expenses	1.56	1.43
In other capacity:		
- Certification	20.00	20.99
Total	**74.65**	**52.44**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

33 Income tax expense

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax		
Current tax on profits for the period	201.74	111.62
Prior period tax	130.04	-
Adjustments for current tax of prior periods	-	-
Mat credit entitlement (Refer Note11)	49.25	-
Total Current Tax	**381.03**	**111.62**
Deferred tax expense (income)		
Decrease in deferred tax assets (Refer Note11)	(334.91)	59.09
Total deferred tax expense/(benefit)	(334.91)	59.09
Total tax expense	**46.12**	**170.71**

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 Indian corporate tax rate.

A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2024 and year ended March 31, 2023 is, as follows:

Reconciliation of effective tax rate:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before income tax expense	1,219.18	723.33
Enacted income tax rate in India applicable to the Company 27.82% (March 31, 2023 - 27.82%)	339.18	201.23
Tax effect of:		
Permanent Disallowances	-	0.16
Deferred tax assets not created on OCI	(2.24)	1.73
Mat Credit entitlement	(49.25)	-
Difference in tax rates for short term capital gains	**(12.22)**	**(8.62)**
Timing difference in net block of fixed assets	(90.15)	(23.52)
Others	(9.16)	(0.27)
Tax in respect of earlier period	(130.04)	-
Total tax expense	**46.12**	**170.71**
Effective tax rate	**3.78%**	**23.60%**

Amounts recognised directly in equity

No aggregate amounts of current and deferred tax have arisen in the reporting period which have been recognised in equity.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

34 Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of 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 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.

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit attributable to the equity holders of the Company (A)	1,170.82	554.35
Weighted Average number of equity shares for calculating Basic EPS (In Lakhs) (B)	11,65,66,801	10,98,69,260
Adjustment for calculation of Diluted EPS on account of Diluted potential ordinary shares (C)	11,80,39,724	18,08,900.39
Weighted Average number of equity shares for calculating Diluted EPS (In Lakhs) (D= B+C)	11,73,03,263	11,16,78,161
Basic earnings per equity shares in Rs.(face value of Rs. 2/- per share) (A) / (B)	1.00	0.50
Diluted earnings per equity shares in Rs.(face value of Rs. 2/- per share) (A) / (D)	0.99	0.50

35 Contingent liabilities & commitments

(₹ in Lakhs)

Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023
Claims against the Company not acknowledged as debts			
Income tax matters under dispute		67.18	67.18
Commitments			
a)	Capital commitments	-	-
	(Estimated amount of contracts remaining to be executed on capital account and not provided for)	-	-
b)	Loan sanction but undrawn	228.90	20.00
Total Commitments		**228.90**	**20.00**

36 Derivatives

The Company has no transactions / exposure in derivatives in the current and previous year. The Company has no unhedged foreign currency exposure as at March 31, 2024: Nil (March 31, 2023: Nil).

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

37 Uncertainties relating to the Global Health Pandemic from COVID-19 ("Covid-19")

The Company had granted moratorium upto six months on the payment of instalments falling due between March 01, 2020 and August 31, 2020 to all eligible borrowers based on the Board approved moratorium policy read with the Reserve Bank of India (RBI) guidelines dated March 27, 2020 and May 23, 2020 relating to 'COVID-19 - Regulatory Package' and RBI guidelines on EMI moratorium dated April 17, 2020. Further, period for which moratorium was granted had not been considered for computing days past due (DPD) as on March 31, 2021. Extension of such moratorium benefit to borrowers as per the COVID-19 Regulatory package of the RBI and DPD freeze for such period by itself is not considered to result in significant increase in credit risk as per Ind AS 109 for staging of accounts. The Company continued to recognize interest income during the moratorium period and in the absence of other credit risk indicators, the granting of a moratorium period does not result in accounts becoming past due and automatically triggering Stage 2 or Stage 3 classification criteria.

The COVID -19 pandemic has significantly affected various sectors of Indian economy. The prolonged lockdown imposed by the government due to Covid-19 pandemic has affected the Company's business operations. During the year, the Company has scaled up the growth in the low risky sector. Further, there has been good collection efficiencies post completion of the moratorium period and none of the customers approached for one time restructuring benefit allowed under the Resolution Framework by Reserve Bank of India dated August 6, 2020 for COVID related stress to the borrowers. Basis the abovementioned factors, the Company estimates that no additional Expected Credit Loss (ECL) provision on Loans is required on account of COVID – 19 during the quarter and year ended March 31, 2022. However, the actual impact may vary due to prevailing uncertainty caused by the pandemic. The Company's management is continuously monitoring the situation and the economic factors affecting the operations of the Company.

38 Employee benefits

(a) Compensated absences

The compensated absences charge for the year ended March 31, 2024 of Rs 54.59 Lakhs (March 31, 2023 Rs 24.01 Lakhs) has been charged in the Statement of Profit and Loss.

The liability for compensated absences based on actuarial valuation amounting as at the year ended March 31, 2024 is Rs. 85.50 Lakhs (March 31, 2023 : Rs. 44.81 Lakhs)

(b) Post employment obligations

I. Defined contribution plans

The Company has classified the various benefits provided to employees as under:

a. Provident Fund

b. Employees' Pension Scheme 1995

c. Employee State Insurance Scheme

The Company makes Provident fund and Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. The provident fund and the state defined contribution plan are operated by the Regional Provident Fund Commissioner . Under the schemes, the Company is required to contribute a specified percentage of payroll cost to fund the benefits. These funds are recognized by the Income Tax authorities.

The expense recognised during the period towards defined contribution plan:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contribution to Provident Fund	101.02	73.67
Contribution to Employees' Pension Scheme 1995	92.52	53.04
Contribution to Employee State Insurance Scheme	7.41	4.88
Total	**200.95**	**131.59**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

II. Defined benefit plans

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service, subject to a payment ceiling of Rs 20 Lakhs. The gratuity plan is a funded plan.

The Company has a defined benefit plan in India (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 Fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

During the year , there are no plan amendments, curtailments and settlements.

The actuarial valuation of the defined benefit obligation was carried out at the balance sheet date. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date.

(₹ in Lakhs)

Defined benefit plans	For the year ended March 31, 2024	For the year ended March 31, 2023
	Gratuity (funded)	Gratuity (funded)
Expenses recognised in statement of profit and loss during the year:		
Current service cost	41.31	22.22
Past service cost	-	-
Expected return on plan assets	-	-
Liability Transferred Out/ Divestments	0.27	4.85
Net interest cost / (income) on the net defined benefit liability / (asset)	(0.45)	2.22
Total expenses	**41.13**	**29.29**
Expenses recognised in other comprehensive income		
Actuarial (gains) / losses due to demographic assumption changes	-	-
Actuarial (gains) / losses due to financial assumption changes	-	-
Actuarial (gains)/ losses due to experience on defined benefit obligations	11.52	(8.79)
Return on plan assets excluding Interest income	(2.36)	2.57
Total expenses	**9.16**	**(6.22)**
Net asset /(liability) recognised as at balance sheet date:		
Present value of defined benefit obligation at the end of the period	(115.51)	(65.51)
Fair value of plan assets	131.44	77.96
Net (Liability)/Asset Recognized in the Balance Sheet	**15.93**	**12.45**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Defined benefit plans	For the year ended March 31, 2024	For the year ended March 31, 2023
	Gratuity (funded)	Gratuity (funded)
Movements in present value of defined benefit obligation		
Present value of defined benefit obligation at the beginning of the year	63.39	42.52
Current service cost	41.31	22.22
Past service cost	-	-
Liability Transferred Out/ Divestments	0.27	4.85
Interest cost	4.63	2.59
Actuarial (gains) / loss	11.52	(8.79)
Benefits paid	-	-
Present value of defined benefit obligation at the end of the year	**121.12**	**63.39**
Movements in fair value of the plan assets		
Opening fair value of plan assets	3.93	6.13
Interest Income	5.08	0.37
Expected returns on plan assets	-	-
Expected returns on plan assets excluding Interest income	2.36	(2.57)
Actuarial (gains) / loss on plan assets	-	-
Contribution from employer	-	-
Benefits paid	-	-
Closing fair value of the plan asset	**11.37**	**3.93**

Maturity profile of defined benefit obligation

Funding arrangements and funding policy

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance Company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company

The average outstanding term of the obligations (years) as at valuation date is 4 years

Expected cash flows over the next (valued on undiscounted basis):

1st Following Year	9.44	7.16
2nd Following Year	11.06	3.29
3rd Following Year	14.28	7.17
4th Following Year	15.85	9.14
5th Following Year	17.58	9.93
Sum of Years 6 To 10	58.64	33.66
Sum of Years 11 and above	52.70	30.42
Quantitative sensitivity analysis for significant assumptions is as below:		
Increase / (decrease) on present value of defined benefit obligation at the end of the year	121.12	63.39
(i) +1% increase in discount rate	(6.29)	(3.18)
(ii) -1% decrease in discount rate	5.66	3.51

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Defined benefit plans	For the year ended March 31, 2024	For the year ended March 31, 2023
	Gratuity (funded)	Gratuity (funded)
(iii) +1% increase in rate of salary increase	5.22	3.36
(iv) -1% decrease in rate of salary increase	(6.00)	(3.14)
(v) +1% increase in rate of Employee Turnover	(2.59)	(1.22)
(vi) -1% decrease in rate of Employee Turnover	1.39	1.23

Sensitivity analysis method

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated

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

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

Risks associated with defined benefit plan

Gratuity is a defined benefit plan and Company is exposed to the following risks:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance Company and a default will wipe out all the assets. Although probability of this is very less as insurance Companies have to follow regulatory guidelines.

Composition of plan assets

Qualifying policy with Tata AIA Life Insurance Company Limited	100%	100%

Asset liability matching strategies

The Company contributes to the insurance policy based on estimated liability of next financial year end. The projected liability statements is obtained from the actuarial valuer.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Actuarial assumptions:	For the year ended March 31, 2024	For the year ended March 31, 2023
1. Expected Return on Plan Assets	7.18%	7.31%
2. Discount rate	7.18%	7.31%
3. Expected rate of salary increase	6.50%	6.50% p.a.
4. Rate of Employee Turnover	18.00%	18.00%
5. Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

Notes:

a) The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.

b) The estimates of future salary increases considered in the actuarial valuation take account of seniority, promotion and other relevant factors, such as supply and demand in the employment market.

c) The Company expects to make nil contribution to the defined benefit plans (gratuity - funded) during the next financial year.

d) The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 8 years.

39 Segment Reporting

The Company has primarily two reportable business segments namely Fund based Activities and Advisory services for the quarter and period ended March 31, 2024. In accordance with Ind AS 108 - Operating Segments, the Company has disclosed the segment information in the consolidated financial statements of the Company.

40 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.

(₹ in Lakhs)

Assets	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financials Assets						
Cash and cash equivalents	10,131.06	-	10,131.06	3,785.52	-	3,785.52
Bank balances other than cash and cash equivalents	2,133.24	1,063.20	3,196.44	3,459.98	1,513.98	4,973.96
Receivables						-
(i)Trade Receivables	6,272.05	754.45	7,026.50	3,553.60	-	3,553.60
(ii)Other Receivables	-	-	-	-	-	-
Loans*	46,084.64	13,183.07	59,267.71	24,592.33	17,198.44	41,790.77
Investments	1,468.80	4,528.85	5,997.65	4,138.50	3,912.60	8,051.10
Other Financials Assets	1,567.44	-	1,567.44	849.55	-	849.55

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Assets	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Non Financials Assets						
Current Tax Assets (Net)	-	1,036.04	1,036.04	-	649.04	649.04
Deferred Tax Assets (Net)	-	397.64	397.64	-	13.48	13.48
Investment Property						
Property,Plant and Equipment	-	1,622.68	1,622.68	-	1,267.23	1,267.23
Right of use assets	-	352.12	352.12	-	583.02	583.02
Capital work -in- progress	-	6.36	6.36	-	73.39	73.39
Intangible assets under development	-	621.41	621.41	-	1,138.52	1,138.52
Other Intangible assets	-	856.56	856.56	-	249.65	249.65
Other non-financials assets	-	755.71	755.71	-	792.75	792.75
Non-current assets and disposal group held for sale	-	-	-	-	-	-
Total Assets	**67,657.22**	**25,178.07**	**92,835.32**	**40,379.48**	**27,392.11**	**67,771.58**

(₹ in Lakhs)

Liabilities	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial Liabilities						
Payables						
I)Trade payables	316.20	-	316.20	180.42	-	180.42
II)Other payables	30.68	-	30.68	32.98	-	32.98
Debt Securities	4,579.92	7,784.95	12,364.87	374.12	-	374.12
Borrowings (Other than Debt Securities)	37,614.06	18,631.88	56,245.94	28,264.95	15,612.59	43,877.54
Other financial liabilities	909.96	-	909.96	154.86	-	154.86
Non-Financial Liabilities						
Current tax liabilities(Net)	-	-	-	36.85	-	36.85
Provisions	18.65	85.50	104.15	12.47	44.81	57.28
Other non-financial liabilities	932.16	-	932.16	782.08	-	782.08
Total Liabilities	**44,401.63**	**26,502.34**	**70,903.97**	**29,838.73**	**15,657.40**	**45,496.13**
Net	**23,255.60**	**(1,324.28)**	**21,931.35**	**10,540.74**	**11,734.71**	**22,275.45**

41 Capital Management

The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares capital securities. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024. The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

The Company's adjusted net debt to equity ratio is as follows.

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Debt	68,610.82	44,251.65
Less: cash and cash equivalents	(10,131.06)	(3,785.52)
Less: Bank balances other than cash and cash equivalents	(3,196.44)	(4,973.96)
Adjusted net debt	**55,283.32**	**35,492.17**
Total Equity	21,931.36	22,275.45
Adjusted net debt to adjusted equity ratio	2.52	1.59

42 Events after reporting date

There have been no events after the reporting date that require disclosure in these financial statements.

43 Change in liabilities arising from financing activities

(₹ in Lakhs)

Particulars	April 1, 2023	Cash Flows	Changes in fair values	Exchange difference	Other**	As at March 31, 2024
Debt securities	374.12	11,955.67	-	-	35.08	12,364.87
Borrowings (other than debt securities)*	43,748.99	11,409.93	-	-	1,046.28	56,205.20
Lease Liabilities	128.55	(142.34)	-	-	167.15	153.36
Deposits	-	-	-	-	-	-
Total liabilities from financing activities	**44,251.66**	**23,223.26**	**-**	**-**	**1,248.51**	**68,723.43**

Particulars	April 1, 2022	Cash Flows	Changes in fair values	Exchange difference	Other**	As at March 31, 2023
Debt securities	3,821.46	(3,140.00)	-	-	(307.34)	374.12
Borrowings (other than debt securities)*	24,648.70	19,643.22	-	-	(542.93)	43,748.99
Lease Liabilities	177.49	(216.09)	-	-	167.15	128.55
Deposits	-	-	-	-	-	-
Total liabilities from financing activities	**28,647.65**	**16,287.13**	**-**	**-**	**(683.12)**	**44,251.66**

*Other than lease liabilities

**Other column includes creation of lease liabilities, Ind AS Adjustments & adjustments on account of Capital Contribution by the Holding Company in the Form of Corporate Guarantee.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

44 Related party disclosures

A. Names of related parties with whom transactions have taken place & description of relationship:

Description of relationship	Name of the related party
Associates	M/s. Wilson Holdings Private Limited [Upto June 30, 2024 this was Holding company and from July 2024 it ceases to be holding company]
Subsidiary	M/s. DFL Technologies Private Limited (from October 07, 2019) (Wholly owned Subsidiary of Trucap Finance Limited)
Key Management Personnel (KMP)	Mr. Karan Neale Desai, Whole Time Director and Chief Business Officer***(Upto June 30, 2022)
	Mr. Nirmal Vinod Momaya, Independent Director
	Mr. Krishipal Tarachand Raghuvanshi, Independent Director
	Mr. Rakesh Inderjeet Sethi, Independent Director
	Mr. Rajiv Prem Kapoor, Non-Executive Director*
	Mr. Rohanjeet Singh Juneja, Managing Director and Chief Executive Officer**
	Ms. Minaxi Kishore Mehta, Non-Excecutive Non-Independent Director (Upto June 17, 2022)
	Mr. Atwood Porter Collins, Non-Excecutive Non-Independent Director (w.e.f. July 31, 2021)
	Ms. Abha Kapoor, Independent Director (w.e.f. March 30, 2022)
	Ms. Rushina Mehta, Non Executive Non-Independent Director (w.e.f. June 17, 2022)
	Ms. Geetu Verma, Independent Director (w.e.f. May 31, 2022)
	Mr. Sanjay Kukreja, Chief Financial Officer (w.e.f. August 1, 2020)
	Ms. Sonal Sharma, Company Secretary (w.e.f. October 14, 2022)
	Mr. Lalit Mohan Chendvankar, Chief Compliance Officer and Legal Head (w.e.f. October 14, 2022)****
Other Related Parties	Ms. Minaxi Mehta (Promoter of Wilson Holdings Private Limited)
	Mr. Nimir Kishore Mehta (Relative of Promoter of Wilson Holdings Private Limited)
	Wilson Investment Adviser Pvt Ltd (Promoter of Parent Company Having Singnificant Influence)
	Prolific Ventures Pvt Ltd (Promoter of Parent Company Having Singnificant Influence)
	Wilson Financial Services Private Limited (from July 31, 2018) (Wholly owned Subsidiary of Wilson Holdings Private Limited)
	Exerfit Wellness Private Limited (Director Having Singnificant Influence)

*Change in designation of Mr. Rajiv Kapoor from Independent Director to Non-Executive Non-Independent Director with effect from March 30, 2022

** Change in designation of Mr. Rohanjeet Singh Juneja from Joint Managing Director to Managing Director and Chief Executive Officer with effect from March 12, 2022

***Change in designation of Mr. Karan Neale Desai from Joint Managing Director to Whole Time Director and Chief Business Officer with effect from March 12, 2022

****Change in designation of Mr. Lalit Mohan Chendvankar from Company Secretary to Legal Head with effect from October 14, 2022. There is no changes as Chief Compliance Officer with effect from October 1, 2021

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

B. Details of related party transactions:

(₹ in Lakhs)

Name of the related party	Nature of Transaction	For the year ended March 31, 2024	For the year ended March 31, 2023
Associates			
M/s. Wilson Holdings Private Limited	Interest expense	-	3.61
	Reimbursement of expenses	-	8.30
	Interest Income	-	-
	Conversion of share warrants into Equity	-	500.00
	Conversion of UCCD into Equity	-	2,061.29
	Capital Contribution towards corporate gaurantee	1,898.76	890.88
Subsidairy			
M/s. DFL Technologies Private Limited	Investments (including ESOP issued to subsidiary's employees)	-	690.00
	Purchase of Fixed assets	-	8.51
	Professional Fees Income	-	73.80
	Interest Income	-	5.46
	Loans repayment received	-	90.00
	DSA Commission Expenses	-	1.20
	Rent paid	9.45	5.03
	Office Expenses	-	56.46
	Reimbursement of expenses	94.58	38.33
Key Management Personnel (KMP)			
Mr. Karan Neale Desai	Remuneration and Short-termemployee benefits*	-	22.40
	Reimbursement of expenses	-	1.42
	Conversion of share warrants into Equity	-	289.60
Mr. Rohanjeet Singh Juneja	Remuneration and Short-termemployee benefits*	160.50	140.88
	Reimbursement of expenses	10.63	14.08
	Share-based payment	60.00	60.00
	Conversion of share warrants into Equity	-	400.00
Mr. Sanjay Kukreja	Remuneration and Short-termemployee benefits*	63.48	63.68
	Reimbursement of expenses	4.63	3.15
Mr. Lalit Mohan Chendvankar	Remuneration and Short-termemployee benefits*	49.09	47.82
	Reimbursement of expenses	3.56	5.37
Ms. Sonal Sharma	Remuneration and Short-termemployee benefits*	17.41	7.80
	Reimbursement of expenses	0.16	-
Mr. Nirmal Vinod Momaya	Sitting fees and commission	5.00	6.80
Mr. Krishipal Tarachand Raghuvanshi	Sitting fees and commission	8.00	11.30

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Name of the related party	Nature of Transaction	For the year ended March 31, 2024	For the year ended March 31, 2023
Mr. Rakesh Inderjeet Sethi	Sitting fees and commission	8.50	10.80
Mr. Rajiv Kapoor	Sitting fees and commission	9.00	10.80
Ms. Minaxi Kishore Mehta	Sitting fees and commission	-	1.00
Mr. Atwood Porter Collins	Sitting fees and commission	2.00	3.80
Ms. Abha Kapoor	Sitting fees and commission	5.50	9.80
Ms. Rushina Mehta	Sitting fees and commission	3.00	4.80
Ms. Geetu Verma	Sitting fees and commission	4.50	4.30
Other Related Parties:			
Wilson Investment Adviser Pvt Ltd	Professional Fees paid	-	33.70
Ms. Minaxi Mehta	Conversion of share warrants into Equity	-	500.00
Mr. Nimir Kishore Mehta	Rent paid	-	2.03
	Reimbursement of expenses	-	0.21
Prolific Ventures Pvt Ltd	Rent paid	48.54	67.54
	Rent Prepaid	-	26.00
	Reimbursement of expenses	1.28	5.91
	Security deposit	-	4.44
	ROU Asset	-	2.53

*As the future liability for gratuity and compensated absences is provided on an actuarial basis for the Company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.

