Srei Equipment Finance Limited

Board's Report

(Report of Advisory Committee Chaired by the Administrator)

DEAR MEMBERS,

The Reserve Bank of India (RBI) vide Press Release dated October 04, 2021, in exercise of the powers conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934 (RBI Act) superseded the Board of Directors of your Company on October 04, 2021 owing to governance concerns and defaults by your Company in meeting various payment obligations and the RBI appointed Mr. Rajneesh Sharma, Ex- Chief General Manager, Bank of Baroda as the Administrator of your Company under Section 45-IE (2) of the RBI Act. Thereafter, RBI vide its Press Release dated October 04, 2021, in exercise of the powers conferred under Section 45-IE 5(a) of the RBI Act, constituted a 3 (Three) member Advisory Committee to assist the Administrator in discharge of his duties and to advise the Administrator in the operations of your Company during the Corporate Insolvency Resolution Process (CIRP). The members of the Advisory Committee are Mr. T T Srinivasaraghavan, former Managing Director of Sundaram Finance Limited, Mr. Farokh N Subedar, former Chief Operating Officer and Company Secretary, Tata Sons Limited and Mr. Venkat Nageswar Chalasani, former Deputy Managing Director, State Bank of India *(appointed w.e.f. June 23, 2022)*. Mr. R Subramaniakumar, former MD & CEO of Indian Overseas Bank, who was originally appointed as a Member of the Advisory Committee on October 04, 2022, resigned from the Advisory Committee w.e.f. June 22, 2022.

On October 08, 2021, the RBI filed a Petition before the Hon'ble National Company Law Tribunal, Kolkata Bench (Hon'ble NCLT/ Adjudicating Authority) under Section 227 read with Section 239(2)(zk) of the Insolvency and Bankruptcy Code, 2016 (IBC / IBC Code / Code) read with Rules 5 and 6 of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudication Authority) Rules, 2019 (FSP Rules), to initiate CIRP against your Company. Accordingly, in terms of Rule 5(b)(i) of the FSP Rules, an interim moratorium came into effect on the date of filing of the application to initiate CIRP. Thereafter, CIRP was initiated against your Company by an Order dated October 08, 2021 of the Hon'ble NCLT. The Hon'ble NCLT, vide the said Order, confirmed the appointment of the Administrator to perform the functions of an Interim Resolution Professional / Resolution Professional to complete the CIRP of your Company as required under the provisions of the Code and also announced commencement of the moratorium under Section 14 of the Code with effect from October 08, 2021.

Accordingly, your Company is presently undergoing CIRP under the provisions of the Code along with the Regulations and Rules thereunder and the Administrator performing the duties of the Resolution Professional under the Code along with the Advisory Committee is presenting this Report.

The Administrator of your Company in light of the provision of the Code had constituted the Committee of Creditors (CoC) of your Company u/s 21 of the Code read with Regulation 17 of the CIRP Regulations, based on the claims submitted by the Creditors.

Pursuant to an application filed by the Administrator with the Hon'ble NCLT seeking 'group Insolvency' for your Company and Srei Infrastructure Finance Limited (SIFL), Holding

Company on December 21, 2021, the Hon'ble NCLT vide its order dated February 14, 2022 ('Consolidation Order') ordered the consolidation of the CIRP of your Company and SIFL, and has directed the Administrator to constitute a unitary and integrated CoC to conduct CIRP of both the Companies and to conduct the requisite processes in a concerted manner. The Hon'ble NCLT also directed the Administrator to call for consolidated resolution plans for both your Company and SIFL under the Code and the Regulations framed thereunder. Accordingly, the Administrator of your Company pursuant to the said Consolidation Order had constituted a unitary and integrated CoC to conduct CIRP of your Company and SIFL, and has called for consolidated resolution plans for both the Companies under the Code and the Regulations framed thereunder.

In accordance with the provisions of the Code and with the approval of the COC of your Company, the Administrator on February 25, 2022 invited Expressions Of Interest (EOI) from prospective resolution applicants. Subsequently, resolution plans were invited from eligible prospective resolution applicants on the basis of the Request for Resolution Plan (RFRP), as approved by the CoC.

On April 06, 2022, the final list of Prospective Resolution Applicants as per Regulation 36A(12) of CIRP Regulations read with FSP Rules were received and updated on the website of the Company under the link https://www.srei.com/storage/app/media/documents/2022/april/Srei_Final%20List%20of%20PRAs.pdf.

The Boards Report (Report of Advisory Committee chaired by the Administrator) is being taken on record by the Administrator and the Advisory Committee Members (ACM) only for the purpose of compliance. Further, the Company's existing management has confirmed to the Administrator and the Advisory Committee about the factual position prevalent in your Company prior to their joining.

The Sixteenth Annual Report together with the Audited Accounts of your Company for the financial year ended March 31, 2022 is being presented. Since the Board of Directors of your Company was superseded by the RBI under Press Release dated October 04, 2021, the said following report is being present by the Administrator and the Advisory Committee of the Company in fulfillment of their duties under the Code. The summarised financial performance of your Company is as follows:

FINANCIAL SUMMARY & STATE OF COMPANY'S AFFAIRS

(Rupees in Lacs)

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Total Income	3,14,165	3,45,634
Total expenditure (including depreciation and other expenses etc.)	5,81,650	10,59,723
Profit/(Loss) Before Tax	(2,67,485)	(7,14,089)
Net Tax expense	9,807	(478)
Profit/(Loss) After Tax	(2,77,292)	(7,13,611)
Other Comprehensive Income	(238)	(102)
Total Comprehensive Income	(2,77,530)	(7,13,713)
Profit/(Loss) brought forward from earlier year	(10,75,165)	84,256
Retained Earnings amount available for Appropriation	(13,52,499)	(6,29,364)
Paid up Equity Share Capital	7,902	7,902
Amount transferred to/(from) Reserves	1,21,938	4,45,801
Net Worth	(11,73,342)	(7,72,829)

Note: The above figures are extracted from the financial statements for the financial year ended on March 31, 2022

OPERATIONAL REVIEW

Some of the key highlights of your Company's performance during the year under review are:

- The gross profit/loss (before depreciation, amortisation, impairment, Net loss on derecognition of financial instruments under amortised cost category, Impairment on financial instruments (Net), Loss / write-off on Repossessed Assets and Assets acquired in satisfaction of debt and net tax expenses for the year was Rs. 26,643 Lacs as against Rs. (75,491) Lacs last year.

- Profit/(loss) before taxation for the year was Rs. (267,485) Lacs as against Rs. (714,089) in the last year.

- Net profit/(loss) after taxation for the year was Rs. (277,292) Lacs as against Rs. (713,611) Lacs in the last year.

The Financial Statements of your Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Indian Accounting Standards (IND AS) and the relevant provisions of the Companies Act, 2013 and Rules made therein, as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard, if initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an ongoing basis. Your Company discloses audited / unaudited financial results on a quarterly/half yearly basis and audited financial results on an annual basis.

Your Company, despite being under CIRP has taken adequate steps and measures, including undertaking of the Compliance Audit, in order to comply with all the norms prescribed by the Reserve Bank of India (RBI) including the Fair practices, Anti Money Laundering and Know Your Customer (KYC) guidelines.

LENDING OPERATIONS

Your Company did not undertake any major lending operation in the year under review, due to various factors. The focus of your Company, during the year under review, was to strengthen its base and be future ready for commencing retail lending activities in more efficient and more controlled manner.

Your Company has been closely monitoring the prevalent situation and would continue to take all necessary steps as required to maximise the value of your Company and continue the organisation as a going concern.

RESOURCE MOBILISATION

Your Company vide Special Resolution passed by the Members of your Company, under Section 180(1)(c) of the Companies Act, 2013, at the Extra Ordinary General Meeting held on January 20, 2018, authorized the Board of Directors to borrow money upon such terms and conditions as the Board may think fit in excess of the aggregate of paid-up share capital and free reserves of your Company upto an amount of Rs. 60,000 Crores (Rupees Sixty Thousand Crores only).

Your Company availed bank borrowings. Your Company had issued and allotted Non-Convertible Debentures (NCDs) and perpetual debentures from time to time through public issues and on private placement basis. However, during the financial year under review, your Company did not raise any funds through NCDs.

Upon commencement of the CIRP of your Company, interim moratorium / moratorium under Section 14 of Insolvency and Bankruptcy Code, 2016 (IBC Code) was imposed with effect from October 08, 2021. The moratorium on initiation and continuation of legal proceedings, including debt enforcement action ensures a stand-still period during which creditors cannot resort to individual enforcement action. The interest on the debt borrowed has also ceased to accrue from the date of commencement of CIRP, and no interest shall be applicable for the CIRP period as per legal opinion obtained by your Company. Further, any such payment of interest and principal may amount to according preferential treatment to a set of creditors to the prejudice of other stakeholders. In accordance with law, all creditors are bound by the process laid out under the IBC Code.

CREDIT RATINGS

Credit rating agencies have taken cognizance of various factors, mainly continuing delays in debt servicing, significant losses incurred, cash flow mismatch and erosion of net worth of the Company etc. and hence downgraded credit ratings of various loan facilities / financial instruments of your Company to the 'default grade' since March / April 2021.

Subsequently, the Board of Directors of your Company and Srei Infrastructure Finance Limited, Holding Company was superseded by the Reserve Bank of India (RBI) on October 04, 2021 and it is presently being managed by the Administrator appointed by the RBI. Further, as stated before, your Company had been admitted under Corporate Insolvency Resolution Process (CIRP) by the Hon'ble National Company Law Tribunal (NCLT) vide its order dated October 08, 2021.

DIVIDEND

Owing to the loss incurred by your Company and also your Company being under CIRP for the financial year under review, no dividend has been declared / recommended on Equity Shares for the financial year ended March 31, 2022.

TRANSFER TO RESERVES

During the year under review, your Company incurred a loss mainly on account of increased provisioning and higher impact of impairment on financial instruments and consequently, no transfers were made to the reserves out of the amount available for appropriation.

CORPORATE INSOLVENCY RESOLUTION PROCESS

The Administrator under Section 13 of the Code read with Regulation 6 of the Corporate Insolvency Resolution Process (CIRP) Regulations had issued a public announcement as prescribed in Form A on October 11, 2021 for attention of the creditors of your Company to submit their claims against your Company. The Administrator, on receipt of the claims from the creditors has prepared a list of creditors (including Financial, Operational, Workmen &

Employees and Other Creditors) along with their security interest therein pursuant to Regulation 13(2)(c) of the CIRP Regulations and such list of creditors has been made available to the stakeholders of your Company on your Company's website. The claims have been admitted based on the information available in the books of accounts and records available with your Company and the information provided by the respective creditors in this regard.

It is pertinent to note that the admission of claims is a part of the CIRP and the same are subject to revision / modification till such date they are finalized.

The Administrator after preparing the list of claims of the creditors had constituted the Committee of Creditors (CoC) of your Company u/s 21 of the Code read with Regulation 17 of the CIRP Regulations. The Committee of Creditors is comprised of financial creditors of your Company as per Section 21 of the Code read with Regulation 17 of the CIRP Regulations. The Committee of Creditors had met 3 (three) times during the year since initiation of CIRP. Further, the CoCs of your Company and Srei Infrastructure Finance Limited, Holding Company (SIFL) in their respective CoC meeting held on November 29, 2021 approved the consolidation of CIRP of your Company and SIFL and authorised the Administrator to file an application before Hon'ble NCLT, Kolkata Bench, in this regard. The Administrator of your Company, by virtue of such authorization has filed an Interlocutory Application before the Hon'ble National Company Law Tribunal, Kolkata Bench, praying for the consolidation of the Corporate Insolvency Resolution Processes of both the Companies. The Hon'ble National Company Law Tribunal vide its Order dated February 14, 2022 was pleased to admit the application and had directed for consolidation of the Corporate Insolvency Resolution Processes of your Company and Srei Infrastructure Finance Limited (SIFL). Pursuant to the said Order, the Administrator of your Company had constituted a unitary and integrated CoC to conduct CIRP of both the Companies and had called for consolidated resolution plans for both the Companies under the Code and the Regulations framed thereunder. The composition of the consolidated CoC is available on https://www.srei.com/storage/app/media/documents/2022/march/constitution-of-consolidated-coc-sifl-and-sefl-pursuant-to-honble-nclt-order160322.pdf. The Consolidated CoC met 12 (Twelve) times during the year since its constitution.

In accordance with the provisions of the Code and with the approval of the Committee of Creditors of your Company, on February 25, 2022 the Administrator invited Expressions Of Interest (EOI) from prospective resolution applicants. Subsequently, resolution plans were invited from eligible prospective resolution applicants on the basis of the Request for Resolution Plan (RFRP), as approved by the CoC.

On April 06, 2022, the final list of Prospective Resolution Applicants as per Regulation 36A(12) of CIRP Regulations read with FSP Rules were received and updated on the website of the Company under the link https://www.srei.com/storage/app/media/documents/2022/april/Srei_Final%20List%20of%20PRAs.pdf

As part of the CIRP of your Company, the Administrator, Advisory Committee and the present management team have taken various initiatives to ensure 'going concern' status of your Company as required u/s 20 of the Code. Further, the Code and Regulations thereunder stipulate prior approval by the Committee of Creditors for certain actions to be taken during the process, including as provided u/s 28 of the Code. The Administrator and the Advisory Committee as set up by the RBI to assist the Administrator in discharge of his duties, exercise oversight on the operations of your Company apart from running the CIRP in accordance with the provisions of the Code and Regulations under IBC, 2016. The Administrator appointed Ernst & Young LLP and AZB Partners as Process and Legal advisors, respectively to assist him in completion of the CIRP of your Company. Further, various committees have been constituted/re-constituted by the Administrator with a view to have a group of in-house executives of your Company who can help the business navigate its compliance obligations.

Various measures, under the directions of the Administrator, have been taken to strengthen the internal processes of your Company including review of the risk management process, conduct of Compliance Audit and Transaction Audit of your Company. These initiatives will strengthen your Company's overall governance structure and control environment. On conclusion and implementation of all such initiatives, it is expected that the operational efficiency will improve and operational issues will get addressed.

The Administrator acting as the Resolution Professional under the provision of the Code, had appointed BDO India LLP as Transaction Auditor.

PUBLIC DEPOSITS

During the year under review, your Company, being a Non deposit taking Non-Banking Financial Institution (NBFI), has not accepted any deposits from the public under Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and within the meaning of the provisions of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016.

DETAILS OF SUBSIDIARY/ASSOCIATES/JOINT VENTURE COMPANY

Your Company does not have any subsidiary/associates/joint venture company as on March 31, 2022.

RESERVE BANK OF INDIA (RBI) CLASSIFICATION

The Reserve Bank of India (RBI) has classified your Company as an 'Asset Finance Company' within the overall classification of 'Non - Banking Financial Institution'. However, pursuant to RBI circular on Harmonisation of different categories of NBFCs dated February 22, 2019, your Company is proposed to be classified as an 'NBFC - Investment and Credit Company (NBFC-ICC)'.

SHARE CAPITAL

The Authorised Share Capital of your Company is Rs. 10,00,00,00,000/- (Rupees One Thousand Crore Only) divided into 50,00,00,000 Equity Shares of Rs. 10/- each and 5,00,00,000 Preference Shares of Rs. 100/- each and the paid-up Equity Share capital of your Company is Rs. 79,01,64,150 (Rupees Seventy Nine Crore One Lac Sixty Four Thousand One Hundred and Fifty only).

Presently, the entire paid-up Equity share capital of your Company is held by Srei Infrastructure Finance Limited alongwith their 6 (Six) nominees. There was no change in the Authorised Equity Share Capital and the Paid-up Equity Share Capital of your Company during the year under review.

TRANSFER OF LENDING BUSINESS, INTEREST EARNING BUSINESS & LEASE BUSINESS OF SREI INFRASTRUCTURE FINANCE LIMITED (SIFL), THE HOLDING COMPANY TO YOUR COMPANY AS A GOING CONCERN ON SLUMP EXCHANGE BASIS AND SUBSEQUENT ORDER PASSED BY THE NATIONAL COMPANY LAW TRIBUNAL (NCLT), KOLKATA BENCH AND THE NATIONAL COMPANY LAW APPELLATE TRIBUNAL, NEW DELHI (NCLAT)

During the year 2019-20, your Company and its holding Company, Srei Infrastructure Finance Limited (SIFL) entered into an agreement ('Business Transfer Agreement') to transfer the Lending Business, Interest Earning Business & Lease Business of SIFL together with associated employees, assets & liabilities (including liabilities towards issued & outstanding non - convertible debentures) (Transferred Undertaking), as a going concern by way of slump exchange to the Company pursuant to the Business Transfer Agreement, subject to all necessary approvals. Accordingly, your Company and SIFL passed the relevant accounting entries in their respective books of accounts to reflect the slump exchange w.e.f. October 01, 2019 while allotment of shares by your Company was made on December 31, 2019. The superseded Board of Directors and erstwhile management of your Company, as existed prior to the appointment of the Administrator, had obtained external expert legal and accounting opinions in relation to the accounting of slump exchange transaction, which confirmed that the accounting treatment so given is in accordance with the relevant Ind AS and the underlying guidance and framework.

During the year 2020-2021, the Company had filed two separate applications under Section 230 of the Companies Act, 2013 ('the Act') before the Hon'ble National Company Law Tribunal (NCLT) (CA 1106/KB/2020 and CA 1492/KB/2020 at the NCLT) proposing Schemes of Arrangement (the Schemes) with all its secured and unsecured lenders (Creditors). The Business Transfer Agreement constituted an integral part of the Schemes.

The first scheme (i.e. CA 1106/KB/2020) sought for amongst other things "formal consent to be obtained from the required majority of the creditors of SEFL to the completed acquisition by way of slump exchange of the Transferred Undertaking from SIFL in terms of the BTA and consequential formal novation of the loans and securities already forming part of SEFL liabilities and outstanding to the creditor." (as set out in the Scheme filed CA 1106/KB/2020).

The second scheme (i.e. CA 1492/KB/2020) sought for amongst other things restructuring of the debt due to certain creditors of the Company including secured debenture holders, unsecured debenture holders, perpetual debt instrument holders, secured ECB lenders and unsecured ECB lenders and individual debenture holders.

Pursuant to the directions of NCLT vide order dated October 21, 2020, the superseded Board of Directors and erstwhile management had maintained status quo on the Scheme including accounting of BTA. The final order/s in connection with the Schemes was awaited from Hon'ble NCLT/NCLAT at that time.

Both the schemes of arrangement were rejected by the majority of the creditors during the meetings held pursuant to Hon'ble NCLT's directions (dated 21/10/2020 and 30/12/2020 respectively). Further, certain appeals were filed by rating agencies in the matter relating to the second scheme of arrangement (i.e. CA 1492/KB/2020). An application of withdrawal was filed by the Administrator in this matter which has been allowed by the NCLT by an order dated February 11, 2022. Your Company is in the process of consolidated resolution of SEFL and SIFL, and hence no further action is being contemplated regarding establishing the validity of the Business Transfer Agreement or otherwise, consequent upon the withdrawal of

Schemes as stated above. Accordingly, the status quo regarding Business Transfer Agreement, as it existed on the date of commencement of the Corporate Insolvency Resolution Process, has been maintained.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC REVIEW

a. Global Outlook

According to the International Monetary Fund (IMF), the global economy is set to grow by 6.0 per cent in 2021 and then by 4.4 per cent in 2022 after experiencing a contraction of 3.3 per cent in 2020 because of the COVID-19 induced 'Great Lockdown'. Although a globally coordinated vaccination drive is in progress, the pandemic's second wave is spreading fast, forcing governments to implement lockdowns once again, although in a much localised manner. Thus, a full-fledged economic recovery may be some time away, and therefore any projection of future growth at this stage can prove to be premature.

The fight against the pandemic is topmost on every government's agenda. A global initiative of 190 countries, COVAX (abbreviation for COVID-19 Vaccines Global Access), has been launched to ensure rapid and equitable access to COVID-19 vaccines for all countries, regardless of income level. COVAX has lined up almost 2 billion doses of existing and candidate COVID-19 vaccines for use worldwide, including delivery of at least 1.3 billion donor-funded doses of approved vaccines in 2021 to the 92 low and middle income economies. Although COVAX is principally funded by the developed countries, it has also received private sector and philanthropic contributions. Such co-ordinated global action is a welcome change with respect to the 'each country for itself' mindset that was prevalent in the last few years.

While countries have joined hands in their fight against COVID-19, the ongoing second wave has witnessed the emergence of new variants of the virus, some of which are more infectious than the original. As there is little medical evidence on how effective the present vaccines are against the new variants of the virus, there is little clarity on to what extent would the vaccination drive be able to contain the spread of the pandemic.

The global recovery in the year ahead is expected to be driven by China and the US. In fact, a broad-based recovery was visible in the last two quarters of FY21 in several countries, but the second wave has halted it somewhat. This can have economic consequences. To avoid any economic crisis, most central banks are likely to continue the accommodative monetary policies they have followed throughout FY21. During the first wave, following the example of the U.S. Federal Reserve, most central banks adopted ultra-accommodative monetary policies by reducing interest rates to historic lows. Unprecedented liquidity infusions by the central banks in the developed nations were aimed at fuelling debt-financed economic activity. Liquidity worth more than USD 12 trillion had been printed in a matter of few months. The objective has been to enable debt-fuelled demand at both individual and corporate levels.

Even before the pandemic, there was a significant build-up in indebtedness of the non-financial private sector since 2016. With the pandemic, the total global debt stood at USD 277 trillion at the end of 2020, which is 365 per cent of world GDP. The IMF pointed out that such massive recourse to debt was necessary to protect the global economy in the short term.

However, a further debt overhang from continued accommodative monetary policies aimed at countering the second wave can have a long term ramifications on the global economy.

The World Trade Organization (WTO) has predicted an uneven recovery for global trade. As per WTO estimates, the world trade in merchandise, or goods, will grow 8 per cent in volume in 2021 and by 4 per cent in 2022, after falling 5.3 per cent in 2020. A surge in demand for merchandise during the final half of 2020 helped counterbalance the pandemic's initial disruption to global trade and produced more muted annual decline. The WTO believes that economic recovery across the globe will be dependent on the ramping up of production of vaccines.

The year under review was a turbulent one for most commodities. The widespread global shutdown of economic activity depressed demand and disrupted supply chains for commodities in virtually all sectors – energy, base metals, agricultural products and even the odd precious metals. The price of crude oil, for the first time in history, entered into negative territory. But during the latter half of the year, the prices of several commodities rallied spectacularly and, in certain cases, reached multi-year highs. A combination of expansionary monetary policy and a growing demand for commodities with more and more countries taking the infrastructure road to economic recovery has been largely responsible for this.

A new world order with multiple protocols related to health, socializing, work culture and others will emerge. As each country comes up with its own protocols, going forward, trade and commerce, travel and tourism, movement of individuals among countries will increasingly be determined by bilateral deals and limited regional co-operations. These "new normal"-s will fundamentally change certain industries and they would need to re-engineer their business models in order to survive. Adapting to these "new normal"-s will have to be the focus in the short to medium term.

b. Indian Scenario

During the year under review, because of the impact of the pandemic, the Indian economy contracted by 7.3 per cent after growing at a rate of 4 per cent in FY20. The country went into a brief recession as the first two quarters of FY21 registered negative GDP growth, however it came out of the recession in the third quarter as the Q3 GDP expanded by 0.5 per cent. The GDP growth predictions for India are quite varied. While the IMF projects a more optimistic growth rate of 12.5 per cent for India in 2021 and a follow-up growth of 6.9 per cent growth in 2022, the United Nations, taking note of the impact of the second wave, has predicted a more conservative growth rate 7.5 per cent in 2021 followed by a 10.1 per cent growth in 2022. The Reserve Bank of India (RBI) has predicted a 9.5 per cent GDP growth for India in FY22.

After recording a total FDI (equity + re-invested earnings + other capital) of USD 74.39 billion in FY20, India was able to attract FDI worth USD 81.72 billion in FY21. The disruption in global trade due to the pandemic was reflected in India's trade figures too. Total exports (goods and services combined) in FY21 stood at USD 493.19 billion and total imports stood at USD 505.94 billion (much lower than the USD 544.7 billion and USD 645.6 billion figures respectively in FY20). However, in spite of all these, India's foreign exchange reserves continued to accumulate and presently it stands at over USD 600 billion, much of which was due to a sharp narrowing of the trade deficit in FY21.

The economy was steadily losing momentum in the pre-pandemic phase. The national lockdown brought economic activity to a virtual standstill for a couple of months at the start of the year under review. The composite index of 8 core industries (namely coal, crude oil, natural gas, refinery products, fertilizers, steel, cement and electricity) contracted by 7 per cent during FY21 after a marginal growth of 0.4 per cent in FY20. The Index for Industrial Production (IIP) shrunk by 8.6 per cent in FY21 compared to a 0.8 per cent contraction in FY20. Capital goods output contracted by 19.2 per cent, infrastructure and construction goods by 9.1 per cent and consumer durables by 15.2 per cent in FY21. Sales of vehicles continued to decline second year in a row – passenger vehicles by 2.24 per cent and commercial vehicles by 20.77 per cent. Bank credit growth decelerated to an over five-decade low of 5.56 per cent in FY21. The prolonged slowdown has severely curbed consumption which, in turn, has slowed down considerably investments for fresh capacity creation.

Because of a prolonged period of slow growth, a stressed financial system and other downside risks, India's sovereign credit rating was downgraded by credit rating agency Moody's to "Baa3" with a negative outlook. Meanwhile, Fitch Ratings retained "BBB-" sovereign rating for India with a negative outlook and S&P Global Ratings also kept India's sovereign rating unchanged at "BBB-" for the next two years.

The government tried to address the urgent needs of the most vulnerable segments of the society and announced a number of initiatives aimed at reviving growth. At the same time the RBI reduced the policy rates and had taken a number of measures to preserve financial stability. During the last two quarters, a nascent recovery was visible with mixed signals emerging from a number of high frequency indicators. However, supply-side disruptions had started pushing up inflation despite a lack of consumption demand. Now with localised lockdowns and containment measures on account of the second wave, there can be a further rise in inflation, as evident from the April 2021 Wholesale Price Index (WPI) inflation (or factory-gate price inflation) figure overshooting the Consumer Price Index (CPI) inflation (or retail inflation) figure by a wide margin. Early signs of renewed stress are once again visible in the economy. In this backdrop, the RBI is likely to continue its accommodative stance, but chances of further reduction in policy interest rates are minimal now as inflationary trends are already visible.

The second wave has been more virulent with increased cases of fatalities. But, despite that, the shock to economic activity is likely to be less severe than what it was in 2020. Equipped with the experience of the first wave, the authorities are resorting to more narrow lockdowns. While the year under review has been a struggle for survival and stabilization for most enterprises, the year ahead is likely to be a phase of cautious growth.

NBFCs IN INDIA

In India, the Non - Banking Financial Companies (NBFCs) play an active role in meeting the funding needs of those segments of the society who mostly remain outside the coverage of formal modes of institutional funding. NBFCs are essentially fuelling entrepreneurship by catering to the funding needs of the micro, small and medium enterprises (MSMEs), many are involved in the infrastructure sector in services like construction and transportation. Thus, NBFCs are performing a dual role of promoting financial inclusion and nation building.

As on January 2021, there were 9,507 NBFCs registered with the RBI. This was a second consecutive challenging year for the NBFC sector. While the flow of funds to NBFCs from the institutional sources had significantly dried up in FY20, there was a drastic fall in revenues in FY21 as the RBI actively intervened to alleviate the problems of the borrower community.

The following regulatory amendments were made by the RBI during the year under review which had a significant impact on the NBFC sector:

- NBFCs were allowed to extend to their stressed borrowers a moratorium on loan payment of all installments in respect of term loans, for six months.
- NBFCs figured among the targeted pandemic-affected entities which were to receive liquidity support from the RBI under the Targeted Long-Term Repo Operations (TLTRO) 2.0. A total of up to Rs. 500 billion was to be availed under the scheme at the policy repo rate for tenors up to three years and the amount had to be deployed in investment grade bonds, Commercial Papers and Non-Convertible Debentures of NBFCs. Subsequently, on-tap TLTRO with tenors of up to three years for a total of up to Rs.1 trillion was announced. The scheme was made available at a floating rate linked to the policy repo rate and was available up to end-FY21 with an in-built flexibility to enhance the amount and period, if required.
- NBFCs, as well as banks, were instructed to adhere to Fair Practices Code and Outsourcing Guidelines regarding the loans sourced by them over Digital Lending Platforms.
- NBFCs were instructed to allow a one-time restructuring of the stressed loan accounts of those borrowers who have been affected due to the pandemic.
- A co-lending model aimed at meeting the credit needs of priority sectors was introduced with a funding ratio of 80:20 between banks and NBFCs. The intent was to make both banks and NBFCs to benefit from each other's core strengths.
- Draft guidelines on dividend distribution by NBFCs (effective financial year beginning April 01, 2020) were proposed to infuse greater transparency and uniformity. Only those NBFCs which comply with the minimum prudential requirements (inter alia w.r.t. the Capital Adequacy, Leverage Ratio, net NPA ratio and other conditions) would be eligible to declare dividend.
- Guidelines on appointment of Statutory Auditors for commercial banks, urban co-operative banks (UCBs) and NBFCs are to be harmonized to enable these supervised entities to appoint audit firms as per their needs in a timely, transparent and effective manner.
- A discussion paper outlining a 4-layered classification of NBFCs with varied regulatory intensity has been proposed and the classification is done on the basis of parameters like asset size, type of liabilities and their relative systemic importance.
- Entry-point requirement for new NBFC registrations is proposed to be increased from Rs. 20 million to Rs. 200 million and existing NBFCs falling short need to measure up within given a timeframe.
- RBI has conditionally allowed investments from or through Financial Action Task Force (FATF) non-compliant jurisdictions, whether in existing NBFCs or in companies seeking Certification of Registration, provided investors from such jurisdictions should not directly or indirectly acquire 'significant influence' in the NBFC, as outlined under applicable accounting standards.
- Minimum loan size from NBFCs reduced from Rs. 0.5 million to Rs. 0.2 million in order to become eligible for debt recovery under SARFAESI Act, 2002

A special liquidity scheme with an allocation of Rs. 300 billion was announced enabling investments in both primary and secondary market transactions in investment grade debt paper of NBFCs, housing finance companies (HFCs) and micro-finance institutions (MFIs), the securities being fully guaranteed by Government of India. In addition, Rs. 450 billion was allocated for a Partial Credit Guarantee Scheme 2.0 to cover borrowings such as primary issuance of bonds and commercial papers of NBFCs, HFCs and MFIs, which involve sub-AA ratings and even unrated papers. Government agreed to guarantee the first 20 per cent of the losses. These schemes were routed through the banks, but a reluctant approach on part of the banks ensured that not enough liquidity was available for all categories of NBFCs. Without a steady access to liquidity, several NBFCs, especially the small and medium sized NBFCs, found the operating environment extremely difficult.

The second wave being more pervasive and having spread into the hinterland where a significant portion of NBFCs' clients reside, it will be another challenging year for the NBFC sector. The NBFCs are already facing renewed asset quality risks and liquidity risks. The adverse impact of this on the securitisation market will thwart fund-raising for NBFCs, at least in the near term. The fragile recovery that was visible in the sector is likely to get delayed.

Operational challenges for the NBFC sector make it more difficult for the MSMEs to sustain. For the MSMEs to weather this pandemic, it is necessary to have a vibrant NBFC sector. Therefore, the government and the RBI must provide adequate regulatory support to the NBFCs, just the way they have been helping the banking sector in the last few years.

BUSINESS OUTLOOK AND FUTURE PLANS

As the pandemic has stretched for more than a year, the government strategies at both the Centre and State levels, must aim to strike a fine balance so that neither life nor livelihood is threatened. The central government is clearly working towards scripting an infrastructure driven economic recovery. The multiplier impact of building infrastructure is manifold in terms of generating new employment, creating entrepreneurship opportunities and fuelling demand through upstream and downstream linkages.

In Union Budget 2021-22, notwithstanding its impact on pushing up the fiscal deficit, a record allocation of Rs. 5.54 trillion was made for capital expenditure, 25 per cent higher than last year. To attract more global funds for infrastructure development, a review has been undertaken to ease the investment norms by foreign funds in sovereign wealth funds. The government has allocated Rs. 200 billion to set up and capitalise a development financial institution for financing infrastructure projects. A special purpose vehicle will also be formed to monetise brownfield infrastructure assets.

The National Infrastructure Pipeline (NIP) of projects which envisages investments of Rs. 111 trillion over five years up to 2025, has been expanded to 7,400 projects.

- The budget has allocated Rs. 1.18 trillion, the highest ever outlay, for Ministry of Road Transport and Highways, of which Rs. 1.08 trillion is for capital expenditure. A total investment of Rs. 15 trillion has been envisaged for road construction in the next two years. After building 13,298 km of highways in 2020-21 despite pandemic disruptions, i.e. about 37 km per day, a target of 40 km per day of highways construction has been set for 2021-22.
- The budget has allocated Rs. 1.1 trillion for the Railways, of which Rs. 1.07 trillion is for capital expenditure with a promise to complete 100 per cent electrification of broad gauge routes by December 2023. A major capacity expansion has been undertaken to equip rail infrastructure to handle increased traffic. The objective is to increase the modal share of rail in total traffic from the present 27 per cent to 45 per cent.
- The budget has emphasised development of metro rails in public-private partnership (PPP) mode in different parts of the country. Metro Lite and Metro Neo technologies

are being adapted to provide metro rail systems at much lesser cost with similar experience in tier-2 cities and peripheral areas of tier-1 cities.

- For ramping up the port infrastructure, a compendium of 400 investable maritime projects with an investment potential of Rs. 2.24 trillion has been drawn up. The budget has promised 7 projects worth Rs. 20 billion to be offered in PPP mode for managing operations at major ports.
- A revamped reforms-based result linked power distribution scheme will be launched with an outlay of Rs. 3.06 trillion over 5 years.
- With entry of commercial miners into the mining scene and India's aim to get rid of coal imports, mining activity will only increase. India has set for itself a production target of 1 billion tonne coal domestically by 2023-24.
- The budget has announced the Jal Jeevan Mission (Urban) which will enable water supply in all 4,378 urban local bodies with 28.6 million household tap connections, as well as liquid waste management in 500 AMRUT cities.

All these projects will generate significant demand for equipment required in construction and mining, and so will the financing for these equipment.

The Covid – 19 pandemic continued to impact India and world in FY22, creating unforeseen challenges. The Indian Construction and Mining Equipment Industry witnessed de-growth of 8% in FY22, primarily attributed to the significant slowdown observed in construction activity across the country. The most significant decline was observed in the space of Roads and Highways construction which declined to -28.6 Kms per day during FY22 vis-a-vis 36.5 Kms per day recorded in FY-21. Besides the pandemic induced slowdown, natural disasters like cyclones and heavy rains in Southern India and ban imposed on construction activity in Northern India due to pollution concern in latter half of 2021, had an adverse impact on the CE industry. On a positive note, exports grew at a phenomenal rate of 60% YoY in FY22. With new CEV-IV emission standards, now completely adopted by the industry, there are significant opportunities for the Indian CE manufacturers to tap into the developed markets.

The Government of India's strong thrust on infrastructure development through the announcement of various mega plans including National Infrastructure Pipeline, Gati Shakti Masterplan, National Monetisation Plan, constitution of National Bank for Financing Infrastructure and Development (NaBFID), and increase in budget outlay on capital expenditure for FY23 by more than 35%, from INR 5.54 lakh crore to INR 7.50 lakh, augurs well for the future of the industry. The first three quarters of FY22 cumulatively remained near to flat in terms of sales volume and registering a growth of only around 2.5%, as compared to FY21. There has been slow progress in road construction, lower budget allocation for airport development and inadequate utilization of funds for real estate and infrastructure, leading to lower equipment sales. However, high speed train and metro rail construction gave momentum for material handling, concreting & material processing sub segments equipment. The earthmoving segment has witnessed a ~14% YoY de-growth in sales. The primary driver for de-growth has been the domestic Backhoe loader sales (34% decline YoY) especially impacted by the 70- 80 HP category. However, exports have seen a significant growth compared to last year (~69% YoY), with increase in Backhoe loader (~73% YoY) and Crawler Excavator exports (~67% YoY) being the primary drivers. The road construction segment has witnessed a ~10% YoY de-growth in sales, primarily due to fall in domestic sales, showcasing a ~14% YoY de-growth.

The concrete equipment segment witnessed a ~57% YoY growth in overall sales. There is a strong uptick in domestic sales for Concrete Mixers by ~66% (YoY) and Concrete Pumps by

~51% (YoY). There is ~29% growth (YoY) in exports which is contributed by Concrete Mixers(~36% YoY) , Concrete Pumps (~25% YoY) and Batching Plants (~25% YoY).

The second wave has highlighted the inadequacies of India's health sector, both in terms of medical facilities and manpower. Revamping India's health infrastructure should be the government's top priority along with creation of other infrastructure. Already the government has allocated Rs. 2.24 trillion for the health sector in the budget. Recently the RBI Governor has announced the opening of an on-tap liquidity window of Rs. 500 billion with tenors of up to three years at the repo rate till March 31, 2022 to boost provision of immediate liquidity for ramping up COVID-related healthcare infrastructure and services. Under the scheme, the banks are expected to create a COVID loan book and have been incentivised to deliver credit quickly, either directly or through intermediaries, under priority sector lending (PSL) classification, up to March 31, 2022. These loans will continue to be classified under PSL till repayment/maturity, whichever is earlier.

The budget allocation of Rs. 400 billion to the Rural Infrastructure Development Fund (RIDF) and the forecast of a normal monsoon augur well for the rural economy. This was one sector which had emerged relatively unscathed during the first wave. However, the second wave, unlike the first one, has spread into the rural hinterland as well. For this, manpower availability may become a challenge for the Kharif harvest. This is likely to encourage further mechanisation of farm operations.

Technology has taken centre-stage in this pandemic. Be it in the area of governance or working or even socialising and entertainment, technology is the key today. Organisations and individuals, who had proactively invested in technology and tech-training, have handled the crisis much better. Just like investing in technology is becoming a way of life, so will be investments for strengthening cyber-security. A number of new business opportunities will emerge in technology services.

The management of your Company is closely tracking these developments in order to source new business opportunities. Our immediate priority is to guide the fully owned operating subsidiary, namely Srei Equipment Finance Limited, to a stronger financial footing and to come out of the pandemic-induced stress unscathed. On its part, the parent, Srei Infrastructure Finance Limited, is determined to make an impact in the Infrastructure Advisory business which is bound to see a huge uptick with the government's infra spend as outlined above.

BUSINESS REVIEW

Your Company is registered with the Reserve Bank of India (RBI) as a systemically important non-deposit taking NBFC and is one of the significant financiers in the Construction, Mining and allied Equipment (CME) sector in India. In addition to CME, your Company is also diversified into financing of tippers, IT and allied equipment, medical and allied equipment, farm equipment and other assets. The financial products and services comprise loans, for new and used equipment, and leases.

The infrastructure sector is considered as the backbone of the country's economy as it integrates projects on a large scale and strengthens its competitiveness on a global level. It is estimated that India should invest $4.5 trillion in Infrastructure by 2030 to support faster growth. India plans to spend US$ 1.4 trillion on infrastructure during 2019-23 to have a sustainable development of the country. The National Infrastructure Pipeline (NIP), which was launched in December 2019, is a part of that attempt to invest $4.5 trillion. The NIP pipeline since then has been increased from 6,835 projects to more than 7600 projects. The

Government has suggested investment of Rs. 50 trillion (US$ 750 billion) for railways infrastructure from 2018-30. India and Japan have joined hands for infrastructure development in India's Northeast states and are also setting up an India-Japan Coordination Forum for Development of Northeast to undertake strategic infrastructure projects for the region.

Public Capital Investment in Union Budget of 22-23

- Public investment to continue to pump-prime private investment and demand in 2022-23
- Outlay for capital expenditure stepped up sharply by 35.4% to Rs.7.50 lakh crore in 2022-23 from Rs.5.54 lakh crore in the current year Outlay in 2022-23 to be 2.9% of GDP
- Effective Capital Expenditure' of Central Government estimated at Rs.10.68 lakh crore in 2022-23, which is about 4.1% of GDP

While the infrastructure sector continues to enjoy the government's focus in the long term, the current fiscal is all about business continuity and survival for all businesses across all sectors including the construction equipment sector and the NBFC sector.

In FY2022, your Company's total income decreased by 9% to Rs. 3,142 crores and your company reported a net loss of Rs. 2,773 crores. In this challenging environment, your Company has focused on recovery of dues to improve the collection and has directed all its efforts in reducing the NPA of the company. Your company is re-engineering the business model through multiple stake holder partnerships with an endeavor to make the model sustainable.

Since the forthcoming year is extremely uncertain due to the second wave and contemplated third wave of Covid-19 as expected by medical experts, your Company will enhance its focus on recovery of dues from customers, stabilization of its operations, facilitating the ongoing debt resolution process and the capital raising process through investor engagement.

RISK MANAGEMENT

Management of risk remains an integral part of your Company's operations and it enables your Company to maintain high standards of asset quality at time of rapid growth of its lending business. The objectives of risk is to maintain robust asset quality alongside growth in business, optimal allocation of capital simultaneously with enhancement of shareholders' value and hedging against unforeseen events and macro-economic or environmental conditions.

Your Company has constituted a Risk Committee of the Board which meets every quarter to deal with such matter as may be referred to by the Board of Directors from time to time. Your Company has also designated a senior executive as Chief Risk Officer (CRO) pursuant to the provisions of Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 01, 2016 issued by RBI. Your Company's risk management strategy is based on a clear understanding of various risks, and adherence to well-laid out risk policies and procedures that are benchmarked with industry best practices. Your Company has a defined Risk policy for risk management which aims to put in place a robust risk management framework to help in achieving the objectives. The broad objective of the Committee is inter alia to:

a) To identify and assess various risks;

b) To strengthen the risk management practices and compliance framework to manage various risks across the Company;

c) To evaluate the effectiveness of mitigation strategies periodically to address material risks of the Company's operations and businesses;

d) To review any material findings and recommendations of the Risk Department; prescribe and monitor appropriate action to address the identified gaps.

Risk is managed through a framework of policies and principles approved by the Board of Directors supported by an independent risk function which ensures that your Company operates within a pre-defined risk contours. The risk management function strives to proactively anticipate vulnerabilities at the transaction as well as at the portfolio level, through quantitative or qualitative examination of the embedded risks and put in place mitigants through change in policies and enhanced process controls.

Governance Structure

The risk strategy of your Company is enunciated and overseen by the Risk Committee of the Board (RCB), an independent Board level sub-committee that strives to put in place specific policies, frameworks and systems for effectively managing the various risks. Policies approved from time to time by the Board of Directors or the RCB in consultation with other sub-committees of the Board, viz. ALM & Treasury Committee (ALM) and Credit & Investment Committee, constitute the governing framework for various types of risk and business activities undertaken within this policy framework. Overall risk management is guided by well-defined procedures appropriate for the assessment and management of individual risk categories viz. credit risk, asset risk, treasury & market risk, operational risk, liquidity risk and counterparty risk supplemented by periodic validations of the methods used. Under the guidance of RCB, the Risk department is responsible for assessing and managing risks on a regular and dynamic basis. This entails, as an imperative, garnering adequate knowledge of macroeconomic trends, insights into dynamics of various sectors, understanding of regulatory environment and application of quantitative and qualitative tools facilitating an accurate assessment of risk at all times.

After the initiation of the Corporate Insolvency Resolution Process vide Order dated 8th October, 2021 of the Hon'ble National Company Law Tribunal, Kolkata Bench, the Risk Committee was reconstituted to manage the integrated risk of your Company and consisting of the senior management of the Company. The Risk Committee is further supported by the Credit and Risk Management Committee of Executives (CRMCE), Operational Risk Management Committee, and Product & Process Approval Committee.

Credit Risk

Risk aims at mitigating the credit risk by client grading, developing scoring models, doing an industry analysis to which the client belongs, existing portfolio analysis, regional analysis, and review of credit decision. The credit proposals are vetted to provide views on the future outlook of the sector/segment for short to medium term with particular emphasis on various geographies. The perspective of governmental support, regulatory issues, growth trend & demand potential, capital intensity & back-up, competition, recoverability of receivables, and other parameters impacting credit quality are analyzed to arrive at a risk aware and risk integrated decision. Your Company has strong a framework for the appraisal and execution of finance transactions that involves a detailed evaluation of technical, commercial, financial, marketing and management factors including sponsor's financial strength and experience.

Asset Risk

As an asset financing NBFC, one of the key elements for assessing the underlying transaction risk is the intrinsic value of the asset being financed through the life of the financial facility extended. Risk department monitors the intrinsic value of assets being financed across the financing life cycle and suggests mitigation measures to counter balance the credit risk through value preservation of the asset being financed through the life cycle of the facility.

Portfolio Risk

The portfolio risk is assessed through various analytical tools to help in portfolio monitoring via reflection of trends, ratios, actual vs. budgeted etc. Various models are developed to understand the behavior pattern of the portfolio to mitigate the risk arising from the same. The patterns of the past data is analysed to determine the probability in the future. Your Company periodically reviews the impact of the stress scenarios resulting from rating downgrades or drop in the asset values in case of secured exposures on the portfolio. Your Company works within identified limits on exposure to borrower groups, industry sectors and geographies, and regularly tracks portfolio level concentrations. These limits are periodically reviewed based on changes in macro-economic environment, regulatory environment and industry dynamics. Existing credit exposure in the portfolio is continuously monitored and reviewed. Key sectors are analysed in details to suggest strategies considering both risks and opportunities. Corrective action is taken, wherever required, based on portfolio analysis and early warning signals.

Treasury Risk

As an integral part of the overall risk management system, your Company addresses different forms of market risks, viz., liquidity risk, capital risk, interest rate risk and foreign exchange risk.

Capital risk is generally defined as an enterprise's access to cash at any given time and balancing this with its efficient use. Your Company involves in assessing the overall cash flow position of your company on a monthly basis over a horizon of one year comprising maturity profile of all liabilities, amortization of credit portfolio and targeted disbursement. Thereafter, the net position is sensitized with lower collection rate, based on the prevailing trend & emerging scenario for various business verticals through scenario analysis.

Liquidity risk is two-dimensional: risk of being unable to fund portfolio of assets at appropriate maturity and rates (liability dimension) and the risk of being unable to liquidate assets in a timely manner at a reasonable price (asset dimension). Your Company's Asset Liability Management Committee (ALCO) lays down a broad framework for liquidity risk management to ensure that it is in a position to meet its daily liquidity obligations as well as to withstand a period of liquidity stress from industry, market or a combination of them. The liquidity profile is analyzed on a static as well as on a dynamic basis by using the gap analysis technique supplemented by monitoring of key liquidity ratios and conduct of liquidity stress tests periodically.

Interest rate risk is the probability that variations in the interest rates will have a negative influence on the quality of a given financial instrument or portfolio, as well as on your Company's condition as a whole. Interest rate risk is generally managed through floating rate mechanism by linking the lending rate of interest to your Company's benchmark rate and is reviewed periodically with changes in your Company's cost of funds. Your Company conducts stress testing at periodical intervals to monitor vulnerability towards unfavorable interest rate movements in line with regulatory guidelines.

Exchange rate risk management becomes necessary as your Company borrows money in foreign currency and lends in domestic currency. In order to optimize the cost of funds, your Company adopts effective hedging strategies considering the overall risk appetite of your Company. Your Company measures, monitors and controls exchange rate risk through statistical measures.

Operational Risk

Operational risk is defined as the risk of loss arising out of inadequate or failed internal processes, people and systems or from external events. Your Company has Standard Operating Procedures (SOPs) for the operating processes of your Company with dual control in all major processes. The key processes are tested for adequacy of controls at periodical intervals. The Operational Risk Framework has been strengthened to include risk control matrices and risk control self-assessment framework. The Policy framework within the organization has been strengthened within the organization with review of policies of the Company viz Credit Policy, Risk Policy and Stressed Asset Management Policy.

Your Company ensures that the anti-money laundering procedures are implemented, effective and compliant with the latest statutory regulations. It involves in setting up of a consistent system throughout your Company, with an adequate level of formalization and traceability that will serve to provide management, the Board of Directors, and regulatory bodies with reasonable assurance of risk control.

In addition, to manage operational risk prudently, 'Know Your Customer (KYC) and 'Anti-Money Laundering (AML) Policy' are in place, which helps to prevent your Company from being used intentionally or unintentionally by criminal elements for money laundering.

IT Risk

- **SREI has its Data Center (DC) on AWS (Amazon Web Services) Cloud.**

  - ✓ **AWS Features**

    Every AWS Region consists of multiple Availability Zones (AZs). Each AZ consists of more than one data centers (Mumbai region has 3 data centers), located in a separate and distinct geographic location. Each AZ is designed as an independent failure zone which means that AZs are physically separated within a typical metropolitan region and are located in lower risk flood plains. This significantly reduces the risk of a single event impacting more than one AZ. In addition to discrete Uninterruptible Power Supply (UPS) and onsite backup generation facilities, DCs located in different AZs are designed to be supplied by independent substations to reduce the risk of an event on the power grid impacting more than one AZ.

✓ **AWS Backup as a Service**

SREI uses **AWS Backup as a Service** which is a fully-managed service that makes it easy to centralize and automate data protection across AWS services, in the cloud. This service allows configuring backup policies and monitoring activity for our AWS resources in one place. It allows automating and consolidating backup tasks and removes the need to create custom scripts and manual processes. A complete AMI (Amazon Machine Image) backup is taken for each application and database server from the AWS console and stored on a daily, weekly and monthly basis, as per the policies defined by SREI. Servers can be restored from the AMIs which are spread across all the AZs in a region to handle disasters.

✓ **AWS S3 (Simple Storage Service) Backups for Databases**

Database backup dumps are also stored in Amazon S3 buckets. S3 buckets are designed to provide 99.999999999% durability and 99.99% availability of objects. S3 redundantly stores objects on multiple devices across multiple AZs in an AWS Region.

✓ **Backup and Restoration**

For AZ failover, in addition to data recovery from backup, it is also possible to restore the infrastructure in the recovery zone by spinning off the requisite servers in an alternate AZ.

✓ **Testing of Disaster Recovery**

Periodic DR Drill is carried out by the IT team where key business application / database servers (for Ambit, Newgen, Kastle & Oracle) are restored in a different AZ from the previous day's AMI. The necessary evidences for the same are stored for reference.