C. Details of balances outstanding for related party transactions:

(₹ in Lakhs)

Name of the related party	Nature of Transaction	For the year ended March 31, 2024	For the year ended March 31, 2023
Associates			
M/s. Wilson Holdings Private Limited	Equity Share Capital [face value]	1,032.81	1,313.57
	Other Receivable	8.30	-
	Capital Contribution towards corporate gaurantee	-	1,918.87
Subsidiary			
M/s. DFL Technologies Private Limited	Trade Receivable	144.50	144.50
	Trade Payables	-	5.12
	Investments (including ESOP issued to subsidiary's employees)	3,190.10	3,190.10
	Other Receivable	9.18	26.41
Key Management Personnel (KMP)			
Mr. Nirmal Vinod Momaya	Sitting fees and commission	-	0.72
Mr. Krishipal Tarachand Raghuvanshi	Sitting fees and commission	0.45	0.72

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Name of the related party	Nature of Transaction	For the year ended March 31, 2024	For the year ended March 31, 2023
Ms. Manjari Kacker	Sitting fees and commission	-	-
Mr. Rakesh Inderjeet Sethi	Sitting fees and commission	-	0.72
Mr. Rajiv Kapoor	Sitting fees and commission	-	0.72
Mr. Atwood Porter Collins	Sitting fees and commission	-	0.64
Ms. Abha Kapoor	Sitting fees and commission	-	0.72
Ms. Rushina Mehta	Sitting fees and commission	-	0.72
Ms. Geetu Verma	Sitting fees and commission	-	0.72
Mr. Sanjay Kukreja	Equity Share Capital [face value]	0.10	0.07
Mr. Lalit Mohan Chendvankar	Equity Share Capital [face value]	0.00	0.00
Mr. Karan Neale Desai	Reimbursement of expenses	-	-
	Equity Share Capital [face value]	-	26.03
Mr. Rohanjeet Singh Juneja	Reimbursement of expenses	6.08	2.71
	Equity Share Capital [face value]	32.16	52.19
Other Related Parties:			
Wilson Investment Adviser Pvt. Ltd.	Other Receivable	3.24	-
Ms. Minaxi Mehta	Share Warrants	-	-
	Equity Share Capital [face value]	44.92	44.92
Mr. Nimir Kishore Mehta	Trade Payables	-	-
	Other Receivable	2.20	2.20
Prolific Ventures Pvt Ltd	Trade Payables	0.14	0.10
	Security deposit	33.26	33.26

D **The options granted and outstanding for the key managerial personnel as of March 31, 2024 and March 31, 2023 is as provided below:**

Name of the KMP	Grant Date	Expiry date	Exercise Price	Shares outstanding	
				Mar-24	Mar-23
Mr. Rohanjeet Singh Juneja	17-12-2019	16-12-2026	10.00	15,87,500	21,87,500
Mr. Rohanjeet Singh Juneja	31-07-2020	01-08-2028	10.00	3,75,000	3,75,000
Total				**19,62,500**	**25,62,500**

E The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

45 Fair Value Measurement

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in Lakhs)

Financial Assets and Liabilities as at March 31, 2024	Carrying Amount				Fair Value			
	Fair value through profit and loss account	Fair value through other comprehensive Income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Cash and cash equivalents	-	-	10,131.06	10,131.06	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	3,196.44	3,196.44	-	-	-	-
Receivables								
Trade receivables	-	-	7,026.50	7,026.50	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-
Loans	-	-	59,267.71	59,267.71	-	-	-	-
Investments	1,468.80	-	4,528.85	5,997.65	1,468.80	-	-	1,468.80
Other financials assets	-	-	1,567.44	1,567.44	-	-	-	-
Total	**1,468.80**	**-**	**85,718.00**	**87,186.79**	**1,468.80**	**-**	**-**	**1,468.80**
Financial Liabilities								
Payables								
Trade payables	-	-	316.20	316.20	-	-	-	-
Other payables	-	-	30.68	30.68	-	-	-	-
Debt Securities	-	-	12,364.87	12,364.87	-	-	-	-
Borrowings (Other than debt securities)	-	-	56,245.94	56,245.94	-	-	-	-
Other financial liabilities	-	-	909.96	909.96	-	-	-	-
Total	**-**	**-**	**69,867.65**	**69,867.65**	**-**	**-**	**-**	**-**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Financial Assets and Liabilities as at March 31, 2023	Carrying Amount				Fair Value			
	Fair value through profit and loss account	Fair value through other comprehensive Income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Cash and cash equivalents	-	-	3,785.52	3,785.52	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	4,973.96	4,973.96	-	-	-	-
Receivables								
Trade receivables	-	-	3,553.60	3,553.60	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-
Loans	-	-	41,790.77	41,790.77	-	-	-	-
Investments	4,138.50	-	3,912.60	8,051.10	4,138.50	-	-	4,138.50
Other financials assets	-	-	849.55	849.55	-	-	-	-
Total	**4,138.50**	**-**	**58,866.00**	**63,004.50**	**4,138.50**	**-**	**-**	**4,138.50**
Financial Liabilities								
Payables								
Trade payables	-	-	180.42	180.42	-	-	-	-
Other payables	-	-	32.98	32.98	-	-	-	-
Debt Securities	-	-	374.12	374.12	-	-	-	-
Borrowings (Other than debt securities)	-	-	43,877.54	43,877.54	-	-	-	-
Other financial liabilities	-	-	154.86	154.86	-	-	-	-
	-	**-**	**44,619.92**	**44,619.92**	**-**	**-**	**-**	**-**

B. Measurement of fair value

The following methods and assumptions were used to estimate the fair values:

a. The carrying amounts of trade receivables, trade payables, other receivables, cash and cash equivalent including other bank balances , other financials assets and other financial liabilities , etc. are considered to be the same as their fair values, due to current and short term nature of such balances.

b. Financial instruments with fixed interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty.Based on this evaluation, allowances if required, are taken to account for expected losses of these instruments.Thus, Amortised cost shown in A, above, is after adjusting ECL amount.

c. Fair Value Hierarchy

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments 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 Company-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

C. Valuation techniques used to determine fair value

Investments in Mutual Funds

The fair values of investments in mutual funds is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

D. Transfers between Level 1 and Level 2 and between Level 1 and Level 3

There were no transfers between level 1 and 2 and between Level 1 and Level 3 during the period. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

46 Financial Risk Management

The Company has in place comprehensive risk management policy in order to identify measure, monitor and mitigate various risks pertaining to its business. Along with the risk management policy, an adequate internal control system, commensurate to the size and complexity of its business, is maintained to align with the philosophy of the Company. Together they help in achieving the business goals and objectives consistent with the Company's strategies to prevent inconsistencies and gaps between its policies and practices. The Board of Directors/committtees reviews the adequacy and effectiveness of the risk management policy and internal control system. The Company's financial risk management is an integral part of how to plan and execute its business strategies.

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk and
- Market risk
- Climate related risk

(A) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables. The carrying amounts of financial assets represent the maximum credit risk exposure

i) Trade and Other Receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers located in India. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Outstanding for a period not exceeding six months	3,607.92	2,839.16
Outstanding for a period exceeding six months	3,437.15	733.01
Gross Trade Receivables	**7,045.07**	**3,572.17**
Less: Impairment Loss	(18.57)	(18.57)
Net Trade Receivables	**7,026.50**	**3,553.60**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss. The Company computes the expected credit loss allowance as per simplified approach for trade receivables based on available external and internal credit risk factors such as the ageing of its dues, market information about the customer and the Company's historical experience for customers. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is based on the ageing of the receivable days and the rates as given in the provision matrix.

ii) Loans and financial assets measured at amortized cost

The ageing analysis of loans (gross of provision) has been considered from the date the contractual payment falls due :

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
0-30 Days Past Due		
Secured	29,068.06	18,751.29
Unsecured	28,428.70	20,477.60
30-90 Days Past due		
Secured	416.43	919.08
Unsecured	564.10	530.19
More than 90 Days Past Due		
Secured	31.54	389.39
Unsecured	1,273.44	927.87
Total	**59,782.27**	**41,995.42**

The Company reviews the credit quality of its loans based on the ageing of the loan at the period end. Since the Company is into small ticket loan business, there is no significant credit risk of any individual customer that may impact Company adversely, and hence the Company has calculated its ECL allowances on a collective basis.

Inputs considered in the ECL model

In assessing the impairment of financial loans under Expected Credit Loss (ECL) Model, the assets have been segmented into three stages. The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages, relate to the recognition of expected credit losses and the measurement of interest income.

The Company categorizes loan assets into stages primarily based on the Months Past Due status.

Stage 1 : 0-30 days past due

Stage 2 : 31-90 days past due

Stage 3 : More than 90 days past due

(i) Definition of default

The Company considers a financial asset to be in "default" and therefore Stage 3 (credit impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments.

(ii) Exposure at default

"Exposure at Default" (EAD) represents the gross carrying amount of the assets subject to impairment calculation.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(iii) Estimations and assumptions considered in the ECL model

Measurement of Expected Credit Losses

The Company has applied a three-stage approach to measure expected credit losses (ECL) on debt instruments accounted for at amortised cost. Assets migrate through following three stages based on the changes in credit quality since initial recognition:

(a) Stage 1: 12- months ECL: For exposures where there is no 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 recognized.

(b) Stage 2: Lifetime ECL, not credit-impaired: For credit exposures where there has been a significant increase in credit risk since initial recognition but are not credit-impaired, a lifetime ECL is recognized.

(c) Stage 3: Lifetime ECL, credit-impaired: Financial assets are assessed as credit impaired upon occurrence of one or more events that have a detrimental impact on the estimated future cash flows of that asset. For financial assets that have become credit-impaired, a lifetime ECL is recognized and interest revenue is calculated by applying the effective interest rate to the amortised cost.

At each reporting date, the Company assesses whether there has been a significant increase in credit risk of its financial assets since initial recognition by comparing the risk of default occurring over the expected life of the asset. In determining whether credit risk has increased significantly since initial recognition, the Company uses information that is relevant and available without undue cost or effort. This includes the Company's internal credit rating grading system, external risk ratings and forward-looking information to assess deterioration in credit quality of a financial asset.

The Company assesses whether the credit risk on a financial asset has increased significantly on an individual and collective basis. For the purpose of collective evaluation of impairment, financial assets are grouped on the basis of shared credit risk characteristics, taking into account accounting instrument type, credit risk ratings, date of initial recognition, remaining term to maturity, industry, geographical location of the borrower, collateral type, and other relevant factors. For the purpose of individual evaluation of impairment factors such as internally collected data on customer payment record, utilization of granted credit limits and information obtained during the periodic review of customer records such as audited financial statements, budgets and projections are considered.

In determining whether the credit risk on a financial asset has increased significantly, the Company considers the change in the risk of a default occurring since initial recognition. The default definition used for such assessment is consistent with that used for internal credit risk management purposes.

The Company considers defaulted assets as those which are contractually past due 90 days, other than those assets where there is empirical evidence to the contrary. Financial assets which are contractually past due 30 days are classified under Stage 2 - life time ECL, not credit impaired, barring those where there is empirical evidence to the contrary. The Company considers financial instruments (typically the retail loans) to have low credit risk if they are rated internally or externally within the investment grade. An asset migrates down the ECL stage based on the change in the risk of a default occurring since initial recognition. If in a subsequent period, credit quality improves and reverses any previously assessed significant increase in credit risk since origination, then the loan loss provision stage reverses to 12-months ECL from lifetime ECL.

The Company measures the amount of ECL on a financial instrument in a way that reflects an unbiased and probability-weighted amount. The Company considers its historical loss experience and adjusts the same for current observable data. The key inputs into the measurement of ECL are the probability of default, loss given default and exposure at default. These parameters are derived from the Company's internally developed statistical models and other historical data.

Macroeconomic Scenarios

In addition, the Company uses reasonable and supportable information on future economic conditions including macroeconomic factors such as CPI and repo rate. Since incorporating these forward looking information increases the judgment as to how the changes in these macroeconomic factor will affect ECL, the methodology and assumptions are reviewed regularly.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(iv) Policy for write off of Loan assets

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made from written off assets under "Other Income " in Statement of profit and loss.

An analysis of changes in the gross carrying amount and the corresponding ECLs as follows :

Gross exposure reconciliation

(₹ in Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount balance as at April 1, 2022	**24,906.51**	**3,549.20**	**917.64**	**29,373.35**
New loans originated during the year	50,290.55	2,533.87	69.93	52,894.35
Transfers to Stage 1	216.72	-	-	216.72
Transfers to Stage 2	(335.83)	(255.10)	-	(590.93)
Transfers to Stage 3	(678.02)	-	1,052.23	374.21
Write-offs	-	-	(181.72)	(181.72)
Assets derecognised or repaid (excluding write offs and includes interest accruals adjusted)	(35,803.46)	(3,729.45)	(557.65)	(40,090.56)
Gross carrying amount balance as at March 31, 2023	**38,596.47**	**2,098.52**	**1,300.41**	**41,995.42**
New loans originated during the year	1,10,251.27	4,933.05	72.36	1,15,256.68
Transfers to Stage 1	65.96	-	-	65.96
Transfers to Stage 2	(562.08)	254.10	-	(307.99)
Transfers to Stage 3	(729.91)	-	971.94	242.03
Write-offs	-	-	(100.71)	(100.71)
Assets derecognised or repaid (excluding write offs and includes interest accruals adjusted)	(95,196.66)	(1,407.02)	(765.43)	(97,369.11)
Gross carrying amount balance as at March 31, 2024	**52,425.05**	**5,878.65**	**1,478.57**	**59,782.27**

Reconcilaiation of ECL balance

(₹ in Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL Allowance- Opening Balance as at April 1, 2022	**65.01**	**98.14**	**304.55**	**467.69**
New loans originated during the year	25.99	7.28	12.45	45.72
Transfers to Stage 1	20.09	-	-	20.09
Transfers to Stage 2	0.89	(60.04)	-	(59.15)
Transfers to Stage 3	2.78	36.45	(0.18)	39.06
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery and write offs	(77.90)	(68.36)	(162.51)	(308.77)
Amounts Written off	-	-	-	-
ECL Allowance-Closing Balances as on March 31, 2023	**36.86**	**13.48**	**154.31**	**204.65**
New loans originated during the year	23.07	11.93	25.59	60.59
Transfers to Stage 1	(243.84)	-	-	(243.84)
Transfers to Stage 2	5.79	(72.89)	-	(67.11)
Transfers to Stage 3	238.15	72.80	(0.00)	310.95
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery and write offs	-	-	-	-
Amounts Written off	(28.58)	(7.53)	285.44	249.33
ECL Allowance- Closing Balances as on March 31, 2024	**31.45**	**17.78**	**465.33**	**514.56**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

iii. Cash and bank balances

The Company held cash and cash equivalent and other bank balance of Rs. 13,327.50 Lakhs at March 31, 2024 (March 31, 2023: Rs. 8,759.48 Lakhs). The same are held with bank and financial institution counterparties with good credit rating. Also, Company invests its short term surplus funds in bank fixed deposit which carry no market risks for short duration, therefore does not expose the Company to credit risk.

iv. Others

Apart from trade receivables ,loans, cash and bank balances and Investment measured at amortised cost , the Company has no other financial assets which carries any significant credit risk.

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

(i) Maturities of financial assets and liabilities

The table below analyses the company's financial liabilities and financial assets into relevant maturity groupings based on the remaining period as at the reporting date to contractual maturity date. The amount disclosed in the below table are the contractual un-discounted cash flows and exclude the impact of future interest payments.

(₹ in Lakhs)

Contractual maturities of financial assets March 31, 2024	1 year or less	1-3 years	More than 3 years	Total
Cash and cash equivalents	10,131.06	-	-	10,131.06
Bank balances other than cash and cash equivalents	3,179.46	-	-	3,179.46
Receivables				
Trade receivables	6,272.05	754.45	-	7,026.50
Other receivables	-	-	-	-
Loans	46,084.64	11,738.00	1,959.63	59,782.27
Investments	1,468.80	-	4,528.85	5,997.65
Other Financials Assets	1,567.44	-	-	1,567.44
Total	**68,703.44**	**12,492.45**	**6,488.48**	**87,684.36**
Contractual maturities of financial liabilities March 31, 2024	**1 year or less**	**1-3 years**	**More than 3 years**	**Total**
Payables				
Trade payables	316.20	-	-	316.20
Other payables	30.68	-	-	30.68
Debt Securities	4,579.92	7,049.67	800.00	12,429.59
Borrowings (other than debt securities)	36,322.53	20,528.12	375.00	57,225.65
Other financial liabilities	909.96	-	-	909.96
Total	**42,159.29**	**27,577.79**	**1,175.00**	**70,912.08**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Contractual maturities of financial assets March 31, 2023	1 year or less	1-3 years	More than 3 years	Total
Cash and cash equivalents	3,785.52	-	-	3,785.52
Bank balances other than cash and cash equivalents	4,957.36	-	-	4,957.36
Receivables				
Trade receivables	3,572.17	-	-	3,572.17
Other receivables	-	-	-	-
Loans	24,592.33	13,099.00	4,304.09	41,995.42
Investments	4,138.50	-	3,912.60	8,051.10
Other financials assets	849.55	-	-	849.55
Total	**41,895.43**	**13,099.00**	**8,216.69**	**63,211.12**
Contractual maturities of financial liabilities March 31, 2023	**1 year or less**	**1-3 years**	**More than 3 years**	**Total**
Payables				
Trade payables	180.42	-	-	180.42
Other payables	32.98	-	-	32.98
Debt Securities	-	374.12	-	374.12
Borrowings (Other than Debt Securities)	-	-	43,877.54	43,877.54
Other financial liabilities	154.86	-	-	154.86
Total	**368.26**	**374.12**	**43,877.54**	**44,619.92**

(₹ in Lakhs)

Contractual maturities of financial assets April 1, 2022	1 year or less	1-3 years	More than 3 years	Total
Cash and cash equivalents	5,758.78	-	-	5,758.78
Bank balances other than cash and cash equivalents	2,007.00	-	-	2,007.00
Receivables				
Trade receivables	1,247.21	-	-	1,247.21
Other receivables	46.96	-	-	46.96
Loans	19,829.58	6,116.73	3,427.04	29,373.35
Investments	2,503.70	-	2,585.77	5,089.47
Other financials assets	569.95	-	-	569.95
Total	**31,963.17**	**6,116.73**	**6,012.81**	**44,092.71**
Contractual maturities of financial liabilities April 1, 2022	**1 year or less**	**1-3 years**	**More than 3 years**	**Total**
Payables				
Trade payables	357.92	-	-	357.92
Other payables	130.00	-	-	130.00
Debt Securities	126.98	3,319.49	375.00	3,821.46
Borrowings (Other than Debt Securities)	-	-	24,826.19	24,826.19
Other financial liabilities	218.72	-	-	218.72
Total	**833.62**	**3,319.49**	**25,201.19**	**29,354.29**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(C) Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.The Company's exposure to, and management of, these risks is explained below.

(i) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company caters mainly to the Indian Market . Most of the transactions are denominated in the Company's functional currency i.e. Rupees. Hence the Company is not materially exposed to Foreign Currency Risk.

(ii) Interest rate risk:

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligation at floating interest rates. The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting year are as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed rate borrowings	31,914.51	11,005.16
Floating rate borrowings	36,655.56	33,117.95

Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

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

Particulars	For the year ended March 31, 2024	
	100bps Increase	100bps decrease
Financial Liability		
Variable rate Instrument		
Floating Rate Borrowings	(366.56)	(331.18)

(iii) Price Risk

The Company's exposure to mutual fund is exposed to price risk and classified in the balance sheet at fair value through profit or loss. 100 bps increase in Net Assets Value (NAV) would increase profit before tax by approximately Rs. 14.69 Lakhs (March 31, 2023: Rs. 41.39 Lakhs). A similar percentage decrease would have resulted equivalent opposite impact.

(d) Climate related risk

During the financial year March 31, 2024, the Board have updated extensively on climate change related risks through presentations at the board meeting, and this has been assessed that the climate change not affecting significantly the company's operations in future.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

47 Disclosure in notes to Financial statements as required under paragraph 2 (a) of RBI Notification No RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020

For the year ended March 31, 2024 (₹ in Lakhs)

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	52,524.79	31.64	52,493.15	70.88	(39.24)
	Stage 2	5,889.68	17.78	5,871.90	13.44	4.33
Subtotal		58,414.47	49.42	58,365.05	84.32	**(34.91)**
Non-Performing Assets (NPA)						
Standard	Stage 1	3.34	0.01	3.33	-	0.01
Substandard	Stage 2	2.62	0.00	2.62	-	0.00
Doubtful	Stage 3	1,361.84	465.13	896.71	301.52	163.61
Subtotal for NPA		**1,367.80**	**465.14**	**902.66**	**301.52**	**163.62**
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	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	**Stage 1**	52,524.79	31.64	52,493.15	70.88	(39.24)
	Stage 2	5,893.02	17.79	5,875.23	13.44	4.34
	Stage 3	1,364.46	465.13	899.33	301.52	163.61
Total		**59,782.27**	**514.55**	**59,267.70**	**385.84**	**128.71**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

For the year ended March 31, 2023 ₹

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying amount as per Ind AS	Loss allowances (Provisions) as required under Ind As 109	Net Carrying Amount	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	38,596.47	36.86	38,559.61	52.04	(15.18)
	Stage 2	2,092.62	13.40	2,079.22	1.04	12.36
Subtotal		**40,689.09**	**50.26**	**40,638.83**	**53.08**	**(2.82)**
Non-Performing Assets						
Substandard	Stage 2	5.90	0.08	5.82	1.39	(1.31)
Substandard	Stage 3	1,125.49	143.04	982.45	89.40	53.64
Doubtful	Stage 3	174.94	11.27	163.67	7.04	4.23
Subtotal		**1,306.33**	**154.39**	**1,151.94**	**97.83**	**56.55**
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	-	-	-	-	-
Subtotal						
Total	Stage 1	38,596.47	36.86	38,559.61	52.04	(15.18)
	Stage 2	2,098.52	13.48	2,085.03	2.43	11.05
	Stage 3	1,300.43	154.31	1,146.11	96.44	57.87
Total		**41,995.42**	**204.65**	**41,790.75**	**150.91**	**53.74**

48 Asset Classification and Provisioning Disclosure

Disclosure as per the circular no DOR.NO.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 issued by Reserve Bank of India on "COVID -19 regulatory package - Asset Classification and provisioning".

1) Amounts in SMA/overdue categories where moratorium/deferment was extended in terms of paragraph 2 and 3 of the above circular

(₹ in Lakhs)

	Particulars	As of March 31, 2024	As of March 31, 2023
i.	Amounts in SMA/overdue categories where moratorium/ deferment was extended *	-	-
ii.	Respective amount where asset classification benefit is extended	Nil	Nil
iii.	Provisions made during quarter in terms of paragraph 5 of the above circular ***	Nil	Nil
iv.	Provisions adjusted against the respective accounting periods for slippages and residual provisions in terms of paragraph 6 of the above circular	Not applicable	Not applicable

2) Respective amount where asset classification benefit is extended : ₹ Nil

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

49 Disclosure related to leases

(A) Additions to right to use

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Lease hold Property	44.79	167.05

(B) Carrying value of right of use assets at the end of the reporting year

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	583.02	637.38
Additions	44.79	167.05
Deletion	-	-
Depreciation charge for the year	275.69	221.41
Balance at the end of the year	**352.12**	**583.02**

(C) Maturity analysis of lease liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	36.51	96.50
One to five years	4.23	32.05
More than five years	-	-
Total discounted lease liabilities at reporting period	**40.74**	**128.55**
Lease liabilities included in the statement of financial position at the year ended	**40.74**	**128.55**

(D) Amounts recognised in statement of profit or loss

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest on lease liabilities	-	25.52
Expenses relating to short-term leases	389.28	128.17
Expenses relating to leases of low-value assets	-	-
Total	**389.28**	**153.69**

(E) Amounts recognised in the statement of cash flows

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Operating Activity	389.28	128.17
Financial Activity	142.34	216.09
Total Cash outflow for leases	**531.62**	**344.26**

Sub Lease

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the rightof- use asset arising from the head lease. For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

50 Employee Stock Options Scheme (ESOP)

The Company has granted Employee Stock Options (ESOP) under the Employee Stock Option Scheme 2018 (ESOP 2018) to employees of the Company . These options are vested during 4 years from the grant date and exercisable with in 4 years from vesting date.In the case of resignation of the employee, the grants lapse (if not exercised) after the date of resignation from service.Vesting of options is subject to continued employment with the Company. The plan is an equity settled plan. The employee compensation expense for the year has been determined on fair value basis as on March 31, 2021. The said ESOPs will start its vesting period from November 5, 2019. The details of which are as follows.

ESOP Scheme	Particulars	Date of Grant	Date of Board Approval	Total options granted
ESOP Scheme 2018	Grant 1	05-Nov-18	05-Nov-18	55,88,550
ESOP Scheme 2018	Grant 2	22-May-19	22-May-19	5,68,710
ESOP Scheme 2018	Grant 3	17-Dec-19	17-Dec-19	41,82,555
ESOP Scheme 2018	Grant 4	31-Jul-20	31-Jul-20	7,50,000

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Series Reference	2019-2023		2020-2024		2020-2024		2020-2024	
	T-1		T-2		T-3		T-4	
Fair value of the option range	23.39 - 23.98		31.44 - 34.87		41.36 - 44.82		51.81 - 65.38	
Exercise price	6		10		10		10	
Vesting period (see table below)	12 to 48 months		12 to 48 months		12 to 48 months		12 to 48 months	
Method of settlement	Equity		Equity		Equity		Equity	
Options outstanding as at beginning of reporting period	**74,318**	**5,12,802**	**34,538**	**3,13,417**	**21,87,500**	**29,50,000**	**3,75,000**	**3,75,000**
Options granted during the year	-	-	-	-	-	-	-	-
Options lapse during the year	-	-	-	-	-	-	-	-
Options Forfeited during the year	-	51,625	-	1,44,556	6,00,000	7,62,500	-	-
Options exercised during the year	74,310	3,86,859	10,345	1,34,323	-	-	-	-
Options outstanding as at end of reporting period	**8**	**74,318**	**24,193**	**34,538**	**15,87,500**	**21,87,500**	**3,75,000**	**3,75,000**

Manner of vesting: In a graded manner over a 4 year period with 10%, 20%, 30% and 40% of the grants vesting in each year commencing from the start date of the first tranche.

In respect of stock options granted pursuant to the Company's stock option scheme, the fair value of the options is treated as discount and accounted as "Expenses on Employee Stock Option Plan" over the vesting period.

Expenses on Employee Stock Option Plan debited to Statement of Profit and Loss during the year 2023-24 is Rs. 66.41 Lakhs (2022-23 Rs. 95.39 Lakhs)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

50.1 Fair valuation:

The fair value of options have been calculated on the date of the grant, using Black-Scholes model by an external firm of valuer.