➢ **Full-fledged BCP (Business Continuity Plan) has been taken up and is under process.**

Regulatory Risk

Your Company has adopted a maker and checker based system for implementation and control management for ensuring regulatory compliances. This system is designed to adapt to the changes in the regulatory environment to avoid breach of compliances and provide greater clarity and confidence around the regulatory risk framework and the ability to manage regulatory change. It involves understanding of both regulator expectations and business processes and challenges. It involves identification of process improvement opportunities to ensure the effective and consistent management of compliance and regulatory obligations. However, your Company is in process to automate the regulatory compliance framework.

Your Company also takes cognizance of the interplay of the risks enumerated above in addition to other risks which could have a bearing on the above risk factors, e.g. legal, reputational risks. The recent pandemic related to Covid-19 have had impact on one or more of the risks enumerated above, particularly on Credit Risk, Portfolio Risk and Treasury Risk, Liquidity risk, etc.

HUMAN RESOURCES ACTIVITIES

Your Company has successfully navigated the continuing complexity posed by Covid-19, which remained one of the biggest disrupters through a substantial part of the past year. This was possible because of the efforts made by the organization to become future-ready which have continued since the previous year and which proved helpful in more ways than one. The organization structure which was put in place the previous year leading to a leaner, flatter and more agile organization proved highly beneficial in the current environment. Significant realigning of roles was done in order to execute the task of bringing down NPA. Retaining talent was an imperative which surfaced in the current year and was dealt with effectively by your Company.

Human Resources are the most important asset of any financial services organization. In the backdrop of the crisis that your Company was in, your Company faced increased attrition during the financial year. While the challenges ensued, your Company conducted various restructuring activities internally to manage the people crisis. For all key exits, the succession plan triggered in, and your Company was able to immediately fill all key leadership positions ensuring continuity and stability. During the CIRP, your Company was also able to do lot of activity on Internal Talent mobility to fill key management positions, which have enabled your Company to bring in best Industry practices of governance and compliance. Your company laid special emphasis on staff governance and compliance and initiated activities on compliance reviews, staff accountability review to create robust governance.

Your Company also actively encouraged cross utilization of resources to avoid the need of hiring from the market, and also to nurture multi-tasking skills in employees. This ensured that all employees of your Company were productively employed, and also helped your Company save on hiring costs and wherever necessary strengthened its hiring process to ensure economical quality hires. In addition to the above your Company did a lot of staff engagement activities to increase employee morale and motivation.

During this period, your Company re-assessed all its internal policies and practices and brought in measures to make them more compliant as well as mitigate risks that it was being exposed to.

Your Company's skilled workforce needed to work together effectively as well as show quicker response time through taking increased responsibility for decision making as well as displaying greater accountability. This was successfully demonstrated throughout the past year by all teams.

Innovation, a critical ingredient, was driven by the workforce adapting new skills throughout the organization. The increased utilization of technology and transformation of processes resulted in creating a highly productive workforce. Some of the innovations that were continued by your Company, due to Covid-19 necessitating remote working, included Attendance on the Go, digitized approvals, Just-in-Time Learning, adapting crowd sourcing, flattening the organization structure, among others. These strategic shifts paved the path for the New Normal.

Another shift that was necessitated was the increased focus on Collections and this too was successfully executed. Your Company recognized that learning interventions were critical in order to prepare employees to adopt the new model and new focus that had been introduced.

Your Company had to tackle several challenges which were addressed through learning and development initiatives. These included:

- The focus shifting to Collections – Teams were merged and made responsible for retail and strategic customer collections. This needed a large section of employees to quickly develop knowledge and skills in Collections

- De-centralized decision making without increasing risk for the organization - a key parameter for any financial institution. Teams had to learn how to shoulder greater responsibility for decision-making and display agility in working. Learning initiatives were necessitated to accelerate this.

- Recruitment process was put on hold as a result of which the existing workforce had to take on additional responsibilities while continuing with their existing roles.

- Huge focus on corporate governance and compliance was established resulting in need for training and awareness creation.

Learning and Development (L&D) initiatives adopted technology in order to increase the scope, speed and the extent of its reach so as to be able to help the organization achieve the operational efficiency required.

Training continued to be a key factor in developing agility, adaptability and engaging with employees. Learning initiatives were a key driver to constantly connect with employees across the country and strengthen a culture of collaboration. Learning interventions focused on up-skilling/ reskilling employees; building organizational capability and achieving compliance standards.

Your Company continued the learning strategy of "Reboot, Relearn" which was devised to build "just in time" learning and was delivered through various online meeting platforms. Collection Heads were deployed to spearhead the training in their respective zones. Learning was built into daily work activities through Action Learning in partnership with Zones.

Regulatory Training sessions commenced in the last quarter of the year. The drive was to ensure all employees completed the necessary regulatory training so as to achieve a compliance driven and policy adhering environment.

Your Company conducted a Pulse Survey to capture VOE (Voice of Employees). Through analysis of the results, several themes were identified and ways of addressing them designed. "Live Wire" series, an intervention aimed at deeper connect with all employees was launched to address ground realities.

Human Resource (HR) Team has continued to focus on supporting each employee through these difficult times- reaching out to them through the HR Business Partner team, finding ways to create positivity. Each success was celebrated and each employee who suffered a set-back was given help and support in myriad different ways. Building resilience was a priority and wellness was an area of focus throughout the year. Connecting people and ensuring timely and effective communication was prioritized, using different technology platforms.

Your Company maintained its philanthropic activities throughout the COVID 19 crisis and reached out to help those who were most in need. True to its ethos, your Company consistently demonstrated that it is an organization with a purpose that goes beyond just financial goals. Its commitment to the well-being of all stakeholders was demonstrated through various different initiatives. Your Company, as always, worked hard in order to create a feeling of pride and belonging to the organization. A key objective was to inspire, give hope and a sense of purpose to all employees, customers and stakeholders.

On 31st March, 2022 the headcount of our Company was 932.

INFORMATION TECHNOLOGY

Business practices around the world have changed during the last two years due to the Covid-19 pandemic. Face-to-face meetings have given way to video calls. Homes have become the new offices. Technology is not just a utility anymore, but a lifeline. Your Company has proactively leveraged its technology wherein a major portion of the workforce was benefitted through availing work from home facilities.

Your Company manages a variety of risks that can significantly affect its performance and ability to meet the expectations of its customers, shareholders, regulators and other stakeholders. Information Security risk includes the risks arising from unauthorized access, use, disclosure, disruption, modification or destruction of information or information systems. In view of the same, your Company has conducted IT Risk Assessment to assess its IT-related vulnerabilities and to ensure that proper controls are in place. Your Company has also developed Key Risk Indicators pertaining to IT Security in order to monitor changes in the levels of risk exposure and mitigate them in time.

The Company's Cyber Security Operations Centre (C-SOC), which was operationalized during the previous financial year, continues to monitor and improve its security posture while preventing, detecting, analyzing and responding to cyber security incidents. Your Company has not yet experienced any material losses relating to cyber-attacks.

Your Company runs regular awareness campaigns to educate its employees regarding the various aspects of Information Security, through various modes like periodic newsletters, awareness sessions and online trainings.

INTERNAL CONTROL AND AUDIT

Your Company's vision, mission and core values have laid the foundation for internal controls. On the administrative controls side, your Company has a proper reporting structure, oversight Committees and rigorous performance appraisal system to ensure checks and balances. On the financial controls side, your Company has in place segregation of duties and reporting mechanism to deter and detect misstatements in financial reporting.

Your Company's internal control system is commensurate with the nature of its business and the size and complexity of its operations and ensures compliance with policies and procedures. The Internal Control Systems are being constantly updated with new as well as revised standard operating procedures.

Your Company has an Internal Audit Department, which provides comprehensive audit coverage of functional areas and operations of your Company to examine the adequacy of and compliance with policies, procedures, statutory and regulatory requirements.

Your Company has a dedicated and independent Internal Audit Department which is accountable to the Board of Directors through the Chairman of the Audit Committee / Advisory Committee through the Administrator. The purpose, scope, authority and responsibility of the Internal Audit Department are delineated in the Audit Charter approved by the Audit Committee. Internal Audit Department influences and facilitates improvements in the control environment by constantly evaluating the internal control systems. Significant deviations are brought to the notice of the Audit Committee / Advisory Committee. Status of compliances of audit observations and follow up actions taken thereon are reported to the Audit Committee / Advisory Committee. The Audit Committee / Advisory Committee reviews and evaluates adequacy and effectiveness of your Company's internal control environment and monitors the implementation of audit recommendations.

Further, in accordance with the regulatory guidelines, your Company's Internal Financial Controls (IFC) have been reviewed and actions have been taken to strengthen financial reporting and overall risk management procedures. Further, an Information System (IS) Audit of the internal systems and processes is conducted at least once in a year to assess operational risks faced by your Company.

Based on the internal audit report, process owners undertake corrective action in their respective areas. All these measures help in maintaining a healthy internal control environment.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company has formulated a codified Whistle Blower Policy incorporating the provisions relating to Vigil Mechanism in terms of Section 177 of the Companies Act, 2013 and Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014, in order to encourage and support Directors and Employees of your Company to report instances of illegal activities, unethical behavior, actual or suspected, fraud or violation of your Company's Code of Conduct and Code of Business Ethics and any issue of concerns impacting and compromising with the interest of your Company and its stakeholders in any way. The said Policy was last revised on February 12, 2020. Your Company is committed to adhere to highest possible standards of ethical, moral and legal business conduct and to open communication and to provide necessary safeguards for protection of employees from reprisals or victimisation, for whistle blowing in good faith. The said Policy is available on https://www.srei.com/pdf/SEFL-Whistle-blower-policy.pdf.

A Whistle Blower Committee is in place that reviews all matters and guides the management to the relevant guideline in the spirit and keeps a close ridged.

NOMINATION AND REMUNERATION POLICY & PERFORMANCE EVALUATION

Prior to supersession of the Board of Directors of your Company by the RBI on October 04, 2021, your Company had a combination of Executive and Non-Executive Directors as well as Independent Directors including a Woman Independent Director on its Board of Directors.

The Nomination and Remuneration Policy of your Company, has been formulated as per the provisions of Section 178 of Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Additional details with respect to the said policy are as annexure to the Board's Report and forms part of this Annual Report.

The said policy is available on the website of your Company at https://www.srei.com/sefl-corporate-policies/Nomination_and_Remuneration_Policy.pdf

The Board of Directors of your Company was superseded by RBI on October 04, 2021 as noted above. Prior to the supersession of the Board of Directors 1 (one) meeting of the Independent Directors was held during the financial year under review on June 19, 2021. No evaluation of performance of Directors, Board or the Committees thereof was carried out till the appointment of Administrator by RBI.

Since your Company is undergoing Corporate Insolvency Resolution Process under the IBC Code, the role of the Board and Committees is being fulfilled by the Administrator supported by the Advisory Committee.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company perceives Corporate Social Responsibility (CSR) as a strategic social investment aimed at uplifting the society at large, empowering individuals, making them self-reliant. The CSR philosophy of your Company is embedded in its commitment to all stakeholders – consumers, employees, environment and society while your Company's approach extends both to external community as well as to your Company's large and diverse internal employee base & their families.

Your Company has in place a Corporate Social Responsibility Policy (CSR Policy), as per the provisions of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, which inter-alia lays down the guidelines and mechanism for undertaking socially useful projects for welfare and sustainable development of the community at large.

The Corporate Social Responsibility (CSR) Committee constituted in terms of Section 135 of the Companies Act, 2013 (the Act) and the rules thereon is established with primary function of the Committee to undertake activities mandated by the Act. The Board of Directors of your Company has been superseded by the Reserve Bank of India (RBI) as mentioned earlier in this report and the Average Net Profit of the Company for the three immediately preceding financial years is negative. In the view of such conditions, your Company is having NIL CSR obligation for the year under review.

The CSR Committee of your Company has formulated a CSR Policy which describes the multiple lines around which the CSR activities of your Company are positioned being education and skills development, social and economic welfare, environmental sustainability and such other activities included in Schedule VII of the Act as may be identified by the CSR Committee from time to time. The said Policy is available on https://www.srei.com/sefl-corporate-policies/SEFL_Corporate_Social_Responsibility_Policy.pdf.

Your Company perceives Corporate Social Responsibility (CSR) as an opportunity to contribute towards uplifting the society at large, empowering individuals, making them self-reliant. The CSR philosophy of your Company is embedded in its commitment to all stakeholders namely, consumers, environment and the society at large. Your Company's sustainable approaches towards practicing humble service to Humanity on a sustainable basis, has enabled it to continue fulfilling its commitment to be a socially responsible corporate citizen.

Prior to supersession of the Board of Directors by RBI, the terms of reference of the Committee was last revised on August 11, 2021. The erstwhile Board of Directors of your Company, at its meeting held on April 23, 2021 reconstituted the CSR Committee pursuant to the induction of Dr. (Mrs.) Tamali Sen Gupta in place of Mr. Hemant Kanoria as Member and Chairperson. The Corporate Social Responsibility Committee of your Company as at October 04, 2021 (i.e. the date of supersession of the erstwhile board of directors) comprised of Dr. (Mrs.) Tamali Sengupta, Mr. Suresh Kumar Jain and Mr. Shyamalendu Chatterjee, Non-Executive & Independent Directors as Members. Dr. (Mrs.) Tamali Sengupta acted as the Chairman of the Committee and the Company Secretary acted as the Secretary to the CSR Committee.

During the year under review and prior to the supersession of the Board, the CSR Committee met 1 (One) time on June 17, 2021.

An Annual Report on CSR activities for the Financial Year 2021-22 is set out as an annexure to the Board's Report and forms part of this Annual Report.

WEBSITE

The website of your Company www.srei.com has been developed on the new responsive technology based platform known as 'Laravel', ensuring uniform display across all devices like mobile, tablet, desktop etc. and all the operating systems. The website has an inbuilt sophisticated and customized content management system for easy change in content. A simple, improved navigation system needs a lesser number of clicks to reach the information available in the different sections of the website. The contemporary and smart look of the website ensures a customer centric approach catering to the requirements of prospective customers, investors and employees. The website carries a comprehensive database of information of interest to the investors including the financial results, financial products, corporate codes and policies, corporate presentations, stock exchange intimation and business activities of your Company and the services rendered by your Company. Some useful features like credit ratings and active and mature NCDs, registrar point, NCDs touch points, etc. are also available on the website. The customers can also download essential documents directly from the website.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION

No specific material changes and commitments, unless as disclosed in this Report, affecting the financial position of your Company have occurred between the end of the financial year under review, i.e. March 31, 2022 and the date of the Report.

KEY MANAGERIAL PERSONNEL (KMPs)

During the year under review, Ms. Ritu Bhojak ceased to be a Company Secretary and Key Managerial Personnel (KMP) w.e.f. May 10, 2021 and in her place Mr. Sumit Kumar Surana was appointed as the Company Secretary and Key Managerial Personnel (KMP) of your Company w.e.f. August 20, 2021. Mr. Manoj Kumar Beriwala had stepped down as the Chief Financial Officer (CFO), Key Managerial Personnel (KMP) of your Company w.e.f. June 29, 2021 and Mr. Yogesh Kajaria was appointed as the Chief Financial Officer (CFO), Key Managerial Personnel (KMP) of your Company w.e.f. June 30, 2021. Further, Mr. Pulak Bagchi ceased to be a General Counsel and Key Managerial Personnel (KMP) w.e.f. May 31, 2021.

During the year Mr. Hemant Kanoria, Executive Director and Chairman of your Company, Mr. Sunil Kanoria, Executive Director and Vice Chairman of your Company, Mr. Indranil

Sengupta, Whole Time Director of your Company and Mr. Devendra Kumar Vyas, Managing Director of your Company, being designated as the KMPs of your Company ceased to be so pursuant to the supersession of the Board of Directors of your Company by RBI vide its Press Release dated October 04, 2021.

Post the supersession of the Board the Administrator of your Company, additionally designated Mr. Devendra Kumar Vyas, Chief Business Officer, Mr. Manoj Kumar Beriwala, Chief Compliance Officer (RBI Compliances) and Ms. Nidhi Saharia, Chief Risk Officer as the KMPs of your Company w.e.f. March 01, 2022.

The following executives of your Company are the Whole-time Key Managerial Personnel (KMPs) as on March 31, 2022, in accordance with the provisions of Section 203 of the Companies Act, 2013 –

Name	Designation
Mr. Yogesh Kajaria	Chief Financial Officer
Mr. Sumit Kumar Surana	Company Secretary
Mr. Devendra Kumar Vyas	Chief Business Officer
Ms. Nidhi Saharia	Chief Risk Officer
Mr. Manoj Kumar Beriwala	Chief Compliance Officer (RBI Compliances)

None of the KMPs hold any securities of your Company except Mr. Manoj Kumar Beriwala and Mr. Yogesh Kajaria who hold 1 (one) Equity Share each of your Company as nominees of Srei Infrastructure Finance Limited (SIFL), holding company.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTFLOW

Your Company has no activity relating to Conservation of Energy and Technology Absorption as stipulated in Rule 8(3) of the Companies (Accounts) Rules, 2014. However, your Company has always been conscious of the need for conservation of energy. Adequate measures are always taken to ensure optimum utilisation and maximum possible saving of energy at the offices and branches of your Company. Your Company uses information technology extensively in its operations and also continues its endeavor to improve energy conservation and utilisation, safety and environment.

During the year under review, the total foreign exchange expenditure of your Company was Rs. 8,131 Lacs (previous year Rs. 21,416 Lacs) and has not earned any foreign exchange (Previous Year - Nil).

DETAILS OF TRANSFER OF UNPAID/UNCLAIMED AMOUNTS TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

In accordance with section 124(5) of the Companies Act, 2013 a company is required to transfer the amount lying in the unpaid dividend account, for 7 years, to the Investor Education Protection Fund ("IEPF"). Pursuant to the Order dated October 08, 2021 passed by the Hon'ble NCLT, Kolkata, CIRP has been initiated for your Company and the moratorium has been commenced under Section 14 of the Code read with Rule 5(b)(i) of FSP Rules effective from October 08, 2021. During the financial year under review, but prior to the date of commencement of moratorium/CIRP i.e. October 08, 2021 (CIRP commencement date) an amount of Rs. 18,574/- (Rupees Eighteen Thousand Five Hundred and Seventy Four) was transferable by your Company to IEPF in terms of section 124 (5) of the Companies Act, 2013 being the unclaimed interest in respect of NCDs issued by your Company. However, the same has not been transferred post October 08, 2021 as your Company is under IBC. The IEPF Authority has been requested to submit a proof of claim for the amount required to be transferred to IEPF as per IBC Rules.

Further, during the financial year under review, post commencement of moratorium/CIRP an amount of Rs. 31,633/- (Rupees Thirty One Thousand Six Hundred and Thirty Three) and Rs. 25,195/- (Rupees Twenty Five Thousand One Hundred and Ninety Five) was transferable by your Company to IEPF in terms of section 124(5) of the Companies Act, 2013 being the unclaimed interest in respect of NCDs issued by your Company.

Your Company has informed IEPF authorities that it is unable to comply with the provision of section 124(5) of the Companies Act as its compliance will be in breach of the moratorium in terms of section 14 of the IBC and that as per section 238 of the IBC, the extent to which the provision of the Companies Act are inconsistent with section 14 of the IBC, the provisions of the IBC will prevail. Your Company has also sought guidance of IEPF in this regard.

Pending transfer of these funds to IEPF, the same continue to be kept in separate Bank accounts and will be transferred to IEPF in due course of time.

MEETINGS OF THE BOARD

The Board met at regular intervals to discuss and decide on business policy and strategy apart from other Board business. However, in case of a special and urgent business need, the Board's approval was taken by passing resolutions through circulation, as permitted by law, which were confirmed in the subsequent Board meeting.

During the year 2021-22, prior to supersession of Board of Directors by the Reserve Bank of India (RBI), 8 (Eight) Board Meetings were convened and held on April 08, 2021, April 23, 2021, May 21, 2021, June 07, 2021, June 29, 2021, July 31, 2021, August 11, 2021 & September 06, 2021. The maximum time gap between any two consecutive meetings did not exceed 120 (one hundred and twenty) days.

DIRECTORS

As mentioned earlier in this Report, Mr. Rajneesh Sharma was appointed as the Administrator of your Company since October 04, 2021 and the management of your Company vests in him. He is assisted by a three-member Advisory Committee to discharge his duties and its current Members are Mr. T T Srinivasaraghavan, former Managing Director of Sundaram Finance Limited, Mr. Farokh N Subedar, former Chief Operating Officer and Company Secretary, Tata Sons Limited and Mr. Venkat Nageswar Chalasani, former Deputy Managing Director, State Bank of India.

The Board of Directors of your Company as at October 04, 2021 (i.e. the date of supersession of the erstwhile board of directors) consisted of 10 (Ten) Directors, out of which 6 (Six) were Independent Directors, 1 (One) Whole Time Director, 1 (One) Managing Director and 2 (Two) were Executive Directors designated as a Chairman and Vice Chairman.

In accordance with the provisions of Section 152 of the Companies Act, 2013 (Act) and the relevant Rules and your Company's Articles of Association, not less than two-thirds of the total number of Directors of a public company shall be persons whose period of office is liable to determination by retirement of Directors by rotation and one-third of such of the Directors for the time being as are liable to retire by rotation. However all such directors, who were liable to the rotational retirement, were superseded by RBI in exercise of the powers vested with RBI under Section 45-IE (1) of the Reserve Bank of India Act, 1934, as explained earlier in the Report.

BOARD COMMITTEES

Prior to the supersession of the Board of Directors by the RBI, your Company had a duly constituted Audit Committee as per the provisions of Section 177 of the Companies Act, 2013 and the erstwhile Board of Directors also had other committees which included Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committee, Corporate Social Responsibility Committee.

The details of the composition of the erstwhile Committees of the Board including their respective constitution, role as existing till October 04, 2021 are as follows.

With the Corporate Insolvency Resolution Process (CIRP), Advisory Committee functions as various sub committees as well, excepting those exempted for Company under CIRP.

AUDIT COMMITTEE

Prior to the supersession of the Board of Directors, your Company had a duly constituted Audit Committee in line with the provisions of Section 177 of the Companies Act, 2013 and Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014. Pre CIRP the Board of Directors has last revised the terms of reference of the Committee on August 11, 2021. The erstwhile Board of Directors of your Company, at its meeting held on April 23, 2021 reconstituted the Audit Committee, consequent to the cessation of Mr. Sunil Kanoria as a member of the Committee. Further, the Board of Director, at its meeting held on July 31, 2021 reconstituted the Audit Committee, consequent to the induction of Mr. Uma Shankar Paliwal as a Member in place of Mr. Indranil Sengupta, a Whole time Director. The Audit Committee of your Company as at October 04, 2021 (i.e. the date of supersession of the erstwhile board of directors) consisted of Mr. Suresh Kumar Jain, Mr. Malay Mukherjee and Mr. Uma Shankar Paliwal as Members. Mr. Suresh Kumar Jain acted as the Chairman of the Committee and the Company Secretary acted as the Secretary to the Audit Committee.

During the year under review and prior to the supersession of the Board, 4 (Four) meetings of the Audit Committee were held during the year 2021-22 on May 07, 2021, June 29, 2021, August 11, 2021 and September 04, 2021.

During the year under review and prior to the supersession of the Board, there were no such instances wherein the Board had not accepted any recommendation of the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE

Prior to the supersession of the Board of Directors, your Company had a duly constituted Nomination and Remuneration Committee in line with the provisions of Section 178 of the Companies Act, 2013. Pre CIRP the Board of Directors had last revised the terms of reference of the Committee on August 11, 2021. The erstwhile Board of Directors of your Company, at its meeting held on April 23, 2021 reconstituted the Nomination and Remuneration Committee, consequent to the induction of Mr. Deepak Verma as a member of the Committee. The Nomination and Remuneration Committee of your Company as at

October 04, 2021 (i.e. the date of supersession of the erstwhile board of directors) consisted of Mr. Suresh Kumar Jain, Dr. (Mrs.) Tamali Senupta, Mr. Uma Shankar Paliwal and Mr. Deepak Verma as Members. Mr. Suresh Kumar Jain acted as the Chairman of the Committee and the Company Secretary acted as the Secretary to the Nomination and Remuneration Committee.

During the year under review and prior to the supersession of the Board, 4 (Four) meetings of the Nomination and Remuneration Committee were held during the year 2021-22 on April 23, 2021, May 07, 2021, June 29, 2021 and August 11, 2021. In case of business exigencies or urgency of matters, resolutions were passed by circulation.

The Committee has formulated the Nomination and Remuneration Policy ('SEFL Nomination and Remuneration Policy') which broadly lays down the various principles of remuneration being support for strategic objectives, transparency, internal & external equity, flexibility, performance-driven remuneration, affordability and sustainability, and covers the procedure for selection, appointment and compensation structure of the Board members, Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs) of your Company. The said Policy is available on https://www.srei.com/sefl-corporate-policies/Nomination_and_Remuneration_Policy.pdf.

Prior to the dissolution of the Committee, the Nomination and Remuneration Committee had ensured fit and proper status of proposed / existing directors as per the Policy on "Fit and Proper" criteria of the Directors of your Company.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Prior to the supersession of the Board of Directors, your Company had a duly constituted Nomination and Remuneration Committee in line with the provisions of Section 178 of the Companies Act, 2013 and Companies (Meetings of Board and its Powers) Rules, 2014. The Stakeholders Relationship Committee of your Company as at October 04, 2021 (i.e. the date of supersession of the erstwhile board of directors) consisted of Mr. Suresh Kumar Jain, Mr. Shyamalendu Chatterjee and Mr. Uma Shankar Paliwal, Independent Directors as Members. Mr. Suresh Kumar Jain, Independent Director of your Company is the Chairman of the Stakeholders Relationship Committee. The Company Secretary of your Company acts as the Secretary to the Stakeholders Relationship Committee.

During the year under review and prior to the supersession of the Board, 1 (One) meetings of the Stakeholders Relationship Committee was held during the year 2021-22 on June 17, 2021.

ADVISORY COMMITTEE

RBI vide its Press Release dated October 04, 2021, in exercise of the powers conferred under Section 45 IE of the RBI Act, constituted a three (3) member Advisory Committee to assist the Administrator in discharge of his duties and to advise the Administrator in the operations of your Company during the Corporate Insolvency Resolution Process (CIRP).

Further as stated earlier that in accordance to the framework of the Advisory Committee as approved by RBI, primary responsibility of the Advisory Committee is to advise the Administrator in the operations of your Company during CIRP and guide the Administrator to undertake all steps that will maximize the value for all stakeholders of your Company through a successful resolution. Since the Administrator also takes over the responsibility of the Board of Directors of your Company, the Advisory Committee will support the Administrator in fulfillment of his role and responsibilities. The members of the Advisory Committee as on the date of this report are Mr. T T Srinivasaraghavan, former Managing Director of Sundaram Finance Limited, Mr. Farokh N Subedar, former Chief Operating Officer and Company Secretary, Tata Sons Limited and Mr. Venkat Nageswar Chalasani, former Deputy Managing Director, State Bank of India *(appointed w.e.f. June 23, 2022).*

The Administrator is the Chairman of the meetings and the minimum quorum is Chairman and at least two advisors. As on the date of this Report, 31 Advisory Committee Meetings were held covering a very wide range of agenda pertaining to the CIRP matters as well as your Company's status as a going concern.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND YOUR COMPANY'S OPERATIONS IN FUTURE

There were no significant and material orders passed by any Regulator or Court or Tribunal which would impact the going concern status of your Company and its future operations except as mentioned before w.r.t. commencement of CIRP and as mentioned below:

Your Company received a letter dated December 28, 2021 from the Securities and Exchange Board of India (SEBI) being a Show Cause Notice under Rule 4(1) of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 alleging that your Company failed to disclose material information to the Exchanges(s) as per the provisions of Regulation 51 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 with respect to an interim order passed by National Company Law Appellate Tribunal (NCLAT), in response to the appeal filed by CARE Ratings Limited, a rating agency before the Appellate Authority against the order passed by NCLT, restraining the credit rating agencies from treating the non-payment of interest / principal by your Company as a default. Your Company appeared before the Adjudicating Officer (AO) of SEBI and the AO after taking into consideration the facts and circumstances of the case, imposed a penalty of Rs. 5,00,000 (five lakhs) on your Company. However the order is subject to the outcome of the appeal filed by SEBI before the Hon'ble Supreme Court in the matter of '*Securities and Exchange Board of India Vs. Dewan Housing Finance Corporation Ltd.*'

Further, the interim moratorium / moratorium u/s 14 of IBC as declared in respect of your Company, prohibits all of the following, namely:

(a) the institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority;

(b) transferring, encumbering, alienating or disposing off by the corporate debtor any of its assets or any legal right or beneficial interest therein;

(c) any action to foreclose, recover or enforce any security interest created by the corporate debtor in respect of its property including any action under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002);

(d) the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor.

As mentioned earlier, the Administrator had appointed BDO India LLP (BDO/Transaction Auditor) to review transactions of the Company qualified under sections 43 to 51, and sections 65 and 66 of the Code. Accordingly, the Administrator of the Company received a report from the Transaction Auditor, indicating that there are certain transactions which are allegedly fraudulent in nature, as per Section 66 of the Code. Basis the findings and observations of the Transaction Auditor, various applications were filed before the Hon'ble National Company Law Tribunal, Kolkata Bench in respect of disbursements made to several parties post Financial Year ended March 31, 2022.

DIRECTORS' RESPONSIBILITY STATEMENT

The financial statements of your Company for the financial year ended March 31, 2022 have been taken on record by the Administrator while discharging the powers of the erstwhile Board of Directors of your Company which were conferred upon him by the RBI vide its Press Release dated October 04, 2021 and subsequently, powers conferred upon him in accordance with the NCLT Order dated October 08, 2021 to run your Company as a going concern during CIRP. Hence the financial statements for the year ended March 31, 2021 have been prepared on "going concern" assumptions.

The Administrator and his Advisors have not been able to analyse in depth the accuracy validity, completeness or authenticity of the information and figures mentioned in the audited financial statements as they have joined after October 04, 2021. Moreover, the entire Present Management has been involved in the affairs of your Company for less than six months in the entire financial year 2021-22.

In certain instances, the amount of the claim admitted or to be admitted by the Administrator under CIRP process may differ from the amount reflecting in the books of accounts of your Company. The audited financial statements are drawn on the basis of figures appearing in the books of accounts of your Company as on March 31, 2021.

The Administrator has signed the financial statements solely for the purpose of compliance and discharging his duties during CIRP period of your Company and in accordance with the provisions of the IBC, read with the regulations and rules thereunder, and based on the explanations, clarifications, certifications, representations and statement made by the existing staff of your Company in relation to the data pertaining to the period prior to the joining of the present management and does not have knowledge of the past affairs, finances and operations of your Company.

AUDITORS

At the 14th (Fourteenth) Annual General Meeting (AGM) of your Company held on August 25, 2020, Haribhakti & Co. LLP, Chartered Accountants having registration No. 103523W/W100048 allotted by The Institute of Chartered Accountants of India were appointed as the Statutory Auditors of your Company to hold office for a term of 5 (Five) years from the conclusion of the 14th (Fourteenth) AGM till the conclusion of the 19th (Nineteenth) AGM of your Company.

Further, pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Reserve Bank of India (RBI) Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated April 27, 2021 and other applicable laws, if any (including any statutory modification or re-enactment(s) thereof, for the time being in force) and rules framed thereunder, and upon the recommendation of the Administrator of your Company (exercising the powers of the Board of Directors of your Company pursuant to Section 17 of the Insolvency and Bankruptcy Code, 2016), J Kala & Associates Chartered Accountants, having Firm Registration No. 118769W allotted by The Institute of Chartered Accountants of India (ICAI) were appointed as the Joint Statutory Auditors in addition to the existing Statutory Auditors of your Company to hold office in terms of Section 139 of the Companies Act, 2013 and the rules framed thereunder and in accordance with Section 141 of the Companies Act, 2013 w.e.f. October 29, 2021 till the conclusion of the ensuing 16th Annual General Meeting of your Company. The said appointment was also confirmed by the CoC at its meeting held on November 02, 2021. At the Extra-ordinary general Meeting of your Company held on October 29, 2021, J Kala & Associates Chartered Accountants were appointed as the Statutory Auditors of your Company to hold office till the conclusion of the 16th (Sixteenth) Annual General Meeting of your Company.

The Administrator of your Company recommend the appointment of J Kala & Associates Chartered Accountants, having Firm Registration No. 118769W allotted by the ICAI as the Joint Statutory Auditors of the Company for a period of 3 (Three) years, to hold office from the conclusion of 16th (Sixteenth) Annual General Meeting till the conclusion of the 19th (Nineteenth) Annual General Meeting of the Company.

J Kala & Associates Chartered Accountants meets the eligibility, qualifications and other requirements of the Auditors as specified in the Companies Act, 2013 and a certificate to this effect has also been furnished by them along with their consent to hold office as the Statutory Auditors of your Company. Further, J Kala & Associates Chartered Accountants have also provided a certificate to the effect that their appointment as the Statutory Auditors of your Company, if made, would be within the limit prescribed under Section 141 of the Companies Act, 2013 and further that they are not disqualified to be appointed as the Statutory Auditors in terms of Sections 139 and 141 of the Act. J Kala & Associates Chartered Accountants, have also furnished the peer review certificate issued to them by The Institute of Chartered Accountants of India (ICAI).

Since, Haribhakti & Co. LLP has been debarred from undertaking any type of audit assignments in any of the entities regulated by RBI for a period of 2 (two) years w.e.f. April 01, 2022, the Administrator of your Company (exercising the powers of the Board of Directors of your Company pursuant to Section 17 of the Insolvency and Bankruptcy Code, 2016), appointed Dass Gupta & Associates, Chartered Accountants, partnership firm, having Firm Registration No. 000112N, allotted by The Institute of Chartered Accountants of India (ICAI) as the Joint Statutory Auditors in addition to the existing Statutory Auditors of the Company i.e. J Kala & Associates Chartered Accountants to hold office in terms of Section 139 of the Companies Act, 2013 and the rules framed thereunder and in accordance with Section 141 of the Companies Act, 2013 w.e.f. July 08, 2022 till the conclusion of the ensuing 16th Annual General Meeting of your Company. At the Extra-ordinary general Meeting of your Company held on July 11, 2022, Dass Gupta & Associates, Chartered Accountants were appointed as the Statutory Auditors of your Company to hold office till the conclusion of the 16th (Sixteenth) Annual General Meeting of your Company.

Dass Gupta & Associates, Chartered Accountants meets the eligibility, qualifications and other requirements of the Auditors as specified in the Companies Act, 2013 and a certificate to this effect has also been furnished by them along with their consent to hold office as the Statutory Auditors of your Company. Further, Dass Gupta & Associates, Chartered Accountants have also provided a certificate to the effect that their appointment as the Statutory Auditors of your Company, if made, would be within the limit prescribed under Section 141 of the Companies Act, 2013 and further that they are not disqualified to be appointed as the Statutory Auditors in terms of Sections 139 and 141 of the Act. Dass Gupta & Associates, Chartered Accountants, have also furnished the peer review certificate issued to them by The Institute of Chartered Accountants of India (ICAI).

AUDITORS' REPORT

The Report of the Statutory Auditors to the members for the financial year under review contains disclaimer of opinion and the management's response to the Basis for Disclaimer of Opinion contained in the Statutory Auditors' Report (hereinafter referred to as "the Basis for Disclaimer of Opinion") are as follows:

The Reserve Bank of India (RBI) vide its Press Release dated October 04, 2021 had superseded the Board of Directors of your Company and has appointed Mr. Rajneesh Sharma as the Administrator of your Company in terms of Section 45-IE of the Reserve Bank of India Act, 1934 (RBI Act). Accordingly, the Administrator is vested with powers of the Board of Directors of your Company, pursuant to the aforesaid Press Release of the RBI. The RBI, in exercise of powers conferred under Section 45 IE 5(a) of the RBI Act, had constituted a 3 (Three) member Advisory Committee to assist the Administrator of your Company in discharge of his duties. Further, pursuant to an order dated October 08, 2021 of the National Company Law Tribunal, Kolkata Bench (NCLT), Corporate Insolvency Resolution Process (CIRP) has been initiated against your Company as per the provisions of the Insolvency and Bankruptcy Code, 2016 (Code).

The Administrator (assisted by the Advisory Committee), at the Advisory Committee Meeting held on May 17, 2022 and adjourned to May 18, 2022 have inter-alia, considered and taken on record the Ind AS Audited Financial Results (Standalone & Consolidated) of your Company for Financial Year ended March 31, 2022, as per Regulation 52 and other applicable regulations of the SEBI Listing Regulations and in compliance with the Ind AS as per the provisions of the Companies (Indian Accounting Standards) Rules, 2015.

Response to point No. (a) of the Basis for Disclaimer of Opinion: The CIRP of your Company has been initiated on October 08, 2021. As a part of the CIRP, the Administrator has initiated audits/reviews relating to the processes and compliances of the Company and has also appointed professionals for conducting transaction audit as per section 43, 45, 50 and 66 of the Code. As such, the financial results are subject to outcome of such audits/reviews.

Response to point No. (b) of the Basis for Disclaimer of Opinion: Most of the valuations of Assets/Collaterals held as securities, wherever applicable, have been done by Independent valuers during pre CIRP period. However, valuation of your Company (including Assets) has been initiated under the provisions of the Code by 2 (Two) independent Insolvency and Bankruptcy Board of India registered valuers and the same is currently underway. Thus the financials of the Company are subject to outcome of such valuation.

Response to point No. (c) of the Basis for Disclaimer of Opinion: Your Company in the past gave effect to the BTA based on expert legal and accounting opinions in relation to the accounting of BTA which confirmed that the accounting treatment is in accordance with the relevant Ind AS and the underlying guidance and framework.

The accounts for the quarter and year ended March 31, 2022 have been taken on record in the manner and form in which it existed on the insolvency commencement date in view of the initiation of the CIRP in accordance with the obligations imposed on the Administrator under Section 18(f) of the Code and this fact has been also been informed by the Administrator to the lenders and other stakeholders.

Your Company is in the process of consolidated resolution of your Company and SIFL and hence no further action is being contemplated regarding establishing the validity of BTA or otherwise, consequent upon the withdrawal of the Schemes.

Response to point No. (d) of the Basis for Disclaimer of Opinion: As per provisions of the Code, creditors are required to submit their claims against your Company which may undergo revision based on additional documents/clarification/information which may be furnished by such creditors. Accordingly, adjustments if any arising out of the claim verification and admission process will be given effect in subsequent periods.

Since in terms of the provisions of the Code, the foreign currency debt of your Company is required to be admitted as claim in INR, we have recognised the same in our books accordingly.

Response to point No. (e) of the Basis for Disclaimer of Opinion: Pursuant to the admission of your company under the CIRP and the consequent moratorium u/s 14 of the Code, the claims of the creditors of your Company have been admitted/in the process of being admitted, which shall be settled in terms of the Resolution Plan to be approved by the Hon'ble NCLT.

Response to point No. (f) of the Basis for Disclaimer of Opinion: The domestic lenders of your Company had stipulated Trust and Retention Account (TRA) mechanism effective November 24, 2020, pursuant to which all the payments being made by your Company were being approved/released based on the TRA mechanism and as such your Company was not able to make payment of the hedging premium/cost to the concerned banks for keeping the ECB exposures hedged and hence was not able to meet the requirements of the RBI notification. Your Company has reported the said fact to RBI and reply from the same is awaited.

Response to point No. (g) of the Basis for Disclaimer of Opinion: The Reserve Bank of India (RBI) in its inspection report and risk assessment report (the directions) for the year ended March 31, 2020 had identified 'certain borrowers' as probable connected/ related companies. In the directions, the Company has been advised to reassess and re-evaluate the relationship with the said borrowers to assess whether they are related parties to your Company or to Srei Infrastructure Finance Limited ('SIFL' or 'Holding Company') and also whether these are on arm's length basis. In view of the directions, the previous management had taken legal view to determine whether such borrowers are related parties to your Company or SIFL. Based on the legal view, the previous management was advised and had therefore come to conclusion that your Company or its Holding Company have no direct or indirect control or significant influence (as per Companies Act, 2013, Ind AS) over such borrowers and are not under common control and accordingly, are not a related party of your Company or its Holding Company. The previous management had obtained an assessment report on the review & verification of the transactions with the aforesaid probable connected/related companies from an independent Chartered Accountant firm, which stated that the transactions of your Company/SIFL with probable connected parties were done at arm's length principles and are in the ordinary course of business and that such parties are not related parties of your Company/SIFL under the Companies Act, 2013 or Ind AS 24.

In accordance with above, erstwhile management was in the process of re-assessing & re-negotiating terms and conditions with such borrowers and all other borrowers, who have been granted loans with moratorium period and at interest rate which is linked with the cash flows of the project. However, the said process was not concluded and meanwhile your Company has gone into CIRP

As such, Administrator is not in a position to comment about the actions taken by your Company pursuant to RBI's inspection report as mentioned above since the same pertain to period prior to his appointment. As a part of the CIRP, the Administrator has initiated an audit/reviews relating to the process and compliances of your Company and has also appointed professionals for conducting transaction audit as per section 43, 45, 50 and 66 of the Code.

Response to point No. (h) of the Basis for Disclaimer of Opinion: Your Company has made provisions in respect of direct tax cases and indirect tax cases where your Company was under various stages of appeal with the relevant tax authorities, based on directions from RBI. Hence, we are not in a position to do assessment as per the requirements of Ind AS 37-'Provisions, Contingent Liabilities and Contingent Assets'.

Response to point No. (i) of the Basis for Disclaimer of Opinion: The domestic lenders of your Company had stipulated Trust and Retention Account (TRA) mechanism effective November 24, 2020, pursuant to which all the payments being made by your Company were being approved/released based on the TRA mechanism. Your Company was not able to transfer the aforesaid unspent CSR amount as per the requirements of Section 135 of the Act. Your Company has written letter to the Ministry of Corporate Affairs ('MCA') seeking exemptions from the obligations of your Company under portions of Section 135(5) and Section 135(7) of the Act. The reply from MCA in this regards is awaited.

Response to point No. (j) of the Basis for Disclaimer of Opinion: Valuation of your Company has been initiated under the provisions of the Code by two (2) independent IBBI registered valuers and the same is currently underway. Accordingly, the percentage of asset cover is subject to the outcome of such process.

Response to point No. (k) of the Basis for Disclaimer of Opinion: In certain cases of borrowings wherein the novation agreements are signed by the lenders / trustees, your Company has filed the e-forms, except for one ISIN, with ROC, Kolkata, which are yet to be approved.

In some other cases, the novation agreements are yet to be signed by the lenders. Hence, the charges which were originally created in the name of SIFL for such secured borrowings are still continuing so in the records of ROC.

Further, with respect to certain borrowings where, though borrowed facilities have been repaid in full, charge satisfactions are still pending. These pendency's are mainly on account of non-receipt of NOC from lenders etc. / completion of satisfaction formalities.

Response to point No. (l) of the Basis for Disclaimer of Opinion: Your Company was unable to comply with the provision of Section 125 of the Companies Act, 2013 as its compliance will accord to breach of the moratorium in terms of section 14 of the IBC. To the extent that the provision of the Companies Act is inconsistent with section 14 of the IBC, the provisions of the IBC will prevail, in light of section 238 of the IBC. However, your Company has written to IEPF authorities and requested guidance in this regard / submission of their claim and await their response.

Response to point No. (m) of the Basis for Disclaimer of Opinion: Since the confirmation is an independent process, carried out by the Statutory Auditors, your Company has no comments to make on the same.

The review of the large exposures as part of the ACR including the project progress of the borrower for the year ended March 31, 2022 would be undertaken.

Response to point No. (n) of the Basis for Disclaimer of Opinion: The proceedings of the CoC are in relation to the CIRP of your Company and include confidential information in relation to the CIRP of your Company.

Response to point No. (o) of the Basis for Disclaimer of Opinion: Refer to response given under point No. (a) to (n) above.

Response to point No. (p) of the Basis for Disclaimer of Opinion: Refer to response given under point No. (o) above.

Response to point No. (q) of the Basis for Disclaimer of Opinion: Refer to response given under point No. (o) above.

Response to "Material Uncertainty Related to Going Concern" of the Basis for Disclaimer of Opinion: Your Company had reported losses during the year ended March 31, 2022 and earlier year/periods as well. Hence, the net worth of the Company has fully eroded.

There is persistent severe strain on the working capital and operations of your Company and it is undergoing significant financial stress. As stated earlier CIRP initiated against your Company w.e.f. October 08, 2021. Your Company has assessed that the use of the going concern assumption is appropriate in the circumstances and hence, these financial results has been prepared on a going concern assumption basis as per below:

a) The Code requires the Administrator to, among other things, run the Company as a going concern during CIRP.

b) The Administrator, in consultation with the Committee of Creditors ('CoC') of the Company, in accordance with the provisions of the IBC, is making all endeavours to run the Company as a going concern. Considering the future business outlook and with time bound recovery of its due from borrowers/lessees and monetization of assets/securities, your Company is very hopeful of significant improvement in its cash flows in due course of time.

c) Reduction in overhead expenditure.

d) Your Company also formed dedicated focused collection team to increase the collection and is also exploring all possibilities to start new business with the launch of various schemes.

CIRP has started and ultimately a resolution plan needs to be presented to and approved by the CoC and further approved by the Hon'ble NCLT and RBI approval. Pending the completion of the said process under CIRP, these financial results have been prepared on a going concern basis.

SECRETARIAL AUDIT REPORT

Your Company appointed Mr. Sidharth Baid, Practicing Company Secretary, holding membership of The Institute of Company Secretaries of India (Membership No. ACS 17677; Certificate of Practice No. 13436) as the Secretarial Auditor of your Company for the financial year 2021-22 to conduct the Secretarial Audit pursuant to Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Secretarial Audit Report confirms that your Company has complied inter alia with all the applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder, The Foreign Exchange Management Act, 1999, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Secretarial Standards issued by The Institute of Company Secretaries of India (Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2)), SEBI (Prohibition of Insider Trading) Regulations, 2015, Securities Contracts (Regulation) Act, 1956, all the Regulations and Guidelines of SEBI as applicable to your Company, SEBI (Issue and Listing of Debt Securities) Regulations, 2008, the SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the Reserve Bank of India Directions, Guidelines and Circulars applicable to Systemically Important Non-Deposit Accepting or Holding NBFCs (NBFC – ND – SI).

There have been certain observations by the Secretarial Auditor in their report for the review period with respect to compliance under the Companies Act, 2013, SEBI and RBI Regulations. The response in this regard has been included in the Notes to Accounts of the Financial Statements for the Financial Year ended March 31, 2022 and is being addressed through strengthening the Compliance processes and controls of the Company as part of the measures being taken under CIRP.

The Secretarial Audit Report for the financial year ended March 31, 2022 does not contain any adverse qualification, reservation, remark or disclaimer and the same forms part of the Annual Report.

CORPORATE POLICIES

The details of Policies adopted by your Company along with salient features and summary of key changes, if any, during the year are provided as annexure to the Board's Report and forms part of this Annual Report.

PARTICULARS OF CONTRACTS/ARRANGEMENTS WITH RELATED PARTIES

Your Company has in place a Related Party Transaction Policy as per the provisions of Companies Act, 2013 read with the rules made thereunder which describes the related party transactions requiring requisite approvals and requirements of appropriate reporting and disclosure of transactions between your Company and its related parties. The said policy also defines the materiality of related party transactions and lays down the procedures of dealing with such transactions. The said Policy was last revised on July 08, 2022. The said Policy is available on https://www.srei.com/pdf/SEFL-Related-Party-Transactions-(RPTs)-Policy.pdf.

All the related party transactions of your Company are entered in the ordinary course of business and conducted on arm's length basis wherever applicable and on commercially reasonable terms and are in compliance with the applicable provisions of the Companies Act, 2013. There are no materially significant transactions entered into by your Company with Promoters, Directors or Key Managerial Personnel (KMPs), which have potential conflict with the interest of your Company at large. The related party transactions are entered into based on considerations of various business exigencies, such as synergy in operations, sectoral specialization and your Company's long-term strategy for sectoral investments, optimization of market share, profitability, legal requirements and liquidity.

Since all related party transactions entered into by your Company were in the ordinary course of business and were on an arm's length basis, Form AOC-2 is not applicable to your Company.

In terms of Section 177 of the Companies Act, 2013 and prior to the supersession of the Board of Directors and subsequent dissolution of all Board Committees, your Company obtained approval of the Audit Committee for entering into any transaction with related parties as applicable. A statement of all related party transactions was presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions. Further, post the supersession of the Board of Directors by RBI vide its Press Release dated October 04, 2021 and appointment of the Administrator of your Company under Section 45-IE (2) of the RBI Act, your Company obtained approval of the Administrator for entering into any transaction with related parties.

For the financial year ended March 31, 2022, the details of the related party transactions entered into by your Company in the ordinary course of business at arm's length basis are mentioned in the notes to the accounts forming part of the audited (standalone) financial statements.

As RBI superseded the erstwhile Board of Directors of your Company owing to lack of Governance, amongst various other reasons, the present management emphasizes good governance practices as paramount for your Company.

Members may refer to the notes to the financial statements for details of related party transactions.

PARTICULARS OF EMPLOYEES

The Board of Directors of your Company has been superseded by the Reserve Bank of India vide its Press Release dated October 04, 2021 as noted above. The ratio of the remuneration of each erstwhile director holding position of director during the year under review to the median employees' remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended by the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016, are set out as an annexure to the Board's Report and forms a part of this Annual Report.

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended by the Companies

(Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 forms part of this Report.

However, as per first proviso to Section 136(1) of the Act and second proviso of Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Report and Financial Statements are being sent to the Members of your Company excluding the said statement. Any Member interested in obtaining a copy of the said statement may write to the Secretarial Department at the Registered Office of your Company.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the extract of the Annual Return of your Company as at March 31, 2022, is available on website of your Company is available at https://www.srei.com/sefl-financial-reports.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Your Company is exempt from the disclosure regarding particulars of loans made, guarantees given and securities provided in the ordinary course of its business is as per the provisions of Section 186 of the Companies Act, 2013 read with Rule 11 of the Companies (Meetings of Board and its Powers) Rules as your Company is engaged in the business of financing of companies or of providing infrastructural facilities.

POLICY AGAINST SEXUAL AND WORKPLACE HARASSMENT

Your Company is committed to provide and promote a safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. Your Company in its endeavor to provide a safe and healthy work environment for all its employees has developed a policy to ensure zero tolerance towards verbal, physical, psychological conduct of a sexual nature by any employee or stakeholder that directly or indirectly harasses, disrupts or interferes with another employee's work performance or creates an intimidating, offensive or hostile environment such that each employee can realize his / her maximum potential.

Your Company has put in place a 'Policy on Prevention of Sexual Harassment' as per The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Policy is meant to sensitize the employees about their fundamental right to have safe and healthy environment at workplace. As per the Policy, any employee may report his / her complaint to the Internal Complaint Committee constituted for this purpose. The said Policy is available on https://www.srei.com/pdf/SEFL-Policy-on-prevention-of-sexual-harassment.pdf.

Your Company affirms that during the year under review, adequate access was provided to any complainant who wished to register a complaint under the Policy and that your Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year, your Company has not received any complaint of sexual harassment.

GENERAL DISCLOSURES

Your Administrator states that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise
- Issue of sweat equity shares
- Your Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees
- There was no revision in the Financial Statements
- There was no change in the nature of business
- Maintenance of Cost records is not applicable to your Company.

ACKNOWLEDGEMENT

Your Administrator would like to express their grateful appreciation for the excellent support and co-operation received from its shareholders, Srei Infrastructure Finance Limited, the Financial Institutions, Banks, Central & State Government Authorities, RBI, SEBI, MCA, Stock Exchanges, Depositories, Credit Rating Agencies, Customers, Manufacturers, Vendors, Suppliers, Business Associates, Debenture holders, Debenture Trustees, National Company Law Tribunal, National Company Law Appellate Tribunal and other Stakeholders during the year under review. Your Administrator also place on record their deep appreciation for the valuable contribution of the employees for the progress of your Company during the year and look forward to their continued co-operation in realization of the corporate goals in the years ahead.

For and on behalf of Srei Equipment Finance Limited

Sd/-

Place: Kolkata
Date: August 26, 2022

Rajneesh Sharma
Administrator of Srei Equipment Finance Limited

The Administrator has been appointed under Rule 5(a) (iii) of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 under the Insolvency and Bankruptcy Code, 2016. The affairs, business and property of Srei Equipment Finance Limited are being managed by the Administrator, Rajneesh Sharma who acts as agent of the Company only and without any personal liability.

Statement pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22:

Sl. No.	Name of the Director*	Remuneration (Rs.)**	Median Remuneration of employees (Rs.)	Ratio (In times)
1.	Mr. Hemant Kanoria	1,63,257	4,99,992	0.33X
2.	Mr. Sunil Kanoria	1,63,257		0.33X
3.	Mr. Devendra Kumar Vyas	2,62,97,720		52.60X
4.	Mr. Indranil Sengupta ***	57,83,038		11.57X
5.	Mr. Shyamalendu Chatterjee	19,10,000		3.82X
6.	Mr. Suresh Kumar Jain	23,00,000		4.60X
7.	Mr. Deepak Verma#	7,75,000		1.55X
8.	Dr. (Mrs.) Tamali Sengupta	21,75,000		4.35X
9.	Mr. Uma Shankar Paliwal	22,50,000		4.50X
10.	Mr. Malay Mukherjee	26,25,000		5.25X

*The Reserve Bank of India ("RBI"), on October 04, 2021, had superseded the Board of Directors of the Company and appointed Mr. Rajneesh Sharma as the Administrator and all the erstwhile Directors ceased to be the Directors of the company with immediate effect. Accordingly, as on March 31, 2022 the Company did not have any Board of Directors.

**Remuneration includes sitting fees paid to Independent Directors for attending meetings of Board and various committees thereof

***Appointed as an Additional Director w.e.f. 01.08.2021 and as a Whole-time Director w.e.f. 01.08.2021 at 15th Annual General Meeting of the Company. He resigned w.e.f. 31.10.2021

Appointed as an Additional Director w.e.f. 23.04.2021 and as an Independent Director w.e.f. 23.04.2021 at Extra-ordinary General Meeting of the Company held on 10.05.2021

Note: Due to the restrictions imposed by Bankers, the salary of senior management was capped to Rs. 50 Lacs per annum during the period November 2020 to March 2021. The Company has made provision of arrear salary of those employees amounting to Rs. 1.05 crores as on March 31, 2021 as the same is payable as per the contractual obligations of the Company. The company has raised a claim through Form D under Corporate Insolvency Resolution Process on behalf of employees for payment of the arrears during the period November, 2020 to March, 2021.

ii. The percentage increase in remuneration of each Director*, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2021-22:

Sl. No.	Name	Designation	Remuneration of previous year** (Rs.)	Remuneration of Current year** (Rs.)	% increase/ (decrease)
1.	Mr. Hemant Kanoria	Chairman	1,95,81,466	1,63,257	Refer Note (a)
2.	Mr. Sunil Kanoria	Vice Chairman	1,92,27,989	1,63,257	Refer Note (a)
3.	Mr. Devendra Kumar Vyas	Managing Director	2,34,57,720	2,62,97,720	12%
4.	Mr. Indranil Sengupta***	Whole-time Director	76,02,580	57,83,038	(24%)
5.	Mr. Shyamalendu Chatterjee	Independent Directors	13,15,000	19,10,000	45%
6.	Mr. Suresh Kumar Jain		15,40,000	23,00,000	49%
9.	Dr. (Mrs.) Tamali Sengupta		9,70,000	21,75,000	124%
10.	Mr. Uma Shankar Paliwal		14,50,000	22,50,000	55%
11	Mr. Deepak Verma		-	7,75,000	Refer Note (b)
12.	Mr. Malay Mukherjee		2,50,000	26,25,000	950%
13.	Mr. Manoj Kumar Beriwala	Chief Financial Officer	86,78,345	75,27,481	(13%)
14.	Ms. Ritu Bhojak#	Company Secretary	36,58,760	10,21,650	(72%)
15.	Mr. Yogesh Kajaria	Chief Financial Officer	54,38,539	70,27,210	29%
16.	Mr. Sumit Surana	Company Secretary	-	20,81,383	Refer Note (c)

*The Reserve Bank of India ("RBI"), on October 04, 2021, has superseded the Board of Directors of the Company and appointed Mr. Rajneesh Sharma as the Administrator and all the erstwhile Directors ceased to be

the Directors of the company with immediate effect. Accordingly, as on March 31, 2022 the Company did not have any Board of Director
**Remuneration includes sitting fees paid to Independent Directors for attending meetings of Board and various committees thereof
***Appointed as an Additional Director w.e.f. 01.08.2021 and as a Whole-time Director w.e.f. 01.08.2021 at 15th Annual General Meeting of the Company. He resigned w.e.f. 31.10.2021
#Resigned w.e.f. 10.05.2021

Note:
(a) Mr. Hemant Kanoria, Chairman and Mr. Sunil Kanoria, Vice Chairman have voluntarily decided to relinquish the remuneration payable to them for the Financial Year 2021-22, including the Commission entitled for the Financial Year 2020-21, in view of the Covid-19 pandemic situation.
(b) Appointed as an Additional Director w.e.f. 23.04.2021 and as an Independent Director w.e.f. 23.04.2021 at Extra-ordinary General Meeting of the Company held on 10.05.2021
(c) Appointed w.e.f. 11.08.2021

The remuneration of the Key Managerial Personnel (KMPs) is linked to the market and is commensurate with their diverse responsibilities and experience.

iii. The percentage increase in the median remuneration of employees in the financial year 2021-22:

Median remuneration of previous year (Rs.)	Median remuneration of current year (Rs.)	% increase
4,77,996	4,99,992	5%

iv. The number of permanent employees on the rolls of Company:

There were 932 (Nine hundred and thirty two only) employees as on March 31, 2022.

v. 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:

Sl. No.	Particulars	Average % increase
1.	Increase in salary of Managerial Personnel	No increase
2.	Increase in salary of employee (other than Managerial Personnel)	1.82%(Approx.) in PMS 2021-22

vi. Affirmation that the remuneration is as per the remuneration policy of the Company:

Yes it is confirmed.

For and on behalf of Srei Equipment Finance Limited

Sd/-

Place: Kolkata
Date: August 26, 2022

Rajneesh Sharma
Administrator of Srei Equipment Finance Limited

The Administrator has been appointed under Rule 5(a) (iii) of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 under the Insolvency and Bankruptcy Code, 2016. The affairs, business and property of Srei Equipment Finance Limited are being managed by the Administrator, Rajneesh Sharma who acts as agent of the Company only and without any personal liability.

PARTICULARS OF EMPLOYEES

Information pursuant to Section 197(12) read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the financial year ended March 31, 2022

List of top 10 (Ten) employees of the Company in terms of the remuneration drawn and names of every employee who was employed for throughout and part of the year and was in receipt of remuneration exceeding the limits laid down in the Companies Act, 2013 -

Sl. No.	Name	Designation	Remuneration Received [Rs.]	Qualification	Experience in years	Age in years	Date of commencement of employment	Last employment held by the employee before joining the Company	Percentage of equity shares held by the employee in the Company
1.	Mr. Devendra Kumar Vyas	Chief Business Officer	2,62,97,720	B. Com, CA	30	53	01.04.1997	G P Agrawal & Co., Chartered Accountants (Partner)	NIL
2.	Mr. Amit Dang*	CEO-Equipment Solution Group	1,10,53,764	M.Com , FCMA	27	51	30.08.2019	Edelweiss Financial Serv ices - COO Corporate Leading Business	NIL
3.	Mr. Pulak Bagchi*	General Counsel	28,87,849	B.Com , LLB	23	49	03.07.2017	Star India Private Limited (Senior Vice President - Legal & Regulatory)	NIL
4.	Mr. Pavan Trivedi*	Chief of Operations	9,28,148	CA , ICWA	25	51	09.05.2016	Usha Martin Ltd. (President)	NIL
5.	Mr. Pradip Agarwal*	Senior Vice President - Treasury Front Office (DCM, Syndication & Structuring)	51,67,857	B. Com , CA	22	45	25.06.2018	J. P. Morgan (Vice President - Fixed Income & Structured Finance)	NIL
6.	Mr. Ganesh Prasad Bagree	CEO-Financial Solution Group	89,92,095	B. Com , CA	29	53	19.06.2008	ICICI Winfra (AGM)	NIL
7.	Mr. Manoj Kumar Beriwala	Chief Compliance Officer	75,27,481	FCA	27	50	05.12.1995	G.P Agarwal & Co (Manager)	NIL
8.	Mr. Somnath Bhattacharjee	President	73,70,944	BE - Mechanical	37	59	09.12.2016	TIL Limited (President & CEO)	NIL
9.	Mr. Yogesh Kajaria	Chief Financial Officer	70,27,210	B. Com , CA	24	47	03.09.2001	Web Valley Softwares (Founder of the Company)	NIL

Sl. No.	Name	Designation	Remuneration Received [Rs.]	Qualification	Experience in years	Age in years	Date of commencement of employment	Last employment held by the employee before joining the Company	Percentage of equity shares held by the employee in the Company
10.	Mr. Rajesh Agarwal	Senior Vice President	70,08,829	B. Com , CA	25	49	17.06.2008	ICICI Bank Ltd (Regional Head – Operation)	NIL
11.	Mr. Sandeep Kumar Ghosh	Head	68,05,236	B. Com , PGDBM	27	51	01.10.2013	Tata AIG Life (VP & National Account Head)	NIL
12.	Mr. Sibadatta Mohanty	Senior Vice President	61,97,503	B.Sc, MBA	28	51	03.12.2007	Tata Motor Finance (Regional Manager – Collection)	NIL
13.	Mr. Anirudh Kothari	Principal Nodal Officer	60,57,215	MBA, CA	21	47	05.05.2001	Joined as Fresher	NIL

*Employed for part of the year

Notes:

(a) Remuneration includes Basic Salary, House Rent Allowance (HRA), Special Allowance, Super Annuation Allowance, Commission, Ex-gratia, Leave Travel Allowance (LTA), Medical, Leave Encashment, Employer's contribution to Provident Fund, Employer's contribution to NPS, Incentives and other Perquisites.

(b) Nature of Employment and duties: Contractual and in accordance with terms and conditions as per Company's rules and policies.

(c) No employee is a relative of any Director except Mr. Hemant Kanoria (Chairman) who is Brother of Mr. Sunil Kanoria (Vice Chairman).

(d) Mr. Hemant Kanoria, Chairman and Mr. Sunil Kanoria, Vice Chairman have voluntarily decided to relinquish the remuneration payable to them for the Financial Year 2021-22, including the Commission entitled for the Financial Year 2020-21, in view of the Covid-19 pandemic situation.

(e) Due to the restrictions imposed by Bankers, the salary of senior management was capped to Rs. 50 Lacs per annum during the period November, 2020 to March, 2021. The Company has made provision of arrear salary of those employees amounting to Rs. 1.05 crores as on t March 31, 2021 as the same is payable as per the contractual obligations of the Company. The Company is pursuing with the Banks for the aforesaid payments. The company has raised a claim through Form D under Corporate Insolvency Resolution Process on behalf of employees for payment of the arrears during the period November, 2020 to March, 2021.

For and on behalf of Srei Equipment Finance Limited

Sd/-

Place: Kolkata
Date: August 26, 2022

Rajneesh Sharma
Administrator of Srei Equipment Finance Limited

The Administrator has been appointed under Rule 5(a) (iii) of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 under the Insolvency and Bankruptcy Code, 2016. The affairs, business and property of Srei Equipment Finance Limited are being managed by the Administrator, Rajneesh Sharma who acts as agent of the Company only and without any personal liability.

Annual Report on Corporate Social Responsibility (CSR) Activities for the Financial Year 2021-22

[Pursuant to Section 135 of Companies Act, 2013 read with Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 including any amendments thereof]

1. Brief outline on CSR Policy of the Company

CSR activities at Srei Equipment Finance Limited are carried out in multiple ways:

a. Independently
b. Jointly with Srei Foundation, IISD Edu World, Acid Survivors and Women Welfare Foundation
c. In partnership with external social bodies / NGOs.

Our activities are carried out along with the following thrust areas:

a. Education and Skills Development:
Supporting education institutions and providing opportunities to deserving students (from marginalized sections of society) through various channels.

b. Healthcare / Medical facilities:
Ensure and promote a culture of healthy workforce by creating awareness and raising consciousness among people.

c. Social and Economic Welfare:
Support the cause of building social institutions by advancing financial grant towards construction of houses, girl marriage, and other social essentialities to the underserved.

d. Environmental Sustainability:
Raise consciousness towards building a healthy environment among the stakeholders and community at large.

2. The Composition of the CSR Committee

Reserve Bank of India (RBI) vide Press Release dated October 04, 2021 superseded the Board of Directors of your Company and appointed Mr. Rajneesh Sharma as the Administrator of the Company in terms of Section 45-IE (1) of the Reserve Bank of India Act, 1934 (RBI Act) with immediate effect. The Administrator is vested with powers of the Board of Directors of your Company, pursuant to the above and as per the provisions of the Insolvency and Bankruptcy Code (IBC), 2016. Since your Company is undergoing CIRP under the IBC the role of the Board and Committees is being fulfilled by the Administrator by the support of Advisory Committee. The composition of CSR Committee as at October 04, 2021 (i.e the date of supersession of the erstwhile board of directors) of your Company was constituted in line with the provisions of the Companies Act, 2013 and was as follows:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. (Mrs.) Tamali Sengupta*	Chairperson of the Committee	1	1
1.	Mr. Hemant Kanoria**	Chairperson of the Committee	1	Nil
3.	Mr. Shyamalendu Chatterjee	Non-Executive and Independent Director	1	1
4.	Mr. Suresh Kumar Jain	Non-Executive and Independent Director	1	1

*Inducted as Member and Chairperson w.e.f. 23.04.2021
**Ceased to be a Member and Chairperson w.e.f. 23.04.2021

Further, Ms. Ritu Bhojak resigned as the Company Secretary and ceased to be the Secretary to the Corporate Social Responsibility Committee w.e.f May 10, 2021 and Mr. Sumit Kumar Surana was appointed as the Company Secretary and acted as the Secretary to the Corporate Social Responsibility Committee w.e.f. August 10, 2021.

3. **The Composition of CSR committee, CSR Policy and CSR projects approved by the board:**

The details of the CSR Committee constitution of Srei Equipment Finance Limited can be accessed at: https://www.srei.com/committees.

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the web link for the same is: https://www.srei.com/pdf/SEFL-Corporate-Social-Responsibility-Policy.pdf.
The details of the CSR activities undertaken at Srei Equipment Finance Limited can be accessed at: https://www.srei.com.

4. **Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable:** Not Applicable

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:** Not Applicable

6. **Average net profit of the company for last three financial years as per Section 135(5) of the Companies Act, 2013 :** (20,27,43,66,480)

7. **(a) Two percent of average net profit of the company as per Section 135(5) of the Companies Act, 2013:** NIL

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

(c) Amount required to be set off for the financial year, if any: Not Applicable

(d) Total CSR obligation for the financial year (7a+7b-7c): NIL

8. **(a) CSR amount spent or unspent for the financial year:**

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

(b) Details of CSR amount spent against ongoing projects for the financial year: NIL

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(Amount in Rs.)

Sl. No	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs.).	Mode of Implementation – Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Reg. No.
NIL									

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): NIL

(g) Excess amount for set off, if any: N.A.

Sl. No.	Particulars	Amount (in Rs.)
i.	Two percent of average net profit of the company as per section 135(5)	NIL
ii.	Total amount spent for the Financial Year	
iii.	Excess amount spent for the financial year [(ii)-(i)]	
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	

9. **(a) Details of Unspent CSR amount for the preceding three financial years:** Rs. 96,144,838.

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer	
1.	2020-2021	NIL	NIL	NIL			5,22,50,332
2.	2019-2020	Not Applicable	NIL	Not Applicable			4,38,94,506

(b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):** N.A.

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

10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).** Not Applicable

    (a) **Date of creation or acquisition of the capital asset(s).** NIL

    (b) **Amount of CSR spent for creation or acquisition of capital asset.** NIL

    (c) **Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.** NIL

    (d) **Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).** NIL

11. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5) of the Companies Act, 2013.**

The Company has been incurring losses during the last few financial years. The loss after tax suffered by the Company during the year under review was Rs 2,77,292 Lakhs vis-à-vis loss after tax of Rs 7,13,611Lakhs for the financial year 2020-21. During the year under review, your Company faced severe liquidity crunch, which inter-alia resulted in defaults in payment of dues to various creditors. The Reserve Bank of India (RBI) superseded the Board of Directors of the Company as mentioned earlier in this Report and Boards Report during the year under review. Further, the Average Net Profit of the Company for the three immediately preceding financial years is negative. In the view of such condition the Company is having Nil CSR obligation for the Financial Year 2021-22. However, the Company perceives Corporate Social Responsibility (CSR) as an opportunity to contribute towards uplifting the society at large, empowering individuals, making them self-reliant.

For and on behalf of Srei Equipment Finance Limited

Sd/-

Rajneesh Sharma

Administrator of Srei Equipment Finance Limited

The Administrator has been appointed under Rule 5(a) (iii) of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 under the Insolvency and Bankruptcy Code, 2016. The affairs, business and property of Srei Equipment Finance Limited are being managed by the Administrator, Rajneesh Sharma who acts as agent of the Company only and without any personal liability.

Place: Kolkata
Date: August 26, 2022

Srei Equipment Finance Limited Corporate Codes & Policies – Key Changes FY 2021-22

The Summary of Key Statutory Codes & Policies that have been adopted are as follows:-

Sl. No.	Name of the Code and Policy	Salient Features	Web Link	Summary of Key Changes during Financial Year 2021-22
1.	Related Party Transactions Policy	The policy provides a framework to regulate transactions between the Company and its Related Parties based on the applicable laws and regulations.	https://www.srei.com/pdf/SEFL-Related-Party-Transactions-(RPTs)-Policy.pdf	There has been no change to the Policy during the year.
2.	Nomination and Remuneration Policy	This policy formulates the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director (executive/ non-executive) and also the criteria for determining the remuneration of the Directors, Key Managerial Personnel (KMPs) and other employees.	https://www.srei.com/sefl-corporate-policies/Nomination_and_Remuneration_Policy.pdf	Changes made – - pursuant to revision in sitting fees payable to Non-Executive Directors of the Company as approved by the Board of Directors of the Company w.e.f. July 27, 2020. Subsequently, further revision was approved by the Board of Directors w.e.f. April 23, 2021 subsequent to the constitution of Restructuring & Settlement Committee and Strategic Coordination Committee and dismantling of Strategy Committee. Since the Board of the Company was superseded, vide press release dated October 04, 2021, the following amendment was adopted,

Sl. No.	Name of the Code and Policy	Salient Features	Web Link	Summary of Key Changes during Financial Year 2021-22
				post the supersession of the Board:- - the power to hire and recruit persons alongwith fixation of remuneration etc. below the level of Key Managerial Personnel (KMPs) and Senior Vice Presidents (SVPs) shall vest with the People Committee.
3.	Corporate Governance Framework	The policy provides the framework for Corporate Governance so that executives act in accordance with the highest standards of governance while working for and on behalf of the Company.	https://www.srei.com/sefl-corporate-policies/SEFL_Corporate-Governance_Framework.pdf	There has been no change to the Policy during the year.
4.	Code of Conduct for Board of Directors and Senior Executives	To deter wrongdoing and promote ethical conduct in the Company.	https://www.srei.com/sefl-corporate-policies/code-of-conduct-for-prohibition-of-insider-trading-sefl-insider-code.pdf	There has been no change to the Policy during the year.
5.	Policy on Board Diversity	The Policy sets out the approach to diversity on the Board of Directors of the Company.	https://www.srei.com/sefl-corporate-policies/SEFL_Policy_on_Board_Diversity.pdf	Since the Board of the Company was superseded, vide press release dated October 04, 2021, the following amendment was adopted, post the supersession of the Board:- Any reference to the words "Board/ Committee" in the Policy/Code shall be referred to as "Administrator /Core Strategic Committee/Any other Committee"

Sl. No.	Name of the Code and Policy	Salient Features	Web Link	Summary of Key Changes during Financial Year 2021-22
				till the Policy/Code is modified/revised or till the completion of CIRP.
6.	Policy on "Fit and Proper" Criteria for Directors	The Policy sets a framework to determine whether a Director is fit and proper to hold such position in the Company.	https://www.srei.com/sefl-corporate-policies/SEFL_Fit_and_Proper_criteria_for_Directors.pdf	There has been no change to the Policy during the year.
7.	Code of Conduct for Prohibition of Insider Trading (SEFL Insider Code)	To regulate, monitor and report trading by Insiders.	https://www.srei.com/sefl-corporate-policies/code-of-conduct-for-prohibition-of-insider-trading-sefl-insider-code.pdf	Changes made – - pursuant to SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2021 dated April 26, 2021. Since the Board of the Company was superseded, vide press release dated October 04, 2021, the following amendment was adopted, post the supersession of the Board:- Any reference to the words "Board/ Committee" in the Policy/Code shall be referred to as "Administrator /Core Strategic Committee/Any other Committee" till the Policy/Code is modified/revised or till the completion of CIRP.
8.	Code of Practices and Procedures for Fair Disclosure of Unpublished Price	The policy provides the framework for following the best practices, duly compliant with Applicable Law, in the matter of disclosure of	https://www.srei.com/sefl-corporate-policies/Code_of_Practices_and_Procedures%20for_Fair_Disclosure_of_Unpublished_Price_Sensitive_Infor	Since the Board of the Company was superseded, vide press release dated October 04, 2021, the following amendment was adopted,

Sl. No.	Name of the Code and Policy	Salient Features	Web Link	Summary of Key Changes during Financial Year 2021-22
	Sensitive Information (SEFL Fair Disclosure Code)	UPSI.	mation.pdf	post the supersession of the Board:- Any reference to the words "Board/ Committee" in the Policy/Code shall be referred to as "Administrator /Core Strategic Committee/Any other Committee" till the Policy/Code is modified/revised or till the completion of CIRP.
9.	Corporate Social Responsibility Policy	To regulate, monitor and report Corporate Social Responsibility activities of the Company.	https://www.srei.com/sefl-corporate-policies/SEFL_Corporate_Social_Responsibility_Policy.pdf	Changes made – - to draw reference of the relevant provisions of Section 135 of the Companies Act, 2013 (Act), Schedule VII of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014. - to specify the requirement of constitution of CSR Committee and formulation of CSR Policy as per Applicable Laws. - to ensure uniformity with the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 effective from 22nd January, 2021. - to insert the amendments issued

Sl. No.	Name of the Code and Policy	Salient Features	Web Link	Summary of Key Changes during Financial Year 2021-22
				under the Companies (Amendment) Act, 2019 notified vide MCA notification dated January 22, 2021. - pursuant to the CSR activities being undertaken by the Company. Since the Board of the Company was superseded, vide press release dated October 04, 2021, the following amendment was adopted, post the supersession of the Board:- Any reference to the words "Board/ Committee" in the Policy/Code shall be referred to as "Administrator /Core Strategic Committee/Any other Committee" till the Policy/Code is modified/revised or till the completion of CIRP.
10.	Whistle Blower Policy	The Company has adopted a whistleblower mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's code of conduct and ethics.	https://www.srei.com/pdf/SEFL-Whistle-blower-policy.pdf	There has been no change to the Policy during the year.

Sl. No.	Name of the Code and Policy	Salient Features	Web Link	Summary of Key Changes during Financial Year 2021-22
11.	Fair Practice Code	To provide all stakeholders, especially customers effective overview of practices followed by the Company in respect of the financial facilities and services offered by the Company to its customers.	https://www.srei.com/sefl-corporate-policies/Fair_Practice_Code_English.pdf	There has been no change to the Policy during the year.
12.	Grievance Redressal Policy	To minimize instances of customer complaints and grievances.	https://www.srei.com/sefl-corporate-policies/Grievance_Redressal_Policy.pdf	There has been no change to the Policy during the year.
13.	Investment Policy	The Policy lays down, inter alia, the guidelines to be followed by the Credit and Investment Committee to approve investments.	–	There has been no change to the Policy during the year.
14.	Policy for Preservation of Documents	The Policy integrates, harmonizes and standardizes the procedure and manner for preservation and destruction of documents which are required to be prepared or maintained under the SEBI laws and the Act. This Policy also contains guidelines to identify documents that are required to be maintained and the period for which those documents should be retained.	https://www.srei.com/sefl-corporate-policies/SEFL_Policy_for_Preservation_of_Documents.pdf	Since the Board of the Company was superseded, vide press release dated October 04, 2021, the following amendment was adopted, post the supersession of the Board:- Any reference to the words "Board/ Committee" in the Policy/Code shall be referred to as "Administrator /Core Strategic Committee/Any other Committee" till the Policy/Code is modified/revised or till the completion of CIRP

Sl. No.	Name of the Code and Policy	Salient Features	Web Link	Summary of Key Changes during Financial Year 2021-22
15.	Archival Policy	Part of Policy for preservation of documents.	https://www.srei.com/sefl-corporate-policies/SEFL_Archival_Policy.pdf	Since the Board of the Company was superseded, vide press release dated October 04, 20221 the following amendment was adopted, post the supersession of the Board:- Any reference to the words "Board/ Committee" in the Policy/Code shall be referred to as "Administrator /Core Strategic Committee/Any other Committee" till the Policy/Code is modified/revised or till the completion of CIRP.
16.	Policy on Prevention of Sexual Harassment	This policy is meant to sensitize the employees about their fundamental right to have safe and healthy environment at their workplace and what conduct constitutes sexual harassment.	https://www.srei.com/pdf/SEFL-Policy-on-prevention-of-sexual-harassment.pdf	There has been no change to the Policy during the year.
17.	Environmental and Social Management System Policy	This policy provides a framework to facilitate the implementation of appropriate Environmental and Social Management System (ESMS) in the Company with the prime objective of reducing Environmental and Social impacts of its portfolio.	–	There has been no change to the Policy during the year.

Sl. No.	Name of the Code and Policy	Salient Features	Web Link	Summary of Key Changes during Financial Year 2021-22
18.	Credit Policy	The policy details the guidelines to be followed in terms of credit assessment standards, eligibility criteria for borrowers, funding norms, documents and monitoring mechanism.	–	Changes made – - to classify Quick Mortality Accounts, - to identify Non-cooperative borrower, - to have a framework to obtain and review End use Certificates wherever needed, - to introduce Sector Concentration threshold and - to accept brand & goodwill as security for funding only with prior approval from Board empowered Committee. Since the Board of the Company was superseded, vide press release dated October 04, 2021, the following amendment was adopted, post the supersession of the Board:- Any reference to the words "Board/ Committee" in the Policy/Code shall be referred to as "Administrator /Core Strategic Committee/Any other Committee" till the Policy/Code is modified/revised or till the

Sl. No.	Name of the Code and Policy	Salient Features	Web Link	Summary of Key Changes during Financial Year 2021-22
				completion of CIRP.
19.	Risk Management Policy	The Policy aims at outlining the various types of Risk faced by the Company as a Systematically Important NBFC and the policy seeks to set out the guidelines, principles and approach for risk management in the company and put in place a robust framework to identify, assess, measure, control and monitor various risks in a timely, efficient and an effective manner.	–	There has been no change to the Policy during the year.

SIDHARTH BAID
Company Secretary in Practice

"SIDDHA WESTON"
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EMAIL: sidharth.acs@gmail.com
corporatelaws2013@gmail.com

FORM No MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
M/s SREI EQUIPMENT FINANCE LIMITED
(CIN: U70101WB2006PLC109898)
"VISHWAKARMA'86C, TOPSIA ROAD,
KOLKATA-700046, WEST BENGAL

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. SREI EQUIPMENT FINANCE LIMITED** (hereinafter called "the Company") having **CIN: U70101WB2006PLC109898.** Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information, *including other information as listed in **ANNEXURE I**,* provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2022** (Audit period) complied with the statutory provisions listed hereunder, *except with respect to the observation as listed in **ANNEXURE I II & III**. In view of the same, our adequacy of processes and compliance-mechanism has to be read in line of the aforesaid observation.*

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2022** according to the provisions of:

I. The Companies Act, 2013 (the Act) and the Rules made there under;
II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the *rules* made there under;
III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
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;
V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act 1992 ('SEBI Act') to the extent applicable: -
   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;

SIDHARTH BAID
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c. 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;
d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable Regulations/ guidelines / circulars as may be issued by SEBI from time to time.
e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009/ The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
f. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018;
g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008/ The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
h. The Securities and Exchange Board of India (Share Based Employee Benefit) Regulations,2014/ The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
i. The Securities and Exchange Board of India (Buyback of securities) Regulations, 2018; and

Having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, we further report that the Company has complied with the following laws applicable specifically to the Company:

i. The Reserve Bank of India Act, 1934 and guidelines, directions and instructions issued by RBI through notification and circulars relating to Non-Banking Financial Institution Laws.

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

i. The Secretarial Standards as issued and mandated by the Institute of Company Secretaries of India,
ii. The Listing Agreements entered into by the Company for listing of its debt securities with BSE Limited (BSE) or National Stock Exchange of India Limited (NSE) or both.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, **subject to matters as provided in Annexure I II & III.**

We further report that:

Pursuant to an application filed by the Reserve Bank of India, The Hon'ble National Company Law Tribunal, Kolkata bench, vide its order dated 08th October, 2021 has ordered the commencement of the Corporate Insolvency Resolution Process ("CIRP") in respect of the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (the "Code"). Shri. Rajneesh Sharma was appointed as an Administrator to manage affairs of the Company in accordance with the provisions of the Code.

SIDHARTH BAID
Company Secretary in Practice

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Pursuant to the Insolvency Commencement Order and in consonance with the stipulation contained in Section 17 of the IBC, 2016, the powers of the Board of Directors of the Company stand superseded and the same are vested to Shri. Rajneesh Sharma, Administrator.

We further report that:

a. We rely on Statutory Auditors' Report in relation to the financial statements, quarterly financial Reports, qualifications and their remarks and accuracy of financial figures under Income Tax Act, Sales Tax, Value Added Tax (VAT), Goods and Services Tax, Related Party Transactions, Provident Fund, ESIC, PMLA Act, FEMA, FERA and other applicable laws. Further the Statutory Auditors of the Company has reported Disclaimers of conclusions in their Limited Review Report submitted during the Financial Year 2021-22 and Disclaimers of opinion in their Audit Report for the Financial Year 2021-22.

b. In terms of SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2018, Company undergoing the corporate insolvency resolution process is not required to comply with relevant Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 dealing with the amongst Board of Directors including that of Independent Director, Constitution, Meetings and terms of reference of the Audit Committee, Constitution, Meetings and terms of reference of the Nomination and Remuneration Committee and Constitution, Meetings and terms of reference of the Stakeholders' Relationship Committee.

c. During the financial year ended 31st March, 2022, seven board meetings were held before the commencement of the CIRP i.e. October 8, 2021 against the Company. After supersession of the Board of Directors and their powers, the Administrator has conducted the affairs of the Company through internal committee's setup Post CIRP for the limited purpose of complying with the requirements under law on behalf of the Company.

d. We report that there are prima facie 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 subject to made by Statutory Auditors in their report.

e. During the audit period the Company has no specific events like Public/Right/Preferential issue of Shares/Debentures/Sweat Equity/ ESOP etc.

***We further report that**, in the current scenario, the systems, processes and reporting for compliances in the Company, must be proportionate with its size and operations to monitor and ensure compliances with applicable laws, rules, regulations, guidelines and standards may call for further improvement.*

***We further report that** during the Audit Period, the Company had specific events/ actions as detailed in **Annexure II and III** hereto, that can have a major bearing on the Company's compliance responsibility in pursuance to applicable laws, rules, regulations, guidelines, standards, etc.*

SIDHARTH BAID
Company Secretary in Practice

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We 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.

This Report is to be read with our letter of even date which is annexed as **"Annexure I II & III"** and forms an integral part of this Report.

Sd/-
Sidharth Baid
Company Secretary in Practice
Membership No.: A17677
Certificate of Practice No.: 13436

Date of Signing: 03.08.2022
Place: Kolkata

UDIN: A017677D000737594

Note: This report is to be read with our letter of even date which is annexed as **Annexure I II & III** and forms an integral part of this report.

SIDHARTH BAID
Company Secretary in Practice

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A. 'ANNEXURE I- MANAGEMENT AND AUDITORS RESPONSIBILITY'

To,
The Members,
M/s SREI EQUIPMENT FINANCE LIMITED
(CIN: U70101WB2006PLC109898)
"VISHWAKARMA'. 86C, TOPSIA ROAD,
KOLKATA-700046, WEST BENGAL

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

1. Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our Audit.

2. We 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 check basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

3. Wherever our Audit has required our examination of books and records maintained by the Company, we have also relied upon electronic versions of such books and records, as provided to us through online communication. Wherever for the purposes of our Audit, there was a need for physical access to any of the places of the business of the Company, the same has been done by us as much as possible.

4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns.

5. As the Company is presently under Corporate Insolvency Resolution Process ("CIRP"), the management representation in matters is required for the purpose of our Audit. As such, the Audit disclaims opinion on any aspect which could otherwise have been made depending on management representation, including but not limited to recording, disclosing and dissemination of information; record-keeping and preservation; conduct of meetings, identification of related parties and related party transactions; and other compliance systems and procedures in general, as may be required under applicable laws.

6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test check basis.

SIDHARTH BAID
Company Secretary in Practice

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7. 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

8. Due to the inherent limitations of an Audit including internal, financial, and operating controls as well as specific circumstances noted above, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices.

Sd/-
Sidharth Baid
Company Secretary in Practice
Membership No.: A17677
Certificate of Practice No.: 13436

Date of Signing: 03.08.2022
Place: Kolkata

UDIN: A017677D000737594

SIDHARTH BAID
Company Secretary in Practice

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B. 'ANNEXURE – II: PRELIMINARY NOTES'

Srei Equipment Finance Limited ('The Company'), a wholly owned subsidiary of Srei Infrastructure Finance Limited (hereinafter called "SIFL") is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its debt securities are listed with BSE Limited (BSE) or National Stock Exchange of India Limited (NSE) or both. The Company is Registered as Non- Banking Financial Company ('NBFC') under Section 45-IA of Reserve Bank of India Act,1934 ('RBI').

On 4th October,2022, (Press Release: 2021-2022/981) in exercise of the powers conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934, the Reserve Bank superseded the Board of Directors of **SREI Equipment Finance Limited (SEFL)** owing to governance concerns and defaults by the aforesaid companies in meeting their various payment obligations.

The Reserve Bank (Press Release: 2021-2022/984) appointed Shri. Rajneesh Sharma, ex-Chief General Manager, Bank of Baroda, as the Administrator and has constituted a three-member Advisory Committee to assist the Administrator in discharge of his duties. On 8th October, 2021, (Press Release: 2021-2022/1009) RBI filed applications for initiation of Corporate Insolvency Resolution Process against SREI Equipment Finance Limited under section 227 read with clause (zk) of sub section (2) of Section 239 of the Insolvency and Bankruptcy Code (IBC), 2016 ('The Code') read with Rules 5 and 6 of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 ('FSP Insolvency Rules') before the Hon'ble National Company Law Tribunal, Kolkata Bench (Hon'ble NCLT') Hon'ble NCLT.

The three Member Advisory Committee constituted has the following Members:

1. Shri R. Subramaniakumar, Former MD & CEO, Indian Overseas Bank
2. Shri TT Srinivasaraghavan, Former Managing Director, Sundaram Finance Limited
3. Shri Farokh N Subedar, Former Chief Operating Officer and Company Secretary, Tata Sons Limited

Accordingly, we have referred to the period-

(i) 01.04.2021 – 03.10.2021 **("Pre - Administration Period")**
(ii) 04.10.2021 – 31.03.2022 **("Post - Administration Period")**

M/s. J Kala & Associates Chartered Accountants, Partnership Firm, having Firm Registration No. 118769W allotted by The Institute of Chartered Accountants of India (ICAI) are appointed as the Joint Statutory Auditors of the Company, in addition to the existing Statutory Auditors of the Company i.e. M/s. Haribhakti & Co. LLP., Chartered Accountants, to hold office w.e.f. October 29, 2021 till the conclusion of the 16th Annual General Meeting of the Company to be held in the Calendar year 2022.

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C. 'ANNEXURE – III: OBSERVATIONS FOR THE AUDIT PERIOD'

I. THE COMPANIES ACT, 2013 AND RULES FRAMED THEREUNDER:

1. Events Altering Composition of Board and its Committees, Management etc.

   a. Mr. Deepak Verma, has been appointed as Independent Director of the Company w.e.f. 10th May, 2021.
   b. Ms. Ritu Bhojak (FCS 8532), Company Secretary of the Company has resigned from the position of Company Secretary & Compliance Officer of the Company on 10th May, 2021. However, the said vacancy was filled up by Mr. Sumit Kumar Surana, on 20th August, 2021.
   c. Mr. Manoj Kumar Beriwala, has resigned from the position of Chief Financial Officer w.e.f. 29th June, 2021 and appointed as Chief Investment and Strategy Officer of the Company w.e.f. 1st July 2021, Chief Compliance Officer (RBI Compliances) w.e.f. 1st January, 2022and Additional Key Managerial Personnel w.e.f. 1st March, 2022
   d. Mr. Yogesh Kajaria, was appointed as Chief Financial Officer of the Company w.e.f. 30th June, 2021.
   e. Ms. Nidhi Saharia, has been given extension on the post as Chief Risk Officer of the Company w.e.f. 1st July, 2021 and Additional Key Managerial Personnel and Chief Risk Officer w.e.f. 1st March, 2022.
   f. Mr. Indranil Sengupta, has been appointed as Whole Time Director of the Company w.e.f. 1st August, 2021.
   g. Mr. Devendra Kumar Vyas, has been appointed as Chief Business Officer w.e.f. 11th November, 2021 and Additional Key Managerial Personnel w.e.f. 1st March, 2022.

2. In the <u>**Pre-Administration Period**, the Company constituted/re-constituted several</u> committees:

   a. Audit Committee
   b. Nomination & Remuneration Committee
   c. Corporate Social Responsibility Committee
   d. Stakeholders Relationship Committee
   e. Committee of Directors
   f. Credit and Investment Committee
   g. Asset Liability Management Committee
   h. Risk Committee.
   i. IT Strategy
   j. Strategic Coordination Committee
   k. Restructuring & Settlement Committee

3. In the **Post-Administration Period**, the Company constituted/re-constituted/continued several committees:

   a. Core Strategic Committee
   b. Corporate Governance & Audit Committee

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c. Asset Liability Management Committee
d. Risk Committee
e. Nomination & Remuneration Committee
f. Credit and Investment Committee
g. Information Technology Strategy Committee
h. Payments Advisory Committee
i. Property & Premise Committee
j. Joint Statutory Auditor Appointment Evaluation Committee
k. People Committee
l. Corporate Social Responsibility Committee

4. The Reserve Bank of India ("RBI") via Press Release dated October 4, 2021 superseded the Board of Directors of Srei Equipment Finance Limited. The Reserve Bank of India ("RBI") via another Press Release dated October 4, 2021 constituted a three-member Advisory Committee to assist the Administrator in discharge of his duties. Further, on commencement of the Corporate Insolvency Resolution Process (CIRP) vide Order of the Hon'ble NCLT, Kolkata Bench dated October 8, 2021, a Committee of Creditors was constituted as per the provisions of the Insolvency and Bankruptcy Code, 2016.

5. As per MCA General Circular No. 08/2020 dated 06.03.2020, the resolution professional shall have to file the NCLT Order in Form INC-28 in the capacity of CEO, to change the MCA status from 'Active' to 'CIRP' and for further filings and compliances. The e-form INC-28 has been filed on 26.10.2021 and the same was approved by the Registrar of Companies on 10th March, 2022.

6. Post the supersession of the Board, the Administrator, additionally designated Mr. Devendra Kumar Vyas, Chief Business Officer, Mr. Manoj Kumar Beriwala, Chief Compliance Officer (RBI Compliances) and Ms. Nidhi Saharia, Chief Risk Officer as the KMPs of the Company w.e.f. 1st March, 2022.

7. The Company has not transferred the amounts in terms of Section 125 of the Companies Act 2013, read with rule 5 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules').

   As per section 124(5) of the Companies Act, 2013 a company is required to transfer the amount lying in the unpaid dividend account, for 7 years, to Investor Education Protection Fund (IEPF). Prior to the date of commencement of CIRP i.e October 8th, 2021, an amount of Rs 18,574 and post commencement of moratorium/CIRP an amount of Rs 31,533/- is transferable by SEFL to IEPF in terms of section 124 (5) of the Companies Act, 2013. Kindly note that the Company is unable to comply with the provision of section 124(5) of the Companies Act as its compliance will accord to breach of the moratorium in terms of section 14 of the IBC. To the extent that the provision of the Companies Act is inconsistent with section 14 of the IBC, the provisions of the IBC will prevail, in light of section 238 of the IBC. However, the Company has requested guidance from IEPF Authorities in this regard and same has been awaited for their response. Given pendency of the matter, we are unable to comment on the same.

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8. The company fails to comply with the provisions of Section 135 of the Act in relation to depositing unspent amount of CSR. The amount due for CSR spending for the year ending 31.03.2021 was a sum of Rs 6,47,75,332/-. As on 31st March, 2021, the Company could disburse an amount of Rs 1,25,25,000/ (Rupees One Crore Twenty-Five Lacs and Twenty-Five Thousand Only), towards CSR activities pursuant to CSR Policy of your Company. The balance sanctioned amount of Rs 5,22,50,332/- (Rupees Five Crore Twenty-Two Lacs Fifty Thousand Three Hundred and Thirty-Two Only) is still due to be disbursed. As per the requirements of Sec 135 of The Companies Act,2013, this unspent amount was to be transferred to funds specified under Schedule VII to the Act within a period of six months but the company was not able to transfer the same. The company has written letter to MCA seeking exemptions from the obligations of the company under section 135(5) and 135(7) of the Act. The reply from MCA in this regard is awaited.

9. During the year under review Rs 1200 Additional Fees was paid for filing of Form MGT-14 having (SRN: T41948589 Dated 10.09.2021).

10. We are unable to comment on minutes of Committee of Creditors & Advisory Committee, as the same wasn't shared to us by the Company.

11. During the period under review, the Company Post Administrative period had filed the following forms through Form GNL-2

ROC Form Filed through Form GNL-2

FORM	DATE OF FILING	SRN	DETAILS
ADT - 1	11.11.2021 16.12.2021	SRN T58294943 SRN T65653686	Appointment of Joint Statutory Auditor, J Kala & Associates, Chartered Accountants
MGT - 7	05.01.2022	SRN T70397153	Annual Return for the FY 2020-21
INC - 28	26.10.2021 10.01.2022	SRN T56059843 SRN T71298228	Filing of NCLT Order dated 08.10.2021 For appointment of Resolution Professional
DIR-12	01.02.2022	SRN T75443010	For resignation of Independent Directors (Mr. Malay Mukherjee, Mr. Suresh Kumar Jain & Mr. Shyamalendu Chatterjee)
DIR-12	01.02.2022	SRN T75441881	For resignation of Independent Directors (Ms. Tamali Sengupta, Ms. Uma Shankar Paliwal & Mr. Deepak Verma)
MGT-14	17.03.2022	SRN T88883004	For appointment of Secretarial Auditor for the FY 21-22 and Appointment of Additional KMPs
CSR-2	30.03.2022	SRN T92288448	Report on CSR for the FY 2020-21

12. The Company has acquired borrowings including secured borrowings and NCD from Srei Infrastructure Finance Limited (SIFL) and charges created with ROC in relation to such borrowings were to be transferred in the name of the Company. The Company is yet to file/approval is pending with ROC w.r.t Charge Form pursuant to transfer of charges from Srei Infrastructure Finance Limited (SIFL) to Srei Equipment Finance Limited (SEFL) in terms of novation agreements and satisfaction of borrowings w.r.t to certain borrowings where borrowed facilities have been repaid in full charge satisfaction are still pending during the period under review.

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13. During the Financial Year 2019-20, the Company accounted for the slump exchange transaction and consequently recognized the relevant assets and liabilities in its books of accounts, pursuant to the Business Transfer Agreement ('BTA') with SIFL, with effect from October 1, 2019, subject to necessary approvals. The Company had filed two separate applications under section 230 of the Companies Act,2013 ('the Act') before the Hon'ble NCLT proposing Schemes of Arrangement ("the Schemes") with all its secured and unsecured lenders. Both the schemes of arrangement were rejected by majority of the creditors and an application of withdrawal was filed by the Administrator in this matter which has been allowed by the Tribunal vide order dated February 11, 2022.
The Company is in the process of Consolidated Resolution of SEFL and SIFL and hence no further action is being contemplated regarding establishing the validity of BTA or otherwise, consequent upon the withdrawal of schemes. Accordingly, the status quo regarding BTA, as it existed on the date of commencement of CIRP, has been maintained in view of the uncertainties that exist in the matter of BTA.

14. The Company is irregular/ not in compliance under various Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable Regulations/ guidelines / circulars as may be issued by SEBI from time to time to the extent applicable and the Debenture Trust deed executed between the Company and Debenture Trustees with respect to Non-Convertible Debentures (NCD) of the Company.

15. As per the information received from the Company, Company has reported frauds by employees/ex-employee amounting to Rs 207 lakhs. The company has reported the same to RBI in terms of Master Direction issued by "RBI" before Central Fraud Monitoring Cell during the period under review.

16. The Company has adjourned meeting of Administrator commenced on 17th May,2022 to approve Audited Financial Results for the Quarter and Financial Year ended 31st March,2022 and the same meeting has been concluded on 18th May,2022.

17. During the year under review the Company convened Extra Ordinary General Meeting of the Company at shorter notice on 10th May,2021 and 29th October,2021.

18. During the period under review, the Company has received notice for Inspection u/s 206(5) of The Companies Act,2013 vide letter Ref no File No.7/120/2019/CL-II (ER) dated 27th September 2021.

II. <u>Listing Compliances: ("Debt Securities")</u>

1. The Company was delayed in the filing of Financial Results and related disclosure of the Company for the Quarter and Half-Year ended on 30th September, 2021 which is not in compliance of regulation 52 /54 of SEBI Listing Obligations and Disclosure Requirements 2015.

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2. As per Regulation 13(3) of SEBI Listing Obligations and Disclosure Requirements, 2015, the Company has disclosed 94 no. of investors complaints are unresolved as on 31st March,2022.

3. In compliance with Regulation 55 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws Credit Ratings assigned by Credit Rating Agencies as on 31.03.2022:

PARTICULARS	CARE	BRICKWORK (Issuer Not Cooperating)	ACUITE
Long Term Banking facilities	CARE D	–	–
Short Term Banking Facilities	CARE D	–	–
Commercial Paper	-	BWR D	–
Secured Redeemable NCDs	CARE D	BWR D	Acuite D
Subordinate Redeemable (Tier II) NCDs	CARE D	BWR D	Acuite D
Perpetual Debentures Bonds	CARE D	BWR D	–

No Default Statement pursuant to SEBI Circular SEBI/ HO/ MIRSD/ MIRSD4/CIR/ P/ 2017/ 71 dated June 30, 2017 has not been submitted to the Credit Rating Agency during the Financial Year ended March 31, 2022.

4. During the period under review penalties of Rs. 2,06,500/- and Rs. 2,06,500/- have been imposed by Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) respectively during the financial year ended March 31st, 2022 for Non-compliance of regulation 52(1) / 52(4) /54(2) of SEBI Listing Obligations and Disclosure Requirements, 2015.

III. THE RESERVE BANK OF INDIA ("RBI")

1. Reserve Bank of India (RBI) vide its Order No. DOR. ISG. No. S14668/20.27.007/2021-2022 dated 1st October, 2021 has issued the Order with regard to the Supersession of the entire Board of Directors of the Company under Section 45-IE of the Reserve Bank of India Act, 1934; and RBI appointed Shri. Rajneesh Sharma as its Administrator with effect from October 04, 2021.

   Further, the Reserve Bank had filed an application dated October 08, 2021 for initiation of corporate insolvency resolution process against SREI Infrastructure Finance Limited and SREI Equipment Finance Limited under Section 227 read with clause (zk) of sub-section (2) of Section 239 of the Insolvency and Bankruptcy Code (IBC), 2016 read with Rules 5 and 6 of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudication Authority) Rules, 2019 ("FSP Insolvency Rules") at the Kolkata Bench of the Hon'ble National Company Law Tribunal (NCLT). The said petitions are admitted by NCLT, Kolkata and it has issued orders dated 8th October, 2021 as follows:

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a. The said Petition bearing CP (IB) No.294/KB/2021 against SREI Equipment Finance Limited and CP (IB) No. 295/KB/2021 against SREI Infrastructure Finance Limited filed by the Reserve Bank of India, the Appropriate Regulator, have been admitted.
On admission of the order by the Hon'ble NCLT, Kolkata, CIRP is initiated and moratorium under Section 14 of the IBC is in force.

b. There shall be moratorium in terms of Section 14 of the Code in respect of Financial Service Provider.