The key assumptions used in Black-Scholes model for calculating fair value as on the date of the grant are:

Grant Date	Risk Free Interest Rate	Expected Life	Expected Volatility	Dividend Yield	Price of Underlying share at the time of option grant
05-Nov-18	7.35% - 7.46%	4.5 to 6 years	46.1%-47.9%	0.0229	43.8
22-May-19	6.86% - 7.41%	4.5 to 6 years	46.50%	0.0073	61.5
17-Dec-19	6.86% - 7.41%	4.5 to 6 years	46.50%	0.0073	73.9
31-Jul-20	5.13% - 5.64%	4.5 to 6 years	45.00%	0.0052	98.5

50.2 Total carrying amount at the end of the year in Employee Stock Options under other equity

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Total carrying amount	201.37	196.73

51 Hon'ble Supreme Court, in a public interest litigation (Gajendra Sharma vs. Union of India & Anr). vide an interim order dated September 3, 2020, has directed that accounts which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders. However, such accounts had been classified as stage 3 in accordance with Note No.9 and provision had been made accordingly.

The interim order stood vacated on March 23, 2021 vide the judgement of the Hon'ble Supreme Court in the matter of Small Scale Industrial manufacturers Association v/s UOI & Ors. and other connected matters. In accordance with the instructions in paragraph 5 of the RBI circular no. RBI/2021-22/17 DOR. STR. REC. 4/ 21.04.048/ 2021-22, dated April 07, 2021 issued in this connection. Since, the Company was already classifying the NPA accounts as Stage 3 and provision was made accordingly, without considering the above mentioned asset classification benefit for accounting purpose, there is no change in asset classification on account of the interim order dated March 23, 2021.

52 In accordance with the instructions in aforementioned RBI circular dated April 7, 2021, and the Indian Banks Association (IBA) advisory letter dated April 19, 2021, the Company has put in place the Board approved policy to refund / adjust the interest on interest charged during the moratorium period of March 01, 2020 to August 31, 2020 to eligible borrowers under the abovementioned circular and advisory. The Company has no borrowers who are eligible for benefit as per the abovementioned RBI circular and IBA advisory.

53 During the year ended March 31, 2021, the Company has not invoked resolution plans to relieve COVID-19 pandemic related stress to any of its borrowers. Therefore, disclosure as per the format prescribed as per the notification no. RBI/2020-21/16 DOR.NO.BP.BC/3.21.04.048/2020-21 dated August 6, 2020 for the year ended March 31, 2021 is not applicable to the Company.

54 The Code on Social Security, 2020 (the Code) has been enacted, which would impact contribution by the Company towards Provident Fund and Gratuity. The effective date from which changes are applicable is yet to be notified and the rules thereunder are yet to be announced. The actual impact on account of this change will be evaluated and accounted for when notification becomes effective.

55 Schedule to the Balance Sheet of a non-deposit taking non-banking financial Company (as required in terms of paragraph 18 of Master Direction - Non-Banking Financial Company –Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 as at March 31, 2024

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

55.1	Liabilities Side	As at March 31, 2024		As at March 31, 2023	
		Outstanding Amount	Amount Overdue	Outstanding Amount	Amount Overdue
	Loans and advances availed by the non banking financial Company inclusive of interest accrued thereon but not paid:				
	a) Debentures:				
	Secured	12,364.87	-	374.12	-
	Unsecured	-	-	-	-
	(other than falling within the meaning of public deposits*)				
	b) Deferred Credits	-	-	-	-
	c) Term Loans	54,913.67		41,866.12	-
	d) Inter-corporate loans and borrowings	-	-	-	-
	e) Commercial Paper	-	-	-	-
	f) Public Deposits	-	-	-	-
	g) Other Loans - Bank Overdraft	1,291.53	-	1,882.87	-
	g) Other Loans - Lease Liability	40.74	-	128.55	-
	Total	**68,610.81**	**-**	**44,251.66**	**-**

(₹ in Lakhs)

55.2	Break-up of (f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):	As at March 31, 2024	As at March 31, 2023
	(a) In the form of Unsecured debentures	-	-
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	(c) Other public deposits	-	-

(₹ in Lakhs)

55.3	Assets Side	As at March 31, 2024	As at March 31, 2023
	Breakup of Loans and Advances including bills receivables (other than those included in (4) below) :		
	a) Secured*	29,516.03	18,275.26
	b) Unsecured *	30,266.24	23,720.16

* Represents gross value

(₹ in Lakhs)

55.4	Breakup of Leased Assets and stock on hire and other assets counting towards AFC activities	As at March 31, 2024	As at March 31, 2023
	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) Repossed Assets	-	-
	iii) Other loans counting towards AFC activities		
	a) Loans where assets have been repossessed	-	-
	b) Loans other than (a) above -	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

55.5 Breakup of Investments:	As at March 31, 2024	As at March 31, 2023
Current Investments:		
1. Quoted:		
i) Shares:		
(a) Equity	-	-
(b) Preference	-	-
ii) Debentures and Bonds	-	-
iii) Units of mutual funds	1,468.80	4,138.50
iv) Government Securities	-	-
v) Others	1,338.75	722.50
2. Unquoted:		
i) Shares:	-	-
(a) Equity	3,190.10	3,104.43
(b) Preference	-	-
ii) Debentures and Bonds	-	-
iii) Units of mutual funds	-	-
iv) Government Securities	-	-
v) Others	-	85.67
Long Term investments:		
1. Quoted:		
i) Shares:	-	-
(a) Equity	-	-
(b) Preference	-	-
ii) Debentures and Bonds	-	-
iii) Units of mutual funds	-	-
iv) Government Securities	-	-
v) Others	-	-
2. Unquoted:		
i) Shares:		
(a) Equity	-	-
(b) Preference	-	-
ii) Debentures and Bonds	-	-
iii) Units of mutual funds	-	-
iv) Government Securities	-	-
v) Others*	-	-

*Others represents the ESOPs granted by the Company to certain employees of the subsidiary.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

55.6 Borrower groupwise classification of assets financed as in (3) and (4) above:

(₹ in Lakhs)

Category	As at March 31, 2024			As at March 31, 2023		
	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*	29,516.03	30,266.24	59,782.27	18,275.26	23,720.16	41,995.42

* Represents gross value

55.7 Investor groupwise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

(₹ in Lakhs)

Category	As at March 31, 2024		As at March 31, 2023	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties				
a) Subsidiaries *	-	3,190.10		3,190.10
b) Companies in the same group	-	-	-	-
c) Other related parties	-	-	-	-
2. Other than related parties	1,468.80	1,468.80	4,138.50	4,138.50

*The Company has Employee Stock Option Plans (ESOP) in force. Based on such ESOP schemes, the Company has granted options to acquire equity shares of the company to certain employees of subsidiary. It has been included in the above carrying value of investment in the subsidiary.

$ The Company has not disclosed the breakup of investment into Long term investment and current investment as the classification is not required under Indian Accounting Standards issued by MCA.

55.8 PUBLIC DISCLOSURE ON LIQUIDTY RISK AS ON MARCH 31, 2024

(As per RBI circular no.RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated November 04, 2019)

i) Funding Concentration based on significant counterparty (both deposits and borrowings)

(₹ in Lakhs)

Number of significant Counterparties	Amount	% of Total deposits	% of Total Liabilities
38	65,177.34	-	91.92%

*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 NBFC-NDSI's NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs, in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 4, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies ("Liquidity Circular").

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

ii) Top 20 large deposits (amount in ₹ crore and % of total deposits)

Not applicable. The Company being a Non-Systemically Important Non-Deposit taking Non-Banking Financial Company registered with Reserve Bank of India, does not accept public deposits.

iii) Total of top 10 borrowings (amount in ₹ crore and % of total borrowings)

(₹ in Lakhs)

Amount	Borrowing %
30,584.33	44.60%

iv) Funding Concentration based on significant instrument/product

(₹ in Lakhs)

Name of the instrument/product*	Amount	% of Total Liabilities
Non-convertible debentures	11,385.67	16.06%
Bank Borrowings	18,411.56	25.97%
Other Borrowings (NBFC/Funds/FIs)	38,772.84	54.68%
Total	**68,570.07**	

*A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs as per Liquidity Circular.

v) Stock Ratios:

Particulars	Ratios
Commercial Papers to Public Funds	-
Commercial Papers to Total Liabilities	-
Commercial Papers to Total Assets	-
NCDs (original Maturity <1 Yrs.) to Public Funds	-
NCDs (original Maturity <1 Yrs.) to Total Liabilities	-
NCDs (original Maturity <1 Yrs.) to Total Assets	-
Other Short Term Liabilities to Public Funds	61.53%
Other Short Term Liabilities to Total Liabilities	59.51%
Other Short Term Liabilities to Total Assets	45.45%

vi) Institutional set-up for liquidity risk management

The Company have crossed the threshold of Rs. 100 Crores. Accordingly, in compliance with Liquidity Circular, the Board of Directors of the Company has constituted the Asset Liability Management Committee and the Risk Management Committee.

Note:

The amount stated in this disclosure is based on the Audited financial results for the quarter ended March 31, 2024.

Total Liabilities has been computed as sum of all liabilities (Balance Sheet figure) less Equities and Reserves/Surplus.

Other Short-term liabilities is computed as current maturities of Long-term debts but exclude commercial papers, Non-Convertible Debentures having original maturity of less than one year.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

55.9 A. Disclosure pertaining to RBI Master Direction - RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 Reserve Bank of India

(Transfer of Loan Exposures) Directions, 2021 dated September 24, 2021

(₹ in Lakhs)

Details of transfer through assignment in repect of loans not in default during year ended March 31, 2024	Amount
Count of loans accounts assigned	Nil
Amount of loan accounts assigned (Rs. In Lakhs)	Nil
Weighted average maturity (in months)	Nil
Weighted average holding period (in months)	Nil
Retention of beneficial economic interest(%)	Nil
Coverage of tangible security (%)	Nil
Rating wise distribution of rated loans	Nil
Break-up of loans Transferred/acquired through assignment /Novation and loan participation	Nil
Instances where we have agreed to replace loans transferred to transferee(s) or pay damages arising out of any representation or warranty	Nil

The Company has not acquired any loans (which are in not default or stressed loans) through assignment during the financial year ended March 31, 2024.

The Company has neither acquired nor transferred any stressed loans (except ARCs) during the year ended March 31, 2024.

B. Disclosure pertaining to RBI Master Direction - RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 Reserve Bank of India

(Securitisation of Standard Assets) Directions, 2021 dated September 24, 2021

(₹ in Lakhs)

Details of stressed loans transferred during the year (NPA)	Amount
No of accounts	74
Aggregate principal outstanding of loan transferred (Rs. In Lakhs)	733.33
Weighted average residual tenor of the loan transferred (in months)	20
Net Book Value of loans transferred (at the time of transfer)	733.33
Aggregate consideration	725.00
Rating wise distribution of rated loans	Nil

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

55.10 Information on instances of fraud:

During the year there are no fraud reported

55.11 Other information

(₹ in Lakhs)

Particulars			As at March 31, 2024	As at March 31, 2023
i)	Gross Non Performing Assets ##			
	a)	Related Parties	-	-
	b)	Other than related parties	1,367.80	1,300.43
ii)	Net Non Performing Assets##			
	a)	Related Parties	-	-
	b)	Other than related parties	853.24	1,146.12
iii)	Assets acquired in satisfaction of debt		-	-

NPA accounts refer to Stage 3 assets. Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date as defined under Ind-AS. 90 days Past due is considered as default for classifying a financial instrument as credit impaired.

Note :

Provisioning norms shall be applicable as prescribed in Indian Accounting Standards by MCA.

All Indian Accounting Standards issued by MCA are applicable including valuation of investments and other assets.

55.12 Disclosure of gold auction

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Number of loan accounts	1,651	511
Outstanding amount	1,299.21	308.04
Value fetched on auctions	1,308.90	332.13

None of the sister concerns of the Company participated in the auction

55.13 Loans to Directors, Senior Officers and relatives of Directors

Disclosure pursuant to RBI notification RBI/2022-23/29 DOR.CRE.REC.No.25/03.10.001/2022-23 dated April 19, 2022.

(₹ in Lakhs)

Particulars	Aggregate amount of such sanctioned loans and advances	
	As at March 31, 2024	As at March 31, 2023
Directors and their relatives	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

55.14 Exposures

55.14 A. Exposure to real estate sector

(₹ in Lakhs)

Category As at	**As at March 31, 2024**	**As at March 31, 2023**
i) Direct exposure		
a) Residential Mortgages*		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented and also includes non-fund based (NFB) limits.	-	-
b) Commercial Real Estate*		
Lending secured by mortgages on commercial real estate (office buildings,retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.) and also includes non-fund based (NFB) limits.	589.13	575.62
c) Investments in Mortgage-Backed Securities (MBS) and other securitised exposures		
i. Residential	-	-
ii. Commercial Real Estate	-	-
	-	-
ii) Indirect Exposure		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	-
Total Exposure to Real Estate Sector	**589.13**	**575.62**

*Repayment of the MSME loans primarily depends on the cash flows from business operations of the borrower and are additionally secured by immovable property.

55.14 B. Sectoral exposure

(₹ in Lakhs)

Sectors	**As at March 31, 2024**			**As at March 31, 2023**		
	Total Exposure (₹ in Lakhs)	**Gross NPAs (₹ in Lakhs)**	**Percentage of Gross NPAs to total exposure in that Sector**	**Total Exposure (₹ in Lakhs)**	**Gross NPAs (₹ in Lakhs)**	**Percentage of Gross NPAs to total exposure in that Sector**
1) Agriculture and Allied Activities	-	-	0.00%	-	-	0.00%
2) Industry	5,733.57	335.78	5.86%	4,382.49	371.50	8.48%
3) Services						
- Transport Operators	353.75	17.11	4.84%	348.82	3.56	1.02%
- SME Loans	24,257.78	882.88	3.64%	17,603.33	853.70	4.85%
- Others	-	-	0.00%	-	-	0.00%
Total of Services	**24,611.53**	**899.99**	**8.48%**	**17,952.15**	**857.26**	**5.87%**
4) Personal Loan						
- Gold loan	29,115.06	38.44	0.13%	18,881.90	-	0.00%
- Others	-	-	0.00%	-	-	0.00%
Total of Personal Loan	**29,115.06**	**38.44**	**0.13%**	**18,881.90**	**-**	**0.00%**
5) Others, if any	322.11	93.59	29.06%	778.88	71.67	9.20%
Total	**59,782.27**	**1,367.80**	**2.29%**	**41,995.42**	**1,300.43**	**3.10%**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

55.14 C. Intra-group exposures

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Total amount of intra-group exposures	-	-
Total amount of top 20 intra-group exposures	-	-
Percentage of intra-group exposures to total exposure of the Company on borrowers/ customers	-	-

55.14 D. Exposure to capital market

(₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt	3,190.10	3,190.10
ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds	-	-
iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-
iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances	-	-
v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
vii)	Bridge loans to companies against expected equity flows / issues	-	-
viii)	Underwriting commitments taken up by the Company in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
ix)	Financing to stockbrokers for margin trading	-	-
x)	All exposures to Alternative Investment Funds:		
	Category I	-	-
	Category II	-	-
	Category III	-	-
Total exposure to capital market		**3,190.10**	**3,190.10**

55.14 E. Unhedged foreign currency exposure

The Company does not have any unhedged foreign currency exposures for the financial years ended March 31, 2024 and March 31, 2023. Please refer to note 46 Risk management for the Company policies to manage currency induced risk.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

55.15 Disclosures relating to securitisation/direct assignment

[Disclosure as per RBI Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 dated September 24, 2021]

The information on securitisation of the Company as an originator is given below :

(₹ in Lakhs)

Particulars	STC Transaction*		Non STC Transaction*	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
No. of SPEs** holding assets for securitisation transactions originated by the originator	-	-	-	-
Total amount of securitised assets as per books of the SPEs	-	770.98	-	-
Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet	-	77.10	-	-
a) Off-balance sheet exposures				
i. First Loss	-	-	-	-
ii. Others	-	-	-	-
b) On-balance sheet exposures				
i. First Loss	-	46.26	-	-
ii. Others	-	-	-	-
Amount of exposures to securitisation transactions other than MRR	-	-	-	-
a) Off-balance sheet exposures				
1) Exposure to own securitisations				
i. First Loss	-	-	-	-
ii. Others	-	-	-	-
2) Exposure to third party securitisations				
i. First Loss	-	-	-	-
ii. Others	-	-	-	-
b) On-balance sheet exposures				
1) Exposure to own securitisations				
i. First Loss	-	-	-	-
ii. Others	-	-	-	-
2) Exposure to third party securitisations				
i. First Loss	-	-	-	-
ii. Others	-	-	-	-
Sale consideration received for the securitised assets	-	693.88	-	-
Gain/loss on sale on account of securitisation	**-**	**-**	**-**	**-**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Particulars	STC Transaction*		Non STC Transaction*	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.				
Performance of facility provided				
Credit enhancement				
(a) Amount paid	-	-	-	-
(b) Repayment received	-	-	-	-
(c) Outstanding amount	-	-	-	-
Average default rate of portfolios observed in the past				
(a) Vehicle loans	-	-	-	-
(b) Two wheeler loans	-	-	-	-
(c) Trade finance	-	-	-	-
Amount and number of additional/top up loan given on same underlying asset				
Investor complaints				
(a) Directly/Indirectly received	-	-	-	-
(b) Complaints outstanding	-	-	-	-

* Simple, Transparent and comparable securitisation as defined in RBI Master Direction - Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 dated September 24, 2021.

** Special Purpose Entities.

56 Financial Ratios

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Current ratio	NA	NA
Debt equity ratio	3.13	1.99
Leverage ratio	3.56	2.21

57 Other Regulatory informations

(i) Title deeds of immovable properties not held in name of the company:

The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note(s) [*] [add additional references for investment properties and other line items where applicable] to the financial statements, are held in the name of the company.

(ii) Registration of charges or satisfaction with Registrar of Companies:

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(iii) Utilisation of borrowings availed from banks and financial institutions:

The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans was taken.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

58 Corporate social responsibility As per the provisions of Section 135 of the Companies Act 2013 :

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Gross amount required to be spent during the year		
Amount spent during the year:		
a. On purposes other than construction/acquisition of any assets	9.06	10.00
b. Paid in cash	-	-
c. yet to be paid in cash	-	-
Total	**9.06**	**10.00**

59 a) **Details of benami property held:**

No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

b) **Borrowing secured against current assets:**

The company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the company with banks and financial institutions are in agreement with the books of accounts.

c) **Wilful defaulter:**

The company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

d) **Relationship with struck off companies:**

The company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

e) **Compliance with number of layers of companies:**

The company has complied with the number of layers prescribed under the Companies Act, 2013.

f) **Compliance with approved scheme(s) of arrangements:**

The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

g) **Utilisation of borrowed funds and share premium:**

The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. 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

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

a. 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

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

h) **Undisclosed income:**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

i) **Details of crypto currency or virtual currency:**

The company has not traded or invested in crypto currency or virtual currency during the current or previous year.

j) **Valuation of PP&E, intangible asset and investment property:**

The company has not revalued its property, plant and equipment (excluding right-of-use assets) or intangibl assets or both during the current or previous year."

60 Figures for the previous year have been regrouped/reclassified/rearranged wherever necessary to make them comparable to those for the current year.

As per our report of even date attached

For and on behalf of the Board of Directors of
TRUCAP FINANCE LIMITED [Formerly Dhanvarsha Finvest Limited]
CIN: L24231MH1994PLC334457

For Bansal Bansal & Co
Chartered Accountants
ICAI FRN 100986W

Sd/-
Jatin Bansal
Partner
Membership No. 135399
Mumbai
Date : May 28, 2024

Sd/-
Rohanjeet Singh Juneja
Managing Director & CEO
DIN: 08342094

Sd/-
Rushina Mehta
Non-Executive Non-Independent Director
DIN: 01042204

Sd/-
Sanjay Kukreja
Chief Financial Officer

Sd/-
Sonal Sharma
Company Secretary
M. No. A33260

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS TRUCAP FINANCE LIMITED (formerly known as Dhanvarsha Finvest Ltd)

REPORT ON AUDIT OF CONSOLIDATED IND AS FINANCIAL STATEMENTS

OPINION

We have audited the accompanying consolidated Ind AS financial statements of TRUCAP FINANCE LIMITED (formerly known as DHANVARSHA FINVEST LIMITED) (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS 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 accounting principles generally accepted in India including India Accounting Standards ('Ind AS') specified under section 133 of the Act , of the consolidated state of affairs (financial position) of the Company as at 31st March 2024, and its consolidated profit (financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

BASIS OF OPINION

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

KEY AUDIT MATTERS

Key audit matter	How the matter was addressed in our audit
Allowances for expected credit losses ('ECL'): The holding company has reported that 'As at 31 March 2024, the carrying value of loan assets measured at amortised cost, aggregated ₹ 597.82 crore (net of allowance of expected credit loss ₹ 5.15 crore) constituting approximately 63.84 % of the Company's total assets. Significant judgment has been used in classifying these loan assets and applying appropriate measurement principles. ECL on such loan assets is a critical estimate involving greater level of judgment by the management. As part of risk assessment, determined that ECL on such loan assets has a high degree of estimation which may be uncertain, with a potential range of reasonable outcomes for the standalone financial statements. The elements of estimating ECL which involved increased level of audit focus are the following: • Quantitative and Qualitative factors used in staging the loan assets measured at amortised cost; • Basis used for estimating Loss Given Default ('LGD'), Probabilities of Default ('PD'), and exposure at default ('EAD') product level with past trends; • Judgments used in projecting economic scenarios and probability weights applied to reflect future economic conditions; and	Auditors have examined the policies approved by the Boards of Directors of the Holding Company and of the subsidiary that articulate the objectives of managing each portfolio and their business models. Also verified the methodology adopted for computation of ECL ('ECL Model') that addresses policies approved by the Boards of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures measured at amortised cost. Additionally, 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 been approved by the Audit Committee of the Board of Directors. 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. • accuracy of the computation of the ECL estimate including methodology used to determine macro-economic overlays and adjustments to the output of the ECL Model;

Key audit matter	How the matter was addressed in our audit
• Adjustments to model driven ECL results to address emerging trends.	• 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; Testing details on a sample basis in respect of the following: • the mathematical accuracy of the ECL computation by using the same input data as used by the company; • accuracy and completeness of the input data such as 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. • evaluating the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL model to ensure that the adjustment was in conformity with the overlay amount approved by the audit committee of the company.

INFORMATION OTHER THAN THE CONSOLIDATED IND AS FINANCIAL STATEMENTS AND AUDITORS REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's Board Report including Annexures to Board's Report, Management Discussion and Analysis, Corporate Governance and Shareholder's Information and Business Responsibility Report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS 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 consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

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

In preparing the consolidated Ind AS financial statements, the respective management of the company included in the Group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITY

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statement 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 consolidated Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 consolidated Ind AS 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 Group to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the consolidated Ind AS 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 consolidated Ind AS financial statements.

We communicate with those charged with governance of the Holding Company 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 consolidated Ind AS 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, 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 purpose 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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under

Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of written representations received from the directors of the Holding Company as on 31st March 2024, taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on 31st March 2024, 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 Holding Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

g) 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, in our opinion and to the best of our information and according to the explanations givento us:

   i. The Group litigation is mentioned in notes to accounts.

   ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

   iv. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

      a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Group or

      b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

h) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

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

For **Bansal Bansal & Co.**
Chartered Accountants
FRN: 100986W

Sd/-
Jatin Bansal
(Partner)
Membership No.135399
UDIN:24135399BKFCXG3278

Place : Mumbai

Dated : 28th May 2024

ANNEXURE – A TO THE AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of TRUCAP FINANCE LIMITED (formerly known as DHANVARSHA FINVEST LIMITED) ("Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company, which is incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary company, which is incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial control and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 internal financial controls with reference to financial statements of Holding Company and its subsidiary company.