2. The Reserve Bank of India (RBI) has classified the Company as an 'Asset Finance Company' within the overall classification of 'Non-Banking Financial Institution'. However, pursuant to RBI circular on Harmonization of different categories of NBFCs dated February 22, 2019, the Company is proposed to be classified as an 'NBFC – Investment and Credit Company (NBFC - ICC)' but no such new Certificate of Registration is issued by Reserve Bank in this regard as clarified by the Management.

3. As per the information given by the company, the company has not been able to comply with guidelines of RBI in relation to mandatory hedging of exposure in External Commercial Borrowings amounting to Rs. 27,272 lacs as per contractual terms, as at March 31, 2022. The company has reported the said fact to RBI and reply of the same is awaited from RBI.

4. The Company has not observed some of the provisions / guidelines / circulars / directions as applicable to Non-Banking Financial Companies (NBFCs), issued by Reserve Bank of India (RBI).

IV. THE NATIONAL COMPANY LAW TRIBUNAL ("NCLT") ORDER'S:

An application filed by Reserve Bank of India (Appropriate Regulator) under section 227 read with section 239 (2) (zk) of the Insolvency and Bankruptcy Code, 2016 ("IBC") for initiation of Corporate Insolvency Resolution Process ("CIRP") against SREI Equipment Finance Limited ("SEFL"), the Financial Service Provider.

In particular, UCO Bank has intimated RBI vide its letter dated 07.10.2021 that the amount claimed to be in default in relation to working capital facility is Rs 7,37,76,00,000/- (Rupees Seven Hundred Thirty-Seven Crore Seventy-Six Lakh Only). Of this, the principal amount due is to the tune of Rs 7,00,00,00,000/- (Rupees Seven Hundred Crore Only) and Rs 37,76,00,000/- (Rupees Thirty-Seven Crore Seventy-Six Lakh Only).

The RBI *vide* its notification dated 04/10/2021, in exercise of its powers under section 45-IE of the Reserve Bank of India Act, 1934 has superseded the Board of Directors of SEFL and appointed Mr. Rajneesh Sharma as the Administrator. It has also constituted a three-member Advisory Committee to assist the Administrator of SEFL in the discharge of his duties. The RBI has proposed the same person to be appointed as the Administrator of the Corporate Debtor.

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During the CIRP period, the management of the Financial Service Provider shall vest in the Administrator. The officers and managers of the Financial Service Provider shall provide all documents in their possession and furnish every information in their knowledge to the Administrator within one week from the date of receipt of this Order, failing which coercive steps will follow.

The Hon'ble NCLT, Kolkata Bench vide its order dated February 14, 2022 ('Consolidation Order') ordered the consolidation of the CIRP of Srei Equipment Finance Limited and Srei Infrastructure Finance Limited.

Sd/-
Sidharth Baid
Company Secretary in Practice
Membership No.: A17677
Certificate of Practice No.: 13436

Date of Signing: 03.08.2022
Place: Kolkata

UDIN: A017677D000737594

Haribhakti & Co. LLP
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INDEPENDENT AUDITORS' REPORT

To the Members of Srei Equipment Finance Limited

Report on the Audit of the Ind AS Financial Statements

Disclaimer of Opinion

We were engaged to audit the accompanying Ind AS financial statements of **Srei Equipment Finance Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

We do not express an opinion on the Ind AS financial statements of the Company. Because of the significance of the matters described in "Basis for Disclaimer of Opinion" section of this report and the uncertainties involved, we have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion on the Ind AS financial statements.

Basis for Disclaimer of Opinion

(a) Note No. 1.2 and 2.1 to the Ind AS financial statements which explain that the Administrator has initiated audits/reviews relating to the processes and compliances of the Company and has also appointed professionals for conducting transaction audit as per Section 43, 45, 50 and 66 of the Code. Hence, the Ind AS financial statements is subject to outcome of such audits/reviews. Pending the outcome of the transaction audit, we are unable to comment on the impact, if any, of the same on the Ind AS financial statements. Further the Notes also explain that since the Administrator has taken charge of the affairs of the Company on October 4, 2021, the Administrator is not liable or responsible for any actions and regarding the information pertaining to the period prior to October 4, 2021 has relied upon the explanations, clarifications, certifications, representations and statements made by the Chief Financial Officer, Company Secretary, Chief Business Officer, Chief Risk Officer, Chief Compliance Officer and Legal Head ('the existing officials of the Company'), who were also part of the Company prior to the appointment of the Administrator.

(b) Note No. 62 to the Ind AS financial statements which explains that the latest valuations from independent valuers , as part of CIRP, in respect of assets/collaterals held as securities and considered for loan loss provision is in progress. Further, the Note also explains that, the Ind AS financial statements, disclosures, categorisation and classification of assets are subject to the outcome of such valuation process. Hence, pending completion of the process, we are unable to comment on the impact, if any, of the same on the Ind AS financial statements.

(c) Note No. 63 to the Ind AS financial statements which explains that during the financial year 2019-20, the Company accounted for the slump exchange transaction and consequently recognized the relevant assets and liabilities in its books of account, pursuant to the Business Transfer Agreement ('BTA') with SIFL, with effect from October 1, 2019, subject to necessary approvals. The superseded Board of Directors and erstwhile management of the Company obtained expert legal and accounting opinions in relation to the accounting of BTA which confirmed that the accounting treatment so given is in accordance with the relevant Ind AS and the underlying guidance and framework. Further, the Note also explains that during the financial year 2020-21, the Company had filed two separate applications under Section 230 of the Companies Act, 2013 ('the Act') before the Hon'ble NCLT proposing Schemes of Arrangement (the Schemes) with all its secured and unsecured lenders. Since applications/appeals in connection with the Scheme were pending before Hon'ble NCLT/NCLAT, the superseded Board of Directors and erstwhile management had maintained status quo on the Scheme including accounting of BTA. Both the schemes of arrangement were rejected by majority of the creditors and an application of withdrawal was filed by the Administrator in this matter which has been allowed by the Tribunal vide order dated February 11, 2022.

As also stated in the said Note, the Company is in the process of consolidated resolution of SEFL and SIFL and hence no further action is being contemplated regarding establishing the validity of BTA or otherwise, consequent upon the withdrawal of Schemes. Accordingly, the status quo regarding BTA, as it existed on the date of commencement of CIRP, has been maintained. In view of the uncertainties that exists in the matter of BTA, we are unable to comment on the accounting of BTA, as aforesaid, done by the Company and accordingly on the impact of the same, if any, on the Ind AS financial statements.

(d) Note No. 65 to the Ind AS financial statements which explains that the Administrator has invited the financial/operational/other creditors to file their respective claims and that the admission of such claims is in process. Further, the note explains that the effect in respect of the claims, as on October 8, 2021, admitted by the Administrator till May 4, 2022 has been given in the books of account. Further, the Note also explains that the creditors can file their claim during CIRP and the figures of claims admitted and accounted in the books of accounts might undergo changes during CIRP. Hence, adjustments, if any, arising out of the claim verification and submission process, will be given effect in subsequent periods. We are unable to comment on the impact of the same, if any, on the Ind AS financial statements.

Further, the Note also explains that the Company as per the Code on the date of commencement of CIRP i.e. October 8, 2021 has converted foreign currency debt into INR and accordingly has not translated its foreign currency exposure as on March 31, 2022, as per requirements of Ind AS 21. We are unable to comment on the impact of the same, if any, on the Ind AS financial statements.

(e) Note No. 66 to the Ind AS financial statements which states that the Company has not provided for Rs. 1,99,970 lakhs approx. for the year ended March 31, 2022, pursuant to its admission under the CIRP, in respect of its obligation for interest on all the borrowings since insolvency commencement date i.e. October 8, 2021. Had the Company provided its obligation for interest, as aforesaid, loss before tax for the year ended March 31, 2022 would have resulted in a loss before tax of Rs. 4,67,455 lakhs for the year ended March 31, 2022.

(f) Note No. 67 to the Ind AS financial statements which explains the reasons owing to which the Company has not been able to comply with guidelines of RBI in relation to mandatory hedging of exposure in External Commercial Borrowings amounting to Rs. 27,272 lakhs, as per contractual terms, as at March 31, 2022. As stated, in the said note, the Company has reported the above fact to RBI and reply of the same is awaited from RBI. We are unable to comment on the impact of the same or any other consequences arising out of such non-compliance, if any, on the Ind AS financial statements.

(g) Note No. 69 to the Ind AS financial statements which explains that the erstwhile management, as per the specific directions from RBI in relation to certain borrowers referred to as 'probable connected parties/related parties', in line with arm's length principles, was in the process of re-assessing & re-negotiating terms and conditions with such borrowers and all other borrowers, who have been granted loans with moratorium period and at interest rate which is linked with the cash flows of the project. However, the said process was not concluded and meanwhile the Company has gone into CIRP. As stated in the said Note, the Administrator is not in a position to comment on the views adopted by the erstwhile management in relation to the RBI's direction since these pertain to the period prior to the Administrator's appointment. As stated in paragraph (a) above, the Administrator has initiated a transaction audit/review relating to the process and compliance of the Company and has also appointed professionals for conducting transaction audit as per section 43, 45, 50 and 66 of the Code, which is in process. We are unable to comment on the impact of the same, if any, on the Ind AS financial statements.

MUMBAI Chartered Accountants

MUMBAI

(h) Note No. 70 to the Ind AS financial statements which explains that, during the year ended March 31, 2022, based on the directions of RBI the Company has made provisions amounting to Rs. 9,807 lakhs and Rs. 4,991 lakhs in respect of direct tax cases and indirect tax cases respectively where the Company was under various stages of appeal with the relevant tax authorities. However, the Company has not assessed whether the outflow of resource embodying economic benefits is probable or not as per the requirements of Ind AS 37- 'Provisions, Contingent Liabilities and Contingent Assets'. Hence, in absence of such assessment, we are unable to comment on any non-compliance with Ind AS and the corresponding impact of the same, if any, on the Ind AS financial statements.

(i) Note No. 71 to the Ind AS financial statements which explains the reasons owing to which the Company was not able to comply with the requirements of Section 135 of the Act in relation to depositing unspent amount of CSR. As stated, in the said note, the Company has written to MCA seeking exemption from the obligations of the Company under portions of Section 135(5) and Section 135(7) of the Act. We are unable to comment on the impact of the same or any other consequences arising out of such non-compliance, if any, on the Ind AS financial statements.

(j) Note No. 73 to the Ind AS financial statements which states that the Company has not been able to maintain the asset cover as stated in the information memorandum/debenture trust deeds etc. which is sufficient to discharge the principal amount at all times for the secured non-convertible debentures issued by the Company. Further, as stated in the said Note and paragraph (b) above, latest valuations from independent valuers in respect of assets of the Company is in progress, accordingly, the percentage of asset cover given in the said Note is subject to the outcome of such valuation process. Hence, we are unable to comment on the said Note as given by the Company in the Ind AS financial statements.

(k) Note No. 74 to the Ind AS financial statements which explains that in relation to certain borrowings (including secured borrowings and NCDs) acquired by the Company from SIFL pursuant to BTA as stated in Note No. 63 to the Ind AS financial statements, charges created on such borrowings are yet to be transferred in the name of the Company and are still appearing in the name of SIFL for the reasons stated in the said Note. We are unable to comment on the impact of the same or any other consequences arising out of it, if any, on the Ind AS financial statements.

(l) Note No. 75 to the Ind AS financial statements which explains the reasons owing to which the Company was not able to comply with the requirements of Section 125 of the Act in relation to transfer of certain amounts lying unpaid for 7 years to Investor Education Protection Fund ('IEPF'). As stated, in the said note, the Company has written to IEPF authorities and requested guidance in the matter. We are unable to comment on the impact of the same or any other consequences arising out of such non-compliance, if any, on the Ind AS financial statements.

(m) We had carried out independent balance confirmation process with respect to various parties/lenders, responses for which are pending to be received as on the date of signing this report. Also the project progress report, for the year ended March 31, 2022, from various parties are yet to be received. Hence, we are unable to comment on such balances and status and impact of the same of on the Ind AS financial statements, if any.

(n) We have been informed that certain information including the minutes of meetings of the Committee of Creditors are confidential in nature and cannot be shared with anyone other than the Committee of Creditors and Hon'ble NCLT. Accordingly, we are unable to comment on the possible financial effects on the Ind AS financial statements, including on presentation and disclosures, if any, that may have arisen if we had been provided access to those information.

(o) In view of the possible effects of the matters described in paragraph (a) to (n) above, we are also unable to comment on the Company's compliance of the covenants in respect of all borrowings (including creation of charges) and consequential implications including disclosures etc., if any.

(p) In view of the possible effects of the matters described in paragraph (a) to (o) above, we are also unable to comment on the Company's compliance on various regulatory ratios/other ratios/limits and consequential implications including disclosures, if any.

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Material Uncertainty Related to Going Concern

We draw attention to Note No. 68 to the Ind AS financial statements which states that the Company has been admitted to CIRP and that the Company has reported net loss during the year ended March 31, 2022 and earlier year as well. As a result, the Company's net worth has fully eroded and it has not been able to comply with various regulatory ratios/limits etc. All this have impacted the Company's ability to continue its operations in normal course in future. These events or conditions, along with other matters as set forth in the aforesaid Note, indicate that there is a material uncertainty which casts significant doubt about the Company's ability to continue as a 'going concern' in foreseeable future. However, for the reasons stated in the said note, the Company has considered it appropriate to prepare the Ind AS financial statements on a going concern basis.

Emphasis of Matter

We draw attention to the following matters in the notes to the Ind AS financial statements:

a. Note No. 61 to the Ind AS financial statements which explains the extent to which Covid-19 pandemic has impacted the operations of the Company. Further, the extent to which there may be further impact on the operations, financial results and asset quality of the Company is highly uncertain at this point of time.

   Further, as stated in Note No. 62 to the Ind AS financial statement based on the overall assessment of financial stress being faced by the borrowers and the lessees and covering the overall economic and business uncertainty, the Company has made ECL provision aggregating to Rs. 1,75,003 lakhs for the year ended March 31, 2022. Also, as stated in the said Note, the Company, in view of the uncertainty, as stated in Note No. 61 to the Ind AS financial statements, has made further provision of Rs 10,329 lakhs, as management overlay, during the year ended March 31, 2022, which is over and above the provision as required by the ECL model of the Company.

b. Note No. 64 to the Ind AS financial statements which explains that in view of the impracticability for preparing the resolution plan on individual basis in the case of the Company and its Holding Company, the Administrator, after adopting proper procedure, has filed applications before the Hon'ble NCLT, Kolkata Bench, seeking, amongst other things, consolidation of the corporate insolvency processes of SIFL and SEFL. The application in the matter is admitted and the final order was received on February 14, 2022 wherein the Hon'ble NCLT approved the consolidation of the corporate insolvency of SIFL and SEFL.

c. Note No. 76 to the Ind AS financial statements which explains that the Company during year ended March 31, 2022 had invoked 49% equity shares of Sanjvik Terminals Private Limited ('STPL'), which were pledged as security against the borrowings availed by one of the borrowers of the Company. The Company has taken an expert opinion, which confirms that since the Company is not exercising any significant influence/control over STPL, hence, STPL is not a subsidiary/associate in terms of Ind AS 110/Ind AS 28 and accordingly is not required to prepare consolidated financial statements with respect to its holding of 49% of the equity shares of STPL.

Responsibilities of the Administrator for the Ind AS Financial Statements

The Reserve Bank of India ('RBI') vide press release dated October 4, 2021 in exercise of the powers conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934 ('RBI Act') superseded the Board of Directors of the Company and appointed an Administrator under Section 45-IE (2) of the RBI Act. Further, RBI, in exercise of powers conferred under section 45-IE (5) (a) of the RBI Act, has constituted a three-member Committee of Advisors for advising the Administrator.

The RBI had also filed application for initiation of Corporate Insolvency Resolution Process ('CIRP') against the Company under Section 227 read with clause (zk) of sub-section (2) of Section 239 of the Insolvency and Bankruptcy Code (IBC), 2016 ('the Code') read with Rules 5 and 6 of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 ('FSP Insolvency Rules') before the Hon'ble National Company Law

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Tribunal, Kolkata Bench ('Hon'ble NCLT'). Hon'ble NCLT vide its order dated October 8, 2021 admitted the application filed by RBI for initiation of CIRP against the Company. Further, Hon'ble NCLT gave orders for appointment of Mr. Rajneesh Sharma, as the Administrator to carry out the functions as per the Code and that the management of the Company shall vest in the Administrator. Further, RBI has also retained the three-member Committee of Advisors, as aforesaid, for advising the Administrator in the operations of the Company during the CIRP.

We refer to Note No. 1.2 to the Ind AS financial statements which states that the Ind AS financial statements has been taken on record by the Administrator while discharging the powers of the Board of Directors of the Company which were conferred upon him by the RBI and subsequently by the Hon'ble NCLT vide its order dated October 8, 2021. Further Note No. 2.1 explains that since the Administrator has taken charge of the affairs of the Company on October 4, 2021, the Administrator is not liable or responsible for any actions and regarding the information pertaining to the period prior to October 4, 2021 has relied upon the explanations, clarifications, certifications, representations and statements made by the existing officials of the Company, who were also part of the Company prior to the appointment of the Administrator.

The Administrator and the existing officials of the Company ('the management') are responsible for the matters stated in section 134(5) of the Act with respect to preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 statements 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, the management of the Company are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Administrator either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The management is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our responsibility is to conduct an audit of the Company's Ind AS financial statements in accordance with Standards on Auditing (SAs) specified under Section 143(10) of the Act and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion on the Ind AS financial statements.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Ind AS financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

Other Matter

The audit of Ind AS financial statements of the Company for the year ended March 31, 2021, was carried out and reported by one of the joint statutory auditors vide their unmodified audit report dated June 29, 2021.

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Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we report in "Annexure 1", a statement on the matters specified in 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 all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit, but to the extent described in the "Basis for Disclaimer of Opinion" section of this report, were unable to obtain such information;

b. Due to the possible effects of the matters described in the "Basis for Disclaimer of Opinion" section of this report and more particularly paragraph (c) of the same in relation to the uncertainties regarding accounting of BTA, we are unable to comment on maintenance of proper books of accounts, as required by law, by the Company so far as appears from our examination of those books;

c. Read with the matters described in "Basis for Disclaimer of Opinion" section of this report, the Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

d. Due to the possible effects of the matters described in the "Basis for Disclaimer of Opinion" section of this report, we are unable to state whether the aforesaid Ind AS financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. The matters described under the "Basis for Disclaimer of Opinion", "Material Uncertainty Related to Gong Concern" and "Emphasis of Matter" section above, in our opinion, may have an adverse effect on the functioning of the Company;

f. We have been explained that since RBI vide press release dated October 4, 2021 in exercise of the powers conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934 ('RBI Act') superseded the Board of Directors of the Company and appointed an Administrator under Section 45-IE (2) of the RBI Act. Further, RBI, in exercise of powers conferred under section 45-IE (5) (a) of the RBI Act, has constituted a three-member Committee of Advisors for advising the Administrator. Accordingly, the Company has filed form DIR-12 and form GNL 2 on October 11, 2021 and February 1, 2022 respectively in respect of vacation of office of the erstwhile directors of the Company.

g. The reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith are as stated in the "Basis for Disclaimer of Opinion" section of this report.

h. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2" which expresses a disclaimer of opinion on the Company's internal financial controls with reference to financial statements of the Company for the reasons stated therein;

i. Due to the possible effects of the matters described in the "Basis for Disclaimer of Opinion" section of this report, we are unable to comment whether the managerial remuneration paid/ provided by the Company during the year is in accordance with the provisions of section 197 of the Act;

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

(i) Due to the possible effects of the matters described in the "Basis for Disclaimer of Opinion" section of this report and in absence of confirmations from the legal counsels/lawyers of the Company, we are unable to state whether the Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note No. 35 on Contingent Liabilities to the Ind AS financial statements;

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(ii) Due to the possible effects of the matters described in the "Basis for Disclaimer of Opinion" section of this report, we are unable to comment whether the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

(iii) As stated in Note no. 75 to the Ind AS financial statements and paragraph (l) of the "Basis for Disclaimer of Opinion" section of this report, the Company has not been able to transfer the amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(iv) (a) The management of the Company 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 person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iv) (b) The management of the Company has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iv) (c) Due to possible effects of the matters described in the "Basis for Disclaimer of Opinion" section of this report, we are unable to comment whether the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) The Company has not declared nor paid any dividend during the year. Hence, reporting the compliance with section 123 of the Act is not applicable.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Sd/-
Manoj Daga
Partner
Membership No. 048523
UDIN: 22048523AJFJOM5420
Place: Mumbai
Date: May 18, 2022

For J. Kala & Associates
Chartered Accountants
ICAI Firm Registration No. 118769W

Sd/-
Jayesh Kala
Partner
Membership No. 101686
UDIN: 22101686AJFJOX1883
Place: Kolkata
Date: May 18, 2022

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ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of Srei Equipment Finance Limited ("the Company") on the Ind AS financial statements for the year ended March 31, 2022]

In view of the significance of the matters described in "Basis for Disclaimer of Opinion" section of our Independent Auditors' Report of even date and the uncertainties involved, we have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion on the Ind AS financial statements and hence we do not express any opinion on the Ind AS financial statements of the Company for the year ended March 31, 2022. Our report on specific matters covered in this Annexure is based on the examination of books of account and after taking into consideration the information, explanations and written representations given to us by the management of the Company while performing our procedures and should be read along with our Independent Auditors' Report as stated above and the various matters stated therein. Accordingly, we report that:

(i)

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

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

(b) The Company has a program of physical verification of property, plant and equipment to cover all the items in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Pursuant to the said program, during the year, certain Property, Plant and Equipment of the Company have been physically verified by the management and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties recorded as Property, Plant and Equipment and Other Non-Financial Assets (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of lessee) disclosed in the Ind AS financial statements are held in the name of the Company, except for the details given below:

Description of property	Gross carrying value (INR in Lakhs)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
Building	3,895	Srei Infrastructure Finance Limited (SIFL)	Promoter	Since October-2019	Refer Note 1 below
Land	11,800	Murti Housing and Finance Private Limited	No	Since September-2017	
Land	639	Deccan Chronicle Secunderabad Private Limited and Deccan Chronicle Rajahmundry Private Limited	No	Since June-2018	

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Land	678	(i) Krystine Vintrade Private Limited Balanced Dealers Private Limited Shivdhan Sales Private Limited (ii) Oviation Marketing Private Limited Wellknown Vinimay Private Limited Malank Dealtrade Private Limited Balanced Commotrade Private Limited	No	Since March-2016	
Land	483	Mohamad Akil Shaikh and Ahmad Noor represented by its constituted attorney Mohamad Akil Shaikh	No	Since December-2016	Refer Note 2 below
Building	2,400	Kakarlapudi Venkata Madhava Varma	No	Since September-2016	
Building	32	Sierra Constructions Private Limited	No	Since September-2016	
Land	138	Kabbalamma, Smt. Sukanya & Sri Prasanna represented by constituted attorney holder Sri L. Chandrasekhar	No	Since September-2015	
Land	1,444	Wianxx Impex Private Limited	No	Since September-2017	

Note 1 - These immovable properties were transferred to the Company pursuant to the Business Transfer Agreement ('BTA') (Refer Note No. 63 to the Ind AS financial statements) entered by the Company with its Holding Company, SIFL.

Note 2 - These immovable properties were acquired in lieu of discharge of debts. Due to procedural issues, title deeds are still not registered in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and Intangible Assets during the year. Accordingly, reporting under clause (i)(d) of paragraph 3 of the Order is not applicable.

(e) As informed to us, to the best of the knowledge of the management of the Company, no proceedings have been initiated or are pending against the Company as at March 31, 2022 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder ('Benami Act'). However, in absence of independent confirmations from the legal counsels/lawyers of the Company with regards to the same, we are unable to report whether any proceedings have been initiated or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Act.

(ii)

(a) The Company does not have any inventory and hence reporting under clause (ii)(a) of paragraph 3 of the Order is not applicable.

(b) The Company has availed working capital limits in excess of five crore rupees in earlier years, in aggregate from banks and/or financial institutions, on the basis of security of current assets. The quarterly returns/statements filed by the Company, for the quarter ended June 30, 2021 and September 30, 2021, with such banks and/or financial institutions are in prima facie in agreement with the books of account maintained by the Company. Further, pursuant to the initiation of CIRP, as stated in Note No 1.2 of the Ind AS financial statements no quarterly returns/statements has been filed by the Company thereafter.

(iii)

(a) The Company's principal business is to give loans and therefore, reporting under clause (iii)(a) and (e) of paragraph 3 of the Order are not applicable.

(b) During the year, the Company has not made investment in (other than the investments acquired by the Company through conversion of loan assets), provided any guarantee (other than renewal of existing guarantee) or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, reporting under clause (iii)(b) of paragraph 3 of the Order is not applicable.

(c) The schedules of repayment of principal and payment of interest in respect of the loans and advances in the nature of loans have been stipulated in the normal course of business. The aggregate amount of loan outstanding as at March 31, 2022 which are irregular is INR 19,867 Crores. In view of the nature of business and volume of transactions, it is not practicable to provide number of cases for the same. As required by various directions for NBFCs issued by Reserve Bank of India and Indian Accounting Standards (Ind AS), the Company has made required disclosures in Note No. 7 to the Ind AS financial statements and note 20 of Annexure I to the Ind AS financial statements regarding asset classifications.

(d) In respect of loans and advances in the nature of loans which are overdue for more than ninety days as at March 31, 2022, the aggregate amount of loan outstanding as at March 31, 2022 is INR 18,767 Crores. In view of the nature of business and volume of transactions, it is not practicable to provide number of cases for the same. As required by various directions for NBFCs issued by Reserve Bank of India and Indian Accounting Standards (Ind AS), the Company has made required disclosures in Note No. 7 to the Ind AS financial statements and note 20 of Annexure I to the Ind AS financial statements regarding asset classifications. Further, the Company has taken reasonable steps for recovery thereof in the normal course of business.

(e) As informed to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) During the year, the Company has not granted any loans, made investment in (other than the investments acquired by the Company through conversion of loan assets) or provided guarantee (other than renewal of existing guarantee) and security. Accordingly, reporting under clause (iv) of paragraph 3 of the Order is not applicable. Further, the provisions of Section 186, except for Section 186(1) of the Act are not applicable to the Company as it is engaged in the business of financing.

(v) The Company is a Non-Banking Finance Company registered with the Reserve Bank of India to which the provisions of sections 73 to 76 of the Act and the relevant rules made there under are not applicable. Accordingly, reporting under clause (v) of paragraph 3 of the Order is not applicable.

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(vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of section 148 of the Act and the rules framed there under. Accordingly, reporting under clause (vi) of paragraph 3 of the Order is not applicable.

(vii)

(a) The Company is generally regular in depositing with the appropriate authorities, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, duty of customs, cess and any other material statutory dues applicable to it, except as stated below. During the year 2017-18, sales tax, value added tax, service tax and duty of excise subsumed in GST and are accordingly reported under GST.

The Company has not been regular in depositing with appropriate authorities, amounts deducted/accrued in the books of accounts in respect of undisputed statutory dues including Goods and Services tax (GST), employees' state insurance, income-tax and professional tax, and there have been significant delays in a large number of cases. In respect of such dues, amount outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows: -

Statement of Arrears of Statutory Dues Outstanding for More than Six Months

Name of the statute	Nature of the dues	Amount in (INR in Lakhs)	Period to which the amount relates	Date of Payment	Remarks, if any
Goods and Services Tax*	Goods and Services Tax	545.90	2020-2021	Not yet paid **	
The Income-tax Act, 1961	Tax Deducted at Source	246.34	January 2021 to September 2021	Not yet paid **	Kindly refer Note No 1.2 to the Ind AS financial statements
The Jharkhand Tax on Professions, Trades, Callings and Employments Act, 2011	Professional Tax	0.35	July 2020 to June 2021	May 6, 2022 ***	

*Under various Goods and Services Tax Act enacted by the Central Government and State Governments.

** As informed by the Company, Trust Retention Account (TRA) mechanism was stipulated effective November 24, 2020, pursuant to which all payments were being approved/released based on the TRA mechanism. However, this payment was not approved/released. Thereafter, as stated in Note No. 1.2, CIRP was initiated against the Company and due to the moratorium imposed under the Code, the said dues were not released in FY 2021-22, as well.

*** As informed by the Company, the dues were delayed due to technical issues which appeared on the Commercial Tax portal. As the technical issue was resolved, the payment was made.

(b) There are no dues with respect to GST, custom duty and duty of excise which have not been deposited on account of any dispute. The dues outstanding as at March 31, 2022 with respect to income tax, entry tax, sales tax, service tax and value added tax, on account of any dispute, are as follows:

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Statement of Disputed Dues****

Name of the statute	Nature of the dues	Amount (INR in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	1,873^	Financial Year 2002-03 to 2013-14	CGST & CX Commissioner; Customs Excise and Service Tax Appellate Tribunal Kolkata (CESTAT)
The Central Sales Tax Act, 1956 and VAT Laws	Central Sales Tax and VAT	1,112@	Various Financial Years from 2009-10 to 2017-18	At various levels from Commissioner to High Court
The Income Tax Act, 1961	Income Tax	6,484#	Financial Year 2011-12, 2012-13, 2016-17 and 2017-18	Commissioner of Income - Tax (Appeals)
Finance Act, 1994 *	Service Tax	4,641^^	Financial Year 2008-09, 2009-10 and 2011-12 to 2015-16	Customs, Excise and Service Tax Appellate Tribunal; CGST & CX Commissioner; CGST & CX Commissioner Appeal -1
Orissa Entry Tax Act, 1999	Entry Tax	18^^^	October 1, 2015 to June 30, 2017	The Joint Commissioner (Appeal), CT & GST Territorial Range, Bhubaneswar
The West Bengal tax on Entry of Goods into Local Areas Act, 2012	Entry Tax	11	April 1, 2017 to June 30, 2017	Senior Joint Commissioner, Commercial Taxes
The Central Sales Tax Act, 1956 *	Central Sales Tax	211	Financial Year 2010-11	West Bengal Sales Tax Appellate and Revisional Board
The Income Tax Act, 1961 *	Income Tax	9,356	Financial Year 2005-06 to 2008-09, 2010-11, 2011-12 and 2013-14 to 2017-18	At various levels from Commissioner of Income - Tax (Appeals) to Supreme Court of India
The Income Tax Act, 1961 *	Income Tax on Fringe Benefits	226	Financial Year 2005-06 to 2008-09	Calcutta High Court

^ Net of Rs. 455 Lakhs paid under protest

@ Net of Rs. 187 Lakhs paid under protest

Net of Rs. 672 Lakhs paid under protest

^^ Net of Rs. 4 Lakhs paid under protest

^^^ Net of Rs. 1 Lakhs paid under protest

* In terms of BTA (Refer Note No. 63 to the Ind AS financial statements), entered by the Company with its Holding Company, SIFL, the Company is liable to pay any future liability arising in relation to these dues, which are being held by SIFL, in its books of account, on behalf of the Company. Hence, these dues have been reported above.

** Also, refer paragraph (h) of "Basis of Disclaimer of Opinion" section of our Independent Auditor's Report of even date.

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(viii) As informed to us, to the best of the knowledge of the management of the Company, there were no transaction(s) which were previously not recorded in the books of account of the Company that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix)

(a) As stated in Note No. 63 to the Ind AS financial statements, during the financial year 2020-21, the Company had filed schemes of arrangement under Section 230 of the Act before the Hon'ble NCLT Kolkata and accordingly was not making payments to various lenders as it was awaiting the outcome of the schemes filed, as aforesaid. Accordingly, for the purpose of this clause, the cases where the Company has delayed after August 31, 2020 has not been considered. Thereafter, as stated in Note No. 1.2, the Company was admitted to CIRP on October 08, 2021 and accordingly due to the moratorium imposed as per the Code, no payments could be made thereafter to the creditors, until the resolution process is concluded. Hence, for the purpose of reporting under this clause, claims outstanding and accepted has been considered and since the borrowings including interest are overdue and in continuing default as on March 31, 2022, therefore, we are unable to provide the periods of default:

Particulars	Outstanding amount as at October 8, 2021 * (INR In Lakhs)	Period of default
Name of the Lenders:		
Axis Bank Limited	8,320.63	Refer comments above
Bank of Baroda	2,15,181.42	
Bank of India	97,199.53	
Bank of Maharashtra	60,988.64	
Canara Bank	3,15,607.45	
Central Bank of India	1,25,197.84	
Dhanlaxmi Bank Limited	8,478.08	
HDFC Bank Limited	21.36	
ICICI Bank Limited	24.82	
IDBI Bank Limited	40,604.32	
Indian Bank	2,03,138.15	
Indian Overseas Bank	64,165.88	
Karnataka Bank Limited	1,264.68	
The Karur Vysya Bank Limited	1,841.07	
Lakshmi Vilas Bank	10,575.17	
Punjab and Sind Bank	1,30,047.71	
Punjab National Bank	2,93,441.45	
South Indian Bank Limited	6,626.11	
State Bank of India	2,80,778.78	
UCO Bank	1,06,613.11	
Union Bank of India	2,65,803.52	
IFCI Limited	19,020.20	
Small Industries Development Bank of India	1,00,208.66	
National Bank for Agriculture and Rural	88,363.31	

J. Kalani & Associates MUMBAI Chartered Accountants

Development		
Toyota Financial Services India Limited	38.18	
Nicco Engineering Services Limited	106.00	
Non - Convertible Debentures	5,04,308.67	
External Commercial Borrowings	2,26,917.15	
Deferred Payment Liabilities	9,122.65	

* Includes claims received under CIRP (upto May 04, 2022), that are accepted and accounted for in the books of accounts as at March 31, 2022. Refer Note No. 65 to the Ind AS financial statements.

(b) As informed to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not obtain any money by way of term loans during the year. Accordingly, reporting under clause (ix)(c) of paragraph 3 of the Order is not applicable.

(d) We are unable to comment whether funds raised on short-term basis have been used for long-term purposes by the Company.

(e) During the year ended March 31, 2022, the Company did not have any subsidiaries, associates or joint ventures as defined under the Act. Accordingly, reporting under clause (ix)(e) of paragraph 3 of the Order is not applicable. Also refer to paragraph (c) under "Emphasis of Matter" section of our Independent Auditor's Report of even date on the Ind AS financial statements of the Company.

(f) During the year ended March 31, 2022, the Company did not have any subsidiaries, associates or joint ventures as defined under the Act. Accordingly, reporting under clause (ix)(f) of paragraph 3 of the Order is not applicable. Also refer to paragraph (c) under "Emphasis of Matter" section of our Independent Auditor's Report of even date on the Ind AS financial statements of the Company.

(x) (a) The Company has not raised money by way of initial public issue offer / further public offer (including debt instruments) during the year. Therefore, reporting under clause (x)(a) of paragraph 3 of the Order is not applicable.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, reporting under clause (x)(b) of paragraph 3 of the Order is not applicable.

(xi) (a) As informed to us, to the best of the knowledge of the management of the Company, there has been no instance of fraud noticed and reported during the year, except two cases of frauds on the Company by employees/ex-employee amounting to Rs. 207 lakhs. The Company has reported the same to RBI in terms of the Notification Issued by Reserve Bank of India vide DNBS/2016-17/49 Master Direction DNBS. PPD.01/66.15.001/2016-17. Also refer Note No. 78 to the Ind AS financial statements of the Company for the year ended March 31, 2022.

(b) No report under section 143(12) of the Act has been filed with the Central Government by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, during the year or upto the date of this report. Further, as informed by the Company, the Secretarial Auditor of the Company have not filed any report under section 143(12) of the Act with the Central Government in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, during the year or upto the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the ~~year (and~~ upto the date of this report), while determining the nature, timing and extent of audit procedures.

J. Kala Associates * MUMBAI * Chartered Accountants

MUMBAI

(xii) The Company is not a Nidhi Company. Therefore, reporting under clause (xii) of paragraph 3 of the Order is not applicable.

(xiii) All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details have been disclosed in the Ind AS financial statements as required by the applicable accounting standards. Also, refer paragraph (g) of the "Basis for Disclaimer of Opinion" section of our Independent Auditors' Report of even date on the Ind AS financial statements of the Company.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the Internal Audit Reports of the Company issued till date, for the period under audit 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) The Company has not entered into any non-cash transactions with its erstwhile directors (i.e. directors for the period April 01, 2021 to October 04, 2021) or persons connected with them during the year and hence, provisions of section 192 of the Act 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 or Housing Finance activities without having 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 Core Investment Companies (Reserve Bank) Directions, 2016 ("Directions") by the Reserve Bank of India. Accordingly, reporting under clause (xvi)(c) of paragraph 3 of the Order are not applicable.

(d) In absence of any specific confirmation from the management of the Company, we are unable to comment whether the Group to which the Company belongs has CIC or not as part of the Group.

(xvii) In view of the "Disclaimer of Opinion" issued by us vide our Independent Auditor's Report dated May 18, 2022 on the Ind AS financial statements of the Company for the year ended March 31, 2022, we are unable to comment on clause (xvii) of paragraph 3 of the Order in respect of current financial year. As informed to us, the Company has incurred cash losses in the immediately preceding financial year aggregating to INR 1,37,919 Lakhs, however, in view of the various matters reported by us under "Emphasis of Matter" section of our Independent Auditor's report dated June 29, 2021 on the Ind AS financial statements of the Company for the year ended March 31, 2021, we are not in a position to comment on the same.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly, reporting under clause (xviii) of paragraph 3 of the Order is not applicable.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Ind AS financial statements and our knowledge of the management and its plans and based on our examination of the evidence supporting the assumptions, we believe that material uncertainty exists as on the date of this audit report regarding the Company's ability to meet its liabilities existing as at the date of balance sheet. We further state that our reporting is based on the facts up to date of the audit report. We further draw attention to paragraph 'Material Uncertainty in relation to Going Concern' section of our independent auditor's report of even date, on the Ind AS financial statements of the Company, regarding the applicability of the going concern assumption.

J. Kala & Associates
MUMBAI
Chartered Accountants

(xx)

(a) In respect of other than ongoing projects, the Company has not transferred the unspent Corporate Social Responsibility (CSR) amount to a Fund specified in Schedule VII to the Act, within a period of six months of the expiry of the financial year in compliance with second proviso to section 135(5) of the said Act, details of which are as follows:

Relevant Financial year	Amount identified for Spending on CSR Activities "other than On going Projects" (INR in Lakhs)	Unspent amount of (b) (INR in Lakhs)	Amount Transferred to Fund specified in Sch. VII of the Act (INR in Lakhs)	Due date of transfer to the specified Fund	Actual date of transfer to the specified Fund	Number of days of delay, if any
(a)	(b)	(c)	(d)	(e)	(f)	(g)
2020-21	648	523	-	September 30, 2021	*	

*Refer paragraph (i) of "Basis of Disclaimer of Opinion" section of our Independent Auditor's Report of even date.

(b) The Company does not have any CSR activities for "ongoing projects" in terms of section 135(6) of the Act and accordingly, reporting under clause (xx)(b) of paragraph 3 of the Order is not applicable.

(xxi) During the year ended March 31, 2022, the Company did not have any subsidiaries, associates or joint ventures as defined under the Act. Accordingly, reporting under clause (xxi) of paragraph 3 of the Order is not applicable. Also refer paragraph (c) under "Emphasis of Matter" section of our Independent Auditor's Report of even date on the Ind AS financial statements of the Company.

For **Haribhakti & Co. LLP**
Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Sd/-
Manoj Daga

Partner

Membership No. 048523

UDIN: 22048523AJFJOM5420

Place: Mumbai

Date: May 18, 2022

For **J. Kala & Associates**
Chartered Accountants

ICAI Firm Registration No. 118769W

Sd/-
Jayesh Kala

Partner

Membership No. 101686

UDIN: 22101686AJFJOX1883

Place: Kolkata

Date: May 18, 2022

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(h) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of Srei Equipment Finance Limited ('the Company') on the Ind AS financial statements for the year ended March 31, 2022]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We were engaged to audit the internal financial controls with reference to financial statements of the Company as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Administrator's Responsibility for Internal Financial Controls

As stated in "Responsibilities of the Administrator for the Ind AS Financial Statements" section of our Independent Auditor's Report of even date to the members of the Company, the Administrator and the existing officials of the Company are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 with reference to financial statements based on our audit. We were engaged to audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI.

Because of the matters described in the "Basis for Disclaimer of Opinion" section of our Independent Auditor's Report of even date on the Ind AS financial statements of the Company, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

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

Disclaimer of Opinion

Consequent to the matters mentioned in Note No. 1.2 of the Ind AS financial statements of the Company and the matters described in the "Basis for Disclaimer of Opinion" section of our Independent Auditor's Report of even date on the Ind AS financial statements of the Company, we are unable to determine if the Company

J. Kala & Associates MUMBAI Chartered Accountants has established adequate internal financial controls with reference to financial statements and whether they were operating effectively as at March 31, 2022. Accordingly, we do not express an opinion on the internal financial controls with reference to financial statements.

Explanatory Paragraph

We were engaged to audit, in accordance with the Standards on Auditing issued by the ICAI, as specified under section 143(10) of the Act, the accompanying Ind AS financial statements of the Company, which comprise of the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Ind AS financial statements including a summary of significant accounting policies and other explanatory information. We have considered the disclaimer of opinion reported above in determining the nature, timing, and extent of audit tests applied in our audit of the Ind AS financial statements of the Company for the year ended March 31, 2022 and this report affects our report dated May 18, 2022 which expresses a disclaimer of opinion on the Ind AS financial statements of the Company.

For Haribhakti & Co. LLP
Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Sd/-
Manoj Daga

Partner

Membership No. 048523

UDIN: 22048523AJFJOM5420

Place: Mumbai

Date: May 18, 2022

For **J. Kala & Associates**
Chartered Accountants

ICAI Firm Registration No. 118769W

Sd/-
Jayesh Kala

Partner

Membership No. 101686

UDIN: 22101686AJFJOX1883

Place: Kolkata

Date: May 18, 2022

SREI EQUIPMENT FINANCE LIMITED
Balance sheet as at March 31st, 2022

(₹ in Lakhs)

	Particulars	Note No.	As at March 31st, 2022	As at March 31st, 2021
	ASSETS			
(1)	**Financial Assets**			
(a)	Cash and Cash Equivalents	3	127,881	41,642
(b)	Bank Balance other than (a) above	4	18,261	98,657
(c)	Derivative Financial Instruments	5	-	936
(d)	Receivables			
	(I) Trade Receivables	6	3,168	2,712
(e)	Loans	7	2,047,125	2,185,791
(f)	Investments	8	123,604	102,018
(g)	Other Financial Assets	9	90,531	110,941
(2)	**Non-Financial Assets**			
(a)	Current Tax Assets (Net)	10	24,501	24,068
(b)	Property, Plant and Equipment	11	183,412	255,620
(c)	Right-of-use Assets	12	712	1,069
(d)	Other Intangible Assets	13	838	1,173
(e)	Other Non-Financial Assets	14	38,357	48,020
	Total Assets		**2,658,390**	**2,872,647**
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	**Financial Liabilities**			
(a)	Derivative Financial Instruments	5	-	1,151
(b)	Payables	15		
	(I) Trade Payables			
	(i) Total outstanding dues of micro enterprises and small enterprises		175	-
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		6,243	8,875
(c)	Debt Securities	16	259,552	244,148
(d)	Borrowings (Other than Debt Securities)	17	2,676,863	2,647,553
(e)	Subordinated Liabilities	18	261,581	245,531
(f)	Lease Liabilities	12	828	1,142
(g)	Other Financial Liabilities	19	18,672	23,019
(2)	**Non-Financial Liabilities**			
(a)	Current Tax Liabilities (Net)	20	13,652	13,337
(b)	Provisions	21	15,777	1,442
(c)	Other Non-Financial Liabilities	22	4,268	8,140
(3)	**EQUITY**			
(a)	Equity Share Capital	23	7,902	7,902
(b)	Other Equity	24	(607,123)	(329,593)
	Total Liabilities and Equity		**2,658,390**	**2,872,647**

Significant Accounting Policies and Notes to Financial Statements 1-79
The Notes referred to above form an integral part of the Balance Sheet.
This is the Balance Sheet referred to in our report of even date.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W/W100048

Sd/-
Manoj Daga
Partner
Membership no. 048523

Place: Mumbai
Date: May 18th, 2022

For J Kala & Associates
Chartered Accountants
ICAI Firm Registration No. 118769W

Sd/-
Jayesh Kala
Partner
Membership no. 101686

Place: Kolkata
Date: May 18th, 2022

For and on behalf of SREI Equipment Finance Limited
(a Company under Corporate Insolvency Resolution Process by an order dated October 8th, 2021 passed by Hon'ble NCLT, Kolkata)

Sd/-
Rajneesh Sharma
Administrator Appointed Under IBC

Place: Kolkata
Date: May 18th, 2022

The Administrator has been appointed under Rule 5(a)(iii) of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 under the Insolvency and Bankruptcy Code, 2016 (IBC or 'the Code'). The affairs, business and property of Srei Equipment Finance Limited are being managed by the Administrator, Mr. Rajneesh Sharma, who acts as agent of the Company only and without any personal liability.
Address for Correspondence - Vishwakarma 86C, Topsia Road (South), Kolkata, West Bengal, 700046
Email ID for Correspondence - sreiadministrator@srei.com

SREI EQUIPMENT FINANCE LIMITED
Statement of Profit and Loss for the year ended March 31st, 2022

(₹ in Lakhs)

	Particulars	Note No.	Year ended	
			March 31st, 2022	March 31st, 2021
	Revenue from Operations			
	Interest Income	25	254,895	287,948
	Rental Income		44,061	46,419
	Fees and Commission Income		1,374	1,682
	Net gain on fair value changes	26	8,142	-
	Others	27	6,483	4,679
(I)	**Total Revenue from Operations**		314,955	340,728
(II)	**Other Income**	28	(790)	4,906
(III)	**Total Income (I+II)**		314,165	345,634
	Expenses			
	Finance Costs	29	216,754	332,646
	Fees and Commission Expense		662	4,283
	Net loss on fair value changes	26	35,663	49,905
	Net loss on derecognition of financial instruments under amortised cost category		12,328	3,635
	Impairment on Financial Instruments (Net)	30	221,149	549,876
	Loss / write-off on Repossessed Assets and Assets acquired in satisfaction of debt		4,320	12,451
	Employee Benefits Expenses	31	11,020	12,821
	Depreciation, Amortisation and Impairment	11 to 13	56,331	72,636
	Other Expenses	32	23,423	21,470
(IV)	**Total Expenses**		581,650	1,059,723
(V)	**Profit/(Loss) Before Tax (III- IV)**		(267,485)	(714,089)
(VI)	**Tax Expense:**			
	(1) Income Tax in respect of earlier years		9,807	(4,333)
	(2) Deferred Tax		-	3,855
(VII)	**Profit/(Loss) After Tax (V-VI)**		(277,292)	(713,611)
(VIII)	**Other Comprehensive Income**			
	A (i) Items that will not be reclassified to Profit or Loss			
	(a) Remeasurements Gains/(Losses) on Defined Benefit Plan		(42)	16
	(b) Income tax relating to items that will not be reclassified to Profit or Loss		-	222
	SUBTOTAL (a+b)		(42)	238
	B (i) Items that will be reclassified to Profit or Loss			
	(a) Effective portion of gains and losses on hedging instruments in a cash flow hedge		14	1,573
	(b) Gains/(Losses) on fair valuation of Loans		(210)	(2,713)
	(c) Income tax relating to items that will be reclassified to Profit or Loss		-	800
	SUBTOTAL (a+b+c)		(196)	(340)
	Other Comprehensive Income [A+B]		(238)	(102)
(IX)	**Total Comprehensive Income (VII+VIII)**		(277,530)	(713,713)
(X)	**Earnings per Equity Share (Face value of ₹ 10/- each)**	33		
	Basic (in ₹)		(350.93)	(903.08)
	Diluted (in ₹)		(350.93)	(903.08)

Significant Accounting Policies and Notes to Financial Statements 1-79
The Notes referred to above form an integral part of the Statement of Profit and Loss.
This is the Statement of Profit and Loss referred to in our report of even date.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W/W100048

Sd/-
Manoj Daga
Partner
Membership no. 048523

Place: Mumbai
Date: May 18th, 2022

For J Kala & Associates
Chartered Accountants
ICAI Firm Registration No. 118769W

Sd/-
Jayesh Kala
Partner
Membership no. 101686

Place: Kolkata
Date: May 18th, 2022

For and on behalf of SREI Equipment Finance Limited
(a Company under Corporate Insolvency Resolution Process by an order dated October 8th, 2021 passed by Hon'ble NCLT, Kolkata)

Sd/-
Rajneesh Sharma
Administrator Appointed Under IBC

Place: Kolkata
Date: May 18th, 2022

The Administrator has been appointed under Rule 5(a)(iii) of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 under the Insolvency and Bankruptcy Code, 2016 (IBC or 'the Code'). The affairs, business and property of Srei Equipment Finance Limited are being managed by the Administrator, Mr. Rajneesh Sharma, who acts as agent of the Company only and without any personal liability.
Address for Correspondence - Vishwakarma 86C, Topsia Road (South), Kolkata, West Bengal, 700046
Email ID for Correspondence - sreiadministrator@srei.com

SREI EQUIPMENT FINANCE LIMITED
Statement of Cash Flows for the year ended March 31st, 2022

(₹ in Lakhs)

Particulars	Year ended	
	March 31st, 2022	March 31st, 2021
A. Cash Flows from Operating Activities		
Profit/(Loss) Before Tax	(267,485)	(714,089)
Adjustments for:		
Depreciation, Amortisation and Impairment	56,331	72,636
Impairment on Financial Instruments (Net)	221,149	549,876
Impairment (gain) / loss on capital advance	(29)	500
Net loss on derecognition of Financial Instruments	12,328	3,635
Loss / write-off on Repossessed Assets and Assets acquired in satisfaction of debt	4,320	12,451
Net loss on derecognition of Property, Plant and Equipment	7,413	5,657
Liabilities no longer required written back	(3,087)	(271)
Finance Costs	216,754	332,646
Interest on Loans	(253,273)	(282,968)
Interest on Fixed Deposits with Banks	(1,421)	(4,955)
Net unrealised (gain) / loss on foreign currency transaction and translation	(3,555)	(4,860)
Net unrealised fair value loss	22,557	63,689
Operating profit/(loss) before working capital changes	**12,002**	**33,947**
Changes in working capital:		
Adjustments for:		
(Increase)/Decrease in Trade Receivables and Others Assets	17,888	(17,194)
(Increase)/Decrease in Loans Assets	63,807	316,650
Increase/(Decrease) in Trade Payables and Others Liabilities	(4,609)	(117,091)
(Increase)/Decrease in Other Bank Balances	79,839	30,976
Cash generated / (used) in operations	**168,927**	**247,288**
Finance Costs paid	(96,766)	(242,298)
Interest on Loans received	54,013	65,477
Interest on Fixed Deposits with Banks received	1,978	8,052
Advance taxes (paid)/refund (including Tax deducted at Source)	(118)	(559)
Net Cash generated / (used) in Operating Activities	**128,034**	**77,960**
B. Cash Flows from Investing Activities		
Purchase of Property, Plant and Equipment	(25)	(1,100)
Sale/(Purchase) of Investments (Net)	-	8,112
Proceeds from Sale of Property, Plant and Equipment	9,309	9,614
Net Cash generated / (used) in Investing Activities	**9,284**	**16,626**
C. Cash Flows from Financing Activities		
Repayment on redemption of Debt securities (including subordinated debt securities)	-	(42,775)
Increase/(Decrease) in Working Capital facilities (Net)	(15,500)	128,730
Proceeds from Other Borrowings	-	79,750
Repayments of Other Borrowings	(35,579)	(256,042)
Net Cash generated / (used) in Financing Activities	**(51,079)**	**(90,337)**
Net Increase in Cash and Cash Equivalents (A+B+C)	**86,239**	**4,249**
Cash and Cash Equivalents at the beginning of the year	**41,642**	**37,393**
Cash and Cash Equivalents at the end of year (Refer Note No. 3)	**127,881**	**41,642**

Cash and Cash Equivalents at the end of the year comprises of: (₹ in Lakhs)

Particulars	As at	
	March 31st, 2022	March 31st, 2021
Cash on hand	21	30
Balances with Banks - in Current Account	67,541	41,576
Balances with Banks - in Fixed Deposit Accounts having original maturity of upto 3 months	60,319	36
	127,881	**41,642**

Explanations:

The above Statement of Cash Flows has been prepared under the Indirect Method as set out in the Ind AS 7 'Statement of Cash Flows'.

This is the Statement of Cash Flows referred to in our report of even date.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Sd/-
Manoj Daga
Partner
Membership no. 048523

Place: Mumbai
Date: May 18th, 2022

For J Kala & Associates
Chartered Accountants
ICAI Firm Registration No. 118769W

Sd/-
Jayesh Kala
Partner
Membership no. 101686

Place: Kolkata
Date: May 18th, 2022

For and on behalf of SREI Equipment Finance Limited
(a Company under Corporate Insolvency Resolution Process by an order dated October 8th, 2021 passed by Hon'ble NCLT, Kolkata)

Sd/-
Rajneesh Sharma
Administrator Appointed Under IBC

Place: Kolkata
Date: May 18th, 2022

The Administrator has been appointed under Rule 5(a)(iii) of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 under the Insolvency and Bankruptcy Code, 2016 (IBC or 'the Code'). The affairs, business and property of Srei Equipment Finance Limited are being managed by the Administrator, Mr. Rajneesh Sharma, who acts as agent of the Company only and without any personal liability.
Address for Correspondence - Vishwakarma 86C, Topsia Road (South), Kolkata, West Bengal, 700046
Email ID for Correspondence - sreiadministrator@srei.com

SREI EQUIPMENT FINANCE LIMITED
Statement of Changes in Equity as at March 31st, 2022

A. Equity Share Capital

(₹ in Lakhs)

Balance as at April 1st, 2021	Issued during the year	Reductions during the year	Balance as at March 31st, 2022
7,902	-	-	7,902

(₹ in Lakhs)

Balance as at April 1st, 2020	Issued during the year	Reductions during the year	Balance as at March 31st, 2021
7,902	-	-	7,902

B. Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus										
	Special Reserve (created pursuant to Section 45-IC of The Reserve Bank of India Act, 1934)	Income Tax Special Reserve (created pursuant to Section 36(1)(viii) of the Income Tax Act, 1961)	Capital Reserve	Securities Premium	Debenture Redemption Reserve	Retained Earnings	Impairment Reserve	Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Total
Balance as at April 1st, 2021	40,822	15,770	2,403	197,084	39,824	(1,075,165)	447,464	1,158	1,061	(14)	(329,593)
Profit/(Loss) after tax for the year	-	-	-	-	-	(277,292)	-	-	-	-	(277,292)
Other comprehensive income (net of tax)	-	-	-	-	-	(42)	-	(210)	-	14	(238)
Transferred (from)/to retained earnings	-	-	-	-	-	(121,938)	122,999	-	(1,061)	-	-
Balance as at March 31st, 2022	40,822	15,770	2,403	197,084	39,824	(1,474,437)	570,463	948	-	-	(607,123)

(₹ in Lakhs)

Particulars	Reserves and Surplus										
	Special Reserve (created pursuant to Section 45-IC of The Reserve Bank of India Act, 1934)	Income Tax Special Reserve (created pursuant to Section 36(1)(viii) of the Income Tax Act, 1961)	Capital Reserve	Securities Premium	Debenture Redemption Reserve	Retained Earnings	Impairment Reserve	Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Total
Balance as at April 1st, 2020	40,822	15,770	2,403	197,084	41,487	84,256	-	2,518	814	(1,034)	384,120
Profit/(Loss) after tax for the year	-	-	-	-	-	(713,611)	-	-	-	-	(713,611)
Other comprehensive income (net of tax)	-	-	-	-	-	(9)	-	(1,360)	247	1,020	(102)
Transferred (from)/to retained earnings	-	-	-	-	(1,663)	(445,801)	447,464	-	-	-	-
Balance as at March 31st, 2021	40,822	15,770	2,403	197,084	39,824	(1,075,165)	447,464	1,158	1,061	(14)	(329,593)

Refer Note No. 24 for nature and purpose of reserves

This is the Statement of Changes in Equity referred to in our report of even date.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Sd/-
Manoj Daga
Partner
Membership no. 048523

Place: Mumbai
Date: May 18th, 2022

For J Kala & Associates
Chartered Accountants
ICAI Firm Registration No. 118769W

Sd/-
Jayesh Kala
Partner
Membership no. 101686

Place: Kolkata
Date: May 18th, 2022

For and on behalf of SREI Equipment Finance Limited
(a Company under Corporate Insolvency Resolution Process by an order dated October 8th, 2021 passed by Hon' NCLT, Kolkata)

Sd/-
Rajneesh Sharma
Administrator Appointed Under IBC

Place: Kolkata
Date: May 18th, 2022

The Administrator has been appointed under Rule 5(a)(iii) of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 under the Insolvency and Bankruptcy Code, 2016 (IBC or 'the Code'). The affairs, business and property of Srei Equipment Finance Limited are being managed by the Administrator, Mr. Rajneesh Sharma, who acts as agent of the Company only and without any personal liability.
Address for Correspondence - Vishwakarma 86C, Topsia Road (South), Kolkata, West Bengal, 700046
Email ID for Correspondence - sreiadministrator@srei.com

77. Analytical Ratios

Particulars	As at March 31st, 2022			As at March 31st, 2021	% Variance	Reasons for variance (if above 25%)
	Numerator	Denominator	Ratio			
Capital to risk-weighted assets ratio (CRAR) #	(11,86,181)	18,31,340	(64.77)%	(34.83)%	(29.94)%	*
Tier I CRAR #	(11,86,181)	18,31,340	(64.77)%	(34.83)%	(29.94)%	
Tier II CRAR #	22,892	18,31,340	1.25%	1.21%	(0.04)%	
Liquidity Coverage Ratio	Refer Note No. 51			3%	Not Applicable	

* Reasons for variances are not determinable pursuant to initiation of CIRP (Refer Note No. 1.2)
# Refer Note No. 50 and Note No. 1 of Annexure-I to Notes to the Financial Statements

78. Based on the information available in the public domain, few lenders have declared the bank account of the Company as fraud. However, in case of one of the lender, on the basis of petition filed by the ex-promoters, Hon'ble High Court of Delhi has restrained the said lender from taking any further steps or action prejudicial to the petitioner on the basis of the order declaring the petitioner's bank account as fraud The next hearing in the matter has been listed August 23rd, 2022

79. Previous year figures have been regrouped/rearranged, wherever considered necessary, to conform to the classification of the current year.

Signatories to Notes 1 to 79.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Sd/-
Manoj Daga
Partner
Membership no. 048523

Place: Mumbai
Date: May 18th, 2022

For J Kala & Associates
Chartered Accountants
ICAI Firm Registration No. 118769W

Sd/-
Jayesh Kala
Partner
Membership no. 101686

Place: Kolkata
Date: May 18th, 2022

For and on behalf of SREI Equipment Finance Limited
(a Company under Corporate Insolvency Resolution Process by an order dated October 8th, 2021 passed by Hon'ble NCLT, Kolkata)

Sd/-
Rajneesh Sharma
Administrator Appointed Under IBC

Place: Kolkata
Date: May 18th, 2022

The Administrator has been appointed under Rule 5(a)(iii) of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 under the Insolvency and Bankruptcy Code, 2016 (IBC or 'the Code'). The affairs, business and property of Srei Equipment Finance Limited are being managed by the Administrator, Mr. Rajneesh Sharma, who acts as agent of the Company only and without any personal liability.
Address for Correspondence - Vishwakarma 86C, Topsia Road (South), Kolkata, West Bengal,700046
Email ID for Correspondence: sreiadministrator@srei.com

SREI EQUIPMENT FINANCE LIMITED

Notes to the Financial Statements

1. CORPORATE INFORMATION

1.1 Background and General Information

Srei Equipment Finance Limited ('the Company'), a wholly owned subsidiary of Srei Infrastructure Finance Limited, is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company's non-convertible debentures are listed on either Bombay Stock Exchange Limited (BSE) or both BSE and National Stock Exchange of India Limited (NSE). The Company had received a Certificate of Registration from the Reserve Bank of India ('RBI') on September 3, 2008 to commence / carry on the business of Non-Banking Financial Company ('NBFC') without accepting public deposits, classified as Systemically Important NBFC (NBFC-NDSI). Subsequently, the Company has been issued a new certificate by the RBI dated February 19, 2014 consequent to conversion from Private Limited Company to Public Limited Company. The principal business of the Company is financial services. The registration details are as follows:

RBI	N.05.06694
Corporate Identity Number (CIN)	U70101WB2006PLC109898

The registered office of the Company and the principal place of business is "Vishwakarma", 86C, Topsia Road (South), Kolkata- 700046.

These financial statements were approved for issue by the Administrator Appointed Under IBC on May 18, 2022.

1.2 Supersession of Board of Directors and Implementation of Corporate Insolvency Resolution Process

The Reserve Bank of India ('RBI') vide press release dated October 4, 2021 in exercise of the powers conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934 ('RBI Act') superseded the Board of Directors of the Company and appointed an Administrator under Section 45-IE (2) of the RBI Act. Further, RBI, in exercise of powers conferred under section 45-IE (5) (a) of the RBI Act 1934, constituted a three-member Advisory Committee to assist the Administrator in discharge of his duties.
Thereafter RBI filed applications for initiation of Corporate Insolvency Resolution Process ('CIRP') against the Company under section 227 read with clause (zk) of sub-section (2) of Section 239 of the Insolvency and Bankruptcy Code (IBC), 2016 ('the Code') read with Rules 5 and 6 of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 ('FSP Insolvency Rules') before the Hon'ble National Company Law Tribunal, Kolkata Bench ('Hon'ble NCLT'). Hon'ble NCLT vide its order dated October 08, 2021 admitted the application made by RBI for initiation of CIRP against the Company. Further, Hon'ble NCLT gave orders for appointment of Mr. Rajneesh Sharma, as the Administrator to carry out the functions as per the Code and that the management of the Company shall vest in the Administrator. Further, NCLT also retained the three-member Advisory Committee, as aforesaid, for advising the Administrator in the operations of the Company during the CIRP.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation and presentation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 ('the Act') along with other relevant provisions of the Act, the Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions'), as amended and notification for Implementation of Indian Accounting Standards vide circular RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI.

These financial statements have been prepared on the historical cost basis, except for certain items which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The preparation of these financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities, revenue and expenses and disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity or areas where assumptions are significant to the Company are discussed in Note No. 2.23 'Significant accounting judgements, estimates and assumptions'.

The management believes that the estimates used in the preparation of these financial statements are prudent and reasonable. Actual results could differ from those estimates and the differences between the actual results and the estimates would be recognised in the periods in which the results are known/ materialised.

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

Comparative information has been regrouped/rearranged to accord with changes in presentations made in the current period, except where otherwise stated.

The financial statements of the Company are presented as per Schedule III (Division III) to the Act applicable to NBFCs, as notified by the Ministry of Corporate Affairs ('MCA').

These audited financial statements of the Company for the year ended March 31, 2022 have been taken on record by the Administrator on May 18, 2022 while discharging the powers of the Board of Directors of the Company which were conferred upon him by the RBI press release dated

October 4, 2021 and subsequently, powers conferred upon him in accordance with Hon'ble NCLT order dated October 8, 2021. It is also incumbent upon the Resolution Professional, under Section 20 of the Code, to manage the operations of the Company as a going concern. As a part of the CIRP, the Administrator has initiated audits/reviews relating to the processes and compliances of the Company and has also appointed professionals for conducting transaction audit as per section 43, 45, 50 and 66 of the Code. As such, these financial results are subject to outcome of such audits/reviews. Since the Administrator has taken charge of the affairs of the Company on October 4, 2021, the Administrator is not liable or responsible for any actions and has no personal knowledge of any such actions of the Company prior to his appointment and has relied on the position of the financial statements of the Company as they existed on October 4, 2021.
Regarding information pertaining to period prior to October 4, 2021 the Administrator has relied upon the explanations, clarifications, certifications, representations and statements made by the Chief Financial Officer, Company Secretary, Chief Business Officer, Chief Risk Officer, Chief Compliance Officer and Legal Head ('the existing officials of the Company'), who were also part of the Company prior to the appointment of the Administrator.

The accounting policies for some specific items of financial statements are disclosed in the respective notes to the financial statements. Other significant accounting policies and details of significant accounting assumptions and estimates are set out below in Note No. 2.2 to 2.23.

2.2 Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from Operations is recognised in the Statement of Profit and Loss on an accrual basis as stated herein below:

(a) Interest income for financial assets other than those financial assets classified as at Fair value through profit or loss ("FVTPL") is recognised based on the effective interest rate method. Income from Credit Impaired Financial Assets is recognised on net basis i.e. after considering Impairment Loss Allowance.
(b) Interest on delayed payments by customers are treated to accrue only on realisation, due to uncertainty of realisation and are accounted accordingly.
(c) Income or net gain on fair value changes for financial assets classified as measured at FVTPL and Fair value through Other Comprehensive Income ("FVTOCI") is recognised as discussed in Note No. 2.3.3.
(d) Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.
(e) Interest income on fixed deposits/margin money/pass through certificates is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
(f) Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease, unless another systematic basis is more representative of the time pattern in which the benefit derived from the leased asset is diminished or the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases.
(g) Referral income is recognised when it becomes due under the terms of the relevant mutually agreed arrangement.
(h) Fees and Commission Income other than those forming part of Interest income are recognised as revenue in the Statement of Profit and Loss, when the performance obligations are satisfied.
(i) Income from dividend is recognised when the Company's right to receive such dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.
(j) Income from joint controlled operation is recognised to the extent of the Company's share in jointly controlled operations arising out of sale of units generated as per the terms of the respective power purchase agreements with the State Electricity Boards.
(k) In case of assignment transactions, as the Company retains the contractual right to receive some of the interest amount due on the transferred assets, the present value of such interest receivable is recorded as 'Interest retained on pools assigned' with corresponding gain recognised in the Statement of Profit and Loss.

2.3 Financial Instruments

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 FVTOCI
3. Financial Assets to be measured at FVTPL
The classification depends on the contractual terms of the financial assets' cash flows 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.
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.
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 FVTPL.

The Company classifies its financial liabilities at amortised cost unless it has designated liabilities at FVTPL or is required to measure liabilities at FVTPL such as derivative liabilities.

2.3.1 Recognition of Financial Instruments:

Financial Assets and Financial Liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instruments. Loans & advances and all other regular way purchases or sales of financial assets are recognised and derecognised on the trade date basis.

2.3.2 Initial Measurement of Financial Instruments:
Financial Assets and Financial Liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTTPL are recognised immediately in the Statement of Profit and Loss.

2.3.3 Subsequent Measurement:

(A) Financial Assets

Financial Assets carried at Amortised Cost:

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

The decision to dispose-off assets under amortised cost category for any of the reasons shall be taken at the level of Asset Liability Committee (ALCO) and other Board level committee.

Financial Assets at Fair Value through FVTOCI:

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

Investment in equity instruments that are neither held for trading nor contingent consideration recognised by the Company in a business combination to which Ind AS 103 'Business Combinations' applies, are measured at FVTOCI, where an irrevocable election has been made by management on an instrument-by-instrument basis. These investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income ("OCI") and accumulated in the reserves. The cumulative gain or loss is not reclassified to the Statement of Profit and Loss on disposal of the investments. Dividends on such investments are recognised in the Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Debt instruments measured at FVTOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the Statement of Profit and Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the Statement of Profit and Loss.

Financial Assets at FVTPL:

A financial asset which is not classified as Amortised Cost or FVTOCI is measured at FVTPL. A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Statement of Profit and Loss.

Effective Interest Rate (EIR) Method:

The Effective Interest Rate Method is a method of calculating the amortised cost of a debt instrument and of allocating interest income or expense over the relevant period. The Effective Interest Rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability on initial recognition.

Impairment of Financial Assets:

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

In case of debt instruments measured at FVTOCI, the loss allowance measured in accordance with the above requirements is recognised in OCI with a corresponding effect to the Statement of Profit and Loss but is not reduced from the carrying amount of the financial asset in the Balance Sheet; so the financial asset continues to be presented in the Balance Sheet at its fair value.

No Expected Credit Loss is recognised on equity investments.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company measures the loss allowance at an amount equal to the expected credit losses.

Further, for the purpose of measuring expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. The expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience.

Derecognition of Financial Assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset accounted under Ind AS 109 in its entirety:

a) for financial assets measured at amortised cost, the gain or loss is recognised in the Statement of Profit and Loss.

b) for financial assets measured at FVTOCI, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

If the transferred asset is part of a larger financial asset and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger financial asset shall be allocated between the part that continues to be recognised and the part that is derecognised, on the basis of the relative fair values of those parts on the date of the transfer.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, it recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, it continues to recognise the financial asset and also recognises a liability for the proceeds received.

Modification/ revision in estimates of cash flows of financial assets:

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset in accordance with Ind AS 109, the Company recalculates the gross carrying amount of the financial asset and recognises a modification gain or loss in the Statement of Profit and Loss.

Various quantitative and qualitative factors are considered to determine whether the renegotiated terms are substantially different and whether the same would amount to extinguishment of financial asset and recognition of a new financial asset. The gross carrying amount of the financial asset is recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate. Any costs or fees incurred are adjusted to the carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

(B) Financial Liabilities and Equity Instruments:

Classification as Debt or Equity:

Financial liabilities and equity instruments issued are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments:

An Equity Instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial Liabilities:

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at FVTPL. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Financial liabilities measured at amortised cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method except for those designated in an effective hedging relationship.

Amortised cost is calculated by taking into account any discount or premium and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the EIR method.

Trade and other payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year, which are unpaid. They are recognised initially at their fair value and subsequently measured at amortised cost.

Financial Guarantee Contracts

Financial guarantees issued by the Company are those guarantees that require a payment to be made to reimburse the holder of the guarantee for a loss incurred by the holder because the specified debtor fails to make a payment, when due, to the holder in accordance with the terms of a debt instrument.
Financial guarantee are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

2.4 Fair value Measurement

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

a) In the principal market for the asset or liability, or

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

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are as follows:

Level 1 financial instruments: Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the Balance Sheet date.

Level 2 financial instruments: Those where the inputs that are used for valuation and are significant, are derived directly or indirectly from observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

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

2.5 Overview of the Expected Credit Loss (ECL) principles

ECL is the probability-weighted estimate of credit losses (i.e., the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between scheduled or contractual cash flows and actual expected cash flows. Consequently, ECL subsumes both the amount and timing of payments. A credit loss would arise even when a receivable was realised in full but later than when contractually due.

The Company uses the Expected Credit Loss (ECL) Methodology to assess the impairment on both loan assets and trade receivables. The Company has bucketed its portfolio into different homogeneous categories based on finance amount, as the same reflects similar customer behaviour, and the Probability of Default (PD) of each of the buckets is computed basis such historical data. Based on the historical data, the company has computed the realisable value of the securities hypothecated to it and thus derived the Loss Given Default (LGD). The combination of the PD and LGD is applied on the Exposure at Default (EAD) to compute the ECL provision, which is further adjusted for forward looking information, if any. Additionally, the Company reviews its large exposures to identify cases where the expected credit loss is expected to be higher than that derived from the model and recognises such impairments additionally.

In case of assets identified to be significantly credit-impaired to the extent that default has happened or seems to be a certainty rather than probability, ECL would be determined by directly estimating the receipt of cash flows and timing thereof, and applying net present value (NPV) on the shortfalls.

Unsegmented portfolio for ECL

In case of Loans transferred to the Company under slump exchange, financing was restricted to a large extent to the infrastructure sectors and having limited count over the past years. Considering the limitations of count, ECL is computed on an unsegmented portfolio basis.

Staging:

The loan portfolio would be classified into three stage-wise buckets – Stage 1, Stage 2 and Stage 3 corresponding to the contracts assessed as performing, under-performing and non-performing, in accordance with the Ind AS guidelines.

While the presumption for inter-stage threshold for Stage 1 is 30 days, the company has rebutted the presumption and has considered 60 days as the threshold. As the borrowers are typically operating in infrastructure sector, where receivables tend to be stretched, notwithstanding whether the principals are government/quasi-government entities or private sector entities. As per current market practice, NBFCs typically tend to be paid later than banks by borrowers since banks control their working capital financing.

Methodology:

The basis of the ECL calculations are outlined below which is intended to be more forward-looking. Key elements of ECL are, as follows:

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

EAD is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

LGD is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The key tenets of Company's methodology are as under:

Past performance as basis for ECL discovery: Company's ECL methodology is based on discovery of the relevant parameters namely EAD, PD and LGD from the company's actual performance of past portfolios.

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. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

2.6 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Assets given on operating leases are included in Property, Plant and Equipment.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

For the revenue recognition policy on Lease Contracts, refer Note No. 2.2.

The Company as lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs (see Note No. 2.8 below). Contingent rentals are recognised as expenses in the periods in which they are incurred.

The Company's operating lease asset classes primarily consist of leases for buildings or part thereof. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contact involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases). For these short-term leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities excludes these options as there is no reasonable certainty that they will be exercised.
The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability plus any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the lease term. The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the average cost of borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as cash flows from financing activities.

2.7 Foreign Currency Transactions

The financial statements are presented in INR in lakhs, being the functional currency of the Company. Functional currency is the currency of the primary economic environment in which the Company operates.

- Initial recognition of all transactions :
  Recorded at the rates of exchange prevailing at the dates of the respective transactions.

- Conversion :
  Foreign currency monetary items are restated using the exchange rate prevailing at the reporting date.
  Non-monetary items (carried at fair value) as on reporting date are restated using the exchange rate prevailing at the date when the fair value was determined. Translation differences on such items are reported as part of the fair value gain or loss on such items.
  For non-monetary items (carried at historical cost) as on reporting date restatement is not required.

Foreign Exchange Gains and Losses:

Financial Assets:

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated using the exchange rate prevailing at the reporting date.

- For monetary financial assets measured at amortised cost, FVTOCI or FVTPL and non-monetary financial assets measured at amortised cost or FVTPL, the exchange differences are recognised in the Statement of Profit and Loss except for those which are designated as hedging instruments in a hedging relationship.
- Foreign currency changes for non-monetary financial assets measured at FVTOCI are recognised in OCI.

Financial Liabilities:

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated using the exchange rate prevailing at the reporting date.

For monetary financial liabilities measured at amortised cost, FVTOCI or FVTPL and non-monetary financial liabilities measured at amortised cost or FVTPL, the exchange differences are recognised in the Statement of Profit and Loss except for those which are designated as hedging instruments in a hedging relationship. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in Statement of Profit and Loss.

Foreign currency changes for non-monetary financial liabilities measured at FVTOCI are recognised in OCI.

2.8 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Other income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

2.9 Employee Benefits

(A) Retirement benefit costs and other termination benefits

Defined Contribution Plans:

Contributions to Provident Fund and Superannuation Fund are considered as defined contribution plans and are charged to the Statement of Profit and Loss based on the amount of contribution required to be made and when services are rendered by the employees.

Defined Benefit Plans:

Gratuity Liability and Long Term compensated absences are defined benefit plans. The cost of providing benefits is determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in OCI in the period in which they occur. Re-measurements recognised in OCI is reflected immediately in retained earnings and is not reclassified to the Statement of Profit and Loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in the Statement of Profit and Loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

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.
The retirement benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

(B) Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.10 Taxation

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

Current tax

Current Tax is determined at the amount of tax payable in respect of taxable profit for the year as per the Income-tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rate that has been enacted or substantively enacted by the end of the reporting period.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Deferred tax

The Company's deferred tax is calculated using tax rate that are substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

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

Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in OCI or directly in equity, in which case, the current and deferred tax are also recognised in OCI or directly in equity respectively.

2.11 Property, Plant and Equipment

Property, Plant and Equipment shown in the Balance Sheet consist of assets used in operations. Assets used in operations are those used in the provision of services or for administrative purposes, and include assets leased by the Company as lessor under operating leases.

a) Initial and subsequent recognition
Property, Plant and Equipment are initially recognised at purchase price plus directly attributable costs, together with borrowing costs where a long period of construction or adaptation is required before the asset can be brought into service. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

Subsequent to initial recognition, Property, Plant and Equipment are measured at cost less accumulated depreciation and any impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

b) De-recognition
An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

c) Depreciation
Depreciation of these assets commences when the assets are ready for their intended use. It is recognised so as to amortise the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Average useful life of the assets determined is as under:

Operating lease Assets

Class of Assets	Useful Life as per the Companies Act 2013	Useful Life as followed by the management
Computer Equipment	3 years/6 years	5 years
Earth Moving Equipment	9 years	7 years
Motor Vehicles	8 years	7 years
Plant and Machinery	15 years/30 years	8 years/15 years
Windmill	22 years	20 years

Own Use Assets

Class of Assets	Useful Life as per the Companies Act 2013	Useful Life as followed by the management
Computer Equipment	3 years/6 years	5 years
Motor Vehicles	8 years	7 years
Plant and Machinery	15 years/22 years	8 years/22 years

Management believes that the revised useful lives of the assets reflect the periods over which these assets are expected to be used.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Leasehold assets including improvements are amortised over estimated useful life or lease period, whichever is lower. Freehold Land is not depreciated.

Depreciation on assets purchased / sold during the period is recognised on a pro-rata basis.

2.12 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives.

Useful life of 5 years is used in the calculation of amortisation for Software.
Software includes license amortised over license life or 5 years whichever is earlier.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is de-recognised.

2.13 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment on an annual basis, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

2.14 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

In case of litigations, provision is recognised once it has been established that the Company has a present obligation based on information available up to the date on which the Company's financial statements are finalised and may in some cases entail seeking expert advice in making the determination on whether there is a present obligation.

Contingent Liabilities

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 recognised 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 recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent Assets

Contingent assets are not recognised in the financial statements, but are disclosed where an inflow of economic benefits is probable.

2.15 Cash and Cash Equivalents

Cash and Cash Equivalents comprise of cash in hand and balances with banks, cheques on hand, remittances in transit and short-term investments with an original maturity of three months or less that are readily convertible to known amount of cash and which are subject to an insignificant risk of change in value.

2.16 Segment Reporting

Operating Segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM assess the financial performance and position of the Company and makes strategic decisions.

The Company is predominantly engaged in a single reportable segment of 'Financial Services' as per the Ind AS 108 - Segment Reporting.

2.17 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

2.18 Repossessed Assets and Assets Acquired in Satisfaction of Debt

Repossessed assets and assets acquired in satisfaction of debt are those assets whose carrying amount is recovered principally through a sale transaction rather than through continuing use. These assets are disclosed as part of 'other non-financial assets' and are carried at the lower of their carrying amount and fair value less costs to sell.

2.19 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

2.20 Derivative Financial Instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivative financial instruments are disclosed in notes to the financial statements.

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

2.21 Embedded derivatives

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

2.22 Hedge Accounting

The Company designates certain derivatives, in respect of foreign currency risk and interest rate risk, as cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in cash flows of the hedged item attributable to the hedged risk.

Cash flow hedges

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognised in OCI and accumulated under the heading of 'Effective portion of cash flow hedges'. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss, and is included in the 'Net gain on fair value changes' or 'Net loss on fair value changes' line item.

Amounts previously recognised in OCI and accumulated in equity relating to effective portion as described above are reclassified to the Statement of Profit and Loss in the periods when the hedged item affects the Statement of Profit and Loss, in the same line as the recognised hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in OCI and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the Statement of Profit and Loss.

2.23 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

2.23.1. Expected credit loss on loans and advances

The Company has used its judgement in determining various parameters of expected credit loss. These parameters includes defining pools, staging, default, discount rates, expected life, significant increase in credit risk, amount and timing of future cash flows. In estimating these cash flows, the Company makes judgement about the realisable value of the securities hypothecated/mortgaged to it, based on the historical data and/or independent valuation reports.

These assumptions are based on the assumptions about a number of factors and actual results may differ, resulting in future changes to the impairment allowance.

A collective assessment of impairment takes into account data from the loan portfolio (such as credit quality, nature of assets underlying assets financed, levels of arrears, credit utilization, loan to collateral ratios etc.), and the economic data (including levels of unemployment, country risk and performance of different individual groups). These critical assumptions have been applied consistently to all periods presented.

2.23.2. Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. The Company monitors financial assets measured at amortised cost or at FVTOCI 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.

2.23.3. Hedge Designation

The appropriateness of the designation of certain derivative instruments such as cash flow hedges, and the measurement of hedge effectiveness at the inception/origination of the transaction.

2.23.4. Provisions other than ECL on loans and advances

Provisions are held in respect of a range of future obligations such as employee entitlements, litigation provisions, etc. Some of the provisions involve significant judgement about the likely outcome of various events and estimated future cash flows. The measurement of these provisions involves the exercise of management judgements about the ultimate outcomes of the transactions.

2.23.5. Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.23.6. Identification of Related Parties

Related Parties for the purpose of Companies Act, 2013 and relevant Ind AS, is identified by the Company, for necessary compliance/reporting/disclosures etc, as per the Board approved Related Party Transactions (RPT) Policy.

2.24 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

3. Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
Cash on hand	21	30
Balances with Banks - in Current Account #	67,541	41,576
Balances with Banks - in Fixed Deposit Accounts having original maturity of upto 3 months (Including accrued interest)	60,319	36
Total	**1,27,881**	**41,642**

Includes ₹ 5,097 Lakhs pertaining to a cash credit account with a bank, having a debit balance as at March 31st, 2022.

4. Bank Balance other than above

(₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
Balance with Banks - in Fixed Deposit Accounts having original maturity of more than 3 months * (Including accrued interest)	13,173	89,137
Earmarked Balances	5,088	9,520
Total	**18,261**	**98,657**

(₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
*Under lien:		
- Letter of Credit/Bank guarantee	9,917	44,659
- Cash collateral for securitisation and assignment of receivables under partial credit guarantee scheme	-	40,165
- Borrowings	38	35
- Others	2,697	2,888

(i) Changes in Cash Flows from Financing Activities

(₹ in Lakhs)

Particulars	As at March 31st, 2021	Movement**		As at March 31st, 2022
		Cash	Non-Cash	
Debt Securities	2,44,148	-	15,404	2,59,552
Borrowings (Other than Debt Securities)	26,47,553	(51,120)	80,430	26,76,863
Subordinated Liabilities	2,45,531	41	16,009	2,61,581
Total	**31,37,232**	**(51,079)**	**1,11,843**	**31,97,996**

** Includes adjustments on account of effective interest rate and other adjustments

(₹ in Lakhs)

Particulars	As at March 31st, 2020	Movement**		As at March 31st, 2021
		Cash	Non-Cash	
Debt Securities	2,62,725	(28,718)	10,141	2,44,148
Borrowings (Other than Debt Securities)	26,40,762	(47,803)	54,594	26,47,553
Subordinated Liabilities	2,48,736	(13,816)	10,611	2,45,531
Total	**31,52,223**	**(90,337)**	**75,346**	**31,37,232**

** Includes adjustments on account of effective interest rate and other adjustments

SREI EQUIPMENT FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31ST, 2022

5. Derivative Financial Instruments ##

(₹ in Lakhs)

Particulars	As at March 31st, 2022			As at March 31st, 2021		
	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Currency derivatives:						
-Spot and forwards	-	-	-	21,049	-	1,151
-Currency swaps	-	-	-	11,200	727	-
-Options purchased	-	-	-	16,190	209	-
Subtotal (i)	-	-	-	**48,439**	**936**	**1,151**
(ii) Interest rate derivatives						
-Forward Rate Agreements and Interest Rate Swaps	-	-	-	-	-	-
Subtotal(ii)	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)	-	-	-	**48,439**	936	**1,151**
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
(i) Fair value hedging:	-	-	-	-	-	-
Subtotal (i)	-	-	-	-	-	-
(ii) Cash flow hedging:						
- Currency derivatives	-	-	-	222	-	14
- Interest rate derivatives	-	-	-	-	-	-
Subtotal (ii)	-	-	-	**222**	-	**14**
Undesignated Derivatives (iii)	-	-	-	48,217	936	1,137
Total Derivative Financial Instruments (i)+(ii)+(iii)	-	-	-	**48,439**	**936**	**1,151**

Refer Note No. 67

5.1 The following table details the derivative financial instruments as held for hedging and risk management purpose (cash flow hedging) outstanding at the end of the reporting year

Outstanding Contracts	Notional amounts (₹ in Lakhs)	Timing				Average Exchange Rate
	As at March 31st, 2022	Less than 3 months	3 to 6 months	6 months to 1 year	More than 1 year	
Spot and forwards - USD	-	-	-	-	-	-

Outstanding Contracts	Notional amounts (₹ in Lakhs)	Timing				Average Exchange Rate #
	As at March 31st, 2021	Less than 3 months	3 to 6 months	6 months to 1 year	More than 1 year	
Spot and forwards - USD	222	222	-	-	-	78

Average exchange rate includes forward premium charge.

Spots and Forwards

There is an economic relationship between the hedged item and the hedging instrument as the terms of the forward contract match that of the foreign currency liabilities (notional amount, repayment date etc.). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the forward contracts are identical to the hedged risk components.

6. Receivables:

(I) Trade Receivables **(₹ in Lakhs)**

Particulars	As at March 31st, 2022	As at March 31st, 2021
(a) Considered good - Secured	-	-
Less: Allowance for impairment loss allowance	-	-
	-	-
(b) Considered good - Unsecured	3,166	2,696
Less: Allowance for impairment loss allowance	70	26
	3,096	2,670
(c) Trade Receivables which have significant increase in credit risk	73	43
Less: Allowance for impairment loss allowance	1	1
	72	42
(d) Credit impaired	-	-
Less: Allowance for impairment loss allowance	-	-
	-	-
Total	**3,168**	**2,712**

(a) In determining the allowances for credit losses of trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance based on a provision matrix. The provision matrix takes into account historical credit loss experience. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

(b) Trade Receivables ageing schedule as at March 31st, 2022 **(₹ in Lakhs)**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	3,096	-	-	-	-	3,096
(ii) Undisputed Trade Receivables -Which have significant increase in credit risk	72	-	-	-	-	72
(iii) Undisputed Trade Receivables -Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables -Which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Total	**3,168**	-	-	-	-	**3,168**

Trade Receivables ageing schedule as at March 31st, 2021 **(₹ in Lakhs)**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	2,670	-	-	-	-	2,670
(ii) Undisputed Trade Receivables -Which have significant increase in credit risk	42	-	-	-	-	42
(iii) Undisputed Trade Receivables -Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables -Which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Total	**2,712**	-	-	-	-	**2,712**

(c) Movements in Expected Credit Losses Allowance is as below:

(₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
Balance at the beginning of the year	27	211
Charge in Statement of Profit and Loss	49	4
Utilized during the year	(5)	(188)
Balance at the end of the year	**71**	**27**

(d) Ageing of Trade Receivables and Credit Risk arising therefrom is as below:

(₹ in Lakhs)

Particulars	As at March 31st, 2022		
	Gross carrying amount	Allowance for credit loss	Net carrying amount
Overdue till three months	3,239	71	3,168
Overdue between three to six months	-	-	-
Overdue between six months to one year	-	-	-
More than 1 year overdue	-	-	-
	3,239	**71**	**3,168**

(₹ in Lakhs)

Particulars	As at March 31st, 2021		
	Gross carrying amount	Allowance for credit loss	Net carrying amount
Overdue till three months	2,739	27	2,712
Overdue between three to six months	-	-	-
Overdue between six months to one year	-	-	-
More than 1 year overdue	-	-	-
	2,739	**27**	**2,712**

The contractual amount outstanding on financial assets that were written off during the reporting period but are still subject to enforcement activity is ₹ Nil (March 31st, 2021 ₹ Nil).

The change in Expected Credit Loss Allowance of the portfolio was driven by a change in the size of the portfolio and movements between age buckets as a result of increase or decrease in credit risk of the receivables.

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7. Loans

(₹ in Lakhs)

Particulars	As at March 31st, 2022						As at March 31st, 2021					
	Amortised cost	At Fair Value				Total	Amortised cost	At Fair Value				Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Subtotal			Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Subtotal	
	(1)	(2)	(3)	(4)	(5=2+3+4)	(6)=(1)+(5)	(1)	(2)	(3)	(4)	(5=2+3+4)	(6)=(1)+(5)
(A) Loans												
(i) Term Loans	2,759,046	16,462	39,187	-	55,649	2,814,695	2,674,026	46,482	51,920	-	98,402	2,772,428
(ii) Leasing (Refer Note No. 7.1)	6,140	-	-	-	-	6,140	8,476	-	-	-	-	8,476
(iii) Others												
Inter-Corporate Deposits	25,901	-	-	-	-	25,901	28,218	-	-	-	-	28,218
Total (A) Gross	**2,791,087**	**16,462**	**39,187**	**-**	**55,649**	**2,846,736**	**2,710,720**	**46,482**	**51,920**	**-**	**98,402**	**2,809,122**
Less: Impairment loss allowance	799,611	-	-	-	-	799,611	623,331	-	-	-	-	623,331
Total (A) Net	**1,991,476**	**16,462**	**39,187**	**-**	**55,649**	**2,047,125**	**2,087,389**	**46,482**	**51,920**	**-**	**98,402**	**2,185,791**
(B) (i) Secured by tangible assets/ cash flows*	2,591,496	16,462	39,187	-	55,649	2,647,145	2,540,685	46,482	51,920	-	98,402	2,639,087
(ii) Unsecured	199,591	-	-	-	-	199,591	170,035	-	-	-	-	170,035
Total (B) Gross	**2,791,087**	**16,462**	**39,187**	**-**	**55,649**	**2,846,736**	**2,710,720**	**46,482**	**51,920**	**-**	**98,402**	**2,809,122**
Less: Impairment loss allowance	799,611	-	-	-	-	799,611	623,331	-	-	-	-	623,331
Total (B) Net	**1,991,476**	**16,462**	**39,187**	**-**	**55,649**	**2,047,125**	**2,087,389**	**46,482**	**51,920**	**-**	**98,402**	**2,185,791**
(C) In India (i) Public Sector	1,078	-	-	-	-	1,078	1,533	-	-	-	-	1,533
(ii) Others	2,790,009	16,462	39,187	-	55,649	2,845,658	2,709,187	46,482	51,920	-	98,402	2,807,589
Total (C) Gross	**2,791,087**	**16,462**	**39,187**	**-**	**55,649**	**2,846,736**	**2,710,720**	**46,482**	**51,920**	**-**	**98,402**	**2,809,122**
Less: Impairment loss allowance	799,611	-	-	-	-	799,611	623,331	-	-	-	-	623,331
Total (C) Net	**1,991,476**	**16,462**	**39,187**	**-**	**55,649**	**2,047,125**	**2,087,389**	**46,482**	**51,920**	**-**	**98,402**	**2,185,791**

* Loans are secured by underlying hypothecated assets / receivables / immovable properties and in certain cases, are additionally secured by pledge of equity shares of the borrowers by way of collateral security. Exposures which are secured by charge over future toll revenue/cash flows/receivables etc. have been considered as secured. Securities created by the borrowers, against loan assets are based on valuation of the underlying assets, where applicable, carried out by an external valuer and relied upon. Also refer Note No. 62 for valuation of the assets of the Company and assets/ collateral held as securities

7. Loans (continued)

i. An analysis of changes in the gross carrying amount of loans is as follows:

(₹ in Lakhs)

Particulars	As at March 31st, 2022					As at March 31st, 2021				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount - opening balance	**809,825**	**95,852**	**1,851,525**	-	**2,757,202**	2,436,943	**189,689**	**332,466**	-	2,959,098
New assets originated or purchased / net disbursement	107	-	-	-	107	192,869	-	-	-	192,869
Assets derecognised or repaid (excluding write offs and includes interest accruals adjusted) #	(31,625)	4,569	(2,935)	-	(29,991)	(285,426)	(67,707)	(17,792)	-	(370,925)
Effective interest on net carrying amount	-	-	120,669	-	120,669	-	-	51,762	-	51,762
Transfers to Stage 1	202,720	(857)	(201,863)	-	-	13,237	(13,030)	(207)	-	-
Transfers to Stage 2	(7,032)	10,442	(3,410)	-	-	(94,078)	94,122	(44)	-	-
Transfers to Stage 3	(373,747)	(9,701)	383,448	-	-	(1,419,665)	(105,829)	1,525,494	-	-
Amounts written off	(17,350)	(160)	(22,928)	-	(40,438)	(34,055)	(1,393)	(40,154)	-	(75,602)
Gross carrying amount - closing balance @	**582,898**	**100,145**	**2,124,506**	-	**2,807,549**	**809,825**	**95,852**	**1,851,525**	-	**2,757,202**

@ Excludes gross carrying amount of loans designated at fair value through profit or loss amounting to Rs. 39187 lakhs (March 31st, 2021 ₹ 51,920 lakhs) out of which Rs. 25,924 lakhs (March 31st, 2021 ₹ Nil) is classified as Stage 3 assets.

Represents balancing figure.

ii. Reconciliation of ECL balance is given below: *

(₹ in Lakhs)

Particulars	As at March 31st, 2022					As at March 31st, 2021				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
ECL allowance - opening balance	**36,049**	**4,395**	**583,598**	-	**624,042**	**27,048**	**21,581**	**113,249**	-	161878
New assets originated or purchased / net disbursement	1	-	-	-	1	1,528	-	-	-	1528
Impact on year end ECL of Exposures transferred between stages during the year and reversal of ECL on account of Recovery #	(20,482)	19	207,707	-	187,244	20,041	2,576	457,903	-	480,520
Transfers to Stage 1	34,869	(128)	(34,741)	-	-	2,330	(1,690)	(640)	-	-
Transfers to Stage 2	(63)	708	(645)	-	-	(1,089)	1,143	(54)	-	-
Transfers to Stage 3	(13,843)	(780)	14,623	-	-	(12,496)	(19,078)	31,574	-	-
Amounts written off	(958)	(40)	(10,025)	-	(11,023)	(1,313)	(137)	(18,434)	-	(19,884)
ECL allowance - closing balance	**35,573**	**4,174**	**760,517**	-	**800,264**	**36,049**	**4,395**	**583,598**	-	**624,042**

* Includes ECL allowance of ₹ 6,273 Lakhs (March 31st, 2021 ₹ 5,880 Lakhs) on off balance sheet exposure.

* Includes ECL allowance created on loan assets measured through other comprehensive income of ₹ 653 lakhs (March 31st, 2021 ₹ 711 lakhs).

Represents balancing figure.

iii. The contractual amount outstanding on loan assets that were written off during the reporting period but are still subject to enforcement activity is ₹ 5,090 lakhs (March 31st, 2021 ₹ 16,457 lakhs).

iv. The change in Expected Credit Loss Allowance of the portfolio was driven by a change in the size of the portfolio, change in the composition of the portfolio and movements between stages as a result of increase or decrease in credit risk of the borrowers.

7.1 In the capacity of lessor (Finance Lease)

The Company has given assets under finance lease arrangement for periods ranging between 1 to 6 years. Such arrangement does not have clause for contingent rent and hence, the Company has not recognised any contingent rent as income during the year.
The details of gross Investments, unearned finance income and future minimum lease payments in respect of the above non-cancellable finance lease are as follows :

Gross Investments (₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
i. not later than one year	4,430	5,609
ii. later than one year and not later than five years	3,226	4,117
iii. later than five years	-	-
Total	**7,656**	**9,726**

Unearned finance Income (₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
i. not later than one year	1,159	876
ii. later than one year and not later than five years	358	374
iii. later than five years	-	-
Total	**1,517**	**1,250**

Minimum lease payments (₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
i. not later than one year	3,271	4,733
ii. later than one year and not later than five years	2,868	3,743
iii. later than five years	-	-
Total	**6,139**	**8,476**

8. Investments

(₹ in Lakhs)

Particulars	As at March 31st, 2022							As at March 31st, 2021						
	Amortised cost	At Fair Value				Others	Total	Amortised cost	At Fair Value				Others	Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Subtotal				Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Subtotal		
	(1)	(2)	(3)	(4)	(5)=(2)+(3)+(4)	(6)	(7)=(1)+(5)+(6)	(1)	(2)	(3)	(4)	(5)=(2)+(3)+(4)	(6)	(7)=(1)+(5)+(6)
Debt Securities*	16,574	-	57,812	-	57,812	-	74,386	9,590	-	25,288	-	25,288	-	34,878
Equity Instruments **	-	-	57,900	-	57,900	-	57,900	-	-	76,730	-	76,730	-	76,730
In Units of Trusts and Scheme of Venture Funds ***	-	-	908	-	908	-	908	-	-	-	-	-	-	-
Total Gross (A)	**16,574**	-	**116,620**	-	**116,620**	-	**133,194**	**9,590**	-	**102,018**	-	**102,018**	-	**111,608**
(i) Overseas Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Investments in India	16,574	-	116,620	-	116,620	-	133,194	9,590	-	102,018	-	102,018	-	111,608
Total (B)	**16,574**	-	**116,620**	-	**116,620**	-	**133,194**	**9,590**	-	**102,018**	-	**102,018**	-	**111,608**
Less: Impairment loss allowance (C)	9,590	-	-	-	-	-	9,590	9,590	-	-	-	-	-	9,590
Total - Net D= (A)-(C)	**6,984**	-	**116,620**	-	**116,620**	-	**123,604**	-	-	**102,018**	-	**102,018**	-	**102,018**

* 950 nos. Non-Convertible Debentures (NCD's) having face value ₹ 10,00,000 each issued by Fortis Healthcare Holdings Private Ltd were received from Srei Infrastructure Finance Limited (SIFL) by way of slump exchange to the Company through a Business Transfer Agreement ("BTA") (Refer Note No. 63). Since these NCD's are matured, the depository has rejected the transfer request given by SIFL in favour of the Company. Therefore, these NCD's are being held by SIFL for the benefit of the Company.

** Refer Note No. 76

*** Anagha Steel Marketing Limited (erstwhile Essar Steel Marketing Limited and formerly Essar Pellets Marketing Limited) had against a loan granted by SIFL pledged 32,57,400 units of Infrastructure Project Development Fund (IPDF) having face value ₹ 100/- each as security for the loan. Pursuant to the BTA (Refer Note No. 63) the said Loan was transferred to the Company. Due to non-payment of the dues by Anagha Steel Marketing Limited, the pledge was invoked by virtue of which the units were transferred to SIFL on February 24th, 2022. SIFL continues to hold the units on behalf of the Company. Further, the Company has initiated the process to get the units transferred in its name.

9. Other Financial Assets

(₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
Security Deposits		
To Related Parties	17,350	17,350
To Others	1,047	1,018
Less: Impairment loss allowance on Security Deposits	(7,739)	(184)
Rental accrued but not due	191	4,984
Less: Impairment loss allowance for Rental accrued but not due [Refer Note No. 6(I)(a)]	(20)	(31)
Interest retained on Pool Assigned	5,753	16,245
Less: Impairment loss allowance for Interest retained on Pool Assigned	(1,351)	(2,604)
Claims Receivable (measured at fair value through profit or loss) #	72,542	65,897
Loan to Employees	54	59
Others ##	2,704	8,207
Total	**90,531**	**110,941**

Amount as at March 31st, 2022 represents fair value of claims assigned in favour of Company in satisfaction of Debt and the said amount is subject matter of legal proceedings.

Includes receivables from the lenders on account of 'interest on interest' charged by the lenders during the moratorium period, i.e. March 1st, 2020 to August 31st, 2020 in conformity with the Hon'ble Supreme Court of India's judgement in the matter of Small Scale Industrial Manufacturers Association vs UOI & Ors. and other connected matters on March 23rd, 2021 amounting to ₹ 1,064 lakhs (March 31st, 2021 : ₹ 5,671 lakhs) and also includes amount receivable from holding Company, Srei Infrastructure Finance Limited (SIFL) in Trust and Retention Account (TRA) amounting to ₹ Nil (March 31st, 2021 : ₹ 1,756 Lakhs).