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 Ind AS 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 Ind AS 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 Ind AS 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 and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company, which is a company incorporated in India, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Bansal Bansal & Co.**
Chartered Accountants
FRN: 100986W

Sd/-
Jatin Bansal
(Partner)
Membership No.135399
UDIN:24135399BKFCXG3278
Place : Mumbai
Dated : 28th May 2024

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Assets			
Financial Assets			
(a) Cash and cash equivalents	4	10,134.70	3,800.88
(b) Bank balances other than cash and cash equivalents	5	3,196.44	4,973.96
(c) Receivables	6		
(i) Trade receivables		7,436.70	3,900.46
(ii) Other receivables		-	-
(d) Loans	7	59,267.71	41,790.77
(e) Investments	8	2,807.55	4,861.00
(f) Other financials assets	9	1,581.14	837.52
Total financial assets		**84,424.24**	**60,164.59**
Non Financials Assets			
(a) Current tax assets (net)	10	1,060.65	729.80
(b) Deferred tax assets (net)	11	397.09	10.57
(c) Property, plant and equipment	12	1,661.55	1,327.06
(d) Right of use assets	12	352.12	583.02
(e) Capital work in progress	12	6.36	73.39
(f) Intangible assets under development	12	2,299.19	2,819.27
(g) Other Intangible assets	13	1,041.18	508.62
(h) Other non-financials assets	14	857.29	908.46
Total non financials assets		**7,675.43**	**6,960.19**
Total Assets		**92,099.67**	**67,124.78**
LIABILITIES AND EQUITY			
Liabilities			
Financial Liabilities			
(a) Payables	15		
(i) Trade payables			
Total outstanding dues of micro enterprises and small enterprises		15.73	39.53
Total outstanding dues of creditors other than micro enterprises and small enterprises		303.13	172.56
(ii) Other payables			
Total outstanding dues of micro enterprises and small enterprises		20.40	26.28
Total outstanding dues of creditors other than micro enterprises and small enterprises		10.28	9.67
(b) Debt Securities	16	12,364.87	374.12
(c) Borrowings (Other than Debt Securities)	17	56,245.94	43,877.54
(d) Other financial liabilities	18	910.20	130.55
Total financial liabilities		**69,870.55**	**44,630.25**
Non-Financial Liabilities			
(a) Current tax liabilities (net)	10	-	36.85
(b) Provisions	19	105.90	58.85
(d) Other non-financial liabilities	20	932.41	789.91
Total non-financial liabilities		**1,038.31**	**885.61**
Total Liabilities		**70,908.86**	**45,515.86**
EQUITY			
(a) Equity share capital	21	2,337.99	2,324.29
(b) Other equity	22	18,852.82	19,284.63
Total Equity		**21,190.81**	**21,608.92**
Total Liabilities and Equity		**92,099.67**	**67,124.78**
Significant accounting policies and notes to the consolidated financial statements	1 to 58		

As per our report of even date attached

For Bansal Bansal & Co
Chartered Accountants
ICAI FRN 100986W

Sd/-
Jatin Bansal
Partner
Membership No. 135399
Mumbai
Date : May 28, 2024

For and on behalf of the Board of Directors of
TRUCAP FINANCE LIMITED [Formerly Dhanvarsha Finvest Limited]
CIN: L24231MH1994PLC334457

Sd/-
Rohanjeet Singh Juneja
Managing Director & CEO
DIN: 08342094

Sd/-
Rushina Mehta
Non-Executive Non-Independent Director
DIN: 01042204

Sd/-
Sanjay Kukreja
Chief Financial Officer

Sd/-
Sonal Sharma
Company Secretary
M. No. A33260

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Particulars	Note No	For the year ended March 31, 2024	For the year ended March 31, 2023
I. Revenue from operations			
(i) Interest income	23	11,662.75	9,313.28
(ii) Fees and commission income	24	4,412.10	2,910.61
(iii) Net gain on fair value changes	25	114.48	87.75
Total Revenue from operations		**16,189.33**	**12,311.64**
II. Other income	26	2,095.06	68.83
III. Total Income (I+II)		**18,284.39**	**12,380.47**
IV. Expenses			
(i) Finance costs	27	7,869.24	5,079.24
(ii) Fees and commission expense	28	185.78	132.48
(iii) Impairment on financial instruments	29	410.62	(158.42)
(iv) Employee benefits expenses	30	4,285.67	2,895.31
(v) Depreciation, amortization and impairment	31	926.03	771.12
(vi) Others expenses	32	3,464.73	3,414.19
Total Expenses		**17,142.07**	**12,133.92**
V. Profit before exceptional items and tax (III-IV)		**1,142.32**	**246.55**
Exceptional Items		-	-
VI. Profit before tax (III-IV)		**1,142.32**	**246.55**
VII. Tax expense:	33		
Current tax		250.99	111.62
Deferred tax		(335.02)	71.79
Earlier years tax		130.04	-
Total Tax Expense		**46.01**	**183.41**
VIII. Profit for the period (VI-VII)		**1,096.31**	**63.14**
IX. Other comprehensive income			
Items that will not be reclassified to profit or loss :			
(i) Remeasurement gain / (loss) on defined benefit plan		(9.17)	5.31
(ii) Income tax impact on above	33	2.24	(1.27)
Total		**(6.93)**	**4.04**
Other comprehensive income/(loss) (A+B)		(6.93)	4.04
X. Total comprehensive income(VIII+IX)		**1,089.38**	**67.18**
XI. Earnings per equity share	34		
Basic (INR)		0.94	0.06
Diluted (INR)		0.93	0.06
Significant accounting policies and notes to the consolidated financial statements	1 to 58		

As per our report of even date attached

For Bansal Bansal & Co
Chartered Accountants
ICAI FRN 100986W

Sd/-
Jatin Bansal
Partner
Membership No. 135399
Mumbai
Date : May 28, 2024

For and on behalf of the Board of Directors of
TRUCAP FINANCE LIMITED [Formerly Dhanvarsha Finvest Limited]
CIN: L24231MH1994PLC334457

Sd/-
Rohanjeet Singh Juneja
Managing Director & CEO
DIN: 08342094

Sd/-
Rushina Mehta
Non-Executive Non-Independent Director
DIN: 01042204

Sd/-
Sanjay Kukreja
Chief Financial Officer

Sd/-
Sonal Sharma
Company Secretary
M. No. A33260

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A.	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net profit before taxes	1,142.32	246.55
	Adjustment for:		
	Interest Income from Fixed Deposits	(186.02)	(119.06)
	Profit on sale of property, plant and equipment	-	-
	Profit on sale of Investment property	-	-
	Depreciation / Amortisation	926.03	771.12
	Impairment on financial instruments	410.62	(158.42)
	Realised gain on investments	(109.80)	(77.46)
	Unrealised gain on investments	(4.68)	(10.29)
	Fee Income Recognition per EIR	(180.90)	(112.13)
	Employee share based payment expenses	66.41	94.81
	Cash outflow towards finance cost	(1,253.43)	(5,078.85)
	Operating (loss)/ profit before working capital changes	**810.55**	**(4,443.73)**
	Movement in working capital		
	(Increase)/decrease in Loans	(17,706.66)	(12,601.66)
	(Increase)/Decrease in other financial assets	(616.99)	(110.94)
	(Increase)/Decrease in other assets	(79.02)	(96.63)
	(Increase)/Decrease in Trade Receivable	(3,531.11)	(2,217.51)
	Increase/(Decrease) in Other payables	96.37	(293.27)
	Increase/(Decrease) in Other Financial liabilities	251.69	4,845.14
	Increase/(Decrease) in Other liabilities	151.69	426.55
	Increase/(Decrease) in provisions	10.21	(52.77)
	Cash generated from operations	**(20,613.27)**	**(14,544.83)**
	Income taxes paid	(581.84)	(594.98)
	Net cash from/(utilised in) operating activities	**(21,195.11)**	**(15,139.83)**
B.	CASH FLOW FROM INVESTING ACTIVITIES:		
	Purchase of Property, plant and equipment and Intangible Assets	(977.60)	(1,399.05)
	Proceeds from sale of Property, plant and equipment and Intangible Assets	0.08	-
	Purchase of investment at fair value through profit and loss account	(24,580.96)	(28,240.07)
	Proceeds from sale of investment at fair value through profit and loss account	26,639.10	25,893.05
	Investment in equity shares of the subsidiary	-	-
	Investment in Fixed Deposits	(2,770.91)	(4,346.36)
	Proceeds from Fixed Deposits	4,548.81	1,396.00
	Interest Income from Fixed Deposits	186.02	119.06
	Net cash from/(utilised in) investing activities	**3,044.54**	**(6,577.37)**

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
C.	CASH FLOW FROM FINANCING ACTIVITIES:		
	Proceeds from issue of share capital and share warrants including share premium	1,272.78	3,566.16
	Debt securities issued	13,099.00	-
	Debt securities repaid	(1,143.33)	(3,140.00)
	Borrowings other than debt securities issued	42,090.83	34,216.39
	Proceeds from / (repayment of) borrowings	(30,680.90)	(14,753.15)
	Payment of Lease Liability	(142.36)	(216.09)
	Dividends paid including dividend distribution tax	(11.63)	(10.80)
	Net cash from financing activities	**24,484.39**	**19,662.51**
	NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	6,333.82	(2,054.66)
	Cash and cash equivalents at the beginning of the financial year	3,800.88	5,855.55
	Cash and cash equivalents at end of the year	**10,134.70**	**3,800.88**

Reconciliation of cash and cash equivalents as per the cash flow statement

Cash and cash equivalents as per above comprise of the following (₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balances with banks in Current accounts	10,012.79	3,525.43
Cash on hand (including foreign currencies)	121.91	275.45
Bank deposits with maturity of less than 3 months	-	-
Total	**10,134.70**	**3,800.88**

The above consolidated statement of Cash Flows has been prepared under the Indirect Method as set out in the Indian Accounting Standard 7 'Statement of Cash Flows'.

For disclosures relating to changes in liabilities arising from financing activities, refer note 46

Significant accounting policies and notes to the consolidated financial statements1 to 58

As per our report of even date attached

For and on behalf of the Board of Directors of
TRUCAP FINANCE LIMITED [Formerly Dhanvarsha Finvest Limited]
CIN: L24231MH1994PLC334457

For Bansal Bansal & Co
Chartered Accountants
ICAI FRN 100986W

Sd/-
Rohanjeet Singh Juneja
Managing Director & CEO
DIN: 08342094

Sd/-
Rushina Mehta
Non-Executive Non-Independent Director
DIN: 01042204

Sd/-
Jatin Bansal
Partner
Membership No. 135399
Mumbai
Date : May 28, 2024

Sd/-
Sanjay Kukreja
Chief Financial Officer

Sd/-
Sonal Sharma
Company Secretary
M. No. A33260

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT MARCH 31, 2024

A. Equity share capital

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	**2,324.29**	**1,776.78**
Changes in equity share capital during the year	13.70	547.51
Balance at the end of the year	**2,337.99**	**2,324.29**

B. Other Equity

(₹ in Lakhs)

Particulars	Reserve and Surplus				Money received against share warrants	Share application money pending allotment	Equity component of compound financial instruments	Capital Contribution	Total
	Securities Premium	Employee stock option outstanding	Retained Earnings	Statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934					
Balance at April 1, 2022	4,497.14	194.48	1,047.94	437.55	450.00	1.64	7,685.52	1,116.63	15,430.90
Profit for the year	-	-	63.13	-	-	-	-	-	63.13
Additions for the year	10,219.36	-	-	-	465.65	-	(7,685.52)	782.13	3,781.62
Deletion for the year	-	-	-	-	-	(1.64)	-	-	(1.64)
Transfer to statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	-	-	(111.77)	111.77	-	-	-	-	-
Options Exercised and lapsed	-	-	-	-	-	-	-	-	-
Share based payments to employees	-	95.39	-	-	-	-	-	-	95.39
Utilisation of securities premium	-	(92.55)	-	-	-	-	-	-	(92.55)
ESOP's granted to employees of Subsidiary Company	-	14.52	-	-	-	-	-	-	14.52
Remeasurement of defined benefit plans (net of tax)	-	-	4.04	-	-	-	-	-	4.04
Dividend paid	-	-	(10.80)	-	-	-	-	-	(10.80)
Dividend distribution tax	-	-	-	-	-	-	-	-	-
Changes during the year	**10,219.36**	**17.36**	**(55.39)**	**111.77**	**465.65**	**(1.64)**	**(7,685.52)**	**782.13**	**3,853.72**
At March 31, 2023	**14,716.50**	**211.84**	**992.56**	**549.32**	**915.65**	**-**	**-**	**1,898.76**	**19,284.63**
Profit for the year	-	-	1,096.31	-	-	-	-	-	1,096.31
Additions for the year	113.58	-	-	-	1,206.25	65.49	-	(1,898.76)	(513.44)
Deletion for the year	-	-	(19.55)	-	(915.65)	(65.49)	-	-	(1,000.69)
Transfer to statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	-	-	(232.78)	232.78	-	-	-	-	-
Options Exercised and lapsed	-	-	-	-	-	-	-	-	-
Share based payments to employees	-	66.42	-	-	-	-	-	-	66.42
Utilisation of securities premium	-	(61.78)	-	-	-	-	-	-	(61.78)
ESOP's granted to employees of Subsidiary Company	-	-	-	-	-	-	-	-	-
Remeasurement of defined benefit plans (net of tax)	-	-	(6.93)	-	-	-	-	-	(6.93)
Dividend paid	-	-	(11.69)	-	-	-	-	-	(11.69)
Dividend distribution tax	-	-	-	-	-	-	-	-	-
Changes during the year	**113.58**	**4.64**	**825.37**	**232.78**	**290.60**	**-**	**-**	**(1,898.76)**	**(431.78)**
At March 31, 2024	**14,830.08**	**216.48**	**1,817.92**	**782.10**	**1,206.25**	**-**	**-**	**0.00**	**18,852.82**

Significant accounting policies and notes to the consolidated financial statements 1 to 58

As per our report of even date attached

For and on behalf of the Board of Directors of
TRUCAP FINANCE LIMITED [Formerly Dhanvarsha Finvest Limited]
CIN: L24231MH1994PLC334457

For Bansal Bansal & Co
Chartered Accountants
ICAI FRN 100986W

Sd/-
Rohanjeet Singh Juneja
Managing Director & CEO
DIN: 08342094

Sd/-
Rushina Mehta
Non-Executive Non-Independent Director
DIN: 01042204

Sd/-
Jatin Bansal
Partner
Membership No. 135399
Mumbai
Date : May 28, 2024

Sd/-
Sanjay Kukreja
Chief Financial Officer

Sd/-
Sonal Sharma
Company Secretary
M. No. A33260

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

1. Basis of preparation

A. Statement of compliance

The Consolidated financial statements relates to M/s. Trucap Finance Limited [Formerly Dhanvarsha Finvest Limited] (the " Holding Company") and its subsidiary (together constitute as the "Group'). The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the financial years presented in the financial statement.

The financial statements of the Company are presented as per Schedule III (Division III) to the Act applicable to Non Banking Financial Companies (NBFCs), as notified by the MCA.

These financial statements are approved for issue by the Board of Directors on May 28, 2024.

B. Basis of consolidation

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of following subsidiary is included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Name of the subsidiary	Name of the parent entity	Ownership in % either directly or through subsidiaries	Country of incorporation
DFL Technologies Private Limited	Trucap Finance Limited [Formerly Dhanvarsha Finvest Limited]	100%	India

The Group combines the financial statements of the parent and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses.

Intra-group balance and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

C. Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees (INR) which is also the Group's functional currency. All the amounts are rounded to the nearest Lakhs with two decimals, except when otherwise indicated.

D. Basis of Measurement

The consolidated financial statements of the Group are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the Act, except for:

- Financial instruments – measured at fair value
- Employees Stock Option plan as per fair value of the option
- Employee's Defined Benefit Plan as per actuarial valuation.

E. Use of Estimates and Judgements

The preparation of consolidated financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The actual amounts realized may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis.

Judgments, estimates and assumptions are recognised in particular for:

i. 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 Group determines the business model at a level that reflects how Group's 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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group 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 Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

ii. Determination of estimated useful lives of property, plant, equipment:

Useful lives of property, plant and equipment are based on nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes and maintenance support.

iii. Recognition and measurement of defined benefit obligations:

The obligation arising from defined benefit plan is determined on the basis of actuarial valuation. Key actuarial assumptions which form the basis of above valuation includes discount rate, trends in salary escalation, demographics and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Further details are disclosed in Note 38

iv. Recognition of deferred tax assets:

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and depreciation carry-forwards could be utilized.

v. Recognition and measurement of provisions and contingencies:

The recognition and measurement of provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

vi. Fair value of financial instruments:

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Refer Note 45 about determination of fair value. For recognition of impairment loss on other financial assets and risk exposures, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month expected credit loss (ECL) is used to provide for impairment loss.

vii. Impairment of financial assets

The Group recognizes loss allowances for expected credit losses on its financial assets measured at amortized cost. At each reporting date, the Group assesses whether the above financial assets are credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. The Group follows 'general approach' for recognition of impairment loss allowance on loan and advances. Under this approach impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumptions and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

viii. Impairment of non-financial assets:

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

F. Standards issued but not effective:

The amendments are proposed to be effective for reporting periods beginning on or after April 1, 2020:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

2. Significant accounting policies

A summary of the significant accounting policies applied in the preparation of the consolidated financial statements is as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

A. Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefit associated with these will flow with the Group and the cost of the item can be measured reliably.

Borrowing costs to the extent related/attributable to the acquisition/construction of property , plant and equipment that takes substantial period of time to get ready for their intended use are capitalized up to the date such asset is ready for 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 Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Depreciation on plant, property and equipment

Depreciation on property, plant and equipment (except motor vehicles) is provided on straightline method at estimated useful life, which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013.

Particulars	Useful Life as per prescribed in Schedule II of the Act (year)
Computers	3
Networks and Servers	6
Furniture and fixtures	10
Office equipment	5

Motor vehicles are depreciated over a period of eight years on written down value method. Leasehold improvement is amortized over the period of the lease.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Leasehold improvements include all expenditure incurred on the leasehold premises that have future economic benefits.

B. Capital Work in Progress

Capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses to acquire the property, plant and equipment. Assets which are not ready for intended use are also shown under capital work-in-progress

C. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Development expenditure on software is capitalized as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise it is recognized in the profit or loss.

Borrowing costs to the extent related/attributable to the acquisition/construction of intangible asset that takes substantial period of time to get ready for their intended use are capitalized from the date it meets capitalization criteria till such asset is ready for use.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

A summary of amortization policies applied to the Group's intangible assets is as below:

Particulars	Useful life (years)
Computer software	5

D. Intangible Assets Under Development

It includes assets not ready for the intended use and are carried at cost, comprising direct cost and related incidental expenses.

E. Impairment of property, plant and equipment and intangible assets

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired, if any such indication exists, the Group estimates the recoverable amount of the assets.

If such recoverable amount of asset or recoverable amount of cash generating unit which the asset belongs to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at balance sheet date there is an indication that a previously assessed impaired loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. Recoverable amount is the higher of an asset's or cash generating unit's net selling price and value in use.

F. Revenue recognition

i. Interest income:

Interest income for all financial instruments except for those measured or designated as at Fair Value Through Profit and Loss account (FVTPL) are recognised in the profit or loss account using the effective interest method (EIR). Interest on financial instruments measured as at FVTPL is included within the fair value movement during the period.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses (ECLs)).

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.

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 expected cash flows are estimated 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.

ii. Processing fee and application fee:

Income from application and processing fees including recovery of documentation not forming part of effective rate calculation charges are recognised upfront.

iii. Delayed payment charges, penal Interest, other penal charges, foreclosure charges:

Delayed Payment charges, Penal Interest, Other Penal Charges, Foreclosure Charges are recognised on receipt basis on account of uncertainty of the ultimate collection of the same.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

iv. Dividends:

Dividend income is recognized when the Company's right to receive dividend is established on the reporting date.

v. Fees & commission income:

Fees and commissions are recognised when the Group 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.

vi. Other Income and Expenses:

Other income and expenses are recognised in the period they occur

vii. Net gain on fair value changes:

Any differences between the fair values of financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of profit and loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes. As at the reporting date, the Company does not have any debt instruments measured at FVOCI.

G. Leases

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.

As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

– Fixed payments, including in-substance fixed payments;

– Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

– Amounts expected to be payable under a residual value guarantee; and

– The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property and hence disclosed in 'property, plant and equipment' and lease liabilities in 'Borrowings' in the statement of financial position.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of properties that are having non-cancellable lease term of less than 12 months and low value assets . The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

H. Financial Instruments

i. Classification of financial instruments:

The Group 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 instruments to be measured at fair value through profit or loss account

The classification depends on the contractual terms of the cashflows of the financial assets and the Group's business model for managing financial assets which are explained below:

Business model assessment

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

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

➢ How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel

➢ The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed

➢ How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)

➢ The expected frequency, value and timing of sales are also important aspects of the Company's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The solely payments of principal and interest (SPPI) test

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

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

In making this assessment, the Group 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.

The Group 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 such as derivative liabilities.

ii. Financial assets at amortised cost:

The Group classifies the financial assets at amortised cost if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the assets are held under a business model to collect contractual cash flows. The gains and losses resulting from fluctuations in fair value are not recognised for financial assets classified in amortised cost measurement category.

iii. Financial assets at fair value through other comprehensive income (FVOCI)::

The Group classifies the financial assets as FVOCI if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the Group's business model is achieved by both collecting contractual cash flow and selling financial assets. In case of debt instruments measured at FVOCI, changes in fair value are recognised in other comprehensive income. The impairment gains or losses, foreign exchange gains or losses and interest calculated using the effective interest method are recognised in profit or loss. On de-recognition, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. In case of equity instruments irrevocably designated at FVOCI, gains / losses including relating to foreign exchange, are recognised through other comprehensive income. Further, cumulative gains or losses previously recognised in other comprehensive income remain permanently in equity and are not subsequently transferred to profit or loss on derecognition.

iv. Financial instruments at fair value through profit and loss account (FVTPL):

Items at fair value through profit or loss comprise:

- Investments (including equity shares) held for trading;
- Items specifically designated as fair value through profit or loss on initial recognition; and
- Debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking.

Financial instruments designated as measured at fair value through profit or loss

Upon initial recognition, financial instruments may be designated as measured at fair value through profit or loss. A financial asset may only be designated at fair value through profit or loss if doing so eliminates or significantly reduces measurement or recognition inconsistencies

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(i.e. eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis. As at the reporting date, the Group does not have any financial instruments designated as measured at fair value through profit or loss.

A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives; or
- if financial assets and liabilities are both managed and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Group's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income. As at the reporting date, the Group has not designated any financial instruments as measured at fair value through profit or loss.

v. Borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized 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 amortization is included as finance costs in the statement of profit and loss.

vi. Derecognition of financial assets and financial liabilities:

Recognition

a) Loans and Advances are initially recognised when the funds are transferred to the customers' account or delivery of assets by the dealer, whichever is earlier.

b) Investments are initially recognised on the settlement date.

c) Borrowings are initially recognised when funds reach the Group.

d) Other financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Derecognition of financial assets due to substantial modification of terms and conditions:

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchased or Originated as Credit Impaired (POCI).

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

Derecognition of financial assets other than due to substantial modification:

a) Financial assets

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

The Group has transferred the financial asset if, and only if, either:

i. The Group has transferred its contractual rights to receive cash flows from the financial asset, or

ii. It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

A transfer only qualifies for derecognition if either:

i. The Group has transferred substantially all the risks and rewards of the asset, or

ii. The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss. As at the reporting date, the Group does not have any financial liabilities which have been derecognised.

vii. 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 recognized amounts and there is an intention to settle on a net basis, to realise an asset and settle the liabilities simultaneously.

viii. Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity in accordance with the substance of the contractual arrangements. These are recognized at the amount of the proceeds received, net of direct issue costs.

ix. Compound Financial Instruments:

Compulsorily convertible instruments with a fixed conversion ratio are separated into liability and equity components. On issuance of the said instruments, the liability component (being the present value of the future interest cash outflows discounted at a market rate for an equivalent non-convertible instrument) is reduced from the fair value of the instrument to arrive at the equity component. This Equity component is disclosed separately under Other Equity.

l. Impairment of financial assets:

The Holding Company records allowance for expected credit losses (ECL) for all loans and debt investments, together with loan commitments to customers. The ECL allowance is based on the credit losses expected to arise over the life of the asset, unless there has been no significant increase in credit risk since origination, in which case the allowance is based on the 12 months' expected credit loss. Both life time expected credit loss and 12 months' expected credit loss are calculated on individual loan / instrument basis.

At the end of each reporting period, the Holding Company performs an assessment of whether the loan's / investment's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the asset.

The method and significant judgments used while computing the expected credit losses and information about the exposure at default, probability of default and loss given default have been set out in note 46 (Risk Management).

Simplified approach for trade/other receivables and contract assets

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade/other receivables that do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates. For trade receivables that contain a significant financing component a general approach is followed.

Write-offs

The Holding Company reduces the gross carrying amount of a financial asset when the Holding Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Holding 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. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

J. Determination of fair value

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a 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. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1: quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (e.g. as prices) or indirectly (e.g. derived from the prices).

Level 3: inputs for the current assets or liability that are not based on observable market data (unobservable inputs).

K. Retirement and other employee benefits

Defined contribution schemes

The employees of the Holding Company who have opted, are entitled to receive benefits under the Provident Fund Scheme and Employee Pension Scheme, defined contribution plans in which both the employee and the Holding Company contribute monthly at a stipulated rate. The Holding Company has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. 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.

Defined benefit plans

Provision for Gratuity is recorded on the basis of actuarial valuation certificate provided by the actuary using Projected Unit Credit Method.

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

Any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the statement of profit and loss. Net interest expense / (income) on the defined liability / (assets) is computed by applying the discount rate, used to measure the net defined liability / (asset). Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

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

Other long term employee benefits

The Holding Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

L. Share based payments

Employees stock options plans ("ESOPs") - equity settled

The Holding Company grants share option schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Holding Company's operations. Employees (including directors) of the Holding Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity settled transactions").

The cost of equity-settled transactions with employees and directors for grants is measured by reference to the fair value at the date at which they are granted. The cost of equity-settled transactions is recognised in statement profit and loss, together with a corresponding increase in other equity, representing

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

contribution received from the shareholders, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

M. Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of temporary timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary timing differences. Deferred tax assets are recognized for deductible temporary timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

At each reporting date, the Group re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternate tax

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal income tax during the specified period.

N. Finance costs

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed

- At the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.
- By considering all the contractual terms of the financial instrument in estimating the cash flows.
- Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

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

O. Foreign currency transactions and balances

a. Initial recognition:

Foreign currency transactions are recorded in the reporting currency (which is Indian Rupees), by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b. Conversion:

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

c. Exchange differences:

All exchange differences arising on settlement or translation of monetary items are recognized as income or as expenses in the period in which they arise.

P. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Q. Segmental reporting

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

The Joint Managing Directors of the Holding Company assesses the financial performance and position of the Group and make strategic decisions and hence has been identified as being chief operating decision maker.

R. Provisions

A provision is recognized when the Group has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

S. Contingent liabilities and assets

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 Group 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 Group does not recognize a contingent liability but discloses its existence in the financial statements. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements if the inflow of the economic benefit is probable than it is disclosed in the financial statements.

T. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

U. Good and service tax input credit

Goods and Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits. The Company has opted to claim 50% of eligible input tax credit on inputs, capital goods and input services and the balance 50% is charged to the statement of profit and loss as per applicable provisions.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

4 Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	115.92	274.28
Foreign currency on hand	5.99	1.17
Balance with Bank (of the nature of cash and cash equivalents)	10,012.79	3,525.43
Total	**10,134.70**	**3,800.88**

5 Bank balances other than cash and cash equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Unclaimed dividend accounts	16.98	16.60
Bank deposit with original maturity :	3,179.46	4,957.36
For more than three months	239.27	2,017.17
For less than three months	2,940.19	2,940.19
Total	**3,196.44**	**4,973.96**

Note: 1) Fixed deposit earns interest at a fixed interest rate.

2) Bank deposits amounting to Rs. 3179.46 Lakhs (March 31, 2023 - 2,365.60 Lakhs) pledged as lien against borrowings.

6 Receivables

(₹ in Lakhs)

Particulars		As at March 31, 2024	As at March 31, 2023
(i)	**Trade Receivable**		
	Considered good - secured	-	-
	Considered good - unsecured	7,436.70	3,900.46
	Trade receivables which have significant increase in credit risk	18.57	18.57
	Trade receivables credit impaired	-	-
	Gross	**7,455.28**	**3,919.03**
	Less: Allowances for impairment loss on credit impaired trade receivables (Refer Note 46)	(18.57)	(18.57)
	Total (Refer Note 46)	**7,436.70**	**3,900.46**
(ii)	**Other Receivables**		
	Considered good - secured	-	-
	Considered good - unsecured	-	-
	Trade receivables which have significant increase in credit risk	-	-
	Trade receivables credit impaired	-	-
	Total	**-**	**-**
	Less: Allowances for impairment loss on credit impaired trade receivables (Refer Note 46)	-	-
	Total	**7,436.70**	**3,900.46**

i) No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person.

ii) No trade or other receivables are due from firms or private Companies respectively in which any director is a partner,a director or a member.

iii) The company has not entered in any supplier finance arrangements during the financial year 2023-24.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Aging of trade receivables

Particulars	FY 2023-24						
	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	more than 3 years	
Undisputed trade receivables:							
Considered good	-	-	6,272.04	1,164.66	-	-	7,436.70
Which have significant increase in credit risk	-	-	18.57	-	-	-	18.57
Credit impaired	-	-	(18.57)	-	-	-	(18.57)
Total	**-**	**-**	**6,272.04**	**1,164.66**	**-**	**-**	**7,436.70**
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**

(₹ in Lakhs)

Particulars	FY 2022-23						
	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	more than 3 years	
Undisputed trade receivables							
Considered good	-	-	3,900.46	-	-	-	3,900.46
Which have significant increase in credit risk	-	-	18.57	-	-	-	18.57
Credit impaired	-	-	(18.57)	-	-	-	(18.57)
Total	**-**	**-**	**3,900.46**	**-**	**-**	**-**	**3,900.46**
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Reconciliation of impairment loss allowance on trade receivables:

(₹ in Lakhs)

Particulars	Amount
Impairment allowance measured as per simplified approach	
Impairment allowance as per April 01, 2022	**18.57**
Add: Addition during the year	-
(Less): Reduction during the year	-
Impairment allowance as per March 31, 2023	**18.57**
Add: Addition during the year	-
(Less): Reduction during the year	-
Impairment allowance as per March 31, 2024	**18.57**

The managements expects no default in receipt of other receivables; also there is no history of default observed by the management. Hence, no ECL has been recognised on other receivables.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

7 Loans and Advances

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Amortised Cost		
Term Loans		
Secured Loans (considered good)	29,516.03	18,275.26
Unsecured Loans (considered good)	30,266.24	23,720.16
Total Gross (A) (Refer Note 7.1 and 46)	**59,782.27**	**41,995.42**
Less: Impairment loss allowance (Refer Note 7.2 and 46)	(514.56)	(204.65)
Total Net (A)	**59,267.71**	**41,790.77**
(i) Secured by tangible assets	29,516.03	18,275.26
(ii) Secured by intangible assets	-	-
(iii) Covered by Bank/Government Guarantees	-	-
(iv) Unsecured	30,266.24	23,720.16
Total Gross (B)	**59,782.27**	**41,995.42**
Less: Impairment loss allowance	(514.56)	(204.65)
Total Net (B)	**59,267.71**	**41,790.77**
Loans in India		
(i) Public Sector	-	-
(ii) Others	59,782.27	41,995.42
Loans outside India	-	-
Total Gross (C)	**59,782.27**	**41,995.42**
Less: Impairment loss allowance	(514.56)	(204.65)
Total Net (C)	**59,267.71**	**41,790.77**

7.1 The ageing analysis of loans (gross of provision) has been considered from the date the contractual payment falls due:

(₹ in Lakhs)

Particulars	Stage 1	Stage 2	Stage 3
	Low Credit Risk	Significant increase in credit risk	Credit Impaired
	0-30 DPD	30-90 DPD	> 90 DPD
March 31, 2024			
Secured Loan	29,068.06	416.43	31.55
Unsecured Loan	28,428.70	564.10	1,273.43
Total	**57,496.76**	**980.53**	**1,304.98**
March 31, 2023			
Secured Loan	18,751.29	919.08	389.39
Unsecured Loan	20,477.60	530.19	927.87
Total	**39,228.89**	**1,449.27**	**1,317.26**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

7.2 The following table summarizes the changes in loss allowances measured using expected credit loss model:

(₹ in Lakhs)

Particulars	Stage 1	Stage 2	Stage 3
	Low Credit Risk	Significant increase in credit risk	Credit Impaired
	0-30 DPD	30-90 DPD	More than 90 DPD
ECL Allowance -			
March 31, 2024			
Secured Loan	10.10	3.55	3.53
Unsecured Loan	41.29	9.64	446.45
Total	**51.39**	**13.19**	**449.98**
March 31, 2023			
Secured Loan	4.31	2.50	-
Unsecured Loan	33.85	9.68	154.31
Total	**38.16**	**12.18**	**154.31**

7.3 Details of loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties:

Particulars	As at March 31, 2024	As at March 31, 2023
loans:		
Promoters	-	-
Subsidiaries	-	-
Directors	-	-
Key-managerial personnel	-	-
Other related parties	-	-
Total	**-**	**-**
Advances:		
Promoters	-	-
Subsidiaries	-	-
Directors	-	-
Key-managerial personnel	-	-
Other related parties	-	-
Total	**-**	**-**
Loans & Advances repayable on demand:		
Loans	-	-
Advances	-	-
Total	**-**	**-**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

8 Investments

(₹ in Lakhs)

Particulars	March 31, 2024						
	Amortised cost	At fair value				Others (at cost)	Total
		Through other comprehensive income	Through profit and loss	Designated at fair value through profit and loss	Sub total		
	(1)	(2)	(3)	(4)	(5=2+3+4)	(6)	(7=1+5+6)
(i) Mutual Funds	-	-	1,468.80	-	1,468.80	-	1,468.80
(ii) Securities	-	-	-	-	-	1,338.75	1,338.75
(iii) Equity Instruments							
Total Gross (A)	**-**	**-**	**1,468.80**	**-**	**1,468.80**	**1,338.75**	**2,807.55**
(i) Investment outside India	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(ii) Investment in India	-	-	1,468.80	-	1,468.80	1,338.75	2,807.55
Total (B)	**-**	**-**	**1,468.80**	**-**	**1,468.80**	**1,338.75**	**2,807.55**
Less: Impairment allowance (C)	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Net (A-C)	**-**	**-**	**1,468.80**	**-**	**1,468.80**	**1,338.75**	**2,807.55**

(₹ in Lakhs)

Particulars	March 31, 2023						
	Amortised cost	At fair value				Others (at cost)	Total
		Through other comprehensive income	Through profit and loss	Designated at fair value through profit and loss	Sub total		
	(1)	(2)	(3)	(4)	(5=2+3+4)	(6)	(7=1+5+6)
(i) Mutual Funds	-	-	4,138.50	-	4,138.50	-	4,138.50
(ii) Securities			-	-	-	722.50	722.50
(iii) Equity Instruments	-	-	-	-	-	-	-
Total Gross (A)	**-**	**-**	**4,138.50**	**-**	**4,138.50**	**722.50**	**4,861.00**
(i) Investment outside India	-	-	-	-	-	-	-
(ii) Investment in India	-	-	4,138.50	-	4,138.50	722.50	4,861.00
Total (B)	**-**	**-**	**4,138.50**	**-**	**4,138.50**	**722.50**	**4,861.00**
Less: Impairment allowance (C)	-	-	-	-	-	-	-
Total Net (A-C)	**-**	**-**	**4,138.50**	**-**	**4,138.50**	**722.50**	**4,861.00**

There are no investments measured at FVOCI.

More information regarding the valuation methodologies can be found in Note 46

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

9 Other financials assets

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposits	215.10	151.14
Other advances*	1,069.19	525.70
Other Financial Assets	296.85	160.68
Total	**1,581.14**	**837.52**

* Gratuity fund: Current year Rs. 15.14 (previous year Rs. 26.52) (Refer Note 38)

10 Current Tax assets/(Liabilities)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Current Tax assets		
Advance income tax(Net of provisions of Rs. 1,246.72 Lakhs (March 31, 2023 Rs. 779.59 Lakhs)	1,060.65	729.80
Current Tax liabilities		
Provision for current tax (Net of advance tax of Rs. Nil Lakhs (March 31, 2023 Rs. Nil Lakhs)	-	(36.85)
Total	**1,060.65**	**692.95**

11 Deferred tax assets/(liabilities) (net)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax asset on account of:		
Impairment loss allowance	125.68	48.46
Provision on Employee Stock Option	50.68	48.16
Expenses allowable for tax purposes when paid	21.52	11.38
EIR impact on loans measured at amortised cost	(22.65)	38.41
Other Temporary Differences	-	-
Right of Use Assets	(5.02)	18.41
EIR impact of Subvention Income	-	-
Property, plant and equipment and other intangible assets - carrying amount	(90.70)	-
Deferred tax liability on account of:		
Property, plant and equipment and other intangible assets - carrying amount	-	(0.16)
EIR impact of DSA Commission	97.43	(56.47)
EIR impact on debt instrument in the nature of borrowings measured at amortised cost	291.30	(45.55)
Liability component of Compound Financial Instrument	-	(43.38)
Other Temporary Differences	(36.61)	(8.68)
EIR impact of Subvention Income	-	(0.01)
EIR impact of Unamortised PF	(83.79)	-
MAT Entitlement Credit	49.25	-
Net deferred tax assets	**397.09**	**10.57**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

11.1 Note (a): Summary of deferred tax assets/(liabilities)

(₹ in Lakhs)

Particulars	As at April 1, 2022	(Charged)/ Credited to P & L	(Charged)/ Credited to OCI	Utilised	As at March 31, 2023
Impairment loss allowance	145.22	(96.76)	-	-	48.46
Provision on Employee Stock Option	54.11	(5.94)	-	-	48.16
Expenses allowable for tax purposes when paid	28.31	(15.35)	(1.27)	(0.31)	11.38
EIR impact on loans measured at amortised cost	65.22	(26.81)	-	-	38.41
Other Temporary Differences	0.20	(0.20)	-	-	-
Right of use assets	18.70	(0.30)	-	-	18.41
EIR impact of subvension income	1.73	(1.73)	-	-	-
Property, plant and equipment and other intangible assets - carrying amount	(19.91)	19.75	-	-	(0.16)
EIR impact of DSA Commission	(64.91)	8.43	-	-	(56.48)
EIR impact on debt instrument in the nature of borrowings measured at amortised cost	(103.40)	57.84	-	-	(45.55)
Liability component of Compound Financial Instrument	(35.32)	(8.06)	-	-	(43.38)
Other Temporary Differences	(6.02)	(2.66)	-	-	(8.68)
EIR impact of Subvention Income	-	-	-	-	-
MAT Entitlement Credit	-	-	-	-	-
Net deferred tax assets/(liability)	**83.93**	**(71.79)**	**(1.27)**	**(0.31)**	**10.57**

(₹ in Lakhs)

Particulars	As at April 1, 2023	(Charged)/ Credited to P & L	(Charged)/ Credited to OCI	Utilised	As at March 31, 2024
Impairment loss allowance	48.46	77.23	-	-	125.68
Provision on Employee Stock Option	48.16	2.52	-	-	50.68
Expenses allowable for tax purposes when paid	11.38	7.90	2.24	-	21.52
EIR impact on loans measured at amortised cost	38.41	(61.06)	-	-	(22.65)
Other Temporary Differences	-	-	-	-	-
Right of use assets	18.41	(23.42)	-	-	(5.02)
EIR impact of subvension income	-	-	-	-	-
Property, plant and equipment and other intangible assets - carrying amount	(0.16)	(90.54)	-	-	(90.70)
EIR impact of DSA Commission	(56.48)	153.91	-	-	97.43
EIR impact on debt instrument in the nature of borrowings measured at amortised cost	(45.55)	336.85	-	-	291.30
Liability component of Compound Financial Instrument	(43.38)	43.38	-	-	-
Other Temporary Differences	(8.68)	(27.93)	-	-	(36.61)
EIR impact of Unamortised PF	-	(83.79)	-	-	(83.79)
MAT Entitlement Credit	-	49.25	-	-	49.25
Net deferred tax assets/(liability)	**10.57**	**384.28**	**2.24**	**-**	**397.09**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

12 (a) Property, plant and equipment

(b) Right of use assets

(₹ in Lakhs)

Particulars	(a) Property, plant and equipment						(b) Right of use assets	
	Computers	Motor Cars	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Total	Right to Use	Total
For the year ended March 31, 2024								
Gross Carrying Amount								
Cost as at April 1, 2023	226.20	24.80	470.78	412.39	753.06	1,887.23	1,019.24	1,019.24
Additions	62.16	23.87	235.61	124.26	299.11	745.01	44.79	44.79
Adjustments	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Gross carrying value as of March 31, 2024	**288.36**	**48.67**	**706.39**	**536.65**	**1,052.17**	**2,632.24**	**1,064.03**	**1,064.03**
Accumulated Depreciation								
Accumulated Depreciation as at April 1, 2023	132.42	5.78	118.97	59.82	243.16	560.15	436.22	436.22
Depreciation charge during the year	58.74	5.46	118.83	47.69	179.82	410.54	275.69	275.69
Disposals	-	-	-	-	-	-	-	-
Impairment loss	-	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2024	**191.16**	**11.24**	**237.80**	**107.51**	**422.98**	**970.69**	**711.91**	**711.91**
Net carrying value as of March 31, 2024	**97.20**	**37.43**	**468.59**	**429.14**	**629.19**	**1,661.55**	**352.12**	**352.12**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Particulars	(a) Property, plant and equipment						(b) Right of use assets	
	Computers	Motor Cars	Office Equipment	Furniture and Fixtures	Leasehold Improvements	Total	Right to Use	Total
For the year ended March 31, 2023								
Gross Carrying Amount								
Cost as at April 1, 2022	181.09	24.80	254.93	260.93	400.06	1,121.82	852.19	852.19
Additions	53.63	-	215.85	151.46	353.00	773.94	167.05	167.05
Adjustments	-	-	-	-	-	-	-	-
Disposals	8.52	-	-	-	-	8.52	-	-
Gross carrying value as of March 31, 2023	**226.20**	**24.80**	**470.78**	**412.39**	**753.06**	**1,887.23**	**1,019.24**	**1,019.24**
Accumulated Depreciation								
Accumulated Depreciation as at April 1, 2022	77.13	1.88	46.09	24.68	72.43	222.21	214.81	214.81
Depreciation charge during the year	55.30	3.90	72.88	35.15	170.75	337.96	221.41	221.41
Disposals	-	-	-	-	-	-	-	-
Impairment loss	-	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2023	**132.42**	**5.78**	**118.97**	**59.82**	**243.16**	**560.17**	**436.22**	**436.22**
Net carrying value as of March 31, 2023	**93.79**	**19.02**	**351.81**	**352.58**	**509.90**	**1,327.06**	**583.02**	**583.02**

*** Revaluations of right to use assets:** The right of use assets has been revalued by by the Group itself instead of any independent registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(c) Capital work-in-progress

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital work in progress	6.36	73.39
Total	**6.36**	**73.39**

(d) Intangible assets under development

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Intangible assets under development	2,299.19	2,819.27
Total	**2,299.19**	**2,819.27**

Aging of Capital work-in-progress and Intangible assets under development

(₹ in Lakhs)

Particulars	Less than one year	1 - 2 year	2 - 3 year	More than 3 Year	Total
i. Projects in progress					
Capital work in progress	6.36	-	-	-	6.36
Intangible assets under development	2,299.19	-	-	-	2,299.19
Total	**2,305.55**	**-**	**-**	**-**	**2,305.55**
ii. Projects temporarily suspended					
Capital work in progress	-	-	-	-	-
Intangible assets under development	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

13 Other intangible assets

(₹ in Lakhs)

Particulars	Computer software	Total
For the year ended March 31, 2024		
Gross Carrying Amount		
Cost as at April 1, 2023	947.07	947.07
Additions	772.36	772.36
Disposals	-	-
Gross carrying value as of March 31, 2024	**1,719.43**	**1,719.43**
Accumulated Depreciation		
Accumulated Depreciation as at April 1, 2023	438.45	438.45
Depreciation charge during the year	239.80	239.80
Disposals	-	-
Impairment loss	-	-
Accumulated depreciation as of March 31, 2024	678.25	678.25
Net carrying value as of March 31, 2024	**1,041.18**	**1,041.18**
For the year ended March 31, 2023		
Gross Carrying Amount	-	-
Cost as at April 1, 2022	947.07	947.07
Additions	-	-
Disposals	-	-
Gross carrying value as of March 31, 2023	**947.07**	**947.07**
Accumulated Depreciation		
Accumulated Depreciation as at April 1, 2022	226.71	226.71
Depreciation charge during the year	211.74	211.74
Disposals	-	-
Impairment loss	-	-
Accumulated depreciation as of March 31, 2023	438.45	438.45
Net carrying value as of March 31, 2023	**508.62**	**508.62**

14 Other non-financials assets

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid expense	458.09	762.52
Advance to vendors	249.61	8.99
Advance to employees	48.37	41.01
Balances with statutory/government authorities	101.22	95.94
Total	**857.29**	**908.46**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

15 Payables

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	15.73	39.53
Total outstanding dues of creditors other than micro enterprises and small enterprises	303.13	172.56
Total	**318.86**	**212.10**
Other payables		
Total outstanding dues of micro enterprises and small enterprises	20.40	26.28
Total outstanding dues of creditors other than micro enterprises and small enterprises	10.28	9.67
Total	**30.68**	**35.95**

i) The Group has not entered in any supplier finance arrangements during the financial year 2023-24.

ii) Information required to be disclosed in accordance with Micro, Small and Medium Enterprises Development Act, 2006 has been determined based on the parties identified on the basis of information available with the Group. Accordingly, the disclosures relating to amounts unpaid as at the year ended together with interest paid /payable are furnished below:

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
The principal amount remaining unpaid to supplier as at the end of the year	36.14	65.82
The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
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 Micro, Small and Medium Enterprise Development Act, 2006	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Particulars	FY 2023-24						
	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	more than 3 years	
Undisputed trade payables:							
Micro enterprises and small enterprises	-	-	36.14	-	-	-	36.14
Others	215.53	-	97.87	-	-	-	313.40
Total	**215.53**	**-**	**134.01**	**-**	**-**	**-**	**349.54**
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**

(₹ in Lakhs)

Particulars	FY 2022-23						
	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	more than 3 years	
Undisputed trade payables:							
Micro enterprises and small enterprises	-	-	65.82	-	-	-	65.82
Others	(39.50)	-	221.73	-	-	-	182.23
Total	**(39.50)**	**-**	**287.55**	**-**	**-**	**-**	**248.05**
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

16 Debt Securities

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
At Amortised Cost		
Unsecured		
Compulsorily Convertible Debentures *	-	-
Secured		
Non Convertible Debentures - Privately Placed	12,364.87	374.12
Total	**12,364.87**	**374.12**
Deb Securities within India	12,364.87	374.12
Deb Securities outside India	-	-
Total	**12,364.87**	**374.12**

Debt Securities Disclosure

i) Privately placed redeemable non-convertible debenture (₹ in Lakhs)

Tenure (from the date of the Balance Sheet)	Term of Repayment	Rate of Interest	As at March 31, 2024	As at March 31, 2023
i) Upto 12 Months	Bullet Payment	11.00% - 13.00%	-	360.00
ii) Upto 12 Months	Monthly Instalment	13.50% - 14.00%	3,909.13	-
iii) Upto 12 Months	Quarterly Instalment	13.50% - 14.00%	670.78	-
iv) 13-24 Months	Monthly Instalment	13.50% - 14.00%	1,800.00	-
v) 13-24 Months	Quarterly Instalment	13.50% - 14.00%	333.00	-
vi) 25-36 Months	Bullet Payment	13.10% - 13.40%	4,000.00	-
vii) 25-36 Months	Monthly Instalment	13.50% - 14.00%	116.67	-
viii) 25-36 Months	Bullet Payment	11.00% - 13.00%	800.00	-
ix) 61-66 Months	Bullet Payment	13.10% - 13.40%	800.00	-
Gross			**12,429.58**	**360.00**
Add: Effective Interest Rate Adjustment			(64.70)	14.12
Net			**12,364.87**	**374.12**

Nature of Security

The company raised ₹131 crores through listed and unlisted non-convertible debentures in the financial year 2024, with varied tenure of 15 to 66 months. These facilities are secured by a first and exclusive hypothecation charge on the portfolio with security cover of 1.10 times.

ii) Privately placed unsecured compulsorily convertible debenture (₹ in Lakhs)

Tenure (from the date of the Balance Sheet)	Rate of Interest	As at March 31, 2024	As at March 31, 2023
(i) Upto 18 Months [of ₹ 22.26/- each]	2%	-	-
(ii) Upto 18 Months [of ₹ 80.00/- each]	10%	-	-
Gross		-	-
Less: Equity component of compound financial instrument		-	-
Less: Accrued Interest Adjustment		-	-
Net		**-**	**-**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

17 Borrowings (other than debt securities)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
At amortised cost		
Secured		
Term Loan from Banks		
- from Banks	13,441.29	12,809.80
- from Financial Institutions	41,472.38	29,056.32
Bank Over draft	1,291.53	1,882.87
Unsecured		
Loans repayable on demand from other parties	-	-
Lease Liability (Refer Note 49)	40.74	128.55
Total (A)	**56,245.94**	**43,877.54**
Borrowings India	56,245.94	43,877.54
Borrowings outside India	-	-
Total (B)	**56,245.94**	**43,877.54**
Current borrowings	-	-
Current maturities of Long term borrowings	4,310.21	41,866.12
Long term borrowings	51,935.74	2,011.42
Total (C)	**56,245.94**	**43,877.54**

The Company has not defaulted in the repayment of borrowings and interest as at Balance Sheet date.