10. Current Tax Assets (Net)

(₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
Advance income tax [net of Income tax provision of ₹ 32,596 lakhs (March 31st, 2021 : ₹ 32,596 lakhs)]	24,501	24,068
Total	**24,501**	**24,068**

10(i). Income Tax Expense

The reconciliation of estimated income tax to income tax expense for current and previous year is as below:

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2022	For the year ended March 31st, 2021
Profit/(Loss) Before Tax	(267,485)	(714,089)
Statutory Income Tax Rate	25.168%	25.168%
Expected income tax expense at statutory income tax rate	(67,321)	(179,722)
Adjustments for:		
(i) Reversal of MAT Credit entitlement due to adoption of new tax regime	-	(4,333)
(ii) Deferred Tax Asset not recognised on loss under Income Tax	14,413	161,360
(iii) Expenses allowable for tax purpose when paid	38,130	-
(iv) Provision against disputed statutory dues under litigation (Refer Note No. 70)	9,807	-
(v) Other adjustments	14,778	22,217
Total Tax Expense recognised in the Statement of Profit and Loss	**9,807**	**(478)**

SREI EQUIPMENT FINANCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31ST, 2022

11. Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Gross block				Depreciation/amortisation/ impairment					Net book value
	As at April 1st, 2021	Additions	Disposals and other adjustments	As at March 31st, 2022	As at April 1st, 2021	Depreciation/ amortisation Charge	Impairment Charge	Disposals and other adjustments	As at March 31st, 2022	As at March 31st, 2022
Assets for Own use										
Land- Freehold	3,307	-	-	3,307	-	-	-	-	-	3,307
Buildings*	3,973	-	-	3,973	119	77	-	-	196	3,777
Furniture and fixtures	3,191	-	35	3,156	1,321	520	-	28	1,813	1,343
Plant and Machinery	22,474	-	-	22,474	4,092	1,023	-	-	5,115	17,359
Motor vehicles	402	-	-	402	221	52	-	-	273	129
Leasehold Improvements	2,324	-	-	2,324	966	607	-	-	1,573	751
Computers and office equipment	1,102	3	6	1,099	969	75	-	5	1,039	60
(A)	36,773	3	41	36,735	7,688	2,354	-	33	10,009	26,726
Assets given on operating lease										
Aircrafts	379	-	379	-	162	18	-	180	-	-
Earthmoving Equipment	134,706	-	15,858	118,848	72,671	18,119	-	8,892	81,898	36,950
Motor vehicles	88,694	-	6,819	81,875	50,324	11,687	-	3,579	58,432	23,443
Plant and Machinery	169,347	-	11,902	157,445	65,747	15,382	-	5,801	75,328	82,117
Wind Mills	7,821	-	-	7,821	2,937	734	-	-	3,671	4,150
Computers	36,556	-	1,418	35,138	24,078	6,356	-	1,222	29,212	5,926
Furniture and fixtures	8,255	-	28	8,227	3,304	838	-	15	4,127	4,100
(B)	445,758	-	36,404	409,354	219,223	53,134	-	19,689	252,668	156,686
Total for Property, Plant and Equipment (C)= (A+B)	482,531	3	36,445	446,089	226,911	55,488	-	19,722	262,677	183,412

* Buildings includes ₹ 3,895 lakhs (Net book value of ₹ 3,707 lakhs) in respect of which conveyance is pending. These immovable properties were transferred to the Company pursuant to BTA (Refer Note No. 63).

(₹ in Lakhs)

Particulars	Gross block					Depreciation/amortisation/ impairment						Net book value
	As at April 1st, 2020	Additions	Adjustment**	Disposals	As at 31st Mar,2021	As at April 1st, 2020	Depreciation/ amortisation Charge	Impairment Charge	Adjustment	Disposals	As at 31st Mar,2021	As at 31st Mar,2021
Assets for Own use												
Land- Freehold	16,060	-	(12,753)	-	3,307	-	-	-	-	-	-	3,307
Buildings***	5,481	-	(1,445)	63	3,973	43	77	-	-	1	119	3,854
Furniture and fixtures	3,165	16	14	4	3,191	737	584	-	2	2	1,321	1,870
Plant and Machinery	22,474	-	-	-	22,474	3,069	1,023	-	-	-	4,092	18,382
Motor vehicles	380	-	30	8	402	126	73	-	30	8	221	181
Leasehold Improvements	2,324	-	-	-	2,324	328	638	-	-	-	966	1,358
Computers and office equipment	1,090	12	6	6	1,102	810	145	-	20	6	969	133
(A)	50,974	28	(14,148)	81	36,773	5,113	2,540	-	52	17	7,688	29,085
Assets given on operating lease												
Aircrafts	379	-	-	-	379	122	40	-	-	-	162	217
Earthmoving Equipment	153,954	-	-	19,248	134,706	61,809	21,960	-	-	11,098	72,671	62,035
Motor vehicles	97,157	-	-	8,463	88,694	43,183	13,465	-	-	6,324	50,324	38,370
Plant and Machinery	174,172	212	-	5,037	169,347	43,530	17,570	7,276	-	2,629	65,747	103,600
Wind Mills	9,968	-	-	2,147	7,821	2,869	812	-	-	744	2,937	4,884
Computers	40,452	-	-	3,896	36,556	20,196	7,040	-	-	3,158	24,078	12,478
Furniture and fixtures	9,229	-	-	974	8,255	2,889	1,020	-	-	605	3,304	4,951
(B)	485,311	212	-	39,765	445,758	174,598	61,907	7,276	-	24,558	219,223	226,535
Total for Property, Plant and Equipment (C)= (A+B)	536,285	240	(14,148)	39,846	482,531	179,711	64,447	7,276	52	24,575	226,911	255,620

** Gross Block of Freehold Land and Building amounting to ₹ 12,753 lakhs and ₹ 1,447 lakhs has been transferred to assets acquired in satisfaction of debt.
*** Buildings includes ₹ 3,895 lakhs (Net book value of ₹ 3,782 lakhs) in respect of which conveyance is pending. These immovable properties were transferred to the Company pursuant to BTA (Refer Note No. 63).

12. Leases

a) In the capacity of Lessee

The Company has taken various premises (offices and yards) under lease. Generally, the lease agreements provide for cancellation by either party and contain clause for escalation and renewal of agreements.

Following are the changes in the carrying value of right-of-use assets for the year ended March 31st, 2022:

(₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
Opening Balance	1,069	1,210
Addition	817	860
Deletion	666	510
Depreciation	508	491
Closing Balance	712	1,069

The aggregate depreciation expense on right-of-use assets is included under Depreciation, Amortisation and Impairment expense in the Statement of Profit and Loss.

The following is the movement in lease liabilities during the year ended March 31st, 2022:

(₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
Opening Balance	1,142	1,292
Addition	817	762
Deletion	670	537
Finance cost accrued during the year	132	173
Payment of lease liabilities	593	548
Closing Balance	828	1,142

The table below provides details regarding the contractual maturities of lease liabilities as at March 31st, 2022 on an undiscounted basis:

(₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
Less than one year	387	502
One to five years	505	818
More than five years	-	17
Total	892	1,337

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases is ₹ 172 lakhs for the year ended March 31st, 2022 (₹ 1,846 lakhs for the year ended March 31st, 2021).

b) In the capacity of Lessor (Operating lease)

The Company has given assets on operating lease arrangements (refer Note No. 11) for periods ranging between 1 to 15 years. Some of the arrangements have clauses for contingent rent. Total contingent rent recognized as income in the Statement of Profit and Loss for the year ended March 31st, 2022 is amounting to ₹ 566 lakhs (As at March 31st, 2021 : ₹ 253 lakhs).

The future minimum lease receivables in respect of non-cancellable operating leases are as follows:

(₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
Not later than one year	52,414	86,057
Later than one year but not later than five years	14,012	48,348
Later than five years	-	8
Total	66,426	134,413

13. Other Intangible Assets

(₹ in Lakhs)

Particulars	Gross block				Depreciation/amortisation/ impairment					Net book value
	As at April 1st, 2021	Additions	Disposals and other adjustments	As at March 31st, 2022	As at April 1st, 2021	Depreciation/ amortisation Charge	Impairment Charge	Disposals and other adjustments	As at March 31st, 2022	As at March 31st, 2022
Assets for Own use										
Softwares	3,200	-	-	3,200	2,047	317	-	-	2,364	836
(A)	**3,200**	**-**	**-**	**3,200**	**2,047**	**317**	**-**	**-**	**2,364**	**836**
Assets given on operating lease										
Softwares	614	-	60	554	594	18	-	60	552	2
(B)	**614**	**-**	**60**	**554**	**594**	**18**	**-**	**60**	**552**	**2**
Total for Other Intangible assets (A+B)	**3,814**	**-**	**60**	**3,754**	**2,641**	**335**	**-**	**60**	**2,916**	**838**

(₹ in Lakhs)

Particulars	Gross block				Depreciation/amortisation/ impairment					Net book value
	As at April 1st, 2020	Additions	Disposals and other adjustments	As at March 31st, 2021	As at April 1st, 2020	Depreciation/ amortisation Charge	Impairment Charge	Disposals and other adjustments	As at March 31st, 2021	As at March 31st, 2021
Assets for Own use										
Softwares	2,050	1,150	-	3,200	1,671	376	-	-	2,047	1,153
(A)	**2,050**	**1,150**	**-**	**3,200**	**1,671**	**376**	**-**	**-**	**2,047**	**1,153**
Assets given on operating lease										
Softwares	682	-	68	614	616	46	-	68	594	20
(B)	**682**	**-**	**68**	**614**	**616**	**46**	**-**	**68**	**594**	**20**
Total for Other Intangible assets (A+B)	**2,732**	**1,150**	**68**	**3,814**	**2,287**	**422**	**-**	**68**	**2,641**	**1,173**

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14. Other Non-Financial Assets

(₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
Capital Advances	33	11
Repossessed Assets and Assets acquired in satisfaction of debt*	36,127	38,399
Advance to Vendors	451	1,937
Advances to Employees	29	55
Amount Lying in Trust Account **	-	5,024
Balances with Service Tax/VAT/GST authorities	1,410	2,467
Others	307	127
Total	**38,357**	**48,020**

* Includes repossessed assets amounting to ₹ 17,917 Lakhs (March 31st, 2021: ₹ 19,919 Lakhs) and also includes assets/collaterals acquired in satisfaction of debt amounting to ₹ 18,210 lakhs (March 31st, 2021: ₹ 18,480 lakhs)

** Amount lying in Trust Account for Cash Collateral against Collateralised Borrowings.

15. Payables

I Trade Payables

(i) Total outstanding dues of micro enterprises and small enterprises (Refer Note No. 65)

(₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
a) The principal amount and interest due thereon remaining unpaid to any supplier #	175	-
b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d) The amount of interest accrued and remaining unpaid	-	-
e) The amount of further interest remaining due and payable even in the succeeding year until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Total	**175**	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information available.

The Company is currently undergoing CIRP (Refer Note No. 1.2) under the provisions of the Code. Accordingly, a moratorium has been declared under section 14 of the Code. No interest was payable till the insolvency commencement date i.e. October 8th, 2021 and post CIRP the Company has not provided for any interest.

(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer Note No. 65)

(₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
Due to others Other than Acceptance	6,243	8,875
Total	**6,243**	**8,875**

Trade Payables ageing schedule as at March 31st, 2022 :

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	175	-	-	-	175
(ii) Others	3,244	892	583	472	5,191
(iii) Disputed dues- MSMEs	-	-	-	-	-
(iv) Disputed dues- Others	138	233	433	248	1,052
Total	**3,557**	**1,125**	**1,016**	**720**	**6,418**

Trade Payables ageing schedule as at March 31st, 2021 :

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	5,040	1,070	1,440	575	8,125
(iii) Disputed dues- MSMEs	-	-	-	-	-
(iv) Disputed dues- Others	79	110	498	63	750
Total	**5,119**	**1,180**	**1,938**	**638**	**8,875**

16. Debt Securities

(₹ in Lakhs)

Particulars	As at March 31st, 2022				As at March 31st, 2021			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4)=(1)+(2)+(3)	(1)	(2)	(3)	(4)=(1)+(2)+(3)
Secured (Refer Note No. 65 and 74)								
Non-convertible debentures (Refer Note No. 16.1)	255,503	-	-	255,503	240,281	-	-	240,281
Long-Term Infrastructure Bond (Refer Note No. 16.2)	4,049	-	-	4,049	3,867	-	-	3,867
Total	**259,552**	-	-	**259,552**	**244,148**	-	-	**244,148**
Debt securities in India	259,552	-	-	259,552	244,148	-	-	244,148
Debt securities outside India	-	-	-	-	-	-	-	-
Total	**259,552**	-	-	**259,552**	**244,148**	-	-	**244,148**

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16.1 Secured Non-Convertible Debentures

Date of Allotment	Face Value per Debenture (₹)	Amount outstanding (₹ in Lakhs) ##		Interest rate (%) *	Earliest redemption date/ Balance tenure (years)
		As at March 31st, 2022 (Refer Note No. 1.2, 63, 64, 65 & 66)	As at March 31st, 2021 (Refer Note No. 53 to the Financial Statements for the year ended March 31st, 2021)		
Private Placement:					
18 January, 2018	1,000,000	1,000	1,000	11.00%	18 January, 2028
20 December, 2016	1,000,000	1,000	1,000	11.00%	20 December, 2026
26 March, 2018	1,000,000	1,650	1,650	11.00%	26 March, 2025
09 December, 2014	1,000,000	1,900	1,900	12.05%	09 December, 2024
03 October, 2017	1,000,000	600	600	10.99%	03 October, 2024
15 September, 2017	1,000,000	2,350	2,350	10.50%	15 September, 2024
22 June, 2017	1,000,000	2,000	2,000	11.23%	22 June, 2024
20 June, 2014 $$	1,000,000	1,000	1,000	12.90%	20 June, 2024
13 June, 2014 $$	1,000,000	1,000	1,000	12.92%	13 June, 2024
10 June, 2014	1,000,000	1,000	1,000	13.40%	10 June, 2024
31 May, 2017	1,000,000	1,000	1,000	11.32%	31 May, 2024
26 May, 2017	1,000,000	2,000	2,000	11.45%	26 May, 2024
30 January, 2019	1,000,000	30,000	30,000	12.50%	30 January, 2024
02 December, 2016	1,000,000	500	500	11.00%	02 December, 2023
29 November, 2013	1,000,000	450	450	13.10%	29 November, 2023
04 April, 2018	1,000,000	1,400	1,400	10.30%	04 April, 2023
14 March, 2018	1,000,000	500	500	10.30%	14 March, 2023
24 January, 2013	1,000,000	110	110	13.50%	24 January, 2023
05 October, 2012	1,000,000	2,000	2,000	13.35%	05 October, 2022
31 July, 2012	1,000,000	130	130	13.40%	31 July, 2022
8 June 2012 $	1,000,000	70	70	13.40%	08 June, 2022
29 October, 2011	1,000,000	3,000	3,000	13.90%	29 October, 2021
06 October, 2016	1,000,000	500	500	11.95%	06 October, 2021
09 September, 2011	1,000,000	1,000	1,000	13.90%	09 September, 2021
Public Issue:					
11 May, 2015 #	1,000	3,215	3,215	12.25%-12.50%	7 years
17 January, 2017 #	1,000	33,842	33,842	11.11%-11.76%	5 years
25 May 2018	1,000	41,598	41,598	10.75%-11.61%	3 - 10 years
24 January 2019	1,000	14,005	14,005	11.81%-12.78%	3 - 5 years
06 October 2016	1,000	15,585	15,585	11.60%-12.00%	5 years
27 February 2017	1,000	17,547	17,547	11.12%-11.75%	5 years
16 March 2018	1,000	27,110	27,110	10.65%-11.25%	5 years
15 May 2019	1,000	9,363	9,363	12.05%-13.00%	3 - 5 years
Total		**218,425**	**218,425**		

Pursuant to initiation of CIRP (Refer Note No. 1.2), amount outstanding as at March 31st, 2022 are overdue.

* Includes penal interest

Does not include effective interest rate adjustment ₹ Nil (March 31st, 2021: ₹ 1,586 lakhs), Interest Accrued and not due ₹ Nil (March 31st, 2021: ₹ 13,112 lakhs), discounting on face value impact of ₹ Nil (March 31st, 2021: ₹ 3 lakhs) and overdue interest ₹ 37,078 lakhs (March 31st, 2021: ₹ 10,333 lakhs).

Security: (Refer Note No. 73 and 74)

$ The Secured Non-Convertible Debentures are secured by way of pari-passu charge on immovable properties at West Bengal.

$$ The Secured Non-Convertible Debentures are secured by way of pari-passu charge on the Company's immovable properties located at West Bengal and exclusive & specific charge on the identified receivables of the Company.

The public issue of Secured Non-Convertible Debentures are secured by way of pari-passu charge on the Company's immovable properties located at Tamil Nadu and exclusive and/or specific charge on specific receivables / assets of the Company.

All the above Non-Convertible Debentures except those marked #,$,$$ are secured by way of pari-passu charge on immovable properties and/or exclusive first charge on the specific receivables / assets of the Company.

16.2 Long-Term Infrastructure Bond

Date of Allotment	Face value per debenture (₹)	Amount outstanding (₹ in Lakhs) ***		Interest rate (%) **	Earliest redemption date
		As at March 31st, 2022 (Refer Note No. 1.2, 63, 64, 65 & 66)	As at March 31st, 2021 (Refer Note No. 53 to the Financial Statements for the year ended March 31st, 2021)		
Thursday, March 22, 2012	1,000	967	967	11.15%	Monday, March 22, 2027
Thursday, March 22, 2012	1,000	1,055	1,055	10.90%	Tuesday, March 22, 2022
Total		**2,022**	**2,022**		

The above debentures are redeemable at par in single instalment.

Pursuant to initiation of CIRP (Refer Note No. 1.2), amount outstanding as at March 31st, 2022 are overdue.

** Includes penal interest

*** Does not include Interest Accrued and not due ₹ Nil (March 31st, 2021: ₹ 1,799 lakhs) and overdue interest ₹ 2,027 lakhs (March 31st, 2021: ₹ 46 lakhs).

Security

Long-term infrastructure bonds are secured by way of pari-passu mortgage/charge on immovable properties located at West Bengal and exclusive charge on specific receivables of the Company.

17. Borrowings (Other than Debt Securities)

(₹ in Lakhs)

Particulars	As at March 31st, 2022				As at March 31st, 2021			
	Amortised cost	At fair value Through profit or loss	Designated at fair value through profit or loss	Total	Amortised cost	At fair value Through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4)=(1)+(2)+(3)	(1)	(2)	(3)	(4)=(1)+(2)+(3)
SECURED (Refer Note No. 74)								
(a) Term Loans (Refer Note No. 17.1 and 65)								
(i) From Banks								
Rupee loans	219,716	-	-	219,716	209,517	-	-	209,517
Foreign currency loans	95,196	-	-	95,196	90,278	-	-	90,278
(ii) From Others								
Rupee loans	207,630	-	-	207,630	154,448	-	-	154,448
Foreign currency loans	74,778	-	-	74,778	114,605	-	-	114,605
(b) Working capital facilities (Refer Note No. 17.2 and 65)								
(i) From Banks								
Rupee loans	1,999,378	-	-	1,999,378	1,961,033	-	-	1,961,033
(c) Collateralised Borrowings (Refer Note No. 17.3)	13,993	-	-	13,993	40,451	-	-	40,451
UNSECURED								
(a) Term Loans (Refer Note No. 17.4 and 65)								
(i) From Banks								
Foreign currency loans	31,765	-	-	31,765	30,582	-	-	30,582
(ii) From Others								
Foreign currency loans	25,178	-	-	25,178	23,933	-	-	23,933
(b) Deferred payment liabilities (Refer Note No. 17.5 and 65)	9,123	-		9,123	22,601	-	-	22,601
(c) Inter corporate deposit (Refer Note No. 17.6 and 65)	106	-	-	106	105	-	-	105
Total	**2,676,863**	-	-	**2,676,863**	**2,647,553**	-	-	**2,647,553**
Borrowings in India	2,449,946	-	-	2,449,946	2,431,607	-	-	2,431,607
Borrowings outside India	226,917	-	-	226,917	215,946	-	-	215,946
Total	**2,676,863**	-	-	**2,676,863**	**2,647,553**	-	-	**2,647,553**

17.1 Secured Term Loans

Particulars	Outstanding (₹ in Lakhs)	Repayment terms (Refer Note No. 1.2, 63, 64, 65 & 66) (₹ in Lakhs)					Balance tenure (years)	Rate of Interest per annum	Nature of security (Refer Note No. 74)
	As at March 31st, 2022	Overdue @	Monthly	Quarterly	Half yearly	Single instalment			
Rupee term loans From Banks	219,716	219,716	-	-	-	-	0 - 4	8%-19%	Hypothecation of specific assets covered by hypothecation loan agreements and / or lease agreements with customers and / or receivables arising there from.
From Financial institutions	207,630	207,630	-	-	-	-	0 - 3	8%-16%	
Total	**427,346**	**427,346**	-	-	-	-			
Foreign currency term loans From Banks	95,196	95,196	-	-	-	-	1 - 3	<10%	Hypothecation of specific assets covered by respective hypothecation loan agreements and lease agreements with customers and / or receivables arising there from.
From Financial institutions	74,778	74,778	-	-	-	-	0 - 7	5%-12%	
Total	**169,974**	**169,974**	-	-	-	-			

Pursuant to initiation of CIRP (Refer Note No. 1.2), amount outstanding as at March 31st, 2022 are overdue.
Does not include effective interest rate adjustment and Interest Accrued and not due ₹ Nil.
@ It includes interest overdue.

Particulars	Outstanding (₹ in Lakhs)	Repayment terms (Refer Note No. 53 to the Financial Statements for the year ended March 31st, 2021) (₹ in Lakhs)					Balance tenure (years)	Rate of Interest per annum	Nature of security (Refer Note No. 74)
	As at March 31st, 2021	Overdue @@	Monthly	Quarterly	Half yearly	Single instalment			
Rupee term loans From banks **	209,604	64,734	7,087	137,783	-	-	0 - 5	8%-13%	Hypothecation of specific assets covered by hypothecation loan agreements and / or lease agreements with customers and / or receivables arising there from.
From financial institutions ***	154,110	24,651	50	57,375	72,034	-	0 - 4	8%-13%	
Total	**363,714**	**89,385**	**7,137**	**195,158**	**72,034**	-			
Foreign currency term loans From banks #	90,557	1,569	-	-	88,988	-	2 - 4	<10%	Hypothecation of specific assets covered by respecuve hypothecation loan agreements and lease agreements with customers and / or receivables arising there from.
From financial Institutions ##	114,687	15,680	-	-	89,869	9,138	0 - 8	<10%	
Total	**205,244**	**17,249**	-	-	**178,857**	**9,138**			

** Does not include effective interest rate adjustment ₹ 199 lakhs and Interest Accrued and not due ₹ 112 lakhs.
*** Does not include effective interest rate adjustment ₹ 13 lakhs and Interest Accrued and not due ₹ 351 lakhs.
# Does not include effective interest rate adjustment ₹ 879 lakhs and Interest Accrued and not due ₹ 600 lakhs.
Does not include effective interest rate adjustment ₹ 592 lakhs and Interest Accrued and not due ₹ 510 lakhs.
@@ It also includes interest overdue.

17.2 Secured Working capital facilities
(Refer Note No. 1.2, 63, 64, 65 & 66 and for previous year refer note no. 53 to the Financial Statements for the year ended March 31st, 2021)

Working capital facilities (earmarked against cash credit limits) from banks are secured by hypothecation of underlying assets covered by respective hypothecation loan agreements and lease agreements with customers and receivables arising therefrom ranking pari-passu (excluding assets specifically charged to others) (Refer Note No. 74). Further collateral security in the form of fixed deposits amounting to ₹ 38 lakhs (March 31st, 2021: ₹ 35 lakhs) is also given on behalf of the consortium.

Pursuant to initiation of CIRP (Refer Note No. 1.2), amount outstanding as at March 31st, 2022 are overdue.

a) As at March 31st, 2022, Working capital facilities from banks include Working capital demand loans (WCDL) aggregating to ₹ 6,85,517 lakhs (March 31st, 2021: ₹ 6,56,526 lakhs). Does not include Interest accrued and not due ₹ Nil (March 31st, 2021 : ₹ 46 lakhs). Rate of interest for WCDL ranges from 8% to 19% per annum (March 31st, 2021 : from 7% to 14% per annum). The above WCDL includes principal and interest overdue.

b) As at March 31st, 2022, Working capital facilities from banks includes Funded Interest Term Loan (FITL) ₹ 81,506 lakhs (March 31st, 2021: ₹ 94,027 lakhs). Does not include Interest accrued and not due ₹ Nil (March 31st, 2021 : ₹ Nil). Rate of interest for FITL ranges from 9% to 19% per annum (March 31st, 2021 : from 7% to 16% per annum). The above FITL amount includes principal and interest overdue.

c) As at March 31st, 2022, for other working capital facilities (Cash credit) aggregating to ₹ 12,32,355 lakhs (March 31st, 2021: ₹ 12,10,434 lakhs) includes overdue interest, rate of interest ranges from 9% to 18% per annum (March 31st, 2021 : from 8% to 14% per annum).

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17.3 Secured Collateralised Borrowings

Particulars	Outstanding (₹ in Lakhs)	Repayment terms (₹ in Lakhs)				Balance tenure (years)	Rate of Interest per annum	Nature of security
	As at March 31st, 2022	Overdue @#	Monthly	Quarterly	Single instalment			
Collateralised Borrowings	14,212	750	10,834	2,628	-	0-4	8%-13%	This represents amount against assignment of future lease rentals.
Total	14,212	750	10,834	2,628	-			

Does not include effective interest rate adjustment ₹ 321 lakhs and Interest accrued and not due ₹ 102 lakhs.
@ It also includes interest overdue.
# The overdue is due to outstanding receivables from the customers.

Particulars	Outstanding (₹ in Lakhs)	Repayment terms (Refer Note No. 53 to the Financial Statements for the year ended March 31st, 2021) (₹ in Lakhs)				Balance tenure (years)	Rate of Interest per annum	Nature of security
	As at March 31st, 2021	Overdue @ #	Monthly	Quarterly	Single instalment			
Collateralised Borrowings	41,032	5,919	29,063	6,050	-	0-5	7%-13%	This represent amount received against securitisation of hypothecation loan, which does not qualify for derecognition, and assignment of future lease rentals.
Total	41,032	5,919	29,063	6,050	-			

Does not include effective interest rate adjustment ₹ 821 lakhs and Interest accrued and not due ₹ 240 lakhs.
@ It also includes interest overdue.
# The overdue is due to outstanding receivables from the customers.

17.4 Unsecured term loans

Particulars	Outstanding (₹ in Lakhs)	Repayment terms (Refer Note No. 1.2, 63, 64, 65 & 66) (₹ in Lakhs)				Balance tenure (years)	Rate of Interest per annum
	As at March 31st, 2022	Overdue@	Quarterly	Half yearly	Yearly		
Foreign currency term loan from bank	31,765	31,765	-	-	-	4-7	<10%
Foreign currency term loan from financial Institutions	25,178	25,178	-	-	-	0-6	<10%
Total	56,943	56,943	-	-	-		

Pursuant to initiation of CIRP (Refer Note No. 1.2), amount outstanding as at March 31st, 2022 are overdue.
Does not include effective interest rate adjustment ₹ Nil and Interest accrued and not due ₹ Nil.
@ It also includes interest overdue.

Particulars	Outstanding (₹ in Lakhs)	Repayment terms (Refer Note No. 53 to the Financial Statements for the year ended March 31st, 2021) (₹ in Lakhs)				Balance tenure (years)	Rate of Interest per annum
	As at March 31st, 2021	Overdue@	Quarterly	Half yearly	Yearly		
Foreign currency term loan from bank *	30,972	1,076	-	29,896	-	5-8	<10%
Foreign currency term loan from financial Institutions **	24,123	5,377	8,773	9,973	-	0-7	<10%
Total	55,095	6,453	8,773	39,869	-		

* Does not include effective interest rate adjustment ₹ 544 lakhs and Interest accrued and not due ₹ 154 lakhs.
** Does not include effective interest rate adjustment ₹ 300 lakhs and Interest accrued and not due ₹ 110 lakhs.
@ It also includes interest overdue.

17.5 Unsecured Deferred payment liabilities

Particulars	Outstanding (₹ in Lakhs)	Repayment terms (Refer Note No. 1.2, 64, 65 & 66) (₹ in Lakhs)					Balance tenure (years)	Rate of Interest per annum
	As at March 31st, 2022	Overdue @	Monthly	Quarterly	Half yearly	Yearly		
Deferred payment liabilities	9,123	9,123	-	-	-	-	0-2	0%-10%
Total	9,123	9,123	-	-	-	-		

Pursuant to initiation of CIRP (Refer Note No. 1.2), amount outstanding as at March 31st, 2022 are overdue.
@ It also includes interest overdue.

Particulars	Outstanding (₹ in Lakhs)	Repayment terms (₹ in Lakhs)					Balance tenure (years)	Rate of Interest per annum
	As at March 31st, 2021	Overdue @	Monthly	Quarterly	Half yearly	Yearly		
Deferred payment liabilities	22,601	8,450	14,151	-	-	-	0-3	0%-10%
Total	22,601	8,450	14,151	-	-	-		

@ It also includes interest overdue.

17.6 Inter-corporate deposits

Particulars	Outstanding (₹ in Lakhs)	Repayment terms (Refer Note No. 1.2, 64, 65 & 66) (₹ in Lakhs)					Balance tenure (years)	Rate of Interest per annum
	As at March 31st, 2022	Overdue @	Monthly	Quarterly	Half yearly	Single instalment		
Inter-corporate deposits	106	106	-	-	-	-	0-1	7%
Total	106	106	-	-	-	-		

Pursuant to initiation of CIRP (Refer Note No. 1.2), amount outstanding as at March 31st, 2022 are overdue.
Does not includes Interest accrued and not due ₹ Nil.

Particulars	Outstanding (₹ in Lakhs)	Repayment terms (₹ in Lakhs)					Balance tenure (years)	Rate of Interest per annum
	As at March 31, 2021	Overdue @	Monthly	Quarterly	Half yearly	Single instalment		
Inter-corporate deposits	100	-	-	-	-	100	0-1	7%
Total	100	-	-	-	-	100		

Does not includes Interest accrued and not due ₹ 5 lakhs.

18. Subordinated Liabilities

(₹ in Lakhs)

Particulars	As at March 31st, 2022				As at March 31st, 2021			
	Amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4)=(1)+(2)+(3)	(1)	(2)	(3)	(4)=(1)+(2)+(3)
UNSECURED								
Subordinated perpetual debentures (Tier I Capital) (Refer Note No. 18.1 and 65)	15,015	-	-	15,015	14,193	-	-	14,193
Rupee subordinated loans (Tier II Capital) (Refer Note No. 18.2 and 65)	16,825	-	-	16,825	16,634	-	-	16,634
Subordinated redeemable non convertible debentures (Tier II Capital) (Refer Note No. 18.3 and 65)	229,741	-	-	229,741	214,704	-	-	214,704
Total	**261,581**	-	-	**261,581**	**245,531**	-	-	**245,531**
Subordinated Liabilities in India	261,581	-	-	261,581	245,531	-	-	245,531
Subordinated Liabilities outside India	-	-	-	-	-	-	-	-
Total	**261,581**	-	-	**261,581**	**245,531**	-	-	**245,531**

18.1 Unsecured subordinated perpetual debentures (Tier I Capital) *

During the year ended March 31st, 2022, the Company raised Unsecured subordinated perpetual debentures amounting ₹ Nil (March 31st, 2021 : ₹ Nil). As at March 31st, 2022, the amount of principal outstanding in respect of unsecured subordinated perpetual debentures is ₹ 13,750 lakhs (March 31st, 2021 : ₹ 13,750 lakhs). These perpetual debentures have call option as per contractual terms which is exercisable with prior approval of RBI. These perpetual debentures have a step up coupon rate of 100 basis points per annum for subsequent years, if Call Option is not exercised by the Company at the end of 10th year from the date of "

Date of Allotment	Face value per debenture (₹)	Amount outstanding (₹ in Lakhs)		Interest rate (%) ***	Earliest call option date
		As at March 31st, 2022 (Refer Note No. 1.2, 63, 64, 65 & 66)	As at March 31st, 2021 (Refer Note No. 53 to the Financial Statements for the year ended March 31st, 2021)		
13 December, 2018	1,000,000	10,000	10,000	13.00%	13 December, 2028
30 December, 2011 **	1,000,000	3,750	3,750	14.50%	30 December, 2021
Total		**13,750**	**13,750**		

Pursuant to initiation of CIRP (Refer Note No. 1.2), amount outstanding as at March 31st, 2022 are overdue.

* Does not include effective interest rate adjustment ₹ Nil (March 31st, 2021: ₹ 4 lakhs), Interest accrued and not due ₹ Nil (March 31st, 2021: ₹ 447 lakhs) and overdue interest ₹ 1,265 lakhs (March 31st, 2021: ₹ Nil).

** CIRP has been initiated against the Company, as stated in Note No. 1.2 and accordingly, as per the Code, the Administrator has invited the financial/operational/other creditors to file their respective claims as on October 8th, 2021 (i.e. date of commencement of CIRP). Considering the same, the Company has not able to exercise Call Option at the end of 10th year from the date of allotment.

*** Includes penal interest

18.2 Unsecured Rupee subordinated loans (Tier II Capital)

Particulars	Outstanding (₹ in Lakhs)	Repayment terms (Refer Note No. 1.2, 63, 64, 65 & 66) (₹ in Lakhs)			Balance tenure (years)	Rate of Interest per annum
	As at March 31st, 2022	Overdue @	Quarterly	Single Instalment		
Rupee Subordinated term loans (Tier II Capital) *	16,825	16,825	-	-	0 - 1	10%-11%
Total	**16,825**	**16,825**	-	-		

Pursuant to initiation of CIRP (Refer Note No. 1.2), amount outstanding as at March 31st, 2022 are overdue.

* Does not include effective interest rate adjustment ₹ Nil and interest accrued and not due ₹ Nil.

@ It also includes interest overdue.

Particulars	Outstanding (₹ in Lakhs)	Repayment terms (Refer Note No. 53 to the Financial Statements for the year ended March 31st, 2021) (₹ in Lakhs)			Balance tenure (years)	Rate of Interest per annum
	As at March 31st, 2021	Overdue @	Quarterly	Single Instalment		
Rupee Subordinated term loans (Tier II Capital)	16,631	1,631	-	15,000	0 - 2	10%-11%
Total	**16,631**	**1,631**	-	**15,000**		

Does not include effective interest rate adjustment ₹ 41 lakhs and interest accrued and not due ₹ 44 lakhs.

@ It also includes interest overdue.

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18.3 Unsecured subordinated redeemable non-convertible debentures (Tier II Capital)

During the year ended March 31st, 2022, the Company raised subordinated redeemable non-convertible debentures qualifying for Tier II Capital amounting ₹ Nil (March 31st, 2021 ₹ Nil). The following table sets forth, outstanding as at the Balance Sheet date:

Date of Allotment	Face value per debenture (₹)	Amount outstanding (₹ in Lakhs) # As at March 31st, 2022 (Refer Note No. 1.2, 63, 64, 65 & 66)	As at March 31st, 2021 (Refer Note No. 53 to the Financial Statements for the year ended March 31st, 2021)	Interest rate (%)*	Earliest redemption date/ Balance tenure (years)
Private Placement:					
10 October, 2018	1,000,000	500	500	12.25%	10 October, 2028
23 June, 2017	1,000,000	4,500	4,500	11.00%	23 June, 2027
30 March, 2017	1,000,000	5,000	5,000	12.25%	30 March, 2027
04 November, 2016	1,000,000	1,000	1,000	11.85%	04 November, 2026
07 October, 2016	1,000,000	4,000	4,000	12.75%	07 October, 2026
04 October, 2016	1,000,000	1,500	1,500	12.75%	04 October, 2026
24 August, 2016	1,000,000	3,000	3,000	11.50%	24 August, 2026
26 May, 2016	1,000,000	350	350	12.25%	26 May, 2026
25 May, 2016	1,000,000	2,000	2,000	12.75%	25 May, 2026
31 March, 2016	1,000,000	2,000	2,000	12.00%	31 March, 2026
18 March, 2016	1,000,000	500	500	12.70%	18 March, 2026
05 February, 2016	1,000,000	500	500	12.60%	05 February, 2026
20 January, 2016	1,000,000	500	500	12.60%	20 January, 2026
11 January, 2016	1,000,000	1,500	1,500	12.60%	11 January, 2026
24 September, 2015	1,000,000	500	500	12.50%	24 September, 2025
20 August, 2015	1,000,000	1,000	1,000	12.50%	20 August, 2025
13 August, 2015	1,000,000	15,000	15,000	12.75%	13 August, 2025
16 March, 2015	1,000,000	500	500	13.00%	16 March, 2025
01 March, 2017	1,000,000	500	500	12.40%	01 June, 2024
03 July, 2018	1,000,000	5,000	5,000	12.25%	03 May, 2024
25 October, 2016	1,000,000	5,000	5,000	11.80%	25 April, 2024
10 March, 2017	1,000,000	7,500	7,500	12.95%	10 March, 2024
17 July, 2013	1,000,000	2,300	2,300	12.75%	17 July, 2023
29 June, 2013	1,000,000	3,540	3,540	12.75%	29 June, 2023
07 May, 2013	1,000,000	2,080	2,080	13.25%	07 May, 2023
24 September, 2015	1,000,000	1,200	1,200	12.40%	24 April, 2023
29 March, 2016	1,000,000	200	200	12.70%	29 March, 2023
28 March, 2013	1,000,000	1,650	1,650	13.25%	28 March, 2023
01 March, 2013	1,000,000	1,750	1,750	13.25%	01 March, 2023
28 January, 2013	1,000,000	700	700	13.80%	28 January, 2023
24 January, 2013	1,000,000	900	900	13.25%	24 January, 2023
24 January, 2013	1,000,000	6,070	6,070	13.80%	24 January, 2023
16 January, 2013	1,000,000	250	250	13.70%	16 January, 2023
16 January, 2013	1,000,000	7,000	7,000	13.85%	16 January, 2023
17 December, 2012	1,000,000	1,700	1,700	13.50%	17 December, 2022
31 October, 2012	1,000,000	490	490	13.70%	31 October, 2022
18 October, 2012	1,000,000	1,060	1,060	13.70%	18 October, 2022
28 September, 2012	1,000,000	2,890	2,890	13.70%	28 September, 2022
13 August, 2015	1,000,000	5,000	5,000	12.75%	13 August, 2022
31 July, 2012	100,000	1,206	1,206	13.50%	31 July, 2022
09 March, 2017	1,000,000	500	500	12.18%	09 June, 2022
01 June, 2012	100,000	1,130	1,130	13.50%	01 June, 2022
30 March, 2012	1,000,000	10,000	10,000	13.40%	30 March, 2022
12 January, 2012	100,000	8,410	8,410	13.90%	12 January, 2022
11 January, 2012	100,000	6,600	6,600	13.90%	11 January, 2022
23 December, 2011	100,000	6,905	6,905	13.90%	23 December, 2021
01 February, 2016	1,000,000	700	700	12.15%	01 May, 2021
24 September, 2015	1,000,000	2,360	2,360	12.30%	24 April, 2021
Public Issue:					
24 January, 2019	1,000	1,428	1,428	12.75%-13.00%	10 years
08 August, 2017	1,000	56,199	56,199	11.25%-11.70%	5 - 10 years
16 March, 2018	1,000	2,702	2,702	11.12%-11.75%	10 years
Total		**198,770**	**198,770**		

All the above debentures are redeemable at par in single instalment.

Pursuant to initiation of CIRP (Refer Note No. 1.2), amount outstanding as at March 31st, 2022 are overdue.

* Includes penal interest

Does not include effective interest rate adjustment ₹ Nil (March 31st, 2021: ₹ 1,941 lakhs), Interest Accrued and not due ₹ Nil (March 31st, 2021: ₹ 9,814 lakhs), discounting on face value impact of ₹ Nil (March 31st, 2021: ₹ 122 lakhs) and overdue interest ₹ 30,971 lakhs (March 31st, 2021: ₹ 8,183 lakhs).

19. Other Financial Liabilities (₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
Trade deposits received	11,784	15,384
Advance From Operating Lease customer	2,065	1,913
Payable to Employees	1,306	999
Liability for Operating Expenses	2,949	4,252
Financial Guarantee Contract Liability	85	110
Unclaimed debentures and interest accrued thereon (Refer Note No. 75)	333	361
Others	150	-
Total	18,672	23,019

20. Current Tax Liabilities (Net) (₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
Current Tax Liabilities [net of advance income tax of ₹ 23,959 lakhs (March 31st, 2021 : ₹ 24,274 lakhs)]	13,652	13,337
Total	13,652	13,337

21. Provisions (₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
Provision for Gratuity	338	298
Provision for compensated absence	438	945
Others		
Provision against disputed statutory dues under litigation (Refer Note No. 70)	15,001	199
Total	15,777	1,442

22. Other Non-Financial Liabilities (₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
Pre-received amount for lease contracts	290	1,473
Interest Capitalisation Account	1,495	1,891
Statutory dues payable	2,483	4,776
Total	4,268	8,140

23. Equity Share Capital (₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
Authorised Equity shares, ₹ 10/- face value 50,00,00,000 (March 31st, 2021 : 50,00,00,000) Equity shares	50,000	50,000
Preference shares, ₹ 100/- face value 5,00,00,000 (March 31st, 2021 : 5,00,00,000) Preference shares	50,000	50,000
	100,000	**100,000**
Issued, Subscribed and fully paid-up Equity shares, ₹ 10/- face value 7,90,16,415 (March 31st, 2021 : 7,90,16,415) Equity shares	7,902	7,902
Total	**7,902**	**7,902**

23.1.1 Reconciliation of the number of Equity Shares outstanding

The reconciliation of the number of Equity Shares outstanding and the corresponding amount thereof as at the Balance Sheet date is set out below:

Equity Shares	As at March 31st, 2022		As at March 31st, 2021	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
At the beginning of the year	79,016,415	7,902	79,016,415	7,902
Add: Issued as fully paid during the year	-	-	-	-
At the end of the year	**79,016,415**	**7,902**	**79,016,415**	**7,902**

23.1.2 Rights, preferences and restrictions in respect of each class of shares

The Company's authorised capital consists of two classes of shares referred to as Equity Shares and Preference Shares having face value of ₹ 10/- each and ₹ 100/- each, respectively. Each holder of Equity Shares is entitled to one vote per share. Preference shareholders have a preferential right over equity shareholders, in respect of repayment of capital and payment of dividend. However, no such Preference Shares have been issued by the Company till date.

The Company declares and pays dividend in Indian rupees. The dividend, if any, proposed by Administrator Appointed Under IBC (Refer Note No. 1.2) is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

23.1.3 The details of shareholders holding more than 5% of the equity shares each:

Class of shares and names of shareholders	As at March 31st, 2022		As at March 31st, 2021	
Equity shares, ₹ 10/- face value	No. of shares	% held	No. of shares	% held
Srei Infrastructure Finance Limited (Holding Company)$	79,016,415	100	79,016,415	100

$ Including nominee shareholders

23.1.4 The details of shares held by promoters* as at March 31st, 2022:

Shares held by promoters at the end of the year			% change during the year
Promoter Name	No. of Shares**	% of total shares	
Srei Infrastructure Finance Limited (Holding Company) $	79,016,415	100%	-

$ Including nominee shareholders

23.1.4A The details of shares held by promoters* as at March 31st, 2021:

Shares held by promoters at the end of the year			% change during the year
Promoter Name	No. of Shares**	% of total shares	
Srei Infrastructure Finance Limited (Holding Company) $	79,016,415	100%	-

$ Including nominee shareholders

* Promoter here means promoter as defined in the Companies Act, 2013

** Class of shares is Equity Shares, ₹ 10/- face value

23.1.5 Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash.

In the financial year 2019-20, the Company had given the effect of the BTA (Refer Note No. 63) with its Holding Company, SIFL wef October 1st, 2019. Accordingly, the Company had allotted 1,93,56,415 equity shares of ₹ 10/- each to SIFL at a premium of ₹ 481/- per share thereby increasing the share capital by ₹ 1,936 lakhs and securities premium by ₹ 93,104 lakhs. The Company has not issued any shares without payment being received in cash from financial year 2016-17 to financial year 2018-19 and financial year 2020-21.

23.1.6 Refer Note No. 50 - "Capital Management" for the Company's objectives, policies and processes for managing capital.

SREI EQUIPMENT FINANCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31ST, 2022

24. Other Equity (₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
Special Reserve (created pursuant to Section 45-IC of The Reserve Bank of India Act, 1934)		
Opening balance	40,822	40,822
Add: Transferred from Retained Earnings	-	-
Closing balance	**40,822**	**40,822**
Income Tax Special Reserve (created pursuant to Section 36(1)(viii) of the Income Tax Act, 1961)		
Opening balance	15,770	15,770
Add: Transferred from Retained Earnings	-	-
Closing balance	**15,770**	**15,770**
Capital Reserve		
Opening balance	2,403	2,403
Add/Less: Transferred from / to Retained earnings	-	-
Closing balance	**2,403**	**2,403**
Securities Premium		
Opening balance	197,084	197,084
Add: Received on issue of equity shares for the year	-	-
Closing balance	**197,084**	**197,084**
Debenture Redemption Reserve		
Opening balance	39,824	41,487
Add: Transferred from Retained Earnings	-	-
Less: Transferred to Retained Earnings on redemption	-	(1,663)
Closing balance	**39,824**	**39,824**
Retained Earnings		
Opening balance	(1,075,165)	84,256
Add: Profit/(Loss) after tax for the year	(277,292)	(713,611)
Add: Other Comprehensive Income (net of tax)	(42)	(9)
Amount available for appropriation	**(1,352,499)**	**(629,364)**
Appropriations:		
Less: Amount transferred to Impairment Reserve (Refer Note No. 62)	(122,999)	(447,464)
Add: Amount transferred from Debt Redemption Reserve on Redemption	-	1,663
Add: Amount transferred from Equity Instruments through Other Comprehensive Income	1,061	-
Closing balance	**(1,474,437)**	**(1,075,165)**
Impairment Reserve		
Opening balance	447,464	-
Add: Transferred from Retained Earnings (Refer Note No. 62)	122,999	447,464
Closing balance	**570,463**	**447,464**
Debt Instruments through Other Comprehensive Income		
Opening balance	1,158	2,518
Add: Addition/(Reduction) during the year	(210)	(1,360)
Closing balance	**948**	**1,158**
Equity Instruments through Other Comprehensive Income		
Opening balance	1,061	814
Add: Addition during the year	-	247
Less: Reclassified to Retained Earnings	(1,061)	-
Closing balance	**-**	**1,061**
Effective portion of Cash Flow Hedges		
Opening balance	(14)	(1,034)
Add: Addition during the year	14	1,020
Closing balance	**-**	**(14)**
Total	**(607,123)**	**(329,593)**

SREI EQUIPMENT FINANCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31ST, 2022

24. Other Equity (continued)

Nature and purpose of Reserves

Special Reserve (created pursuant to Section 45-IC of The Reserve Bank of India Act, 1934)
Every year the Company transfers a sum of not less than twenty percent of net profit after tax of that year as disclosed in the Statement of Profit and Loss to its Statutory Reserve pursuant to Section 45-IC of The Reserve Bank of India Act, 1934.
The conditions and restrictions for distribution attached to Special Reserve is as follows:
No appropriation of any sum from the reserve fund shall be made by the Company except for the purpose as may be specified by the RBI from time to time and every such appropriation shall be reported to the RBI within twenty-one days from the date of such withdrawal. RBI may, in any particular case and for sufficient cause being shown, extend the period of twenty one days by such further period as it thinks fit or condone any delay in making such report.

Income Tax Special Reserve (created pursuant to Section 36(1)(viii) of the Income Tax Act, 1961)
This reserve has been created pursuant to Section 36(1)(viii) of the Income Tax Act, 1961 and any withdrawal from same will be taxable as per provisions of the Income Tax Act, 1961.

Capital Reserve:
Pursuant to the scheme of arrangement ('the Scheme) between BNP Paribas Lease Group (BPLG) and SIFL, approved by shareholders and sanctioned by Hon'ble High Court of Calcutta vide order of 28th January 2008, and further in the financial year 2019-20, the Company has given the effect of the BTA with its Holding Company, SIFL wef 1st October, 2019. The surplus, being the difference between the net book value of assets and liabilities taken over and shares issued as consideration has been accounted for as Capital Reserve in the books of the Company.

Securities Premium:
This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

Debenture Redemption Reserve (DRR):
Pursuant to Section 71 of the Companies Act, 2013 and circular 04/2013, read with notification issued date June 19th, 2016 issued by Ministry of Corporate Affairs, the Company is required to transfer 25% of the value of the outstanding debentures issued through public issue as per the present SEBI (Issue and Listing of Debt Securities) Regulation, 2008 to DRR and no DRR is required in case of privately placed debenture.
As per the notification G.S.R. 574(E) dated August 16th, 2019, the Ministry of Corporate Affairs has amended the Companies (Share Capital & Debentures) Rules, DRR is not required for debentures issued by NBFCs regulated by Reserve Bank of India for both public as well as private placement debentures.

Retained Earnings:
This reserve represents the cumulative profits/(loss) of the Company. This can be utilised in accordance with the provisions of the Companies Act, 2013.

Impairment Reserve:
Impairment reserve created pursuant to paragraph 2 (b) of Annex to the guidelines DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 issued by RBI on Implementation of Indian Accounting Standards for Non-Banking Finance Companies and Asset Reconstruction Companies comprises of the excess provision as per Income Recognition, Asset classification and Provisioning norms (IRAC norms) as compared to the provision as per the ECL model adopted by the Company.

Debt Instruments through Other Comprehensive Income:
Debt instruments measured at Fair Value through Other Comprehensive Income (FVTOCI) are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Other net gains and losses on account of fair value changes are recognised in Other Comprehensive Income (OCI). On derecognition, gains and losses accumulated in OCI are reclassified to the Statement of Profit and Loss.

Equity Instruments through Other Comprehensive Income:
This Reserve represents the cumulative gains (net of losses) arising on account of change in Fair Value of Equity Instruments measured at FVTOCI, net of amounts reclassified, if any, to Retained Earnings when those instruments are disposed off

Effective portion of Cash Flow Hedges:
For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). When the hedged cash flow affects the Statement of Profit and Loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the Statement of Profit and Loss.