Borrowings Disclosure

i) Term loans from Banks & Financial Institutions

(₹ in Lakhs)

Tenure (from the date of the Balance Sheet)	Terms of Repayment	Rate of Interest	As at March 31, 2024	As at March 31, 2023
Upto 12 Months	Bulleyt Payment	7.00%-11.00%	1,364.75	1,955.99
Upto 12 Months	Monthly Instalment	9.28% - 11.00%	3,351.94	267.93
Upto 12 Months	Monthly Instalment	11.01% - 12.00%	1,371.28	374.16
Upto 12 Months	Monthly Instalment	12.01% - 13.00%	7,530.51	4,911.43
Upto 12 Months	Monthly Instalment	13.01% - 14.00%	14,051.97	5,740.71
Upto 12 Months	Monthly Instalment	14.01% - 15.00%	4,121.50	6,786.89
Upto 12 Months	Monthly Instalment	15.01% - 15.70%	637.99	-
Upto 12 Months	Quarterly Instalment	10.85% - 11.00%	-	363.19
Upto 12 Months	Quarterly Instalment	11.01% - 12.00%	270.67	574.25
Upto 12 Months	Quarterly Instalment	12.01% - 13.00%	907.17	958.32
Upto 12 Months	Quarterly Instalment	13.01% - 14.00%	2,339.75	3,699.19
Upto 12 Months	Quarterly Instalment	14.01% - 14.95%	375.00	750.00
13-24 Months	Monthly Instalment	9.28% - 11.00%	1,595.45	260.87
13-24 Months	Monthly Instalment	11.01% - 12.00%	791.67	375.00
13-24 Months	Monthly Instalment	12.01% - 13.00%	1,829.31	3,927.78
13-24 Months	Monthly Instalment	13.01% - 14.00%	9,679.91	3,788.68

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Tenure (from the date of the Balance Sheet)	Terms of Repayment	Rate of Interest	As at March 31, 2024	As at March 31, 2023
13-24 Months	Monthly Instalment	14.01% - 15.00%	2,141.67	2,721.10
13-24 Months	Monthly Instalment	15.01% - 15.70%	106.12	-
13-24 Months	Quarterly Instalment	10.85% - 11.00%	-	272.72
13-24 Months	Quarterly Instalment	11.01% - 12.00%	-	583.34
13-24 Months	Quarterly Instalment	12.01% - 13.00%	583.34	489.61
13-24 Months	Quarterly Instalment	13.01% - 14.00%	1,162.50	1,208.33
13-24 Months	Quarterly Instalment	14.01% - 14.95%	-	375.00
25-36 Months	Monthly Instalment	9.28% - 11.00%	100.00	260.87
25-36 Months	Monthly Instalment	11.01% - 12.00%	-	375.00
25-36 Months	Monthly Instalment	12.01% - 13.00%	90.91	461.00
25-36 Months	Monthly Instalment	13.01% - 14.00%	1,626.55	1,973.58
25-36 Months	Monthly Instalment	14.01% - 15.00%	445.71	470.47
25-36 Months	Quarterly Instalment	11.01% - 12.00%	-	583.34
25-36 Months	Quarterly Instalment	12.01% - 13.00%	249.98	-
25-36 Months	Quarterly Instalment	13.01% - 14.00%	125.00	333.33
37-48 Months	Monthly Instalment	12.01% - 13.00%	-	116.34
37-48 Months	Monthly Instalment	13.01% - 14.00%	375.00	614.98
37-48 Months	Quarterly Instalment	11.01% - 12.00%	-	249.98
Gross			**57,225.65**	**45,823.38**
Less: Effective Interest Rate Adjustment			(4,210.74)	(3,175.14)
Less: Capital Contribution by the Holding Company in the Form of Corporate Guarantee			1,898.76	(782.13)
Net			**54,913.67**	**41,866.11**

Nature of Security

The facility is secured by first and exclusive hypothecation charge on the portfolio with security cover of 1.10 to 1.33 times. Further, the Company has provided additional security by way of lien on Fixed Deposits and Corporate Guarantee in certain cases

ii) Bank Overdraft

(₹ in Lakhs)

Tenure (from the date of the Balance Sheet)	Rate of Interest	As at March 31, 2024	As at March 31, 2023
Upto 12 Months	10.95%	1,291.53	1,882.87

Nature of Security

The facility is secured by pledge of gold ornaments.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

18 Other financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Unpaid dividends	14.18	14.95
Loan Pending Disbursal	717.76	1.32
Payable to employees	66.69	14.84
Other financial liabilities	111.57	99.44
Total	**910.20**	**130.55**

19 Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Gratuity (Refer Note 38)	0.80	0.61
Leave encashment (Refer Note 38)	86.46	45.76
PF and ESIC (Refer Note 38)	18.64	12.48
Total	**105.90**	**58.85**

20 Other non-financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance from customers and others	583.37	340.68
Liability towards Statutory Dues	349.04	449.23
Unearned income	-	-
Total	**932.41**	**789.91**

21 Equity share capital

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a. Authorised Share Capital		
25,00,00,000 (March 31, 2023: 25,00,00,000) Equity Shares of ₹ 2 each	5,000.00	5,000.00
Total	**5,000.00**	**5,000.00**
b. Issued, Subscribed and Paid-up:		
11,68,99,371 (March 31, 2023: 11,62,14,716) Equity Shares of ₹ 2 each	2,337.99	2,324.29
Total	**2,337.99**	**2,324.29**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

c. Reconciliation of number of equity shares:

(₹ in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Balance as at the beginning of the year	11,62,14,216	2,324.29	8,88,38,939	1,776.78
Issued during the year	6,85,155	13.70	2,73,75,277	547.51
Balance as at the end of the year	**11,68,99,371**	**2,337.99**	**11,62,14,216**	**2,324.29**

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

(₹ in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% of holding	No. of Shares	% of holding
Wilson Holdings Private Limited (earlier known as 'Truvalue Agro Ventures Private Limited')	5,16,40,587	44.18%	6,56,78,273	56.51%
Aviator Emerging Market Fund	-	0.00%	70,52,500	6.07%
Total	**5,16,40,587**	**44.18%**	**7,27,30,773**	**62.58%**

e. Shares of the Company held by the Holding Company

Particulars	As at March 31, 2024	As at March 31, 2023
Wilson Holdings Private Limited (earlier known as 'Truvalue Agro Ventures Private Limited')	5,16,40,587	6,56,78,273
Total	**5,16,40,587**	**6,56,78,273**

f. Details of shareholding of promoters:

Particulars	As at March 31, 2024		
	Number of shares	Percentage of total No of shares	Percentage of change during the year
Wilson Holdings Private Limited (earlier known as 'Truvalue Agro Ventures Private Limited')	5,16,40,587	44.18%	-12.34%
Total	**5,16,40,587**	**44.18%**	**-12.34%**

Particulars	As at March 31, 2023		
	Number of shares	Percentage of total No of shares	Percentage of change during the year
Wilson Holdings Private Limited (earlier known as 'Truvalue Agro Ventures Private Limited')	6,56,78,273	56.51%	-8.63%
Total	**6,56,78,273**	**56.51%**	**-8.63%**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

g. Aggregate number of shares issued for consideration other than cash

Particulars	Number of shares	Number of shares
Shares issued as consideration for acquisition of subsidiary	-	-
Total	**-**	**-**

h. Shares reserved for issues under options

(₹ in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of Shares	Amount in ₹	No of Shares	Amount in ₹
Equity shares of ₹ 2 each reserved for issue under employee stock option scheme	19,86,701	39.73	26,71,356	53.43

i. Terms and rights attached to equity shares

The Group has only one class of equity shares having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share.In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be proportional to the number of equity shares held by the shareholders.

j. The Group has not alloted any bonus shares for the period of 5 years immediately preceding March 31, 2024.

k. Proposed dividends on equity shares

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Proposed dividend on equity shares for the year ended on March 31, 2024:₹ 0.01 per share (March 31, 2023: ₹ 0.01 per share)	11.69	11.62

l. Refer Note 41- Capital for the Company's objectives, policies and processes for managing capital

22 Other equity

(₹ in Lakhs)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
Securities Premium	(i)	14,830.08	14,716.50
Retained earnings	(ii)	1,817.92	992.56
Employee stock option outstanding reserve	(iii)	216.48	211.84
Statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	(iv)	782.10	549.32
Money received against share warrants	(v)	1,206.25	915.65
Share application money pending allotment	(vi)	-	-
Equity component of compound financial instruments	(vii)	-	-
Capital Contribution towards corporate guarantee	(viii)	0.00	1,898.76
Total		**18,852.82**	**19,284.63**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(i) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act,2013.

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	**14,716.50**	**4,497.14**
Add: premium received on issue of shares	113.58	10,219.36
Add: Utilisation on account of exercise option	-	-
Share Issue Expenses	-	-
Balance at the end of the year	**14,830.08**	**14,716.50**

(ii) Retained earnings

Retained Earnings are the profits of the Group earned till date net of appropriations.

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	992.56	1,047.94
Profit for the year	1,096.31	63.14
Remeasurement of defined benefit plans (net of tax)	(6.93)	4.04
Transfer to statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934	(232.78)	(111.77)
Deletion for the year	(19.55)	-
Dividends	(11.69)	(10.80)
Balance at the end of the year	**1,817.92**	**992.56**

(iii) Employee stock option outstanding reserves

Employee stock option outstanding reserves is created as required by Ind AS 102 'Share Based Payments' on the Employee Stock Option Scheme operated by the Group for employees of the group

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	211.84	194.48
Add:Share based payment expense	66.42	95.39
Add:ESOP's granted to employees of Subsidiary Company	-	14.52
Less: Share based payment expense reversed for resigned employees	-	-
Less:Transfer to securities premium on account of exercise of Options	(61.78)	(92.55)
Balance at the end of the year	**216.48**	**211.84**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(iv) Statutory reserve created u/s 45-IC of Reserve Bank of India Act, 1934

The Company maintains statutory reserve u/s 45-IC of Reserve Bank of India Act,1934 under which a specified amount is transferred from retained earnings

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	**549.32**	**437.55**
Add: Profit transferred during the year	232.78	111.77
Balance at the end of the year	**782.10**	**549.32**

(v) Money received against share warrants

money received against share warrants is to be made since shares are yet to be allotted against the share warrants

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	**915.65**	**450.00**
Add: Warrants issued during the year	1,206.25	465.65
Less: Converted/forfeited during the year	915.65	-
Balance at the end of the year	**1,206.25**	**915.65**

(vi) Share application money pending allotment

The amount received on the application on which allotment is not yet made

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	**-**	**1.64**
Add: Application money received during the year	65.49	-
Less: Allotment made during the year	65.49	1.64
Balance at the end of the year	**-**	**-**

(vii) Equity component of compound financial instruments

This represent the equity component of compound financial instruments

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	**-**	**7,685.52**
Add: Equity component of compound financial instruments	-	(7,685.52)
Balance at the end of the year	**-**	**-**

(viii) Capital Contribution towards corporate guarantee

This represent the Capital Contribution towards corporate guarantee

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	**1,898.76**	**1,116.63**
Add: Capital Contribution by the Holding Company in the Form of Corporate Guarantee	(1,898.76)	782.13
Balance at the end of the year	**0.00**	**1,898.76**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

23 Interest income

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on loans (at amortised cost)	11,471.03	9,187.82
Interest on deposit with banks (at amortised cost)	186.02	119.06
Other interest Income	5.70	6.40
Total	**11,662.75**	**9,313.28**

24 Fees and commission Income

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Income from loan services	190.77	1.32
Income from other services	4,221.33	2,909.29
Total	**4,412.10**	**2,910.61**

Revenue from contracts with customers

Below is the revenue from contracts with customers and reconciliation to statement of profit and loss

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Type of Services		
Fee and commission income	4,412.10	2,910.61
Total revenue from contract with customers	**4,412.10**	**2,910.61**
Geographical markets		
India	4,412.10	2,910.61
Outside India	-	-
Total revenue from contract with customers	**4,412.10**	**2,910.61**
Timing of revenue recognition		
Services transferred at a point in time	4,412.10	2,910.61
Services transferred over time	-	-
Total revenue from contracts with customers	**4,412.10**	**2,910.61**

Contract balance

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Trade receivables	7,418.13	3,881.89
Contract Assets	-	-

The Group does not have any contract assets or liability, hence disclosures related to it has not been presented.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

25 Net gain on fair value changes

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(A) Net gain on financial instruments at fair value through profit or loss		
(i) On Trading Portfolio		
- Investments	109.80	77.46
- Derivatives	-	-
(ii) Others	4.68	10.29
Total Net Gain on Fair Value Changes (B)	**114.48**	**87.75**
Fair value changes:		
Realised	77.46	77.46
Unrealised	37.02	10.29
Total Net Gain on Fair Value Changes (C)	**114.48**	**87.75**

* Fair value changes in this schedule are other than those arising on account of accrued interest income/expense.

26 Other Income

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Dividend income	-	3.15
Recovery from written off accounts	25.04	4.10
Miscellaneous income	2,070.02	61.58
Total	**2,095.06**	**68.83**

27 Finance costs

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
On Financial liabilities measured at amortised cost		
Interest on borrowings (other than debt securities)	7,632.65	4,778.29
Interest on debt securities	224.20	275.43
Other interest expense		
Interest on lease liabilities	12.39	25.52
Total	**7,869.24**	**5,079.24**

28 Fees and commission expense

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Commission	185.78	132.48
Total	**185.78**	**132.48**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

29 Impairment on financial instruments

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Loans	309.91	(263.04)
Receivable	-	(77.11)
Bad debts written off	100.71	181.73
Total	**410.62**	**(158.42)**

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

For the year ended March 31, 2024

(₹ in Lakhs)

Particulars	General Approach			Simplified Approach	Total
	Stage 1	Stage 2	Stage 3		
Loans and advances to customers	13.23	1.01	295.67	-	309.90
Receivables	-	-	-	-	-
Total impairment loss	**13.23**	**1.01**	**295.67**	**-**	**309.90**

For the year ended March 31, 2023

(₹ in Lakhs)

Particulars	General Approach			Simplified Approach	Total
	Stage 1	Stage 2	Stage 3		
Loans and advances to customers	(28.25)	(76.47)	100.36	-	(4.35)
Receivables	-	-	-	16.50	16.50
Total impairment loss	**(28.25)**	**(76.47)**	**100.36**	**16.50**	**12.15**

30 Employee benefits expenses

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages	3,921.78	2,591.45
Gratuity Expenses (Refer Note 38)	40.28	32.25
Contribution to provident and other funds	201.39	131.66
Share Based Payments to employees	66.41	94.81
Staff welfare expenses	55.81	45.14
Total	**4,285.67**	**2,895.31**

31 Depreciation, amortization and impairment

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of property, plant and equipment (Refer Note 12)	686.23	559.38
Amortization of intangible assets (Refer Note 13)	239.80	211.74
Total	**926.03**	**771.12**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

32 Others expenses

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Rent, Rates and taxes	459.32	202.14
Repairs and maintenance	81.40	39.12
Energy Costs	54.72	37.32
Communication costs	57.23	36.28
Printing and stationery	57.38	44.53
Advertisement and publicity	117.15	89.65
Director's fees, allowances, and expenses	55.50	74.42
Auditor fees and expenses [Refer Note 32.1]	78.90	52.43
Legal and professional charges	1,530.13	1,890.58
Insurance	83.56	80.73
Other expenditure:		
- Annual Maintenance Charges	19.53	27.31
- Brokerage	21.79	106.41
- CSR	9.06	10.00
- GST Input Tax Credit written off	223.08	243.35
- Office Expenses	77.58	64.30
- Processing fee on co-lending business	24.21	5.36
- Software Licences Expenses	48.00	31.49
- Travel & Conveyance	23.15	128.56
- Website & Server Maintenance Expenses	101.34	125.78
- Miscellaneous Expenditure	341.70	124.43
Total	**3,464.73**	**3,414.19**

32.1 Auditor fees and expenses

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
As Auditor:		
- Statutory audit fees	32.26	20.00
- Limited review fees	16.00	8.00
- Taxation matters	9.09	2.00
- Out of pocket expenses	1.55	1.43
In other capacity:		
- Certification	20.00	21.00
Total	**78.90**	**52.43**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

33 Income tax expense

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax		
Current tax on profits for the period	201.74	111.62
Prior period tax	130.04	-
Adjustments for current tax of prior periods	-	-
Mat credit entitlement (Refer Note11)	49.25	-
Total Current Tax	**381.03**	**111.62**
Deferred tax expense (income)		
Decrease in deferred tax assets (Refer Note11)	(337.27)	70.52
Total deferred tax expense/(benefit)	**(337.27)**	**70.52**
Total tax expense	**43.76**	**182.14**

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 Indian corporate tax rate.

A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2024 and year ended March 31, 2023 is, as follows:

Reconciliation of effective tax rate:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before income tax expense	1,142.32	246.55
Enacted income tax rate in India applicable to the Company 27.82% (March 31, 2023 - 27.82%)	317.79	68.59
Tax effect of:		
Permanent Disallowances	-	15.19
Deferred tax assets not created on OCI	(2.24)	1.27
Mat Credit entitlement	(49.25)	-
Difference in tax rates for short term capital gains	(12.22)	(8.62)
Timing difference in net block of fixed assets	(90.15)	(23.52)
Deferred tax assets not created on loss of subsidiary	20.73	129.50
Others	(10.84)	(0.27)
Tax in respect of earlier period	(130.04)	-
Total tax expense	**43.76**	**182.14**
Effective tax rate	**3.83%**	**73.88%**

Amounts recognised directly in equity

No aggregate amounts of current and deferred tax have arisen in the reporting period which have been recognised in equity.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

34 Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of Group 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 Group (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.

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit attributable to the equity holders of the Company (A)	1,096.31	63.14
Weighted Average number of equity shares for calculating Basic EPS (In Lakhs) (B)	11,65,66,801	10,98,69,260
Adjustment for calculation of Diluted EPS on account of Diluted potential ordinary shares (C)	11,80,39,724	18,08,900.39
Weighted Average number of equity shares for calculating Diluted EPS (In Lakhs) (D= B+C)	11,73,03,263	11,16,78,160
Basic earnings per equity shares in Rs.(face value of Rs. 2/- per share) (A) / (B)	0.94	0.06
Diluted earnings per equity shares in Rs.(face value of Rs. 2/- per share) (A) / (D)	0.93	0.06

35 Contingent liabilities & commitments

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Claims against the Company not acknowledged as debts		
Income tax matters under dispute	67.18	67.18
Commitments		
a) Capital commitments	-	-
(Estimated amount of contracts remaining to be executed on capital account and not provided for)	-	-
b) Loan sanction but undrawn	228.90	20.00
Total Commitments	**228.90**	**20.00**

36 Derivatives

The Group has no transactions / exposure in derivatives in the current and previous year. The Group has no unhedged foreign currency exposure as at March 31, 2024: Nil (March 31, 2023: Nil).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

37 Uncertainties relating to the Global Health Pandemic from COVID-19 ("Covid-19")

The Group had granted moratorium upto six months on the payment of instalments falling due between March 01, 2020 and August 31, 2020 to all eligible borrowers based on the Board approved moratorium policy read with the Reserve Bank of India (RBI) guidelines dated March 27, 2020 and May 23, 2020 relating to 'COVID-19 - Regulatory Package' and RBI guidelines on EMI moratorium dated April 17, 2020. Further, period for which moratorium was granted had not been considered for computing days past due (DPD) as on March 31, 2021. Extension of such moratorium benefit to borrowers as per the COVID-19 Regulatory package of the RBI and DPD freeze for such period by itself is not considered to result in significant increase in credit risk as per Ind AS 109 for staging of accounts. The Group continued to recognize interest income during the moratorium period and in the absence of other credit risk indicators, the granting of a moratorium period does not result in accounts becoming past due and automatically triggering Stage 2 or Stage 3 classification criteria.

The COVID -19 pandemic has significantly affected various sectors of Indian economy. The prolonged lockdown imposed by the government due to Covid-19 pandemic has affected the group's business operations. During the year, the Company has scaled up the growth in the low risky sector. Further, there has been good collection efficiencies post completion of the moratorium period and none of the customers approached for one time restructuring benefit allowed under the Resolution Framework by Reserve Bank of India dated August 6, 2020 for COVID related stress to the borrowers. Basis the abovementioned factors, the Group estimates that no additional Expected Credit Loss (ECL) provision on Loans is required on account of COVID – 19 during the quarter and year ended March 31, 2022. However, the actual impact may vary due to prevailing uncertainty caused by the pandemic. The Group's management is continuously monitoring the situation and the economic factors affecting the operations of the Group.

38 Employee benefits

(a) Compensated absences

The compensated absences charge for the year ended March 31, 2024 of ₹ 54.59 Lakhs (March 31, 2023 ₹ 24.01 Lakhs) has been charged in the Statement of Profit and Loss.

The liability for compensated absences based on actuarial valuation amounting as at the year ended March 31, 2024 is ₹ 85.50 Lakhs (March 31, 2023 : ₹ 44.81 Lakhs)

(b) Post employment obligations

I. Defined contribution plans:

The Group has classified the various benefits provided to employees as under:

a. Provident Fund

b. Employees' Pension Scheme 1995

c. Employee State Insurance Scheme

The Group makes Provident fund and Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. The provident fund and the state defined contribution plan are operated by the Regional Provident Fund Commissioner . Under the schemes, the Company is required to contribute a specified percentage of payroll cost to fund the benefits. These funds are recognized by the Income Tax authorities.

The expense recognised during the period towards defined contribution plan:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contribution to Provident Fund	101.46	73.75
Contribution to Employees' Pension Scheme 1995	92.52	53.04
Contribution to Employee State Insurance Scheme	7.41	4.88
Total	**201.39**	**131.67**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

II. Defined benefit plans:

Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service, subject to a payment ceiling of Rs 20 Lakhs. The gratuity plan is a funded plan.

The Group has a defined benefit plan in India (Funded). The Group's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The Fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

During the year , there are no plan amendments, curtailments and settlements.

The actuarial valuation of the defined benefit obligation was carried out at the balance sheet date. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date.