25. Interest Income

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2022				For the year ended March 31st, 2021			
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	Total	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	Total
Interest on Loans	2,458	248,026	2,789	253,273	5,969	276,382	617	282,968
Interest income from Investment	-	178	23	201	-	-	25	25
Interest on Fixed Deposits with Banks	-	1,421	-	1,421	-	4,955	-	4,955
Total	**2,458**	**249,625**	**2,812**	**254,895**	**5,969**	**281,337**	**642**	**287,948**

26. Net gain/ (loss) on fair value changes

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2022			For the year ended March 31st, 2021		
	Net Gain	Net Loss	Total	Net Gain	Net Loss	Total
Net gain/ (loss) on financial instruments at fair value through profit or loss						
(i) Trading Portfolio						
- Derivatives	1,128	-	1,128	-	(10,500)	(10,500)
(ii) Others						
- Investments	-	(22,664)	(22,664)	-	(2,207)	(2,207)
- Loan	-	(12,999)	(12,999)	-	(23,594)	(23,594)
- Claims Receivable	7,014	-	7,014	-	(13,604)	(13,604)
Total Net gain/(loss) on fair value changes	**8,142**	**(35,663)**	**(27,521)**	-	**(49,905)**	**(49,905)**
Fair Value changes:						
-Realised	(507)	(4,457)	(4,964)	-	13,784	13,784
-Unrealised	8,649	(31,206)	(22,557)	-	(63,689)	(63,689)
Total Net gain/(loss) on fair value changes	**8,142**	**(35,663)**	**(27,521)**	-	**(49,905)**	**(49,905)**

27. Others

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2022	For the year ended March 31st, 2021
Liabilities no longer required written back	3,087	271
Income from joint controlled operation	1,913	1,889
Referral Income	49	68
Others	1,434	2,451
Total	**6,483**	**4,679**

28. Other Income

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2022	For the year ended March 31st, 2021
Net gain or (loss) on foreign currency transaction and translation (other than considered as finance cost)	(1,074)	3,398
Others	284	1,508
Total	**(790)**	**4,906**

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NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31ST, 2022

29. Finance Costs

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2022 (Refer Note No. 66)			For the year ended March 31st, 2021		
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	Total	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	Total
Interest on Borrowings	-	184,789	184,789	-	281,336	281,336
Interest on Debt Securities	-	15,413	15,413	-	23,901	23,901
Interest on Subordinated Liabilities	-	16,051	16,051	-	25,874	25,874
Other Interest Expense	-	501	501	-	1,535	1,535
Total	-	**216,754**	**216,754**	-	**332,646**	**332,646**

30. Impairment on Financial Instruments (Net)

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2022			For the year ended March 31st, 2021		
	On Financial instruments measured at fair value through OCI	On Financial instruments measured at Amortised Cost	Total	On Financial instruments measured at fair value through OCI	On Financial instruments measured at Amortised Cost	Total
Loans	(57)	214,870	214,813	(644)	542,291	541,647
Others	-	6,336	6,336	-	8,229	8,229
Total	**(57)**	**221,206**	**221,149**	**(644)**	**550,520**	**549,876**

31. Employee Benefits Expenses

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2022	For the year ended March 31st, 2021
Salaries and Wages	10,217	11,833
Contribution to provident and other funds*	724	890
Staff Welfare Expenses	79	98
Total	**11,020**	**12,821**

* This includes amount expended under defined contribution plans of ₹ 570 lakhs (March 31st, 2021: ₹ 698 lakhs).

32. Other Expenses

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2022	For the year ended March 31st, 2021
Rates & Taxes	5,547	68
Rent	173	1,885
Electricity charges	250	319
Repairs and Maintenance - Machinery	1,764	1,910
- Others	890	1,393
Communication Costs	247	261
Printing and Stationery	66	67
Advertisement and Subscription	76	383
Director's fees, Allowances and Expenses	131	76
Auditor's Fees and Expenses (Refer Note No. 32.1)	357	293
Legal and Professional charges	3,497	5,399
Insurance	227	151
Travelling and Conveyance	1,252	1,412
Net loss on derecognition of Property, Plant and Equipment	7,413	5,657
Repossession Expenses	659	823
Corporate Social Responsibility Expenses (Refer Note No. 32.2)	-	648
Charity and Donations	-	5
Conference and Seminar	2	25
Exchange Fluctuations (Net)	1	1
Impairment loss on capital advance	(29)	500
CIRP Expense (Refer Note No. 32.3)	884	-
Other Expenditure	16	194
Total	**23,423**	**21,470**

32.1 Payments to the Auditor (including GST)

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2022	For the year ended March 31st, 2021
As Auditor - Statutory Audit & Limited Reviews	300	250
Other Services (Certification etc.)	38	37
For Reimbursement Expenses	19	6
Total	**357**	**293**

32.2 Corporate Social Responsibility Expenses

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2022	For the year ended March 31st, 2021
(a) Gross amount required to be spent by the Company during the year	-	648
(b) Amount of expenditure incurred (paid in cash)	-	125
(c) Shortfall at the end of the year	-	523
(d) Total of previous years shortfall	523	439
(e) Reason for shortfall	Refer Note No. 71	Refer Note No. 71
(f) Nature of CSR activities	Not Applicable	Education and Skills Development, Healthcare / Medical facilities, Social and Economic Welfare & Environmental Sustainability.
(g) Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	Not Applicable	Not Applicable
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	Not Applicable	Not Applicable

32.3 CIRP Expense

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2022	For the year ended March 31st, 2021
Fees to Resolution professional	701	-
Manpower Cost	67	-
Reimbursement of expenses	6	-
Other Expenses	110	-
Total	**884**	-

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33. Earnings Per Share

Particulars	For the year ended March 31st, 2022	For the year ended March 31st, 2021
Net Profit attributable to Equity Shareholders (₹ in Lakhs)	(277,292)	(713,611)
Weighted average number of Equity Shares Basic (Nos.)	79,016,415	79,016,415
Weighted average number of Equity Shares Diluted (Nos.)	79,016,415	79,016,415
Nominal Value of Equity per share (in ₹)	10	10
Basic and Diluted Earnings per share (in ₹)	(350.93)	(903.08)

34. Deferred Tax (Assets)/Liabilities (Net)

(₹ in Lakhs)

Particulars	Balance as at March 31st, 2022	Balance as at March 31st, 2021
Deferred Tax Liabilities on		
Property, Plant and Equipment and Intangible Assets	10,715	19,188
Gross deferred tax liabilities	**10,715**	**19,188**
Deferred Tax Assets on		
Financial assets and liabilities at fair value	20,404	13,389
Financial assets and liabilities at amortised cost	32,879	27,693
Loss under Income Tax	175,773	161,360
Expenses allowable for tax purpose when paid	38,130	-
Other timing differences	85	697
Gross deferred tax assets	**267,271**	**203,139**
Deferred tax liabilities/(Assets) (Net) *	**(256,556)**	**(183,951)**

* The Company as a matter of prudence has not recognised deferred tax assets as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

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

(₹ in Lakhs)

Particulars	Balance as at April 1st, 2021	Recognised/ (reversed) in the Statement of Profit and Loss	Recognised/ (reversed) in Other Comprehensive Income	Reclassified to the Statement of Profit and Loss/adjusted with current tax liabilities	Balance as at March 31st, 2022
Deferred Tax Liabilities on					
Property, Plant and Equipment and Intangible Assets	-	-	-	-	-
Gross Deferred Tax Liabilities	-	-	-	-	-
Deferred Tax Assets on					
Financial Assets and Liabilities at fair value	-	-	-	-	-
Financial Assets and Liabilities at amortised cost	-	-	-	-	-
Loss under Income Tax	-	-	-	-	-
Expenses allowable for tax purpose when paid	-	-	-	-	-
Other timing differences	-	-	-	-	-
Gross Deferred Tax Assets	-	-	-	-	-
Deferred Tax Liabilities/(Assets) (Net)	-	-	-	-	-

(₹ in Lakhs)

Particulars	Balance as at April 1st, 2020	Recognised/ (reversed) in the Statement of Profit and Loss	Recognised/ (reversed) in Other Comprehensive Income	Reclassified to the Statement of Profit and Loss/adjusted with current tax liabilities	Balance as at March 31st, 2021
Deferred Tax Liabilities on					
Property, Plant and Equipment and Intangible Assets	39,118	(39,118)	-	-	-
Gross Deferred Tax Liabilities	**39,118**	**(39,118)**	-	-	-
Deferred Tax Assets on					
Financial Assets and Liabilities at fair value	1,374	(2,396)	1,022	-	-
Financial Assets and Liabilities at amortised cost	33,440	(33,440)	-	-	-
Loss under Income Tax	2,547	(2,547)	-	-	-
Expenses allowable for tax purpose when paid	-	-	-	-	-
Other timing differences	257	(257)	-	-	-
Gross Deferred Tax Assets	**37,618**	**(38,640)**	**1,022**	-	-
Net Deferred Tax Liabilities before MAT Credit Entitlement	**1,500**	**(478)**	**(1,022)**	-	-
Less: MAT Credit Entitlement	(4,333)	4,333	-	-	-
Deferred Tax Liabilities/(Assets) (Net)	**(2,833)**	**3,855**	**(1,022)**	-	-

SREI EQUIPMENT FINANCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31ST, 2022

35. Contingent Liabilities and Commitments (to the extent not provided for)

(₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
Contingent liabilities		
Claims against the Company not acknowledged as debt *		
Disputed demands		
-Entry Tax [deposits made under protest March 31st, 2022: ₹ 1 lakh (March 31st, 2021 : ₹ 1 lakh)]	-	67
- Value Added Tax (VAT) [deposits made under protest March 31st, 2022: ₹ 186 lakhs (March 31st, 2021 : ₹ 180 lakhs)]	1,212	1,538
- Central Sales Tax [deposits made under protest March 31st, 2022: ₹ 1 lakh (March 31st, 2021 : ₹ 1 lakh)]	-	25
- Service tax [deposits made under protest March 31st, 2022: ₹ 455 lakhs (March 31st, 2021 : ₹ 455 lakhs)] #	1,410	1,810
- Income Tax [deposits made under protest March 31st, 2022: ₹ 672 lakhs (March 31st, 2021 : ₹ 672 lakhs)]	6,931	6,931
(A) **	**9,553**	**10,371**
Disputed demands ##		
- Central Sales Tax	-	211
- Service Tax [deposits made under protest March 31st, 2022: ₹ 4 lakhs (March 31st, 2021: ₹ 4 lakhs)]	382	4,645
- Income Tax	-	7,981
(B) ***	**382**	**12,837**
Bank guarantees	79	88
(C)	79	88
Total (A+B+C)	**10,014**	**23,296**
Commitments		
Estimated amount of capital contracts remaining to be executed [Net of advances of ₹ 33 lakhs (March 31st, 2021: ₹ 11 lakhs)]	****	1

* The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and result of operations.

Based on the directions of RBI, during the year ended March 31st, 2022 the Company has made provision amounting to ₹ 9,807 lakhs and ₹ 4,991 lakhs in respect of direct tax cases and indirect tax cases respectively where the Company was under various stages of appeal with the relevant tax authorities (Refer Note No. 70), details of which is as given below :

** Entry Tax - ₹ 30 Lakhs, Value Added Tax - ₹ 86 Lakhs, Central Sales Tax - ₹ 1 Lakhs, Service tax - ₹ 400 Lakhs, Income Tax - ₹ 225 Lakhs

*** Central Sales Tax - ₹ 211 Lakhs, Service tax - ₹ 4,263 Lakhs, Income Tax - ₹ 9,582 Lakhs

**** ₹ 40,103/-

Net of ₹ 518 lakhs (March 31st, 2021: ₹ 518 lakhs) already provided for in the books of accounts.

During the year ended March 31st, 2020, the Company has given the effect of the BTA with its Holding Company, SIFL wef October 1st, 2019, by virtue of which the Company has undersigned to repay any liability with respect to disputed demands for the Transferred Undertaking (refer Note No. 63), if any arising in future. Accordingly the same has been shown as contingent liability.

For the purpose of above disclosure, pursuant to initiation of CIRP (Refer Note No. 1.2) any order received after the CIRP date i.e October 8th, 2021 has not been considered as per section 14 of the code.

36. Financial Guarantees

(₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
Bank Guarantee @	36,141	45,794
Corporate Guarantee @@	9,289	20,324
Total	**45,430**	**66,118**

@ Represents bank guarantees issued on behalf of the customer and other parties.

@@ Represents corporate guarantee issued on behalf of the customers.

37. Title deeds of Immovable Properties not held in name of the Company

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value (₹ in Lakhs) @		Title deeds held in the name of	Whether title deed holder is promoter*, director or relative # of promoter/ director or employee of promoter/ director	Property held since which date $	Reason for not being held in the name of the Company
		As at March 31st, 2022	As at March 31st, 2021				
Property, Plant and Equipment	Building	3895 ##	3895 ##	Srei Infrastructure Finance Limited	Promoter	October-2019	These immovable properties were transferred to the Company pursuant to the BTA (Refer Note No. 63) entered by the Company with its Holding Company, SIFL. These immovable properties are still in the name of SIFL.
Other Non-Financial Assets - Assets acquired in satisfaction of debt	Land	11,800	11,800	Murti Housing and Finance Private Limited	No	September-2017	The immovable property was transferred to the Company pursuant to the BTA (Refer Note No. 63) entered by the Company with its Holding Company, SIFL.
	Land	639	639	Deccan Chronicle Secunderabad Private Limited and Deccan Chronicle Rajahmundry Private Limited	No	June-2018	Due to procedural issues, title deeds are not registered in the name of the Company.
	Land	678	678	(i) Krystine Vintrade Pvt Ltd Balanced Dealers Pvt Ltd Shivdhan Sales Pvt. Ltd (ii) Oviation Marketing Pvt Ltd Wellknown Vinimay Pvt Ltd Malunk Dealtrade Pvt Ltd Balanced Commotrade Pvt Ltd	No	March-2016	
	Land	483	483	Mohamad Akil Shaikh and Ahmad Noor represented by its constituted attorney Mohamad Akil Shaikh	No	December-2016	
	Building	2,400	2,400	Kakarlapudi Venkata Madhava Varma	No	September-2016	
	Building	32	32	Sierra Constructions Pvt Ltd	No	September-2016	
	Land	138	138	Kabbalamma, Smt. Sukanya & Sri Prasanna represented by constituted attorney holder Sri L.	No	September-2015	
	Land	1,444	1,444	Wianxx Impex Private Limited	No	September-2017	

* Promoter here means promoter as defined in the Companies Act, 2013.

\# Relative here means relative as defined in the Companies Act, 2013.

\## This represents Gross Block of PPE.

@ Gross carrying value represents value of Assets acquired in satisfaction of debt as disclosed in Other Non-Financial Assets given in Note No. 14.

$ Month and year since the property is acquired by the Company

38. No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder during the year ended March 31st, 2022 and March 31st, 2021.

39. Relationship with Struck off Companies

(₹ in Lakhs)

Name of struck off Company	Nature of transactions with struck off Company	Balance outstanding as on March 31st, 2022	Balance outstanding as on March 31st, 2021	Relationship with the Struck off Company, if any, to be disclosed #
Magnate Marketing Services Private limited	Receivable (Stamp Duty Charges)	*	*	Not Applicable
Raffles Supply Chain Solutions Private limited	Receivables (Loans outstanding)	2,158	1,924	Not Applicable
Vishal Packaging Private Limited	Receivables (Loans outstanding)	210	287	Not Applicable
Uday Associates Private Limited	Receivables (Loans outstanding)	107	60	Not Applicable
	Other Outstanding Balances (Interest retained on Pool Assigned)	-	6	Not Applicable
Ishanika Plywoods Private Limited	Receivables (Loans outstanding)	34	42	Not Applicable
Bhatti Automobiles Private Limited	Receivables (Loans outstanding)	34	33	Not Applicable
Shaku Infraestate And Trade Mart Private Limited	Receivables (Loans outstanding)	4	4	Not Applicable
Shreem Coal Carriers Private Limited	Receivables (Loans outstanding)	-	40	Not Applicable
Piyush Developers Private Limited	Receivables (Loans outstanding)	-	11	Not Applicable
Welspun India Limited	Receivables (Loans outstanding)	-	4	Not Applicable
	Other Outstanding Balances (Interest retained on Pool Assigned)	-	1	Not Applicable
Mumtaj Construction Private limited	Receivables (Loans outstanding)	-	5	Not Applicable
Connect Business Solutions Limited	Receivables (Trade Receivables)	-	**	Not Applicable

* ₹ 33,000
** ₹ 3,779
\# As per the defination of 'related party' under section 2(76) of the Act.

40. Undisclosed Income

There are no transactions not recorded in the books of accounts during the year ended March 31st, 2022 and March 31st, 2021 that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961.

There are no previously unrecorded income and related assets to be recorded in the books of account during the year ended March 31st, 2022 and March 31st, 2021.

41. Registration of charges or satisfaction with Registrar of Companies (ROC)
Any charges or satisfaction yet to be registered with ROC beyond the statutory period, details and reasons thereof is disclosed as below:

Satisfaction yet to be registered with ROC

(₹ in Lakhs)

Facility Name	Charge ID	Date of charge Creation / Modification	Name of charge holder	Charge amount	
				As at March 31st, 2022	As at March 31st, 2021
Collateralised Borrowings	100275885	June 12th, 2019	Axis Trustees Services Limited	8,178	8,178
Debt Securities	100150739	December 28th, 2017	Catalyst Trusteeship Limited	500	500
Term Loans	100084037	March 16th, 2017	Small Industries Development Bank of India	10,000	10,000
Term Loans	100055724	September 26th, 2016	The Karur Vysya Bank Limited	7,500	7,500
Term Loans	10261668	November 24th, 2010	Axis Trustees Services Limited	36,800	36,800
Term Loans	100237513	January 8th, 2019	Axis Bank Limited	-	30,000
Total				**62,978**	**92,978**

Charges not yet registered with ROC

(₹ in Lakhs)

Facility Name	Name of lender	Reason for Non-registration	Amount *	
			As at March 31st, 2022	As at March 31st, 2021
Debt Securities	Catalyst Trusteeship Limited	Form CHG-1 filed with ROC but yet to be approved **	10,836	9,965
Debt Securities	Axis Trustee Services Limited		86,575	73,898
Debt Securities	Axis Trustee Services Limited	Novation Agreement signed but Form CHG-1 not filed **	81	70
Term Loans	HDFC Bank Limited	Form CHG-1 not filed with ROC	21	24
Term Loans	ICICI Bank Limited		25	38
Term Loans	Toyota Financial Services India Limited		38	50
Term Loans	Bank of India	Novation Agreement not signed **	38,147	36,363
Term Loans	Canara Bank		8,956	8,309
Term Loans	IFCI Limited		19,020	17,618
Term Loans	Indian Bank		6,862	6,443
Term Loans	Lakshmi Vilas Bank		1,113	1,033
Term Loans	Punjab and Sind Bank		3,953	3,768
Term Loans	Punjab National Bank		18,586	17,040
Term Loans	South Indian Bank Limited		295	277
Term Loans	State Bank of India		2,759	2,618
Term Loans	Union Bank of India		23,897	24,489
Working Capital Facilities ***	Consortium with Lead Bank Axis Bank Limited		876,761	815,239
Total			**1,097,925**	**1,017,242**

The Location of ROC is Kolkata
* This represents amount outstanding and does not include effective interest rate adjustment and interest accrued and not due.
** Refer Note No. 63 and 74.
*** Includes WCDL, FITL and Cash credit

42. The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender during the year ended March 31st, 2022 and March 31st, 2021.

43. The Company does not have any subsidiary as at March 31st, 2022 and March 31st, 2021 and accordingly clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable.

44. The Company has taken borrowings from banks or financial institutions on the basis of security of current assets.
Quarterly returns or statements of current assets filed by the Company with banks or financial institutions for the quarter ended June 30th, 2021 and September 30th, 2021 are in agreement with the books of accounts.
For the quarter ended December 31st, 2021 and March 31st, 2022, pursuant to initiation of CIRP (Refer Note No. 1.2) the Company has not filed quarterly returns or statements regularly with banks or financial institutions.
Current assets for this purpose includes loans and other receivables which are expected to be realised within twelve months after the reporting date.

45. Utilisation of Borrowed funds and share premium:
(A) During the year ended and as at March 31st, 2022 and March 31st, 2021, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall :
(i) 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
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
(B) During the year ended and as at March 31st, 2022 and March 31st, 2021, 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 :
(i) 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
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

46. Details of Crypto Currency or Virtual Currency
The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31st, 2022 and March 31st, 2021.

47. Disclosure pursuant to Ind AS 19 - Employee Benefits

I. Defined Contribution Plan

Contributions under Defined Contribution Plan as recognised in the Statement of Profit and Loss by the Company are as follows:

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2022	For the year ended March 31st, 2021
Employer contribution towards:		
- Provident Fund	555	683
- Employee State Insurance	15	15

II. Defined Benefit Plan

(A) Gratuity Fund :-
The Company makes periodic contributions to the Srei Equipment Finance Limited Employees' Gratuity Fund, a funded defined benefit-plan for qualifying employees. The trustees of the gratuity scheme for the employees of the Company have entrusted the administration of the scheme to the Life Insurance Corporation of India (LIC). The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity funds established as trusts or insurance companies. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

(B) Long-term Compensated Absence :-
The employees' long-term compensated absence scheme, which is a Defined Benefit Plan is unfunded.

Risk Management
The Defined Benefit Plans expose the Company to risk of actuarial deficit arising out of interest rate risk, salary cost inflation risk and demographic risk.

(a) Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

(b) Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation.

(c) Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation was carried out as at March 31st, 2022.

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47.1. Particulars in respect of post retirement defined benefit plans of the Company are as follows :-

(₹ in Lakhs)

Description	Gratuity (Funded)		Compensated absence (Unfunded)	
	As at March 31st, 2022	As at March 31st, 2021	As at March 31st, 2022	As at March 31st, 2021
1. Change in the defined benefit obligation (DBO)				
Present value of obligation at the beginning of the year	1,265	1,346	517	576
Current Service Cost	139	163	1	72
Interest Cost	71	80	2	36
Settlement (Credit)/Cost	-	-	105	-
Past Service Costs - plan amendments	-	-	-	-
Acquisitions Cost/(Credit)	-	-	-	-
Actuarial (gain)/loss - experience	63	(16)	121	(80)
Actuarial (gain)/loss - demographic assumptions	-	-	-	-
Actuarial (gain)/loss - financial assumptions	(29)	-	(2)	-
Benefits paid	(399)	(307)	(666)	(87)
Present value of obligation at the end of the year	**1,110**	**1,266**	78	**517**
2. Change in plan assets				
Fair value of Plan Assets at the beginning of the year	967	616	-	-
Acquisitions adjustment	-	-	-	-
Interest income on plan assets	57	51	-	-
Contributions by the employer	156	607	-	-
Return on Plan assets greater/(lesser) than discount rate	(8)	*	-	-
Benefits paid	(399)	(307)	-	-
Fair value of Plan Assets at the end of the year	**773**	**967**	-	-

* ₹ (-) 17,100/-

Basis used to determine the Expected Rate of Return on Plan Assets

The expected rate of return on plan assets is determined based on government bond rate

(₹ in Lakhs)

Description	Gratuity (Funded)		Compensated absence (Unfunded)	
	As at March 31st, 2022	As at March 31st, 2021	As at March 31st, 2022	As at March 31st, 2021
3. Amount recognised in Balance Sheet consists of :**				
Fair value of Plan Assets at the end of the year	773	967	-	-
Present Value of Obligation at the end of the year	1,111	1,265	78	517
Funded status [surplus/(deficit)]	(338)	(298)	(78)	(517)
Net defined benefit Asset/(Liabilities)	(338)	(298)	(78)	(517)

** Also includes DBO in respect of sick leave amounting to ₹ 360 lakhs as at March 31st, 2022 (As at March 31st, 2021 ₹ 428 lakhs).

(₹ in Lakhs)

Description	Gratuity (Funded)		Compensated absence (Unfunded)	
4. Expenses recognised in the Statement of Profit and Loss consists of:	For the year ended March 31st, 2022	For the year ended March 31st, 2021	For the year ended March 31st, 2022	For the year ended March 31st, 2021
Employee benefits expenses:				
Current Service cost	139	163	106	72
Net Interest cost	15	29	2	36
Actuarial (Gain) / Loss due to DBO experience	-	-	119	(80)
Actuarial (Gain) / Loss due to DBO assumptions changes	-	-	-	-
Total [A]	**154**	**192**	**227**	**28**
Other Comprehensive Income				
Actuarial (Gain) / Loss due to DBO experience	63	(16)	121	(80)
Actuarial (Gain) / Loss due to DBO assumptions changes	(29)	-	(2)	-
Actuarial (Gain) / Loss during the year	34	(16)	119	(80)
Return on Plan assets (greater)/lesser than discount rate	8	***	-	-
Actuarial (Gains) / Losses recognised in OCI [B]	**42**	**(16)**	-	-
Adjustment for limit on net asset	-	-	-	-
Expense recognised during the year [A+B]	**196**	**176**	**227**	**28**

*** ₹ 17,100/-

The expense for the Defined Benefits (referred to in note no. 47.1 above) are included in the line item under 'Contribution to Provident and other Funds' in Note No. 31.

47.2. Particulars in respect of post retirement defined benefit plans and long term employment benefits of the Company are as follows :-

Description	Gratuity (Funded) % Invested		Compensated absence (Unfunded) % Invested	
5. Investment Details of Plan Assets	**As at March 31st, 2022**	**As at March 31st, 2021**	**As at March 31st, 2022**	**As at March 31st, 2021**
Schemes of insurance- conventional products	100%	100%	Not Applicable	Not Applicable
6. Principle assumptions at the Balance Sheet date are as follows:				
Discount rate per annum	7.00%	6.70%	7.00%	6.70%
Salary escalation rate per annum	5.00%	5.00%	5.00%	5.00%
Mortality rate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Method used	Projected Unit Credit Method		Projected Unit Credit Method	

47.3. The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in employee market.

47.4. Sensitivity Analysis

The sensitivity results below determine their individual impact on the plan's end of year Defined Benefit Obligation. In reality, the plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the plan's sensitivity to such changes can vary over time.

	As at March 31st, 2022				As at March 31st, 2021			
	Gratuity (Funded)		**Compensated absence (Unfunded)**		**Gratuity (Funded)**		**Compensated absence (Unfunded)**	
Description	**%**	**(₹ in Lakhs)**	**%**	**(₹ in Lakhs)**	**%**	**(₹ in Lakhs)**	**%**	**(₹ in Lakhs)**
1. Discount Rate + 1%	-8.00%	(89)	-8.40%	(7)	-9.00%	(114)	-9.30%	(48)
2. Discount Rate – 1%	9.10%	101	9.60%	8	10.40%	132	10.80%	56
3. Salary Increase Rate + 1%	7.50%	83	9.70%	8	9.20%	116	10.90%	56
4. Salary Increase Rate – 1%	-7.00%	(77)	-8.60%	(7)	-8.30%	(105)	-9.50%	(49)

47.5. Maturity analysis of the defined benefit obligation are as follows:

(₹ in Lakhs)

	As at March 31st, 2022		As at March 31st, 2021	
	Gratuity (Funded)	**Compensated absence (Unfunded)**	**Gratuity (Funded)**	**Compensated absence (Unfunded)**
Within 1 year	51	3	64	22
1-2 year	98	5	63	21
2-3 year	63	5	102	34
3-4 year	80	4	70	22
4-5 year	113	5	89	25
5-10 year	833	47	812	290

The Company expects to contribute ₹ 405 lakhs to the fund in the next financial year.

47.6. Weighted average duration of the defined benefit obligation is 9 years (Previous year: 10 years)

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48. Disclosure pursuant to Ind AS 24, Related Party Disclosures

List of Related Parties

Entities related to the Company

Name	Nature of Relationship
Adisri Commercial Private Limited	Ultimate Parent Company
Srei Infrastructure Finance Limited	Parent Company
Controlla Electrotech Private Limited	Fellow Subsidiary
Bengal Srei Infrastructure Development Limited	Fellow Subsidiary
Srei Capital Markets Limited	Fellow Subsidiary
Srei Insurance Broking Private Limited	Fellow Subsidiary
Trinity Alternative Investment Managers Limited (erstwhile Srei Alternative Investment Managers Limited)	Fellow Subsidiary
Srei Equipment Finance Limited Employees Gratuity Fund	Employees' Benefit Plan

Key Management Personnel (KMP)

Name	Designation
Mr. Rajneesh Sharma (wef October 4th, 2021)*	Administrator
Mr. Hemant Kanoria (till October 4th, 2021)*	Chairman
Mr. Sunil Kanoria (till October 4th, 2021)*	Vice Chairman
Mr. Devendra Kumar Vyas (till October 4th, 2021)* and (wef March 1st, 2022)	Managing Director (till October 4th, 2021) Chief Business Officer (wef March 1st, 2022)
Mr. Indranil Sengupta (wef August 1st, 2020) (till October 4th, 2021)*	Whole Time Director
Mr. Manoj Kumar Beriwala (till June, 29th, 2021) and (wef March 1st, 2022)	Chief Financial Officer (till June, 29th, 2021) Chief Compliance Officer - RBI Compliances (wef March 1st, 2022)
Mr. Yogesh Kajaria (wef June 30th, 2021)	Chief Financial Officer
Ms. Ritu Bhojak (till May 10th, 2021)	Company Secretary
Mr. Sumit Kumar Surana (wef August 20th, 2021)	Company Secretary
Ms. Nidhi Saharia (wef March 1st, 2022)	Chief Risk Officer
Mr. Ashwani Kumar (till March 3rd, 2021)	Independent Director
Mr. Suresh Kumar Jain (till October 4th, 2021)*	Independent Director
Dr. Tamali Sengupta (till October 4th, 2021)*	Independent Director
Mr. Uma Shankar Paliwal (till October 4th, 2021)*	Independent Director
Mr. Shyamalendu Chatterjee (wef April 2nd, 2020) (till October 4th, 2021)*	Independent Director
Mr. Malay Mukherjee (wef March 6th, 2021) (till October 4th, 2021)*	Independent Director
Mr. Deepak Verma (wef April 23rd, 2021) (till October 4th, 2021)*	Independent Director

Others

Name	Nature of Relationship
Yogesh Kajaria - HUF (wef June 30th, 2021)	KMP is Karta
Manoj Kumar Beriwala - HUF (till June, 29th, 2021) and (wef March 1st, 2022)	KMP is Karta
Vandana Kumari (wef April 1st, 2021)	Relative of KMP of Parent Company
Prabha Sureka (wef March 1st, 2022)	Relative of KMP

*Refer Note No. 1.2

48. Disclosure pursuant to Ind AS 24, Related Party Disclosures (continued)

48(a) Summary of Transactions/Balance Outstanding

(₹ in Lakhs)

Name of the Related Party	Nature of relationship/designation	Nature of transactions	For the period ended March 31st, 2022	Balance as at March 31st, 2022	For the period ended March 31st, 2021	Balance as at March 31st, 2021
Srei Infrastructure Finance Limited	Parent Company	Rent paid for Leased Premises	20	229	1,172	229
		Security Deposit paid for Leased Premises - Excluding impairment loss allowance of ₹ 7,500 lakhs as at March 31st 2022 (₹ Nil as at March 31st, 2021)	-	15,000	15,000	15,000
		Rent received for Leased Premises	3	3	-	-
		Sale of Property	-	-	17	-
		Intercorporate Deposit Given (on maximum outstanding basis) - Excluding impairment loss allowance of ₹ 13,316 lakhs as at March 31st, 2022 (₹ 377 lakhs as at March 31st, 2021)	19	25,723	33,355	25,669
		Refund of Intercorporate Deposit Given	2,330	-	-	-
		Interest earned on Intercorporate Deposit Given	-	-	2,428	-
		Interest Accrued and Due on Intercorporate Deposit Given	-	-	-	2,386
		Purchase of Investment	-	-	641	-
		Other Receivables : Advance Given #	1,559	-	1,756	1,756
		Other Receivables : Refund of Advance Given #	3,315	-	-	-
		Reimbursement of Expenses	-	-	246	-
		Bank Guarantee released (Refer Note No. 63)	88	-	541	-
		Bank Guarantee issued (Refer Note No. 63)	-	416	-	504
Bengal Srei Infrastructure Development Limited	Fellow Subsidiary	Loan Given (Secured) (Refer Note No. 63) - Excluding impairment loss allowance of ₹ 21 lakhs as at March 31st, 2022 (₹ 17 lakhs as at March 31st, 2021)	-	119	-	106
		Interest Income on Loan Given	15	-	13	-
Trinity Alternative Investment Managers Ltd (erstwhile Srei Alternative Investment Managers Limited)	Fellow Subsidiary	Loan Given (Secured) - Excluding impairment loss allowance of ₹ 1,190 lakhs as at March 31st, 2022 (₹ 833 lakhs as at March 31st, 2021)	-	3,089	2,600	2,780
		Interest Income on Loan Given	309	-	216	-
Controlla Electrotech Private Limited	Fellow Subsidiary	Rent paid for Leased Premises	156	156	312	156
		Security Deposit paid for Leased Premises	-	2,350	-	2,350
		Security Deposit refund for Leased Premises	-	-	50	-
		Interest Received on Security Deposit	117	113	237	113
Srei Capital Markets Limited	Fellow Subsidiary	Rent received for Leased Premises	1	1	-	-
Srei Insurance Broking Private Limited	Fellow Subsidiary	Rent received for Leased Premises	3	-	-	-
Mr. Rajneesh Sharma	Administrator (wef October 4th, 2021)	Consultancy Fees	27	-	-	-
Mr. Hemant Kanoria	Chairman (till October 4th, 2021)	Short-term employee benefits	2	54	178	54
		Post-employment benefits	-	-	18	-
Mr. Sunil Kanoria	Vice Chairman (till October 4th, 2021)	Short-term employee benefits	2	18	175	18
		Post-employment benefits	-	-	18	-
Mr. Devendra Kumar Vyas	Managing Director (till October 4th, 2021) and Chief Business Officer (wef March 1st, 2022)	Short-term employee benefits	158	93	217	82
		Post-employment benefits	10	5	17	5
		Rent paid for Leased Premises	-	-	11	-
Mr. Indranil Sengupta	Whole Time Director (wef August 1st, 2020) (till October 4th, 2021)	Short-term employee benefits	45	2	35	3
		Post-employment benefits	2	-	1	-
Mr. Yogesh Kajaria	Chief Financial Officer (wef June 30th, 2021)	Short-term employee benefits	49	8	-	-
		Post-employment benefits	3	-	-	-
Mr. Manoj Kumar Beriwala	Chief Financial Officer (till June, 29th, 2021) and Chief Compliance Officer – RBI Compliances (wef March 1st, 2022)	Short-term employee benefits	27	10	83	7
		Post-employment benefits	1	-	4	-
Ms. Ritu Bhojak	Company Secretary (till May 10th, 2021)	Short-term employee benefits	6	-	35	4
		Post-employment benefits	*	-	2	-
Ms. Nidhi Saharia	Chief Risk Officer (wef March 1st, 2022)	Short-term employee benefits	4	3	-	-
		Post-employment benefits	**	-	-	-
Mr. Sumit Kumar Surana	Company Secretary (wef August 20th, 2021)	Short-term employee benefits	20	1	-	-
		Post-employment benefits	1	-	-	-
Mr. Shyamalendu Chatterjee	Independent Director (wef April 2nd, 2020) (till October 4th, 2021)	Sitting Fees	19	***	13	*****
Mr. Suresh Kumar Jain	Independent Director (till October 4th, 2021)	Sitting Fees	23	-	15	-
Dr. Tamali Sengupta	Independent Director (till October 4th, 2021)	Sitting Fees	22	2	10	-
Mr. Ashwani Kumar	Independent Director (till March 3rd, 2021)	Sitting Fees	-	-	14	-
Mr. Uma Shankar Paliwal	Independent Director (till October 4th, 2021)	Sitting Fees	23	-	15	-
Mr. Malay Mukherjee	Independent Director (wef March 6th, 2021) (till October 4th, 2021)	Sitting Fees	26	3	3	-
Mr. Deepak Verma	Independent Director (wef April 23rd, 2021) (till October 4th, 2021)	Sitting Fees	8	-	-	-
Yogesh Kajaria - HUF	KMP is Karta (wef June 30th, 2021)	Car Hire Charges	5	2	-	-
Manoj Kumar Beriwala - HUF	KMP is Karta (till June, 29th, 2021) and KMP is Karta (wef March 1st, 2022)	Car Hire Charges	2	3	6	3
Vandana Kumari	Relative of KMP of Parent Company (wef April 1st, 2021)	Car Hire Charges	3	-	-	-
Prabha Sureka	Relative of KMP (wef March 1st, 2022)	Car Hire Charges	****	-	-	-

* ₹ 20,077/-
** ₹ 17,739/-
*** ₹ 45,000/-
**** ₹ 50,000/-
***** ₹ 25,000/-
# This represents amount receivable from Parent Company, SIFL in TRA.

Note 1. Settlement of outstanding balances as at year end generally occurs in cash.
Note 2. Income or expenses are presented excluding GST.

48(b) Compensation to KMPs

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2022	For the year ended March 31st, 2021
Short-term employee benefits	432	792
Other long-term employee benefits	14	5
Post employment benifits.	18	60

49. As at March 31st, 2022 and as at March 31st, 2021, there are no loans or advances in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.

50. Capital Management

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

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, in view of deteriorating asset quality and substantial increase in the loan loss provisioning and liquidity problems faced by the Company, the net worth of the Company has been fully eroded. The Company is presently under CIRP wef October 8th, 2021 (Refer Note No. 1.2) and continues to operate as a going concern.

In view of present situation, any improvement in the capital structure is envisaged through a successful implementation of the Resolution plan. Also refer Note No. 61, 62, 63, 64 and 68.

(₹ in Lakhs)

	As at March 31st, 2022	**As at March 31st, 2021**
Tier I capital	(1,186,181)	(791,385)
Tier II capital	22,892	27,566
Total capital *	**(1,186,181)**	**(791,385)**
Risk weighted assets **	1,831,340	2,272,337
Tier I Ratio	(64.77)%	(34.83)%
Tier II Ratio	1.25%	1.21%

* If Tier II capital exceeds Tier I capital, amount exceeding Tier I capital is not considered for Total capital funds & if Tier I capital is negative, Tier II capital is ignored. Further, as at March 31st, 2022 subordinated debts have not been considered in Tier II capital as Tier I capital is negative.

** Does not include off-balance sheet items as considering the same under the scenario of negative Tier I capital will have a favourable impact on Tier I Ratio.

Regulatory capital consists of Tier I capital, which comprises share capital, securities premium, retained earnings including current year loss, statutory reserves and other free reserves less deferred revenue expenditure and intangible assets etc. The other component of regulatory capital is Tier II Capital Instruments, which includes subordinate debts.

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51. Financial Instruments and Related Disclosures

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.
The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of Financial Asset, Financial Liability and Equity Instrument are disclosed in Note No. 2 to the financial statements.

A) Categories of Financial Instruments
Set out below, is a comparison by class of the carrying value and fair value of the Company's financial instruments.

(₹ in Lakhs)

Particulars	As at March 31st, 2022		As at March 31st, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
a) Measured at Amortised Cost				
i) Cash and Cash Equivalents	127,881	127,881	41,642	41,642
ii) Bank Balance other than (i) above	18,261	18,261	98,657	98,657
iii) Trade Receivables	3,168	3,168	2,712	2,712
iv) Loans	1,991,476	2,027,362	2,087,389	2,177,168
v) Investments	6,984	6,996	-	-
vi) Other Financial Assets	17,989	17,989	45,044	45,044
Sub-total	**2,165,759**	**2,201,657**	**2,275,444**	**2,365,223**
b) Measured at Fair value through Profit or Loss				
i) Derivative Financial Instruments	-	-	936	936
ii) Loans	39,187	39,187	51,920	51,920
iii) Investments	116,620	116,620	102,018	102,018
iv) Other Financial Assets	72,542	72,542	65,897	65,897
Sub-total	**228,349**	**228,349**	**220,771**	**220,771**
c) Measured at Fair value through Other Comprehensive Income				
i) Loans	16,462	16,462	46,482	46,482
Sub-total	**16,462**	**16,462**	**46,482**	**46,482**
Total Financial Assets	**2,410,570**	**2,446,468**	**2,542,697**	**2,632,476**
Financial Liabilities				
a) Measured at Amortised Cost				
i) Trade Payables	6,418	6,418	8,875	8,875
ii) Debt Securities	259,552	259,552	244,148	262,624
iii) Borrowings (Other than Debt Securities)	2,676,863	2,676,992	2,647,553	2,646,248
iv) Subordinated Liabilities	261,581	261,581	245,531	246,202
v) Lease Liabilities	828	828	1,142	1,142
vi) Other Financial Liabilities	18,672	18,672	23,019	23,019
Sub-total	**3,223,914**	**3,224,043**	**3,170,268**	**3,188,110**
b) Measured at Fair value through Profit or loss				
i) Derivative Financial Instruments	-	-	1,151	1,151
Sub-total	-	-	**1,151**	**1,151**
Total Financial Liabilities	**3,223,914**	**3,224,043**	**3,171,419**	**3,189,261**

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables:

Loans measured at amortised cost
The fair values of loan assets are estimated using a discounted cash flow model based on contractual future cash flows based on terms, discounted at average lending rate.

Investments measured at amortised cost
The fair values of Investments at amortised cost (quoted bonds) are estimated using the most recent quoted price available from a recognised stock exchange.

Other Financial Assets measured at amortised cost
For other financial assets that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value.
Such instruments majorly include: Cash and Cash Equivalents, Other Bank Balances, Trade and Other Receivables and Security Deposits.

Debt Securities, Subordinated Liabilities and Other Borrowings measured at amortised cost
The fair values of collateralised borrowings are estimated using a discounted cash flow model based on contractual future cash flows based on terms, discounted at average borrowing rate. For all other Debt Securities, Subordinated Liabilities and Other Borrowings, pursuant to CIRP (Refer Note No. 1.2, 65) the carrying value as at March 31st, 2022 has been considered as fair value.

Other Financial Liabilities and Lease Liabilities measured at amortised cost
For other financial liabilities and Lease Liabilities that have a short-term maturity (less than twelve months), the carrying amounts are a reasonable approximation of their fair value.
Such instruments majorly include: Trade and Other payables and Trade Deposits.

51. Financial Instruments and Related Disclosures (continued)

B) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below.

Quoted prices in an active market (Level 1): Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments 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.

Valuation techniques with observable inputs (Level 2): The fair value of financial instruments that are not traded in an active market (for example over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Valuation techniques with significant unobservable inputs (Level 3): If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, Loans and Other Financial Assets and Liabilities included in level 3.

(₹ in Lakhs)

Particulars	As at March 31st, 2022			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Derivative Financial Instruments	-	-	-	-
Loans	-	-	55,649	**55,649**
Investments	421	1,484	114,715	**116,620**
Other Financial Assets	-	-	72,542	**72,542**
	421	**1,484**	**242,906**	**244,811**
Financial Liabilities				
Derivative Financial Instruments	-	-	-	-
	-	-	-	-

(₹ in Lakhs)

Particulars	As at March 31st, 2021			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Derivative Financial Instruments	-	936	-	936
Loans	-	-	98,402	**98,402**
Investments	130	623	101,265	**102,018**
Other Financial Assets	-	-	65,897	**65,897**
	130	**1,559**	**265,564**	**267,253**
Financial Liabilities				
Derivative Financial Instruments	-	1,151	-	**1,151**
	-	**1,151**	-	**1,151**

Fair value of the Company's assets and liabilities that are measured at fair value on a recurring basis

(₹ in Lakhs)

Particulars	Fair Value as at		Fair Value Hierarchy	Valuation Technique and Key Inputs	Significant Unobservable Inputs
	March 31st, 2022	March 31st, 2021			
Financial Assets					
Derivative Financial Instruments	-	936	Level 2	Note (i)	Not applicable
Loans	55,649	98,402	Level 3	Note (ii)	Note (vi) and (vii)
Investments	421	130	Level 1	Note (iii)	Not applicable
Investments	1,484	623	Level 2	Note (iv) & (v)	Not applicable
Investments	114,715	101,265	Level 3	Note (ii)	Note (vi)
Other Financial Assets	72,542	65,897	Level 3	Note (ii)	Note (viii)
Financial Liabilities					
Derivative Financial Instruments	-	1,151	Level 2	Note (i)	Not applicable

(i) Mark-to-Market
Fair value of the asset and liability has been estimated using the current market price, or price for similar assets and liabilities as applicable.
(ii) Income Approach
The discounted cash flow method was used to capture the present value of the the expected future benefits (including contractual cash flows) to be derived from the Loans, Investments and Other Financial Assets.
(iii) Quoted Prices
Quoted bid prices of an active market was used.
(iv) Price to Revenue/Earnings Multiple Method
Price was derived as a multiple of revenue/earnings based on relevant information from companies operating in similar economic environment and industry.
(v) Net Asset Value Method
The adjusted net asset value is arrived at after making adjustments for the Fair value of Assets and Liabilities as on the date of valuation.

(vi) Discount rate, determined using average lending rate of the company or discount rate considered by the Valuer.
(vii) The fair value of loans is derived based on the valuation of the underlying assets.
(viii) Probability of recovery and discount rate considered by the Valuer.

Reconciliation of Level 3 fair value measurements

(₹ in Lakhs)

Reconciliation	Investments		Loans		Other Financial Assets	
	March 31st, 2022	March 31st, 2021	March 31st, 2022	March 31st, 2021	March 31st, 2022	March 31st, 2021
Opening Balance	**101,265**	**76,116**	**98,402**	**194,020**	**65,897**	**51,015**
Addition	36,174	24,906	9,769	34,101	-	28,486
Repayment/Transfers to amortised cost *	(6)	(8,373)	(43,824)	(106,370)	(1,804)	-
Transfers into Level 3	-	9,660	-	-	-	-
Transfers from Level 3	-	-	-	-	-	-
Unrealised income/(loss)	(22,718)	(1,044)	(8,546)	(21,280)	8,449	(13,604)
Other Comprehensive Income	-	-	(152)	(2,069)	-	-
Closing Balance	**114,715**	**101,265**	**55,649**	**98,402**	**72,542**	**65,897**

* includes write off

51. Financial Instruments and Related Disclosures (continued)

Sensitivity of fair value measurements to changes in unobservable market data

The table below describes the effect of changing the significant unobservable inputs to reasonable possible alternatives. Sensitivity data are calculated using a number of techniques, including analysing price dispersion of different price sources, adjusting model inputs to reasonable changes within the fair value methodology.

The ranges are not comparable or symmetrical as the model inputs are usually not in the middle of the favourable/unfavourable range.

Below table shows impact of increase/decrease in fair valuation measurement at 2%

(₹ in Lakhs)

Particulars	As at March 31st, 2022		As at March 31st, 2021	
	Favourable Changes	Unfavourable Changes	Favourable Changes	Unfavourable Changes
Loans at FVTOCI	419	(378)	2,643	(1,291)
Loans at FVTPL	1,657	(1,556)	2,299	(2,135)
Investments at FVTPL	6,911	(6,114)	4,461	(3,368)
Other Financial Assets at FVTPL	1,983	(1,894)	2,902	(2,587)
Total	**10,970**	**(9,942)**	**12,305**	**(9,381)**

C) Financial risk management objectives

The Company's activities expose it to market risk, liquidity risk and credit risk.

The Company is currently undergoing CIRP (Refer Note No. 1.2) under the provisions of the Code. Accordingly, a moratorium has been declared under section 14 of the Code. Post CIRP, the Company has reconstituted the Risk Management Committee including constitution of its sub committees viz Operational Risk Management Committee of Executives, Credit Risk Management Committee of Executives and the Product & Process Approval Committee. The Asset Liability Management Committee (ALCO) has also been reconstituted. The Financial risk management framework would undergo revision post implementation of the approved resolution plan.

a) Market risk

The Company's Financial Instruments are exposed to market changes. The Company is exposed to the following significant market risk:

i. Foreign Currency Risk

ii. Interest Rate Risk

iii. Price Risk

i. Foreign currency risk

The Company undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and reinstatement risks arising from recognised assets and liabilities, which are not in the Company's functional currency (Indian Rupees).

The company is currently undergoing CIRP (Refer Note No. 1.2) under the provisions of the Code. Accordingly, a moratorium has been declared under section 14 of the Code. The foreign currency liabilities have been crystallised into INR as on October 8th, 2021 (Insolvency Commencement Date or 'ICD'). Hence, there is no foreign currency risk and consequently foreign currency sensitivity is not applicable as at March 31st, 2022.

Foreign Currency Exposure (₹ in Lakhs)

As at March 31st, 2022	USD	EURO	Total
Borrowings (Other than Debt Securities)	146,388	80,529	226,917
As at March 31st, 2021	**USD**	**EURO**	**Total**
Borrowings (Other than Debt Securities)	182,308	78,030	260,338

(₹ in Lakhs)

Hedged Foreign Currency balances :		As at March 31st, 2022	As at March 31st, 2021 *
Borrowings (Other than Debt Securities)	USD	-	20,088
	EURO	-	25,288

* The same does not meet hedge documentation criteria as per Ind AS 109. Also Refer Note No. 67

(₹ in Lakhs)

Unhedged Foreign Currency balances : **		As at March 31st, 2022	As at March 31st, 2021
Borrowings (Other than Debt Securities)	USD	146,388	162,220
	EURO	80,529	52,742

** Includes Overdue Principal and Interest. Also Refer Note No. 67

SREI EQUIPMENT FINANCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31ST, 2022

51. Financial Instruments and Related Disclosures (continued)

Foreign currency sensitivity

Impact on increase in 2% (₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
USD	-	(3,646)
EURO	-	(1,561)

Impact on decrease in 2% (₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
USD	-	3,646
EURO	-	1,561

ii. Interest rate risk

The Company is exposed to interest rate risk as the Company borrows foreign currency funds at fixed plus floating interest rate benchmarks. The Company manages this risk by maintaining an appropriate mix between fixed and floating rate borrowings, and by use of derivative hedging products like interest rate swaps and cross currency interest rate swaps. It is pertinent to note that the Company is absolutely dependent on banks for such hedging limits.

The Company is currently undergoing CIRP (Refer Note No. 1.2) under the provisions of the Code. Accordingly, a moratorium has been declared under section 14 of the Code.The borrowings have been crystallised into INR as on October 8th, 2021 (Insolvency Commencement Date or 'ICD'). Hence, there is no interest rate risk and consequently interest rate sensitivity is not applicable as at March 31st, 2022 for the borrowings of the Company.

The Company is further exposed to interest rate risk as the Company also lends funds at floating interest rates.