(₹ in Lakhs)

Defined benefit plans	For the year ended March 31, 2024	For the year ended March 31, 2023
	Gratuity (funded)	Gratuity (funded)
Expenses recognised in statement of profit and loss during the year:		
Current service cost	41.68	29.52
Past service cost	-	-
Liability Transferred in/ Divestments	(0.27)	(4.85)
Liability Transferred Out/ Divestments	0.27	4.85
Net interest cost / (income) on the net defined benefit liability / (asset)	(1.40)	2.73
Total expenses	**40.28**	**32.25**
Expenses recognised in other comprehensive income		
Actuarial (gains) / losses due to demographic assumption changes	-	-
Actuarial (gains) / losses due to financial assumption changes	-	-
Actuarial (gains)/ losses due to experience on defined benefit obligations	11.52	2.74
Return on plan assets excluding Interest income	(2.35)	2.57
Total expenses	**9.17**	**5.31**
Net asset /(liability) recognised as at balance sheet date:		
Present value of defined benefit obligation at the end of the period	(116.30)	(64.01)
Fair value of plan assets	131.44	90.53
Net (Liability)/Asset Recognized in the Balance Sheet	**15.14**	**26.52**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Defined benefit plans	For the year ended March 31, 2024	For the year ended March 31, 2023
	Gratuity (funded)	Gratuity (funded)
Movements in present value of defined benefit obligation		
Present value of defined benefit obligation at the beginning of the year	68.84	49.57
Current service cost	41.68	29.52
Past service cost	-	-
Liability Transferred Out/ Divestments	0.27	4.85
Interest cost	4.68	3.10
Actuarial (gains) / loss	11.55	(18.20)
Benefits paid	-	-
Present value of defined benefit obligation at the end of the year	**127.02**	**68.84**
Movements in fair value of the plan assets		
Opening fair value of plan assets	0.18	0.27
Interest Income	6.08	0.37
Expected returns on plan assets	-	-
Expected returns on plan assets excluding Interest income	2.39	(0.46)
Actuarial (gains) / loss on plan assets	-	-
Contribution from employer	-	-
Benefits paid	-	-
Closing fair value of the plan asset	**8.65**	**0.18**

Maturity profile of defined benefit obligation

Funding arrangements and funding policy

The Group has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance Company carries out a funding valuation based on the latest employee data provided by the Group. Any deficit in the assets arising as a result of such valuation is funded by the Group

Expected cash flows over the next (valued on undiscounted basis):

1st Following Year	9.44	7.16
2nd Following Year	11.06	3.29
3rd Following Year	14.33	7.17
4th Following Year	15.91	9.18
5th Following Year	17.63	9.97
Sum of Years 6 To 10	58.92	33.89
Sum of Years 11 and above	54.90	32.43

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Quantitative sensitivity analysis for significant assumptions is as below:

(₹ in Lakhs)

Increase / (decrease) on present value of defined benefit obligation at the end of the year	127.02	68.84
(i) +1% increase in discount rate	(6.38)	(3.26)
(ii) -1% decrease in discount rate	5.78	3.61
(iii) +1% increase in rate of salary increase	5.34	3.46
(iv) -1% decrease in rate of salary increase	(6.10)	(3.22)
(v) +1% increase in rate of Employee Turnover	(2.60)	(1.23)
(vi) -1% decrease in rate of Employee Turnover	1.40	1.24

Sensitivity analysis method

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

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

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

Risks associated with defined benefit plan

Gratuity is a defined benefit plan and Group is exposed to the following risks:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance Company and a default will wipe out all the assets. Although probability of this is very less as insurance Companies have to follow regulatory guidelines.

Composition of plan assets		
Qualifying policy with Tata AIA Life Insurance Company Limited	100%	100%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Asset liability matching strategies

The Group contributes to the insurance policy based on estimated liability of next financial year end. The projected liability statements is obtained from the actuarial valuer.

Actuarial assumptions:	For the year ended March 31, 2024	For the year ended March 31, 2023
1. Expected Return on Plan Assets	7.18%	7.31%
2. Discount rate	7.18%	7.31%
3. Expected rate of salary increase	6.50%	6.50%
4. Rate of Employee Turnover	18.00%	18.00%
5. Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	"Indian Assured Lives Mortality 2012-14 (Urban)"

Notes:

a) The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.

b) The estimates of future salary increases considered in the actuarial valuation take account of seniority, promotion and other relevant factors, such as supply and demand in the employment market.

c) The Group expects to make nil contribution to the defined benefit plans (gratuity - funded) during the next financial year.

d The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 8 years.

39 Segment Reporting

Operating segment are components of the group whose operating results are regularly reviewed by the Chief Operating Decision Maker ("CODM") of the Company to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

The Group operates in a two reportable business segment i.e. Fund Based Activities and Advisory Services, which has similar risks and returns for the purpose of Ind AS 108 – "Operating segments".

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Segment-Wise Revenue, Results and Capital Employed		
Segment revenue		
Fund based activities	12,799.93	9,432.13
Advisory services	4,100.00	2,776.54
Total	**16,899.93**	**12,208.67**
Less : Inter segment revenue	-	-
Revenue from operations	**16,899.93**	**12,208.67**
Segment results		
Profit before tax from each segment :		
Fund based activities	(2,294.27)	(468.38)
Advisory services	2,164.87	747.95
Total	**(129.40)**	**279.57**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Add: Other Un-allocable Income net of expenditure	1,271.72	(33.01)
Profit before tax	**1,142.33**	**246.56**
Less: Income taxes	46.01	183.41
Profit after tax	**1,096.32**	**63.15**
Capital employed		
Segment assets		
Fund based activities	76,953.97	56,779.48
Advisory services	356.81	830.10
Unallocated	14,788.89	9,515.20
Total	**92,099.67**	**67,124.78**
Segment liabilities		
Fund based activities	70,579.89	45,103.42
Advisory services	328.97	375.62
Unallocated	-	36.84
Total	**70,908.86**	**45,515.88**
Capital expenditure		
Fund based activities	681.53	473.71
Advisory services	226.27	153.71
Depreciation and amortisation		
Fund based activities	720.06	636.34
Advisory services	205.97	134.78
Unallocated		
Finance Cost		
Fund based activities	7,869.24	5,079.24
Other non-cash expenditure		
Fund based activities	410.62	(158.42)

Geographic Segment

All the assets of the Group and source of revenue of the Group is within India and hence, no separate geographical segment is identified.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

40 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 Group uses the same basis of expected repayment behaviour as used for estimating the EIR.

(₹ in Lakhs)

Assets	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financials Assets						
Cash and cash equivalents	10,134.70	-	10,134.70	3,800.88	-	3,800.88
Bank balances other than cash and cash equivalents	2,133.24	1,063.20	3,196.44	3,459.98	1,513.98	4,973.96
Receivables						-
(i)Trade Receivables	6,272.04	1,164.66	7,436.70	3,900.46	-	3,900.46
(ii)Other Receivables	-	-	-	-	-	-
Loans*	46,084.64	13,183.07	59,267.71	24,592.33	17,198.44	41,790.77
Investments	1,468.80	1,338.75	2,807.55	4,138.50	722.50	4,861.00
Other Financials Assets	1,581.14	-	1,581.14	837.52	-	837.52
Non Financials Assets						
Current Tax Assets (Net)	-	1,060.65	1,060.65	-	729.80	729.80
Deferred Tax Assets (Net)	-	397.09	397.09	-	10.57	10.57
Investment Property						
Property,Plant and Equipment	-	1,661.55	1,661.55	-	1,327.06	1,327.06
Right of use assets	-	352.12	352.12	-	583.02	583.02
Capital work -in- progress	-	6.36	6.36	-	73.39	73.39
Intangible assets under development	-	2,299.19	2,299.19	-	2,819.27	2,819.27
Other Intangible assets	-	1,041.18	1,041.18	-	508.62	508.62
Other non-financials assets	-	857.29	857.29	-	908.46	908.46
Non-current assets and disposal group held for sale	-	-	-	-	-	-
Total Assets	**67,674.56**	**24,425.09**	**92,099.65**	**40,729.67**	**26,395.09**	**67,124.76**

(₹ in Lakhs)

Liabilities	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial Liabilities						
Payables						
I)Trade payables	318.87	-	318.87	212.10	-	212.10
II)Other payables	30.69	-	30.69	35.95	-	35.95
Debt Securities	4,579.91	7,784.96	12,364.87	374.12	-	374.12
Borrowings (Other than Debt Securities)	37,614.06	18,631.88	56,245.94	28,264.95	15,612.59	43,877.54

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Liabilities	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Other financial liabilities	910.20	-	910.20	130.55	-	130.55
Non-Financial Liabilities						
Current tax liabilities(Net)	-	-	-	36.85	-	36.85
Provisions	18.64	87.26	105.90	12.48	46.37	58.85
Other non-financial liabilities	932.41	-	932.41	789.91	-	789.91
Total Liabilities	**44,404.78**	**26,504.10**	**70,908.88**	**29,856.91**	**15,658.96**	**45,515.87**
Net	**23,269.78**	**(2,079.01)**	**21,190.77**	**10,872.76**	**10,736.13**	**21,608.89**

41 Capital Management

The primary objective of the Group's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders or issue new shares capital securities. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024. The Group monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

The Group's adjusted net debt to equity ratio is as follows.

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Debt	68,610.82	44,251.65
Less: cash and cash equivalents	(10,134.70)	(3,800.88)
Less: Bank balances other than cash and cash equivalents	(3,196.44)	(4,973.96)
Adjusted net debt	55,279.68	35,476.81
Total Equity	**21,190.81**	**21,608.92**
Adjusted net debt to adjusted equity ratio	2.61	1.64

42 Events after reporting date

There have been no events after the reporting date that require disclosure in these financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

43 Change in liabilities arising from financing activities

(₹ in Lakhs)

Particulars	April 1, 2023	Cash Flows	Changes in fair values	Exchange difference	Other**	As at March 31, 2024
Debt securities	374.12	11,955.67	-	-	35.09	12,364.87
Borrowings (other than debt securities)*	43,748.99	11,409.93	-	-	1,046.28	56,205.20
Lease Liabilities	128.55	(142.34)	-	-	54.53	40.75
Deposits	-	-	-	-	-	-
Total liabilities from financing activities	**44,251.66**	**23,223.26**	**-**	**-**	**1,135.90**	**68,610.82**

(₹ in Lakhs)

Particulars	April 1, 2022	Cash Flows	Changes in fair values	Exchange difference	Other**	As at March 31, 2023
Debt securities	3,821.46	-	-	-	(3,447.34)	374.12
Borrowings (other than debt securities)*	24,648.70	19,463.24	-	-	(362.95)	43,748.99
Lease Liabilities	177.49	(216.09)	-	-	167.15	128.55
Deposits	-	-	-	-	-	-
Total liabilities from financing activities	**28,647.65**	**19,247.15**	**-**	**-**	**(3,643.14)**	**44,251.66**

*Other than lease liabilities

**Other column includes creation of lease liabilities, Ind AS Adjustments & adjustments on account of Capital Contribution by the Holding Company in the Form of Corporate Guarantee.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

44 Related party disclosures

A. Names of related parties with whom transactions have taken place & description of relationship:

Description of relationship	Name of the related party
Associates	M/s. Wilson Holdings Private Limited [upto June 30, 2023 this was Holding Company and from july 2023 it ceses to be holding company]
Key Management Personnel (KMP)	Mr. Karan Neale Desai, Whole Time Director and Chief Business Officer***(Upto June 30, 2022)
	Mr. Nirmal Vinod Momaya, Independent Director
	Mr. Krishipal Tarachand Raghuvanshi, Independent Director
	Mr. Rakesh Inderjeet Sethi, Independent Director
	Mr. Rajiv Prem Kapoor, Non-Executive Director*
	Mr. Rohanjeet Singh Juneja, Managing Director and Chief Executive Officer**
	Ms. Minaxi Kishore Mehta, Non-Excecutive Non-Independent Director (Upto June 17, 2022)
	Mr. Atwood Porter Collins, Non-Excecutive Non-Independent Director (w.e.f. July 31, 2021)
	Ms. Abha Kapoor, Independent Director (w.e.f. March 30, 2022)
	Ms. Manjari Kacker, Independent Director
	Mr. Vincent Daniel, Independent Director
	Ms. Rushina Mehta, Non Executive Non-Independent Director (w.e.f. June 17, 2022)
	Ms. Geetu Verma, Independent Director (w.e.f. May 31, 2022)
	Mr. Sanjay Kukreja, Chief Financial Officer (w.e.f. August 1, 2020)
	Ms. Sonal Sharma, Company Secretary (w.e.f. October 14, 2022)
	Mr. Lalit Mohan Chendvankar, Chief Compliance Officer and Legal Head (w.e.f. October 14, 2022)****
	Ms. Ruchi Thakkar, Company Secretary (w.e.f. September 29, 2021)
Other Related Parties	Ms. Minaxi Mehta (Promoter of Wilson Holdings Private Limited)
	Mr. Nimir Kishore Mehta (Relative of Promoter of Wilson Holdings Private Limited)
	Wilson Investment Adviser Pvt Ltd (Promoter of Parent Company Having Singnificant Influence)
	Prolific Ventures Pvt Ltd (Promoter of Parent Company Having Singnificant Influence)
	Wilson Financial Services Private Limited (from July 31, 2018) (Wholly owned Subsidiary of Wilson Holdings Private Limited)
	Exerfit Wellness Private Limited (Director Having Singnificant Influence)

*Change in designation of Mr. Rajiv Kapoor from Independent Director to Non-Executive Non-Independent Director with effect from March 30, 2022

** Change in designation of Mr. Rohanjeet Singh Juneja from Joint Managing Director to Managing Director and Chief Executive Officer with effect from March 12, 2022

***Change in designation of Mr. Karan Neale Desai from Joint Managing Director to Whole Time Director and Chief Business Officer with effect from March 12, 2022

****Change in designation of Mr. Lalit Mohan Chendvankar from Company Secretary to Legal Head with effect from October 14, 2022. There is no changes as Chief Compliance Officer with effect from October 1, 2021

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

B. Details of related party transactions:

(₹ in Lakhs)

Name of the related party	Nature of Transaction	For the year ended March 31, 2024	For the year ended March 31, 2023
Associates		-	-
M/s. Wilson Holdings Private Limited	Interest expense	-	3.61
	Reimbursement of expenses	-	8.30
	Conversion of share warrants into Equity	-	500.00
	Conversion of UCCD into Equity	-	2,061.29
	Capital Contribution/reversal towards corporate gaurantee	1,898.76	890.88
Key Management Personnel (KMP)			
Mr. Karan Neale Desai	Remuneration and Short-termemployee benefits*	-	22.40
	Reimbursement of expenses	-	1.42
	Conversion of share warrants into Equity	-	289.60
Mr. Rohanjeet Singh Juneja	Remuneration and Short-termemployee benefits*	160.50	140.88
	Reimbursement of expenses	10.63	14.08
	Share-based payment	60.00	60.00
	Conversion of share warrants into Equity	-	400.00
Mr. Sanjay Kukreja	Remuneration and Short-termemployee benefits*	63.48	63.68
	Reimbursement of expenses	4.63	3.15
Mr. Lalit Mohan Chendvankar	Remuneration and Short-termemployee benefits*	49.09	47.82
	Reimbursement of expenses	3.56	5.37
Ms. Sonal Sharma	Remuneration and Short-termemployee benefits*	17.41	7.80
	Reimbursement of expenses	0.16	-
Ms. Ruchi Thakkar	Remuneration and Short-termemployee benefits*	11.78	9.02
	Reimbursement of expenses	0.15	0.37
Mr. Nirmal Vinod Momaya	Sitting fees and commission	5.00	6.80
Mr. Krishipal Tarachand Raghuvanshi	Sitting fees and commission	8.00	11.30
Mr. Rakesh Inderjeet Sethi	Sitting fees and commission	8.50	10.80
Mr. Rajiv Kapoor	Sitting fees and commission	13.00	14.80
Ms. Minaxi Kishore Mehta	Sitting fees and commission	-	1.00
Mr. Atwood Porter Collins	Sitting fees and commission	2.00	3.80
Ms. Abha Kapoor	Sitting fees and commission	5.50	9.80
Ms. Rushina Mehta	Sitting fees and commission	3.00	4.80
Ms. Geetu Verma	Sitting fees and commission	4.50	4.30

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Name of the related party	Nature of Transaction	For the year ended March 31, 2024	For the year ended March 31, 2023
Ms. Manjari Kacker	Sitting fees and commission	4.00	4.00
Mr. Vincent Daniel	Sitting fees and commission	2.00	3.00
Other Related Parties			
Wilson Investment Adviser Pvt Ltd	Professional Fees paid	-	33.70
Ms. Minaxi Mehta	Conversion of share warrants into Equity	-	500.00
	Rent paid	-	4.01
	Reimbursement of expenses	-	0.40
Mr. Nimir Kishore Mehta	Rent paid	-	5.30
	Reimbursement of expenses	-	0.61
Prolific Ventures Pvt Ltd	Rent paid	54.16	88.24
	Rent Prepaid	-	27.31
	Reimbursement of expenses	1.57	5.91
	Security deposit	-	4.44
	ROU Asset	-	2.53

*As the future liability for gratuity and compensated absences is provided on an actuarial basis for the Company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.

C. Details of balances outstanding for related party transactions:

(₹ in Lakhs)

Name of the related party	Nature of Transaction	For the year ended March 31, 2024	For the year ended March 31, 2023
Associates			
M/s. Wilson Holdings Private Limited	Equity Share Capital [face value]	1,032.81	1,313.57
	Other Receivable	8.30	-
	Capital Contribution towards corporate gaurantee	-	1,918.87
Key Management Personnel (KMP)			
Mr. Nirmal Vinod Momaya	Sitting fees and commission	-	0.72
Mr. Krishipal Tarachand Raghuvanshi	Sitting fees and commission	0.45	0.72
Ms. Manjari Kacker	Sitting fees and commission	-	-
Mr. Rakesh Inderjeet Sethi	Sitting fees and commission	-	0.72
Mr. Rajiv Kapoor	Sitting fees and commission	-	0.72
Mr. Atwood Porter Collins	Sitting fees and commission	-	0.64
Ms. Abha Kapoor	Sitting fees and commission	-	0.72
Ms. Rushina Mehta	Sitting fees and commission	-	0.72
Ms. Geetu Verma	Sitting fees and commission	-	0.72
Mr. Sanjay Kukreja	Equity Share Capital [face value]	0.10	0.07

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Name of the related party	Nature of Transaction	For the year ended March 31, 2024	For the year ended March 31, 2023
Mr. Lalit Mohan Chendvankar	Equity Share Capital [face value]	0.00	0.00
Mr. Karan Neale Desai	Equity Share Capital [face value]	-	26.03
Mr. Rohanjeet Singh Juneja	Reimbursement of expenses	6.08	2.71
Mr. Rohanjeet Singh Juneja	Equity Share Capital [face value]	32.16	52.19
Other Related Parties			
Wilson Investment Adviser Pvt. Ltd.	Other Receivable	3.24	-
Ms. Minaxi Mehta	Share Warrants	-	-
	Equity Share Capital [face value]	44.92	44.92
	Other Receivable	2.08	2.08
Mr. Nimir Kishore Mehta	Trade Payables	-	-
	Other Receivable	5.72	5.72
Prolific Ventures Pvt Ltd	Trade Payables	0.14	(0.24)
	Security deposit	33.26	33.26

D The options granted and outstanding for the key managerial personnel as of March 31, 2024 and March 31, 2023 is as provided below:

Name of the KMP	Grant Date	Expiry date	Exercise Price	Shares outstanding	
				Mar-24	Mar-23
Mr. Rohanjeet Singh Juneja	17-12-2019	16-12-2026	10.00	15,87,500	21,87,500
Mr. Rohanjeet Singh Juneja	31-07-2020	01-08-2028	10.00	3,75,000	3,75,000
Total				**19,62,500**	**57,55,755**

E The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

45 Fair Value Measurement

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in Lakhs)

Financial Assets and Liabilities as at March 31, 2024	Carrying Amount				Fair Value			
	Fair value through profit and loss account	Fair value through other comprehensive Income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Cash and cash equivalents	-	-	10,134.70	10,134.70	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	3,196.44	3,196.44	-	-	-	-
Receivables								
Trade receivables	-	-	7,436.70	7,436.70	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-
Loans	-	-	59,267.71	59,267.71	-	-	-	-
Investments	1,468.80	-	1,338.75	2,807.55	1,468.80	-	-	1,468.80
Other financials assets	-	-	1,581.14	1,581.14	-	-	-	-
Total	**1,468.80**	**-**	**82,955.44**	**84,424.24**	**1,468.80**	**-**	**-**	**1,468.80**
Financial Liabilities								
Payables								
Trade payables	-	-	318.87	318.87	-	-	-	-
Other payables	-	-	30.69	30.69	-	-	-	-
Debt Securities	-	-	12,364.87	12,364.87	-	-	-	-
Borrowings (Other than debt securities)	-	-	56,245.94	56,245.94	-	-	-	-
Other financial liabilities	-	-	910.20	910.20	-	-	-	-
Total	**-**	**-**	**69,870.57**	**69,870.57**	**-**	**-**	**-**	**-**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Financial Assets and Liabilities as at March 31, 2023	Carrying Amount				Fair Value			
	Fair value through profit and loss account	Fair value through other comprehensive Income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Cash and cash equivalents	-	-	3,800.88	3,800.88	-	-	-	-
Bank balances other than cash and cash equivalents	-	-	4,973.96	4,973.96	-	-	-	-
Receivables								
Trade receivables	-	-	3,900.46	3,900.46	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-
Loans	-	-	41,790.77	41,790.77	-	-	-	-
Investments	4,138.50	-	722.50	4,861.00	4,138.50	-	-	4,138.50
Other financials assets	-	-	837.52	837.52	-	-	-	-
Total	**4,138.50**	**-**	**56,026.09**	**60,164.59**	**4,138.50**	**-**	**-**	**4,138.50**
Financial Liabilities								
Payables								
Trade payables	-	-	212.10	212.10	-	-	-	-
Other payables	-	-	35.95	35.95	-	-	-	-
Debt Securities	-	-	374.12	374.12	-	-	-	-
Borrowings (Other than debt securities)	-	-	43,877.54	43,877.54	-	-	-	-
Other financial liabilities	-	-	130.55	130.55	-	-	-	-
Total	**-**	**-**	**44,630.26**	**44,630.26**	**-**	**-**	**-**	**-**

B. Measurement of fair value

The following methods and assumptions were used to estimate the fair values:

a. The carrying amounts of trade receivables, trade payables, other receivables, cash and cash equivalent including other bank balances , other financials assets and other financial liabilities , etc. are considered to be the same as their fair values, due to current and short term nature of such balances.

b. Financial instruments with fixed interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty.Based on this evaluation, allowances if required, are taken to account for expected losses of these instruments.Thus, Amortised cost shown in A, above, is after adjusting ECL amount.

c. Fair Value Hierarchy

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments 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 Group-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

C. Valuation techniques used to determine fair value

Investments in Mutual Funds

The fair values of investments in mutual funds is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

D. Transfers between Level 1 and Level 2 and between Level 1 and Level 3

There were no transfers between level 1 and 2 and between Level 1 and Level 3 during the period. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

46 Financial Risk Management

The Group has in place comprehensive risk management policy in order to identify measure, monitor and mitigate various risks pertaining to its business. Along with the risk management policy, an adequate internal control system, commensurate to the size and complexity of its business, is maintained to align with the philosophy of the Group. Together they help in achieving the business goals and objectives consistent with the Group's strategies to prevent inconsistencies and gaps between its policies and practices. The Board of Directors/committtees reviews the adequacy and effectiveness of the risk management policy and internal control system. The Group's financial risk management is an integral part of how to plan and execute its business strategies.

The Group has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk and
- Market risk
- Climate related risk

(A) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade and other receivables. The carrying amounts of financial assets represent the maximum credit risk exposure.

i) Trade and Other Receivables:

Trade receivables are typically unsecured and are derived from revenue earned from customers located in India. Credit risk has always been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Summary of the Group's exposure to credit risk by age of the outstanding from various customers is as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Outstanding for a period not exceeding six months	4,018.12	3,186.03
Outstanding for a period exceeding six months	3,437.15	733.01
Gross Trade Receivables	**7,455.27**	**3,919.04**
Less: Impairment Loss	(18.57)	(18.57)
Net Trade Receivables	**7,436.70**	**3,900.47**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss. The Group computes the expected credit loss allowance as per simplified approach for trade receivables based on available external and internal credit risk factors such as the ageing of its dues, market information about the customer and the Group's historical experience for customers. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is based on the ageing of the receivable days and the rates as given in the provision matrix.

ii) Loans and financial assets measured at amortized cost:

The ageing analysis of loans (gross of provision) has been considered from the date the contractual payment falls due :

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
0-30 Days Past Due		
Secured	29,068.06	18,751.29
Unsecured	28,428.70	20,477.60
30-90 Days Past due		
Secured	416.43	919.08
Unsecured	564.10	530.19
More than 90 Days Past Due		
Secured	31.55	389.39
Unsecured	1,273.43	927.87
Total	**59,782.27**	**41,995.42**

The Group reviews the credit quality of its loans based on the ageing of the loan at the period end. Since the Group is into small ticket loan business, there is no significant credit risk of any individual customer that may impact Group adversely, and hence the Group has calculated its ECL allowances on a collective basis.

Inputs considered in the ECL model

In assessing the impairment of financial loans under Expected Credit Loss (ECL) Model, the assets have been segmented into three stages. The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages, relate to the recognition of expected credit losses and the measurement of interest income.

The Company categorizes loan assets into stages primarily based on the Months Past Due status.

Stage 1 : 0-30 days past due

Stage 2 : 31-90 days past due

Stage 3 : More than 90 days past due

(i) Definition of default :

The Group considers a financial asset to be in "default" and therefore Stage 3 (credit impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments.

(ii) Exposure at default:

Exposure at Default" (EAD) represents the gross carrying amount of the assets subject to impairment calculation.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(iii) Estimations and assumptions considered in the ECL model:

Measurement expected credit losses (ECL)

The Group has applied a three-stage approach to measure expected credit losses (ECL) on debt instruments accounted for at amortised cost. Assets migrate through following three stages based on the changes in credit quality since initial recognition:

(a) Stage 1: 12- months ECL: For exposures where there is no 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 recognized.

(b) Stage 2: Lifetime ECL, not credit-impaired: For credit exposures where there has been a significant increase in credit risk since initial recognition but are not credit-impaired, a lifetime ECL is recognized.

(c) Stage 3: Lifetime ECL, credit-impaired: Financial assets are assessed as credit impaired upon occurrence of one or more events that have a detrimental impact on the estimated future cash flows of that asset. For financial assets that have become credit-impaired, a lifetime ECL is recognized and interest revenue is calculated by applying the effective interest rate to the amortised cost.

At each reporting date, the Group assesses whether there has been a significant increase in credit risk of its financial assets since initial recognition by comparing the risk of default occurring over the expected life of the asset. In determining whether credit risk has increased significantly since initial recognition, the Group uses information that is relevant and available without undue cost or effort. This includes the Group's internal credit rating grading system, external risk ratings and forward-looking information to assess deterioration in credit quality of a financial asset.

The Group assesses whether the credit risk on a financial asset has increased significantly on an individual and collective basis. For the purpose of collective evaluation of impairment, financial assets are grouped on the basis of shared credit risk characteristics, taking into account accounting instrument type, credit risk ratings, date of initial recognition, remaining term to maturity, industry, geographical location of the borrower, collateral type, and other relevant factors. For the purpose of individual evaluation of impairment factors such as internally collected data on customer payment record, utilization of granted credit limits and information obtained during the periodic review of customer records such as audited financial statements, budgets and projections are considered.

In determining whether the credit risk on a financial asset has increased significantly, the Group considers the change in the risk of a default occurring since initial recognition. The default definition used for such assessment is consistent with that used for internal credit risk management purposes.

The Group considers defaulted assets as those which are contractually past due 90 days, other than those assets where there is empirical evidence to the contrary. Financial assets which are contractually past due 30 days are classified under Stage 2 - life time ECL, not credit impaired, barring those where there is empirical evidence to the contrary. The Group considers financial instruments (typically the retail loans) to have low credit risk if they are rated internally or externally within the investment grade. An asset migrates down the ECL stage based on the change in the risk of a default occurring since initial recognition. If in a subsequent period, credit quality improves and reverses any previously assessed significant increase in credit risk since origination, then the loan loss provision stage reverses to 12-months ECL from lifetime ECL.

The Group measures the amount of ECL on a financial instrument in a way that reflects an unbiased and probability-weighted amount. The Group considers its historical loss experience and adjusts the same for current observable data. The key inputs into the measurement of ECL are the probability of default, loss given default and exposure at default. These parameters are derived from the Group's internally developed statistical models and other historical data.

Macroeconomic Scenarios

In addition, the Group uses reasonable and supportable information on future economic conditions including macroeconomic factors such as CPI and repo rate. Since incorporating these forward looking information increases the judgment as to how the changes in these macroeconomic factor will affect ECL, the methodology and assumptions are reviewed regularly. "

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(iv) Policy for write off of Loan assets:

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made from written off assets under "Other Income " in Statement of profit and loss.

An analysis of changes in the gross carrying amount and the corresponding ECLs as follows :

Gross exposure reconciliation

(₹ in Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount balance as at April 1, 2022	**24,906.51**	**3,549.20**	**917.64**	**29,373.35**
New loans originated during the year	50,290.55	2,533.87	69.93	52,894.35
Transfers to Stage 1	216.72	-	-	216.73
Transfers to Stage 2	(335.83)	(255.10)	-	(590.93)
Transfers to Stage 3	(678.02)	-	1,052.23	374.20
Write-offs	-	-	(181.73)	(181.73)
Assets derecognised or repaid (excluding write offs and includes interest accruals adjusted)	(35,803.46)	(3,729.45)	(557.65)	(40,090.56)
Gross carrying amount balance as at March 31, 2023	**38,596.47**	**2,098.52**	**1,300.41**	**41,995.42**
New loans originated during the year	1,10,251.27	4,933.05	72.36	1,15,256.68
Transfers to Stage 1	65.96	-	-	65.96
Transfers to Stage 2	(562.08)	254.10	-	(307.99)
Transfers to Stage 3	(729.91)	-	971.94	242.03
Write-offs	-	-	(100.71)	(100.71)
Assets derecognised or repaid (excluding write offs and includes interest accruals adjusted)	(95,196.66)	(1,407.02)	(765.43)	(97,369.11)
Gross carrying amount balance as at March 31, 2024	**52,425.04**	**5,878.65**	**1,478.57**	**59,782.27**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Reconciliation of ECL balance

(₹ in Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL Allowance- Opening Balance as at April 1, 2022	**65.01**	**98.14**	**304.55**	**467.69**
New loans originated during the year	25.99	7.28	12.45	45.72
Transfers to Stage 1	20.09	-	-	20.09
Transfers to Stage 2	0.89	(60.04)	-	(59.15)
Transfers to Stage 3	2.78	36.45	(0.18)	39.06
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery and write offs	(77.90)	(68.36)	(162.51)	(308.77)
Amounts Written off	-	-	-	-
ECL Allowance - Closing Balances as on March 31, 2023	**36.86**	**13.48**	**154.31**	**204.65**
New loans originated during the year	23.07	11.93	25.59	60.59
Transfers to Stage 1	(243.84)	-	-	(243.84)
Transfers to Stage 2	5.79	(72.89)	-	(67.11)
Transfers to Stage 3	238.15	72.80	(0.00)	310.95
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery and write offs	-	-	-	-
Amounts Written off	(28.58)	(7.53)	285.43	249.32
ECL Allowance - Closing Balances as on March 31, 2024	**31.45**	**17.78**	**465.33**	**514.56**

iii. Cash and bank balances:

The Group held cash and cash equivalent and other bank balance of ₹ 13,331.14 Lakhs at March 31, 2023 (March 31, 2022: ₹ 8,774.44 Lakhs). The same are held with bank and financial institution counterparties with good credit rating. Also, Group invests its short term surplus funds in bank fixed deposit which carry no market risks for short duration, therefore does not expose the Company to credit risk.

iv. Others:

Apart from trade receivables ,loans, cash and bank balances and Investment measured at amortised cost , the Group has no other financial assets which carries any significant credit risk.

(B) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows.

(i) Maturities of financial assets and liabilities:

The table below analyses the Group's financial liabilities and financial assets into relevant maturity groupings based on the remaining period as at the reporting date to contractual maturity date. The amount disclosed in the below table are the contractual un-discounted cash flows and exclude the impact of future interest payments.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Contractual maturities of financial assets March 31, 2024	1 year or less	1-3 years	More than 3 years	Total
Cash and cash equivalents	10,134.70	-	-	10,134.70
Bank balances other than cash and cash equivalents	3,179.46	-	-	3,179.46
Receivables				
Trade receivables	6,290.62	1,164.66	-	7,455.28
Other receivables	-	-	-	-
Loans	46,084.64	11,738.00	1,959.63	59,782.27
Investments	1,468.80	-	1,338.75	2,807.55
Other Financials Assets	1,581.14	-	-	1,581.14
Total	**68,739.35**	**12,902.66**	**3,298.38**	**84,940.39**
Contractual maturities of financial liabilities March 31, 2024	**1 year or less**	**1-3 years**	**More than 3 years**	**Total**
Payables				
Trade payables	318.87	-	-	318.87
Other payables	30.69	-	-	30.69
Debt Securities	4,579.91	7,049.67	735.30	12,364.87
Borrowings (other than debt securities)	37,614.06	20,528.12	375.00	58,517.18
Other financial liabilities	910.20	-	-	910.20
Total	**43,453.72**	**27,577.79**	**1,110.30**	**72,141.81**

(₹ in Lakhs)

Contractual maturities of financial assets March 31, 2023	1 year or less	1-3 years	More than 3 years	Total
Cash and cash equivalents	3,800.88	-	-	3,800.88
Bank balances other than cash and cash equivalents	4,957.36	-	-	4,957.36
Receivables				
Trade receivables	3,919.03	-	-	3,919.03
Other receivables	-	-	-	-
Loans	24,592.33	13,099.00	4,304.09	41,995.42
Investments	4,138.50	-	722.50	4,861.00
Other financials assets	837.52	-	-	837.52
Total	**42,245.63**	**13,099.00**	**5,026.59**	**60,371.22**
Contractual maturities of financial liabilities March 31, 2023	**1 year or less**	**1-3 years**	**More than 3 years**	**Total**
Payables				
Trade payables	212.10	-	-	212.10
Other payables	35.95	-	-	35.95
Debt Securities	-	14.12	360.00	374.12
Borrowings (Other than Debt Securities)	-	-	43,877.54	43,877.54
Other financial liabilities	130.55	-	-	130.55
Total	**378.60**	**14.12**	**44,237.54**	**44,630.26**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Contractual maturities of financial assets April 1, 2022	1 year or less	1-3 years	More than 3 years	Total
Cash and cash equivalents	5,758.78	-	-	5,758.78
Bank balances other than cash and cash equivalents	2,007.00	-	-	2,007.00
Receivables				
Trade receivables	1,247.21	-	-	1,247.21
Other receivables	46.96	-	-	46.96
Loans	19,829.58	6,116.73	3,427.04	29,373.35
Investments	2,503.70	-	2,585.77	5,089.47
Other financials assets	569.95	-	-	569.95
Total	**31,963.18**	**6,116.73**	**6,012.81**	**44,092.72**
Contractual maturities of financial liabilities April 1, 2022	**1 year or less**	**1-3 years**	**More than 3 years**	**Total**
Payables				
Trade payables	357.92	-	-	357.92
Other payables	130.00	-	-	130.00
Debt Securities	126.98	3,319.49	375.00	3,821.47
Borrowings (Other than Debt Securities)	-	-	24,826.19	24,826.19
Other financial liabilities	218.72	-	-	218.72
Total	**833.62**	**3,319.49**	**25,201.19**	**29,354.30**

(C) Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.The Company's exposure to, and management of, these risks is explained below.

(i) Foreign currency risk:

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group caters mainly to the Indian Market . Most of the transactions are denominated in the Group's functional currency i.e. Rupees. Hence the Group is not materially exposed to Foreign Currency Risk.

(ii) Interest rate risk:

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligation at floating interest rates. The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Interest rate risk exposure

The exposure of the Group's borrowing to interest rate changes at the end of the reporting year are as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed rate borrowings	31,914.51	11,005.16
Floating rate borrowings	36,655.56	33,117.95

Interest Rate Sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

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

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	
	100bps Increase	100bps decrease
Financial Liability:		
Variable rate Instrument	-	-
Floating Rate Borrowings	**(366.56)**	**(331.18)**

(iii) Price Risk :

The Group's exposure to mutual fund is exposed to price risk and classified in the balance sheet at fair value through profit or loss. 100 bps increase in Net Assets Value (NAV) would increase profit before tax by approximately Rs. 14.69 Lakhs (March 31, 2023: Rs. 41.39 Lakhs). A similar percentage decrease would have resulted equivalent opposite impact.

(C) Climate related risk

During the financial year March 31, 2024, the Board have updated extensively on climate change related risks through presentations at the board meeting, and this has been assessed that the climate change not affecting significantly the Group's operations in future.

47 Disclosure related to leases

(A) Additions to right to use

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Lease hold Property	44.79	167.05

(B) Carrying value of right of use assets at the end of the reporting year

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	583.02	637.38
Additions	44.79	167.05
Deletion	-	-
Depreciation charge for the year	275.69	221.41
Balance at the end of the year	**352.12**	**583.02**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(C) Maturity analysis of lease liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	36.51	96.50
One to five years	4.23	32.05
More than five years	-	-
Total discounted lease liabilities at reporting period	**40.74**	**128.55**
Lease liabilities included in the statement of financial position at the year ended	**40.74**	**128.55**

(D) Amounts recognised in statement of profit or loss

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest on lease liabilities	12.39	25.52
Expenses relating to short-term leases	396.69	128.17
Expenses relating to leases of low-value assets	-	-
Total	**409.08**	**153.69**

(E) Amounts recognised in the statement of cash flows

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Operating Activity	396.69	128.17
Financial Activity	142.34	216.09
Total Cash outflow for leases	**539.03**	**344.26**

Sub Lease

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the rightof- use asset arising from the head lease. For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease.

48 Employee Stock Options Scheme (ESOP)

The Group has granted Employee Stock Options (ESOP) under the Employee Stock Option Scheme 2018 (ESOP 2018) to employees of the Group . These options are vested during 4 years from the grant date and exercisable with in 4 years from vesting date.In the case of resignation of the employee, the grants lapse (if not exercised) after the date of resignation from service.Vesting of options is subject to continued employment with the Group. The plan is an equity settled plan. The employee compensation expense for the year has been determined on fair value basis as on March 31, 2021. The said ESOPs will start its vesting period from November 5, 2019. The details of which are as follows.

ESOP Scheme	Particulars	Date of Grant	Date of Board Approval	Total options granted
ESOP Scheme 2018	Grant 1	05-Nov-18	05-Nov-18	55,88,550
ESOP Scheme 2018	Grant 2	22-May-19	22-May-19	5,68,710
ESOP Scheme 2018	Grant 3	17-Dec-19	17-Dec-19	41,82,555
ESOP Scheme 2018	Grant 4	31-Jul-20	31-Jul-20	7,50,000

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
	2019-2023		2020-2024		2020-2024		2020-2024	
	T-1		T-2		T-3		T-4	
Fair value of the option range	23.39 - 23.98		31.44 - 34.87		41.36 - 44.82		51.81 - 65.38	
Exercise price	6		10		10		10	
Vesting period (see table below)	12 to 48 months		12 to 48 months		12 to 48 months		12 to 48 months	
Method of settlement	Equity		Equity		Equity		Equity	
Options outstanding as at beginning of reporting period	**74,318**	**5,12,802**	**34,538**	**3,13,417**	**21,87,500**	**29,50,000**	**3,75,000**	**3,75,000**
Options granted during the year	-	-	-	-	-	-	-	-
Options lapse during the year	-	-	-	-	-	-	-	-
Options Forfeited during the year	-	51,625	-	1,44,556	6,00,000	7,62,500	-	-
Options exercised during the year	74,310	3,86,859	10,345	1,34,323	-	-	-	-
Options outstanding as at end of reporting period	**8**	**74,318**	**24,193**	**34,538**	**15,87,500**	**21,87,500**	**3,75,000**	**3,75,000**

Manner of vesting: In a graded manner over a 4 year period with 10%, 20%, 30% and 40% of the grants vesting in each year commencing from the start date of the first tranche.

In respect of stock options granted pursuant to the Group's stock option scheme, the fair value of the options is treated as discount and accounted as "Expenses on Employee Stock Option Plan" over the vesting period.

Expenses on Employee Stock Option Plan debited to Statement of Profit and Loss during the year 2023-24 is ₹ 66.41 Lakhs (2022-23 ₹ 95.39 Lakhs)

48.1 Fair valuation :

The fair value of options have been calculated on the date of the grant, using Black-Scholes model by an external firm of valuer.

The key assumptions used in Black-Scholes model for calculating fair value as on the date of the grant are:re:

Grant Date	Risk Free Interest Rate	Expected Life	Expected Volatility	Dividend Yield	Price of Underlying share at the time of option grant
05-Nov-18	7.35% - 7.46%	4.5 to 6 years	46.1%-47.9%	0.0229	43.8
22-May-19	6.86% - 7.41%	4.5 to 6 years	46.50%	0.0073	61.5
17-Dec-19	6.86% - 7.41%	4.5 to 6 years	46.50%	0.0073	73.9
31-Jul-20	5.13% - 5.64%	4.5 to 6 years	45.00%	0.0052	98.5

48.2 Total carrying amount at the end of the year in Employee Stock Options under other equity

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Total carrying amount	216.48	211.84

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

49 Additional information, as required under schedule III of the Company Act, 2013 of enterprises consolidated as subsidiaries:

(₹ in Lakhs)

As on March 31, 2024								
Name of the Enterprise	Net Assets i.e Total Assets minus Total Liabilities		Share In Profit or Loss		Share In OCI		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (₹)	As % of Consolidated Profit or Loss	Amount (₹)	As % of Consolidated Profit or Loss	Amount (₹)	As % of Consolidated Profit or Loss	Amount (₹)
Parent								
"Trucap Finance Limited [Formerly Dhanvarsha Finvest Limited]"	103.49%	21,931.37	106.80%	1,170.82	100.00%	(6.92)	106.84%	1,163.91
Subsidiaries								
DFL Technologies Private Limited	11.56%	2,449.55	(6.80%)	(74.51)	-	(0.01)	(6.84%)	-74.52
Total	-	**24,380.92**	-	**1,096.31**	-	**(6.92)**	-	**1,089.39**
Adjustments arising out of Consolidation:	(15.05%)	(3,190.11)	0.00%	0.01	-	(0.00)	(0.00%)	(0.01)
Consolidated Figures	**100%**	**21,190.81**	**100%**	**1,096.31**	**100%**	**(6.93)**	**100%**	**1,089.38**

(₹ in Lakhs)

As on March 31, 2023								
Name of the Enterprise	Net Assets i.e Total Assets minus Total Liabilities		Share In Profit or Loss		Share In OCI		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (₹)	As % of Consolidated Profit or Loss	Amount (₹)	As % of Consolidated Profit or Loss	Amount (₹)	As % of Consolidated Profit or Loss	Amount (₹)
Parent								
"Trucap Finance Limited [Formerly Dhanvarsha Finvest Limited]"	103.08%	22,275.45	877.95%	554.35	100.00%	4.49	831.88%	558.84
Subsidiaries								
DFL Technologies Private Limited	11.68%	2,524.07	(777.94%)	(491.20)	-	-	(731.87%)	(491.66)
Total	-	**24,799.52**	-	**63.15**	-	**4.49**	-	**67.18**
Adjustments arising out of Consolidation:	(14.77%)	(3,190.61)	0.01%	0.01	-	(0.45)	(0.01%)	(0.00)
Consolidated Figures	**100%**	**21,608.92**	**100%**	**63.14**	**100%**	**4.04**	**100%**	**67.18**

50 Hon'ble Supreme Court, in a public interest litigation (Gajendra Sharma vs. Union of India & Anr). vide an interim order dated September 3, 2020, has directed that accounts which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders. However, such accounts had been classified as stage 3 in accordance with Note No.9 and provision had been made accordingly.

The interim order stood vacated on March 23, 2021 vide the judgement of the Hon'ble Supreme Court in the matter of Small Scale Industrial manufacturers Association v/s UOI & Ors. and other connected matters. In accordance with the instructions in paragraph 5 of the RBI circular no. RBI/2021-22/17 DOR. STR. REC. 4/ 21.04.048/ 2021-22, dated April 07, 2021 issued in this connection. Since, the Company was already classifying the NPA accounts as Stage 3 and provision was made accordingly, without considering the above mentioned asset classification benefit for accounting purpose, there is no change in asset classification on account of the interim order dated March 23, 2021.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

51 In accordance with the instructions in aforementioned RBI circular dated April 7, 2021, and the Indian Banks Association (IBA) advisory letter dated April 19, 2021, the Group has put in place the Board approved policy to refund / adjust the interest on interest charged during the moratorium period of March 01, 2020 to August 31, 2020 to eligible borrowers under the abovementioned circular and advisory. The Group has no borrowers who are eligible for benefit as per the abovementioned RBI circular and IBA advisory.

52 During the year ended March 31, 2021, the Group has not invoked resolution plans to relieve COVID-19 pandemic related stress to any of its borrowers. Therefore, disclosure as per the format prescribed as per the notification no. RBI/2020-21/16 DOR.NO.BP.BC/3.21.04.048/2020-21 dated August 6, 2020 for the year ended March 31, 2021 is not applicable to the Group.

53 The Code on Social Security, 2020 (the Code) has been enacted, which would impact contribution by the Group towards Provident Fund and Gratuity. The effective date from which changes are applicable is yet to be notified and the rules thereunder are yet to be announced. The actual impact on account of this change will be evaluated and accounted for when notification becomes effective.

54 Financial Ratios

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Current ratio	NA	NA
Debt equity ratio	3.24	2.05
Leverage ratio	3.56	2.21

55 Other Regulatory informations

(i) Title deeds of immovable properties not held in name of the :

The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note(s) [*] [add additional references for investment properties and other line items where applicable] to the financial statements, are held in the name of the Group.

(ii) Registration of charges or satisfaction with Registrar of Group:

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(iii) Utilisation of borrowings availed from banks and financial institutions:

The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans was taken.

56 Corporate social responsibility As per the provisions of Section 135 of the Companies Act 2013 :

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Gross amount required to be spent during the year		
Amount spent during the year:		
a. On purposes other than construction/acquisition of any assets	9.06	10.00
b. Paid in cash	-	-
c. Yet to be paid in cash	-	-
Total	**9.06**	**10.00**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

57 a) **Details of benami property held:**

No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

b) **Borrowing secured against current assets:**

The Group has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Group with banks and financial institutions are in agreement with the books of accounts.

c) **Wilful defaulter:**

The Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

d) **Relationship with struck off companies:**

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

e) **Compliance with number of layers of companies:**

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

f) **Compliance with approved scheme(s) of arrangements:**

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

g) **Utilisation of borrowed funds and share premium:**

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. 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

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

a. 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

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

h) **Undisclosed income:**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

i) **Details of crypto currency or virtual currency:**

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

j) **Valuation of PP&E, intangible asset and investment property:**

The Group has not revalued its property, plant and equipment (excluding right-of-use assets) or intangibl assets or both during the current or previous year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

58 Figures for the previous year have been regrouped/reclassified/rearranged wherever necessary to make them comparable to those for the current year.

As per our report of even date attached

For and on behalf of the Board of Directors of
TRUCAP FINANCE LIMITED [Formerly Dhanvarsha Finvest Limited]
CIN: L24231MH1994PLC334457

For Bansal Bansal & Co
Chartered Accountants
ICAI FRN 100986W

Sd/-
Rohanjeet Singh Juneja
Managing Director & CEO
DIN: 08342094

Sd/-
Rushina Mehta
Non-Executive Non-Independent Director
DIN: 01042204

Sd/-
Jatin Bansal
Partner
Membership No. 135399
Mumbai
Date : May 28, 2024

Sd/-
Sanjay Kukreja
Chief Financial Officer

Sd/-
Sonal Sharma
Company Secretary
M. No. A33260

Building Lives & Livelihoods

#TruProgress

TRUCAP FINANCE LIMITED

(formerly Dhanvarsha Finvest Limited)

Regd. Off.: 3rd Floor, A Wing, D. J. House, Old Nagardas Road, Andheri (East), Mumbai – 400 069

Tel : 1800 210 2100 | contact@trucapfinance.com | www.trucapfinance.com

CIN : L64920MH1994PLC334457