Interest Rate Exposure [Financial Instruments at variable interest rates] (₹ in Lakhs)

As at March 31st, 2022	INR	USD	EURO	Total
Financial Assets				
Loans	806,434	-	-	806,434
Financial Liabilities				
Borrowings (Other than Debt Securities)	-	-	-	-
Subordinated Liabilities	-	-	-	-
As at March 31st, 2021	**INR**	**USD**	**EURO**	**Total**
Financial Assets				
Loans	1,225,751	-	-	1,225,751
Financial Liabilities				
Borrowings (Other than Debt Securities)	2,201,336	182,308	78,030	2,461,674
Subordinated Liabilities	16,631	-	-	16,631

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

Interest Rate sensitivity

Impact on increase in 2% (₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
INR	16,129	(19,844)
USD	-	(3,646)
EURO	-	(1,561)

Impact on decrease in 2% (₹ in Lakhs)

Particulars	As at March 31st, 2022	As at March 31st, 2021
INR	(16,129)	19,844
USD	-	3,646
EURO	-	1,561

The sensitivity analysis above has been determined based on the exposure to interest rates for assets and liabilities at the end of the reporting period. For floating rate assets and liabilities, the analysis is prepared assuming the amount of the liabilities/assets outstanding at the end of the reporting period was outstanding for the whole year and the rates are reset as per the applicable reset dates.

iii. Price risk

Equity price risk is related to change in market reference price of investments in equity securities held by the Company. The fair value of quoted investments held by the Company exposes the Company to equity price risks. In general, these investments are not held for trading purposes. The fair value of quoted investments in equity, classified as fair value through profit or loss as at March 31st, 2022 is ₹ 421 lakhs (March 31st, 2021 ₹ 130 lakhs).

A 10% change in equity prices of such securities held as at March 31st, 2022 would result in an impact of ₹ 42 lakhs (March 31st, 2021 ₹ 13 lakhs).

51. Financial Instruments and Related Disclosures (continued)

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 ALCO lays down a broad framework for liquidity risk management to ensure that it is in a position to meet its daily liquidity obligations as well as to withstand a period of liquidity stress from industry, market or a combination of them. The liquidity profile is analyzed on a static as well as on a dynamic basis by using the gap analysis technique supplemented by monitoring of key liquidity ratios and conduct of liquidity stress tests periodically.

The Company is currently undergoing CIRP (Refer Note No. 1.2) under the provisions of the Code, accordingly, a moratorium has been declared under section 14 of the Code. The current liquidity risk management is therefore restricted to the management of current assets and liabilities and the day to day cash flows of the company. The Liquidity risk management framework would undergo revision post implementation of the approved resolution plan.

(I) Liquidity risk management :

(₹ in Lakhs)

Particulars	As at March 31st, 2022								
	Upto 30/31 days	Over 1 month upto 2 Months	Over 2 months upto 3 months	Over 3 month & up to 6 months	Over 6 Month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
A: Financial Assets									
i) Cash and Cash Equivalents	127,881	-	-	-	-	-	-	-	127,881
ii) Bank Balance other than above	5,314	271	28	1,914	6,926	3,803	2	3	18,261
iii) Derivative Financial Instruments	-	-	-	-	-	-	-	-	-
iv) Trade Receivables	3,239	-	-	-	-	-	-	-	3,239
v) (a) Loans	96,651	8,228	6,287	20,930	34,939	195,827	471,532	2,266,162	3,100,556
v) (b) Liability towards Assignment $	(205,934)	(6,693)	(6,397)	(14,365)	(15,426)	(6,995)	-	-	(253,810)
vi) Investments	284	-	54	20,442	21,190	25,360	17,589	38,685	123,604
vii) Other Financial Assets #	11,619	499	633	4,303	15,247	59,781	34	25	99,641
Total	**39,054**	**2,305**	**605**	**33,224**	**64,876**	**277,776**	**489,157**	**2,304,875**	**3,219,372**
B: Financial Liabilities									
i) Derivative Financial Instruments	-	-	-	-	-	-	-	-	-
ii) Trade Payables ##	187	187	187	562	-	-	-	-	6,438
iii) Debt Securities *	-	-	-	-	-	-	-	-	259,552
iv) Borrowings (Other than Debt Securities) *	2,727	948	720	2,770	3,825	3,212	112	-	2,677,184
v) Subordinated Liabilities *	-	-	-	-	-	-	-	-	261,581
vi) Lease Liabilities	37	36	35	96	183	431	74	-	892
vii) Other Financial Liabilities	13,361	538	439	616	1,487	2,033	198	-	18,672
Total	**16,312**	**1,709**	**1,381**	**4,044**	**5,495**	**5,676**	**384**	-	**3,224,299**

$ Amount in first bucket includes certain liabilities prior to initiation of CIRP, which are subject to reconciliation.

Receivables of security deposits from SIFL are not determinable pursuant to initiation of CIRP (Refer Note No. 1.2 and 64).

Repayments of Trade Payables admitted as claims pursuant to initiation of CIRP (Refer Note No. 1.2) are not determinable.

* Repayments of collateralised borrowings have been considered as per the contractual obligations and for others, repayments are not determinable pursuant to initiation of CIRP (Refer Note No. 1.2, 64 and 65).

(₹ in Lakhs)

Particulars	As at March 31st, 2021								
	Upto 30/31 days	Over 1 month upto 2 Months	Over 2 months upto 3 months	Over 3 month & up to 6 months	Over 6 Month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
A: Financial Assets									
i) Cash and Cash Equivalents	41,642	-	-	-	-	-	-	-	41,642
ii) Bank Balance other than above	9,744	289	1,333	11,736	49,958	25,126	471	-	98,657
iii) Derivative Financial Instruments	936	-	-	-	-	-	-	-	936
iv) Trade Receivables	913	913	913	-	-	-	-	-	2,739
v) (a) Loans	48,313	29,911	29,549	72,439	110,729	316,776	983,876	1,645,069	3,236,662
v) (b) Liability towards Assignment	(101,398)	(23,244)	(24,027)	(65,799)	(95,044)	(117,955)	-	-	(427,467)
vi) Investments	-	-	130	-	34,517	25,011	39,648	2,712	102,018
vii) Other Financial Assets	28,894	1,765	3,377	2,377	4,427	72,757	100	4	113,701
Total	**29,044**	**9,634**	**11,275**	**20,753**	**104,587**	**321,715**	**1,024,095**	**1,647,785**	**3,168,888**
B: Financial Liabilities									
i) Derivative Financial Instruments	1,151	-	-	-	-	-	-	-	1,151
ii) Trade Payables	1,479	1,479	1,479	4,438	-	-	-	-	8,875
iii) Debt Securities *	27,255	10,816	414	1,185	84,003	82,270	19,418	20,374	245,735
iv) Borrowings (Other than Debt Securities) # *	1,460,706	12,659	141,135	504,025	161,904	314,600	38,516	17,354	2,650,899
v) Subordinated Liabilities *	14,473	1,136	709	7,511	37,905	96,096	34,974	54,834	247,638
vi) Lease Liabilities	47	44	44	127	240	585	233	17	1,337
vii) Other Financial Liabilities	12,047	387	149	1,062	2,752	7,312	783	-	24,492
Total	**1,517,158**	**26,521**	**143,930**	**518,348**	**286,804**	**500,863**	**93,924**	**92,579**	**3,180,127**

The repayment of Working capital facilities (including WCDL and Cash credit facilities) has been considered based on the renewal date of the respective Working capital facilities. However, working capital facilities for cases where renewal is pending as on March 31st, 2021 amounting to ₹ 10,36,487 lakhs has been considered in the first bucket i.e. Upto 30/31 days.

* Repayment of overdue amount is based on contractual terms has been considered in the first bucket i.e. Upto 30/31 days.

SREI EQUIPMENT FINANCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31ST, 2022

51. Financial Instruments and Related Disclosures (continued)

(II) Public disclosure on Liquidity Risk

Disclosure on liquidity risk under RBI circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 4th, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies

(i) Funding Concentration based on significant counterparty (both deposits and borrowings)

As at	Number of Significant Counterparties	Amount (₹ in Lakhs) *	% of Total deposits	% of Total Liabilities
March 31st, 2022	16	2,498,661	Not applicable	77%
March 31st, 2021	16	2,432,399	Not applicable	76%

* Amount is as per commercial terms. Does not include overdue interest on Secured Non-convertible debentures, Secured Long Term Infrastructure Bond, Subordinated perpetual debentures and Subordinated redeemable non convertible debentures

(ii) Top 20 large deposits (amount in ₹ in Lakhs and % of total deposits) - Not applicable (March 31st, 2021: Not applicable)

(iii) Top 10 borrowings (amount in ₹ in Lakhs and % of total borrowings)

As at March 31st, 2022		As at March 31st, 2021	
Amount (₹ in Lakhs) **	% of Total Borrowings	Amount (₹ in Lakhs) **	% of Total Borrowings
2,058,519	64%	2,009,794	64%

** Amount is as per commercial terms. Does not include overdue interest on Secured Non-convertible debentures, Secured Long Term Infrastructure Bond, Subordinated perpetual debentures and Subordinated redeemable non convertible debentures

(iv) Funding Concentration based on significant instrument/product

Sr. No.	Name of the instrument/product	As at March 31st, 2022		As at March 31st, 2021	
		Amount (₹ in Lakhs) #	% of Total Liabilities	Amount (₹ in Lakhs) #	% of Total Liabilities
1	Term Loan from Banks				
a	Rupee Term loans - Secured	219,716	7%	209,605	7%
b	Foreign currency Term loans - Secured	95,196	3%	90,557	3%
c	Foreign currency Term loans - Unsecured	-	-	30,972	1%
2	Working capital facilities	1,999,379	61%	1,960,988	61%
3	Term Loan from Others				
a	Rupee Term loans - Secured	207,630	6%	154,110	5%
b	Foreign currency Term loans - Secured	74,778	2%	114,686	4%
4	Non-convertible debentures - Secured	255,503	8%	228,757	7%
5	Subordinated Non convertible debentures (Tier II Capital)	229,741	7%	206,953	6%

\# Amount is as per commercial terms

(v) Stock Ratios:

Sr. No.	Particulars	As at March 31st, 2022	As at March 31st, 2021
1	Commercial Papers to Total Public Funds	-	-
2	Commercial Papers to Total Liabilities	-	-
3	Commercial Papers to Total Assets	-	-
4	NCDs (Original Maturity < 1 yrs.) to Total Public Funds	-	-
5	NCDs (Original Maturity < 1 yrs.) to Total Liabilities	-	-
6	NCDs (Original Maturity < 1 yrs.) to Total Assets	-	-
7	Other Short-Term Liabilities to Total Public Funds ##	0.80%	1.01%
8	Other Short-Term Liabilities to Total Liabilities ##	0.78%	0.99%
9	Other Short-Term Liabilities to Total Assets ##	0.96%	1.10%

\## Other Short-Term Liabilities represents Total of Balance Sheet excluding total equity, Debt Securities, Borrowings (Other than Debt Securities) and Subordinated Liabilities, for maturity falling within 12 months.

(vi) Institutional set-up for liquidity risk management

Post suppression of the Board of the Company by the RBI in exercise of the powers conferred under Section 45-IE (1) of the RBI Act, 1934, has vide Order / Press Release dated 4th October, 2021, ALCO has been reconstituted wef December 10th, 2021.

Notes:

1. The Reserve Bank of India ('RBI') vide press release dated October 4th, 2021 in exercise of the powers conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934 ('RBI Act') superseded the Board of Directors of the Company and appointed an Administrator under Section 45-IE (2) of the RBI Act. Further, RBI, in exercise of powers conferred under section 45-IE (5) (a) of the RBI Act, constituted a three-member Advisory Committee to assist the Administrator in discharge of his duties.
Thereafter RBI filed applications for initiation of Corporate Insolvency Resolution Process ('CIRP') against the Company under section 227 read with clause (zk) of sub-section (2) of Section 239 of the Insolvency and Bankruptcy Code (IBC), 2016 ('the Code') read with Rules 5 and 6 of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 ('FSP Insolvency Rules') before the Hon'ble National Company Law Tribunal, Kolkata Bench ('Hon'ble NCLT'). Hon'ble NCLT vide its order dated October 8th, 2021 admitted the application made by RBI for initiation of CIRP against the Company. Further, Hon'ble NCLT gave orders for appointment of Mr. Rajneesh Sharma, as the Administrator to carry out the functions as per the Code and that the management of the Company shall vest in the Administrator. Further, Hon'ble NCLT also retained the three-member Advisory Committee, as aforesaid, for advising the Administrator in the operations of the Company during the CIRP.

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

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

4. Total Liabilities has been computed as sum of all liabilities (Total of Balance Sheet less Total Equity).

5. Public funds includes funds raised either directly or indirectly through public deposits, inter-corporate deposits, bank finance and all funds received from outside sources such as funds raised by issue of Commercial Papers, debentures etc. but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding 5 years from the date of issue, as defined in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016.

6. CIRP had been initiated against the Company, as stated in Note No. 1 above and accordingly, as per the Code, the Administrator has invited the financial/operational/other creditors to file their respective claims as on October 8th, 2021 (i.e. date of commencement of CIRP). As per the Code, the Administrator has to receive, collate and reconcile all the claims submitted by the creditors of the Company. Such claims can be made to the Administrator during the CIRP. The claims so received by the Administrator, as on May 4th, 2022 is in the process of being verified and wherever, the claims are admitted, the effect of the same has been given in the books of accounts. In respect of claims of creditors, which are rejected or under verification, the effect of the same in the books of accounts will be taken once the reconciliation of the same is completed and it is admitted. Further, as aforesaid, since the creditors can file their claims during the CIRP, the figures of claims admitted in the books of accounts might undergo changes during the CIRP or thereafter. Adjustments, if any arising out of the claim verification and admission process will be given effect in subsequent periods.

SREI EQUIPMENT FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31ST, 2022

51. Financial Instruments and Related Disclosures (continued)

(III) Statement on Liquidity Coverage Ratio (LCR)

Disclosure on liquidity risk under RBI circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 4th, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies

(₹ in Lakhs)

Particulars		As at June 30th, 2021 ##		As at March 31st, 2021	
		Total Unweighted value (average) *	Total Weighted value (average) #	Total Unweighted value (average) *	Total Weighted value (average) #
HIGH QUALITY LIQUID ASSETS					
1	**Total High Quality Liquid Assets (HQLA)**	**50,212**	**50,212**	53,944	53,944
CASH OUTFLOWS					
2	Deposits (for deposit taking companies)	-	-	-	-
3	Unsecured wholesale funding	48,353	55,606	30,962	35,606
4	Secured wholesale funding	1,753,181	2,016,158	1,471,472	1,692,193
5	Additional requirements, of which	17,477	20,099	14,876	17,108
6	Other contractual funding obligations	135,968	156,363	101,398	116,608
7	Other contingent funding obligations	-	-	-	-
8	**TOTAL CASH OUTFLOWS**	**1,954,979**	**2,248,226**	1,618,708	**1,861,515**
CASH INFLOWS					
9	Secured lending	-	-	-	-
10	Inflows from fully performing exposures	47,311	35,483	49,226	36,919
11	Other cash inflows	28,000	21,000	29,742	22,307
12	**TOTAL CASH INFLOWS**	**75,311**	**56,483**	78,968	59,226
			Total Adjusted Value		**Total Adjusted Value**
13	**TOTAL HQLA**		**50,212**		53,944
14	TOTAL NET CASH OUTFLOWS OVER THE NEXT 30 DAYS (Weighted value of Total Cash Outflows – Minimum of (Weighted value of Total Cash Inflows, 75% of Weighted value of Total Cash Outflows))		2,191,743		1,802,289
15	**LIQUIDITY COVERAGE RATIO (%)**		2%		3%

* Unweighted values calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).

Weighted values calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow

The figures pertaining to June 30th, 2021 are unaudited and are as represented by the management, which have been relied upon by the auditors.

Classification of inflows and outflows for determining the run off factors is based on the management estimates and assumptions, which has been relied upon by the auditors.

The figures as at January 31st, 2021 and February 28th, 2021 used in the computation of Total High Quality Liquid Assets (HQLA) as at March 31st, 2021, are as represented by the management, which have been relied upon by the auditors.

The figures as at April 30th, 2021 and May 31st, 2021 used in the computation of Total High Quality Liquid Assets (HQLA) as at June 30th, 2021, are as represented by the management, which have been relied upon by the auditors.

Qualitative disclosure around Liquidity Coverage Ratio (LCR)

The Reserve Bank of India has prescribed Guidelines on Maintenance of Liquidity Coverage Ratio (LCR). All non-deposit taking NBFCs with asset size of ₹ 10,000 crore and above, and all deposit taking NBFCs irrespective of their asset size, is required to maintain a liquidity buffer in terms of LCR which will promote resilience of NBFCs to potential liquidity disruptions by ensuring that they have sufficient High Quality Liquid Asset (HQLA) to survive any acute liquidity stress scenario lasting for 30 days. The stock of HQLA to be maintained by the NBFCs shall be minimum of 100% of total net cash outflows over the next 30 calendar days.

The LCR requirement was applicable from December 1st, 2020 with the minimum HQLA s to be held being 50% of the LCR, progressively reaching a level upto 60%, 70%, 85% and 100% by December 1st, 2021, December 1st, 2022, December 1st, 2023, December 1st, 2024 respectively.

Liquidity Coverage Ratio (LCR) comprises of high quality liquid assets (HQLA s) as numerator and net cash outflows in 30 days as denominator.

The Company, during the quarter ended March 31st, 2021, had maintained average HQLA (after haircut) of ₹ 53,944 lakhs against ₹ 23,374 lakhs for the quarter ended December 31st, 2020. HQLA primarily includes cash on hand, bank balances in current account and non-lien demand deposits with Scheduled Commercial Banks.

The Company had submitted a letter dated November 30th, 2020 to RBI seeking forbearance of complaince with LCR till the scheme of arrangement (as stated in Note No. 53 to the Financial Statements for the year ended March 31st, 2021) is implemented. Further the Company has not been able to meet the regulatory requirement of the LCR framework for the reason stated in Note No. 51, 53 & 54 to the Financial Statements for the year ended March 31st, 2021.

Pursuant to initiation of CIRP as on October 8th, 2021 (Refer Note No. 1.2) and as stated in Note No. 65, the process of filing/admitting claims of financial/operational/other creditors is not yet completed and the figures of claims admitted in the books of accounts might undergo change during the CIRP, hence, the expected date of repayments of claims of financial/operational/other creditors and consequent total net cash outflows over the next 30 calendar days in respect of the quarters ended September 30, 2021, December 31, 2021 and March 31, 2022 is not determinable. Accordingly, it is not practicable to disclose the LCR in respect of such quarters.

c) Credit risk

The Company is currently undergoing CIRP (Refer Note No. 1.2) under the provisions of the Code. Accordingly, a moratorium has been declared under section 14 of the Code.

The principal business of the Company is to provide financing in the form of loans to its clients primarily to acquire assets and infrastructure lending. Credit Risk is the risk of default of the counterparty to repay its obligations in a timely manner resulting in financial loss. The Company also provides Leasing services to its clients which result in accrual of Trade Receivables. The Company is exposed to credit risk to the extent of such Trade Receivables. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has credit policies approved by the Board which lays down the credit evaluation and approval process in compliance with regulatory guidelines. Post CIRP the Company has revised the Credit Policy. However, since the company is under CIRP, no further lending is envisaged till the implementation of resolution plan.

The Company uses the Expected Credit Loss (ECL) Methodology to assess the impairment on both loan assets and trade receivables as per accounting standards. In addition, the Company also assesses impairment on such assets as per RBI guidelines and accounted for in the books as per regulatory guidelines. It may be noted that credit risk has increased due to the prolonged impact of the Covid-19 pandemic which has impacted the overall economy including the infrastructure sector.

Any concentration breach as per prudential norms are reported as required by RBI. Currently, since the networth is negative, the entire exposure is under breach of such concentration norms.

d) Operational Risk

The Company is exposed to operational risk in view of the nature of its business. In the light of the evolving business scenario, the IT systems of the Company are being reviewed periodically to identify improvement areas and put in place enhanced controls to minimise operational risk.

The Operational Risk Framework has been strengthened post CIRP (Refer Note No. 1.2) to include risk control matrices and risk control self-assessment framework. The Policy framework within the organization has been strengthened within the organization with review of policies of the Company viz Credit Policy, Risk Policy and Stressed Asset Management Policy.

52. Transfers of Financial Assets

Transfers of financial assets that are not derecognised in their entirety

The Company has carried out securitisation transactions wherein it has securitised loans. Even though the loan assets have been securitised, the Company still holds the right (legal as well as contractual) to recover the entire overdue balance in respect of these loan assets. Further, the returns are dependent on the realisation from the securitised loan assets, leading to Company bearing the risk of non-realisation from the pool.

The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities.

(₹ in Lakhs)

Particulars	**As at March 31st, 2022**	**As at March 31st, 2021**
Carrying amount of assets	-	15,515
Carrying amount of associated liabilities	-	10,889
Fair value of assets	-	15,633
Fair value of associated liabilities	-	10,831

53. Assets obtained by taking possession of collateral/assets

The Company has obtained certain non-financial assets during the year by taking possession of collaterals or underlying assets on default by the party. The Company's policy is to determine whether a repossessed asset can be released back to the customer or should be sold. Assets which are identified for sale are classified as Repossessed Assets and Assets acquired in satisfaction of debt at their fair value or carrying value, whichever is lower. The Company's policy is to realise collateral on a timely basis.

The table below outlines the nature and values of Repossessed Assets and Assets acquired in satisfaction of debt obtained during the year and where still lying with the Company as at the year end:

(₹ in Lakhs)

Particular	**For the year ended March 31st, 2022**	**For the year ended March 31st, 2021**
Land	-	-
Other	6,403	4,822
Total	**6,403**	**4,822**

54. Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled:

(₹ in Lakhs)

Assets	As at March 31st, 2022			As at March 31st, 2021		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Cash and Cash Equivalents	127,881	-	127,881	41,642	-	41,642
Bank Balance other than above	14,453	3,808	18,261	73,060	25,597	98,657
Derivative Financial Instruments	-	-	-	936	-	936
Trade Receivables	3,168	-	3,168	2,712	-	2,712
Loans	131,955	2,168,980	2,300,935	255,299	2,357,959	2,613,258
Liability towards Assignment $	(246,815)	(6,995)	(253,810)	(309,512)	(117,955)	(427,467)
Investments	41,970	81,634	123,604	34,647	67,371	102,018
Other Financial Assets #	23,191	59,840	90,531	39,172	71,769	110,941
Current Tax Assets (Net)	-	24,501	24,501	-	24,068	24,068
Property, Plant and Equipment	-	183,412	183,412	-	255,620	255,620
Right-of-use Assets	48	664	712	81	988	1,069
Other Intangible Assets	-	838	838	-	1,173	1,173
Other Non-Financial Assets	37,411	946	38,357	46,684	1,336	48,020
Total	**133,262**	**2,517,628**	**2,658,390**	**184,721**	**2,687,926**	**2,872,647**

For the current year, receivables of security deposits from SIFL are not determinable pursuant to initiation of CIRP (Refer Note No. 1.2 and 64).

$ For the current year, amount within 12 months includes certain liabilities prior to initiation of CIRP, which are subject to reconciliation.

(₹ in Lakhs)

Liabilities	As at March 31st, 2022			As at March 31st, 2021		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Derivative Financial Instruments	-	-	-	1,151	-	1,151
Trade Payables ##	1,125	-	6,418	8,875	-	8,875
Debt Securities *	-	-	259,552	122,853	121,295	244,148
Borrowings (Other than Debt Securities) *	10,803	3,190	2,676,863	2,279,386	368,167	2,647,553
Subordinated Liabilities *	-	-	261,581	60,986	184,545	245,531
Lease Liabilities	70	758	828	88	1,054	1,142
Other Financial Liabilities	16,440	2,232	18,672	16,192	6,827	23,019
Current Tax Liabilities (Net)	-	13,652	13,652	-	13,337	13,337
Provisions	77	15,700	15,777	103	1,339	1,442
Other Non-Financial Liabilities	2,525	1,743	4,268	4,981	3,159	8,140
Total	**31,040**	**37,275**	**3,257,611**	**2,494,814**	**699,524**	**3,194,338**

Repayments of Trade Payables admitted as claims pursuant to initiation of CIRP (Refer Note No. 1.2) are not determinable.

* For the current year, repayments of collateralised borrowings have been considered as per the contractual obligations and for others, repayments are not determinable pursuant to initiation of CIRP (Refer Note No. 1.2, 64 and 65).

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55. Disclosure of Joint Controlled Operation as on March 31st, 2022

During the year ended March 31st, 2017, the Company had entered into agreements with PL Solar Renewable Limited, PL Sunrays Power Limited and PL Surya Vidyut Limited ("SPVs"), respectively, for joint use and operation of certain assets in relation to Solar Power Generation project. These SPVs have already entered into a purchase power agreement (PPA) with Uttarakhand Power Corporation Limited (UPCL). Pursuant to the agreement, the revenue generated from the sale of power to UPCL will be shared among the Company and SPVs in the ratio of 80:20. Subsequently this revenue sharing ratio had been revised to 65:35 wef October 1st, 2018.

Accordingly, an amount of ₹ 1,913 lakhs (March 31st, 2021 : ₹ 1,889 lakhs) has been recognized as "Income from joint controlled operation" under the head "Revenue from Operations". None of the Company's assets has been transferred to the Joint Venture and there is no liability incurred in this respect.

There are no Contingent Liabilities or Capital Commitments in this respect.

56. Segment Reporting

The Company is primarily engaged in financial services to its customers across India. Consequently, there are no separate reportable segments as per 'Ind AS 108'.

57. (i) Information as required by terms of Master Direction - Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended from time to time (the "Master Directions") is furnished vide Annexure – I attached herewith.

57. (ii) Disclosure as per Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 dated September 24, 2021

57. (ii)(a) Disclosure relating to securitisation pursuant to Reserve Bank of India notification RBI/DOR/2021-22/85 DOR.STR.REC.53/21.04.177/2021-22 dated 24 September 2021 for Non-STC (Simple, transparent and comparable) Securitisation Transaction *

Sl. No	Particulars	As at March 31st, 2022 #	As at March 31st, 2021 #
		No. / (₹ in Lakhs)	No. / (₹ in Lakhs)
1	No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	-	6
2	Total amount of securitised assets as per books of the SPEs	-	11,174
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	First loss	-	5,839
	Others	-	-
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	First loss	-	-
	Others	-	-
	ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	First loss	-	-
	Others	-	-
	ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
5	Sale consideration received for the securitised assets	-	-
	Gain/loss on sale on account of securitisation	-	-
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.		
7	Performance of facility provided. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.		
	Credit enhancement (Nil as at March 31st, 2022 and 52.25% as at March 31st, 2021)		
	Fixed Deposit in favour of SPE		
	a) Amount paid	-	-
	b) Repayment received	815	24,181
	c) Outstanding amount	-	815
	Credit enchancement with SPE		
	a) Amount paid /Repayment received (net)**	-	5,024
	b) Outstanding amount	-	5,024
8	Average default rate of portfolios observed in the past ##	Not Applicable	47.44%
9	Amount and number of additional/top up loan given on same underlying asset		
	(a) Amount	-	-
	(b) Number	-	-
10	Investor complaints		
	(a) Directly/Indirectly received	-	6
	(b) Complaints outstanding	-	-

* The Company has not entered into Non-STC Securitisation transactions subsequent to the applicability of this Master Direction.

** Amount represents Net of Addition and Repayment received towards Credit enchancement with SPE

The above figures are based on the information obtained from the SPEs, which is duly certified by the SPEs' auditor.

The Company is primarily engaged in financial services to its customer across India. The portfolio has been bifurcated into assets finance / infrastructure loans in various Infrastructure sectors which includes IT, construction, mining, irrigation, earthmoving, railway projects, road projects, etc.

57. (ii)(b) Disclosure relating to securitisation pursuant to Reserve Bank of India notification RBI/DOR/2021-22/85 DOR.STR.REC.53/21.04.177/2021-22 dated 24 September 2021 for STC (Simple, transparent and comparable) Securitisation Transactions are not applicable.

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57. (iii) In terms of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended from time to time.

Disclosure of Restructured Accounts

(₹ in Lakhs)

Sl. No.	Type of Restructuring		Under CDR Mechanism			Others			Total		
	Asset Classification / Details		Standard	Sub-Standard	Doubtful	Standard	Sub-Standard	Doubtful	Standard	Sub-Standard	Doubtful
1	Restructured Accounts on April 1st, 2021	No. of Borrowers	1 (1)	- (1)	1 (-)	8 (-)	45 (1)	3 (-)	9 (1)	45 (2)	4 (-)
		Amount Outstanding	119 (592)	- (2,183)	2,321 (-)	4,178 (-)	112,085 (6,611)	16,903 (-)	4,297 (592)	112,085 (8,794)	19,224 (-)
		Provision thereon	* (1)	- (323)	1,160 (-)	61 (-)	31,880 (1,983)	6,690 (-)	62 (1)	31,880 (2,306)	7,850 (-)
2	Fresh restructuring during the year	No. of Borrowers	- (-)	- (-)	- (-)	- (8)	6 (44)	- (2)	- (8)	6 (44)	- (2)
		Amount Outstanding	- (-)	- (-)	- (-)	- (4,178)	78,608 (112,085)	- (9,499)	- (4,178)	78,608 (112,085)	- (9,499)
		Provision thereon	- (-)	- (-)	- (-)	- (61)	14,401 (31,880)	- (2,856)	- (61)	14,401 (31,880)	- (2,856)
3	Upgradation to restructured Standard category during the year	No. of Borrowers	- (-)	- (-)	- (-)	8 (-)	-8 (-)	- (-)	8 (-)	-8 (-)	- (-)
		Amount Outstanding	- (-)	- (-)	- (-)	32,185 (-)	-39,329 (-)	(-)	32,185 (-)	-39,329 (-)	- (-)
		Provision thereon	- (-)	- (-)	- (-)	2,376 (-)	-8,725 (-)	(-)	2,376 (-)	-8,725 (-)	- (-)
4	Restructured Standard advances which cease to attract higher provisioning and/ or additional risk weight and hence need not be shown as restructured standard advances at the beginning of the next year	No. of Borrowers	- (-)	- (-)	- (-)	-8 (-)	(-)	(-)	-8 (-)	- (-)	- (-)
		Amount Outstanding	- (-)	- (-)	- (-)	-32,185 (-)	(-)	(-)	-32,185 (-)	- (-)	- (-)
		Provision thereon	- (-)	- (-)	- (-)	-2,376 (-)	(-)	(-)	-2,376 (-)	- (-)	- (-)
5	Downgradations of restructured accounts during the year	No. of Borrowers	- (-)	- (-1)	- (1)	-4 (-)	-14 (-1)	18 (1)	-4 (-)	-14 (-2)	18 (2)
		Amount Outstanding	- (-)	- (-2,183)	- (2,321)	-84 (-)	-53,684 (-6611)	56,770 (7,404)	-84 (-)	-53,684 (-8794)	56,770 (9,725)
		Provision thereon	- (-)	- (-323)	- (1160)	-7 (-)	-17,946 (-1983)	21,528 (3834)	-7 (-)	-17,946 (-2306)	21,528 (4,994)
6	Write-Offs of restructured accounts during the year	No. of Borrowers	-1 (-)	- (-)	- (-)	-3 (-)	-7 (-)	-1 (-)	-4 (-)	-7 (-)	-1 (-)
		Amount Outstanding	-119 (-)	- (-)	-14 (-)	-3,976 (-)	-2,018 (-)	-7,240 (-)	-4,095 (-)	-2,018 (-)	-7,254 (-)
		Provision thereon	* (-)	- (-)	-7 (-)	-33 (-)	-365 (-)	-1,464 (-)	-34 (-)	-365 (-)	-1,471 (-)
7	Restructured Accounts as on March 31st, 2022	No. of Borrowers	- (1)	- (-)	1 (1)	1 (8)	22 (45)	20 (3)	1 (9)	22 (45)	21 (4)
		Amount Outstanding	- (119)	- (-)	2,307 (2,321)	119 (4,178)	95,662 (112,085)	66,433 (16,903)	119 (4,297)	95,662 (112,085)	68,740 (19,224)
		Provision thereon	- (-)	- (-)	1,153 (1,160)	21 (61)	19,246 (31,880)	26,754 (6,690)	21 (61)	19,246 (31,880)	27,907 (7,850)

Figures in the bracket indicates figures for the previous year.
* ₹ 47,678

Note:

i) Additional facilities (if any) availed by borrowers or addition in outstanding balance in existing restructured accounts and partial repayments in existing restructured accounts are adjusted and disclosed under "Write-offs of restructured accounts".

ii) For the purpose of arithmetical accuracy, movement in provisions in the existing restructured account as compared to balance of provision as disclosed in opening balance and fresh restructuring on account sale/recovery/settlement (for any change in provision) is adjusted and disclosed under "Write-offs of restructured accounts" during the year

57. (iv) Disclosures on The Scheme for Sustainable Structuring of Stressed Assets (S4A), as at March 31st, 2022

(₹ in Lakhs)

No. of accounts where S4A has been applied	Aggregate amount outstanding	Amount outstanding		Provision held
		In part A	In part B *	
One number of account classified as Doubtful	9,194	5,335	3,859	1,082
One number of account classified as Standard	1,119	-	1,119	-
One number of account classified as Doubtful	(8,182)	(4,884)	(3,298)	(870)
One number of account classified as Substandard	(956)	-	(956)	-

Figures in the bracket indicates figures for the previous year.
* Note: Part B represents the Optionally Convertible Debentures received as per the S4A scheme

58. Details of loan transferred / acquired during the year ended March 31st, 2022 pursuant to RBI Master Direction RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24th, 2021 on Transfer of Loan Exposures are given below # :

(a) The Company has not transferred or acquired any loans not in default during the year ended March 31st, 2022
(b) The Company has not transferred or acquired any stressed loan during the year ended March 31st, 2022
(c) Details on recovery ratings assigned for Security Receipts as on March 31st, 2022

Recovery Ratings	Anticipated recovery as per recovery rating	Amount (₹ in lakhs)
RR1	100%-150%	19,456
RR2	75%- 100%	35,583
RR5*	0%- 25%	-

* The last available recovery rating is as at August 28th, 2020.
# Disclosures are provided for the year ended March 31st, 2022 as the Master Direction is effective from September 24th, 2021.

59. Disclosures under RBI Resolution Framework 2.0 for Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs) (RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22) dated May 5th, 2021 and consequent to circular dated August 6th, 2020 on restructuring of advances to the MSME borrowers

(₹ in Lakhs)

No. of accounts restructured	Amount outstanding As at March 31, 2022
130	1,285

60. Disclosures as required by RBI circular dated August 6th, 2020 'Resolution Framework for Covid-19 - related Stress'(RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21) are as below for the period ended March 31st, 2022

(₹ in Lakhs)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A), amount written off during the half-year	Of (A), amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the this half-year
Personal Loans	-	-	-	-	-
Corporate persons*	7,930	-	-	354	8,073
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	7,930	-	-	354	8,073

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

61. Moratorium granted to borrowers pursuant to RBI guidelines due to Covid-19 pandemic

The outbreak of Covid-19 pandemic in 2020 followed by lockdown extended from time to time across India caused significant adverse impact due to slowdown in economic activities during the previous year, which has continued even thereafter.

In the previous year, as a measure for revival of economic activities, RBI issued guidelines relating to Covid-19 Regulatory Packages on March 27th, 2020, April 17th, 2020 and May 23rd, 2020 as well as resolution framework for Micro, Small and Medium Enterprises (MSME) sector and other eligible borrowers on August 6th, 2020 and May 5th, 2021. In accordance with these guidelines and on the basis of the then Board approved policy, the Company offered repayment moratorium/resolution plan to eligible borrowers to whom loans have been granted (including cases of co-lending and loans assigned) (hereinafter referred to as "borrowers") and to eligible customers to whom assets are given on lease (hereinafter referred to as "lessees").

Owing to the above, the collection from the borrowers and the lessees had been severely impacted and which also adversely affected the cash flows of the Company.

While economic activities are returning to normalcy, the extent to which the effect of remedial measures taken during pandemic may further unfold in foreseeable future and also the extent to which any new wave of Covid-19 may further impact the operations, financial results of the Company and asset quality, is still unascertainable at this point of time.

62. Loan loss provisioning

Based on the annual review of ECL model carried out during the year and also the overall assessment of financial stress being faced by the borrowers and the lessees and considering the overall economic and business uncertainty, the Company has made ECL provision aggregating to ₹ 1,75,003 lakhs for the year ended March 31st, 2022.

In view of the uncertainty, as stated in Note No. 61 above, the Company has made further provision of ₹ 10,329 lakhs as management overlay in the quarter and year ended March 2022, which is over and above the provision as required by the ECL model of the Company.

Further, in terms of paragraph 2 (b) of Annex to the guidelines DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13th, 2020 issued by RBI on Implementation of Indian Accounting Standards for Non-Banking Finance Companies and Asset Reconstruction Companies, the Company has also considered provision amounting to ₹ 1,22,999 lakhs for the year ended March 31st, 2022, under Income Recognition, Asset Classification and Provisioning Norms. Such provision is also over and above ECL provision as stated above and has been accounted as "Impairment Reserve".

As per the existing officials of the Company, in respect of borrowers/lessees where the above provisions have been made, based on the recent realization efforts being made , the Company is hopeful of recovery against such borrowers/lessees and also has assets/collaterals as applicable held as securities.

As a part of the ongoing CIRP process the Administrator has appointed , two (2) independent valuers to conduct the valuation of the assets of the Company and assets/collateral held as securities as required under the provisions of the Code. Accordingly, the financial statements, disclosures, categorisation and classification of assets are subject to the outcome of such valuation process.

63. Business Transfer Agreement and Scheme of Arrangement

During the year 2019-20, the Company and its holding Company, Srei Infrastructure Finance Limited (SIFL) entered into an agreement ("Business Transfer Agreement") to transfer the Lending Business, Interest Earning Business & Lease Business of SIFL together with associated employees, assets & liabilities (including liabilities towards issued & outstanding non - convertible debentures) (Transferred Undertaking), as a going concern by way of slump exchange to the Company pursuant to the Business Transfer Agreement, subject to all necessary approvals. Accordingly, the Company and SIFL passed the relevant accounting entries in their respective books of account to reflect the slump exchange w.e.f. October 1st, 2019 while allotment of shares by SEFL was made on December 31st, 2019. The superseded board of directors and erstwhile management of the Company, as existed prior to the Appointment of the Administrator, had obtained external expert legal and accounting opinions in relation to the accounting of BTA which confirmed that the accounting treatment so given is in accordance with the relevant Ind AS and the underlying guidance and framework.

During the year 2020-2021, the Company had filed two separate applications under Section 230 of the Companies Act, 2013 ("the Act") before the Hon'ble NCLT (CA 1106/KB/2020 and CA 1492/KB/2020 at the Hon'ble NCLT Kolkata) proposing Schemes of Arrangement (the Schemes) with all its secured and unsecured lenders (Creditors). Business Transfer Agreement, constituted an integral part of the Schemes.

The first scheme (i.e. CA 1106/KB/2020) sought for amongst other things "formal consent to be obtained from the required majority of the creditors of SEFL to the completed acquisition by way of slump exchange of the Transferred Undertaking from SIFL in terms of the BTA and consequential formal novation of the loans and securities already forming part of SEFL liabilities and outstanding to the creditor." (as set out in the Scheme filed CA 1106/KB/2020).

The second scheme (i.e. CA 1492/KB/2020) sought for amongst other things restructuring of the debt due to certain creditors of the Company including secured debenture holders, unsecured debenture holders, perpetual debt instrument holders, secured ECB lenders and unsecured ECB lenders and individual debenture holders.

Pursuant to the directions of Hon'ble NCLT vide order dated October 21st, 2020, the superseded board of directors and erstwhile management had maintained status quo on the Scheme including accounting of BTA. The final order/s in connection with the Schemes was awaited from Hon'ble NCLT/NCLAT at that time.

Both the schemes of arrangement were rejected by the majority of the creditors during the meetings held pursuant to Hon'ble NCLT's directions (dated 21/10/2020 and 30/12/2020 respectively). Further, certain appeals were filed by rating agencies in the matter relating to the second scheme of arrangement (i.e. CA 1492/KB/2020). An application of withdrawal was filed by the Administrator in this matter which has been allowed by the Tribunal by an order dated February 11th, 2022. As stated in Note No. 64, the Company is in the process of consolidated resolution of SEFL and SIFL and hence no further action is being contemplated regarding establishing the validity of BTA or otherwise, consequent upon the withdrawal of Schemes as stated above. Accordingly, the status quo regarding BTA, as it existed on the date of commencement of CIRP, has been maintained.

In accordance with the obligations imposed on the Administrator under Section 18(f) of the Code, the Administrator has taken custody and control of the corporate debtor with the financial position as recorded in the balance sheet as on insolvency commencement date on an 'as-is where-is' basis. The accounts for the year ended March 31st, 2022 have been taken on record in the manner and form in which it existed on the insolvency commencement date in view of the initiation of the CIRP and this fact has also been informed by the Administrator to the lenders and other stakeholders. Further, in line with the provisions of Section 14 of

64. Consolidated Resolution under CIRP

In view of the impracticability for preparing the resolution plan on individual basis in the case of the Company and its Holding Company, the Administrator, after adopting proper procedure, had filed applications before the Hon'ble National Company Law Tribunal- Kolkata Bench (Hon'ble NCLT) in the insolvency resolution processed of SIFL and SEFL (IA No. 1099 of 2021 under CP.294/KB/2021 and IA No. 1100 of 2021 under CP.295/KB/2021) seeking the following prayers

- Directing the consolidation of the corporate insolvency resolution processes of SIFL and SEFL;
- Directing formation of a consolidated committee of creditors for the consolidated corporate insolvency resolution processes of SIFL and SEFL;
- Directing and permitting the conduct of the corporate insolvency resolution processes of SIFL and SEFL in terms of the provisions of the Code in a consolidated manner including audit of transactions in relation to Section 43, Section 45, Section 50 and Section 66 of the Code, issuance of single request for submission of resolution plans by the Administrator and the submission and consideration of single resolution plan, for the consolidated resolution of SEFL and SIFL in terms of the provisions of the Code; and
- Directing and permitting the submission and approval of one consolidated resolution plan for the resolution of SEFL and SIFL in terms of the provisions of the Code.

The application in this matter was admitted and the final order received on February 14th, 2022 wherein the Hon'ble NCLT approved the consolidation of the corporate insolvency of SIFL and SEFL. Further, the Company has received Expression of Interest from various prospective Resolution Applicants and the Company has finalised the list of the prospective Resolution Applicants who are in the process of submitting the resolution plan in terms of the Code.

65. Payment to lenders/others and claims under CIRP

CIRP has been initiated against the Company, as stated in Note No. 1.2 and accordingly, as per the Code, the Administrator has invited the financial/operational/other creditors to file their respective claims as on October 8th, 2021 (i.e. date of commencement of CIRP). As per the Code, the Administrator has to receive, collate and verify all the claims submitted by the creditors of the Company. The claims as on October 8th, 2021 so received by the Administrator till May 4th, 2022 is in the process of being verified/updated from time to time and wherever, the claims are admitted, the effect of the same has been given in the books of accounts.

In respect of claims of creditors, which are rejected or under verification, the effect of the same in the books of accounts will be taken once the verification of the same is completed and it is admitted. Further, as aforesaid, since the creditors can file their claims during the CIRP, the figures of claims admitted in the books of accounts might undergo changes during the CIRP. Adjustments, if any arising out of the claim verification and admission process will be given effect in subsequent periods.

Further, the foreign currency debt of the Company has been converted into INR as per the Code on the date of commencement of CIRP and accordingly, the Company has not translated its foreign currency exposure as on March 31st, 2022 as per the requirements of Ind AS 21 "The effects of changes in foreign exchange rates".

66. Pursuant to the admission of the Company under the CIRP, the Company has not provided for interest amount of ₹ 1,99,970 lakhs approx. for the year ended March 31st, 2022 respectively, on Borrowings since insolvency commencement date i.e. October 8th, 2021 in respect of the Company's obligation for interest and principal amount for all the borrowings. Under the Code, the treatment of creditors under the resolution plan is as per debts due as on insolvency commencement date and therefore no interest is accrued and payable after this date. If the interest was accrued on borrowings, as aforesaid, the loss before tax for the year ended March 31st, 2022 would have resulted in a loss before tax of ₹ 4,67,455 lakhs for the year ended March 31st, 2022.

67. Unhedged Foreign Currency Exposure

As per the requirements of RBI notification RBI/FED/2018-19/67 FED Master Direction No.5/2018-19 dated March 26th, 2019 entities raising External Commercial Borrowings ("ECB") are required to mandatorily hedge 70 per cent of their ECB exposure in case the average maturity of ECB is less than 5 years, which the Company complied on an ongoing basis till the nine months ended December 31st, 2020. Thereafter, the Company was not able to meet the requirements of the aforesaid RBI notification due to procedural issues. The Company was not able to make payment of the hedging premium/cost to the concerned banks for keeping the ECB exposures hedged, as aforesaid. Therefore, the concerned banks unwound the currency risk hedges, which resulted in ECB exposures amounting to ₹ 27,272 lakhs as per contractual terms being not hedged, in terms of the aforesaid RBI notification, as on March 31st, 2022. The Company has reported the above fact to RBI and reply from the same is awaited.

68. Going Concern

The Company had reported losses during the year ended March 31st, 2022 and earlier year/periods as well. Hence, the net worth of the Company has fully eroded.

There is persistent severe strain on the working capital and operations of the Company and it is undergoing significant financial stress. As stated in Note No. 1.2, CIRP was initiated in respect of the Company w.e.f. October 8th, 2021. The Company has assessed that the use of the going concern assumption is appropriate in the circumstances and hence, these financial statements has been prepared on a going concern assumption basis as per below:

a) The Code requires the Administrator to, among other things, run the Company as a going concern during CIRP.

b) The Administrator, in consultation with the Committee of Creditors ("CoC") of the Company, in accordance with the provisions of the IBC, is making all endeavours to run the Company as a going concern. Considering the future business outlook and with time bound recovery of its due from borrowers/lessees and monetization of assets/securities, the Company is very hopeful of significant improvement in its cash flows in due course of time.

c) Reduction in overhead expenditure.

d) The Company also formed dedicated focused collection team to increase the collection and is also exploring all possibilities to start new business with the launch of various schemes.

CIRP has started and ultimately a resolution plan needs to be presented to and approved by the CoC and further approved by the Hon'ble NCLT and RBI approval. Pending the completion of the said process under CIRP, these financial statements have been prepared on a going concern basis.

69. Probable Connected / Related Companies

The Reserve Bank of India (RBI) in its inspection report and risk assessment report (the directions) for the year ended March 31st, 2020 had identified 'certain borrowers' as probable connected/related companies. In the directions, the Company has been advised to re-assess and re-evaluate the relationship with the said borrowers to assess whether they are related parties to the Company or to Srei Infrastructure Finance Limited ("SIFL" or "Holding Company") and also whether these are on arm's length basis.

It has been brought to the Administrator's notice that the erstwhile management of the Company had taken legal view to determine whether such borrowers are related parties to the Company or SIFL. Based on the legal view, the erstwhile management was advised and had therefore came to the conclusion that the Company or its Holding Company have no direct or indirect control or significant influence (as per Companies Act, 2013, Ind AS) over such borrowers and are not under common control and accordingly, are not a related party of the Company or its Holding Company. The erstwhile management had also obtained an assessment report on the review & verification of the transactions with the aforesaid probable connected/related companies from an independent Chartered Accountant firm, which states that the transactions of the Company/SIFL with probable connected parties were done at arm's length principles and are in the ordinary course of business and that such parties are not related parties of the Company/SIFL under the Companies Act, 2013 or Ind AS 24.

Further, in view of the RBI directions, in line with arm's length principles, the erstwhile management was in the process of re-assessing & re-negotiating terms and conditions with the aforesaid borrowers and all other borrowers, who have been granted loans with moratorium period and at interest rate which is linked with the cash flows of the project while ensuring that the overall yield is maintained. However, the same was not concluded and meanwhile the Company has gone into CIRP.

However, the Administrator is not in a position to comment on the views adopted by the erstwhile management of the Company in relation to the findings of the directions since these pertain to the period prior to the Administrator's appointment. As a part of the CIRP, the Administrator has initiated transaction audits/reviews relating to the process and compliances of the Company and has also appointed professionals for conducting transaction audit as per section 43, 45, 50 and 66 of the Code. As such, these financials statements are subject to outcome of such audits/reviews.

The total exposure (net of impairment) towards such borrowers is ₹ 7,08,800 lakhs and ₹ 8,57,565 lakhs as on March 31st, 2022 and as on March 31st, 2021 respectively. The details of the same are as follows:

₹ in Lakhs

Categories	As at March 31st, 2022	As at March 31st, 2021
Borrowers who are Investee Companies of the Alternative Investment Fund (AIF)	342,329	415,666
Borrowers where investment is done by investee companies of AIF	250,807	321,697
Power Trust and its Investee Companies	79,253	81,076
Shristi and its Investee Companies	36,411	39,126
Total	708,800	857,565

70. Based on the directions of RBI, during the year ended March 31st, 2022 the Company has made provision amounting to ₹ 9,807 lakhs and ₹ 4,991 lakhs in respect of direct tax cases and indirect tax cases respectively where the Company was under various stages of appeal with the relevant tax authorities. These amounts which have been provided for were appearing under 'Contingent Liabilities' earlier. Since, the provision, as aforesaid, has been done on the directions of RBI, the Company has not assessed whether the outflow of resource embodying economic benefits is probable or not as per the requirements of Ind AS 37-'Provisions, Contingent Liabilities and Contingent Assets'.

71. As at March 31st, 2021 the Company was having funds amounting to ₹ 523 lakhs in relation to the Corporate Social Responsibility ("CSR") which were unspent. These unspent amounts as per the requirements of Section 135 of the Companies Act, 2013 ("Act") were to be transferred to funds specified under Schedule VII to the Act within a period of 6 months. However, the domestic lenders of the Company had stipulated Trust and Retention Account (TRA) mechanism effective November 24th, 2020, pursuant to which all the payments being made by the Company were being approved/released based on the TRA mechanism. The Company was not able to transfer the aforesaid unspent CSR amount as per the requirements of Section 135 of the Act. The Company has written letter to the Ministry of Corporate Affairs ("MCA") seeking exemptions from the obligations of the Company under portions of Section 135(5) and Section 135(7) of the Act. The reply from MCA in this regard is awaited.

72. Pursuant to the RBI circular dated November 12th, 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances - Clarifications", the Company has taken necessary steps to comply with norms/changes as they become applicable. Thereafter, vide circular dated February 15th, 2022, RBI deferred the applicability of para 10 of the circular dated November 12th, 2021, till September 30th, 2022 pertaining to implementing the provisions for upgradation of NPA assets as 'standard' asset only if entire arrears of interest and principal are paid by the borrower and accordingly advances amounting to ₹ 6,703 lakhs has been upgraded during the quarter ended March 31st, 2022 which was downgraded during quarter ended December 31st, 2021 as aforesaid.

73. As per Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the secured redeemable non-convertible debentures as on March 31st, 2022 are secured by first pari-passu charge by mortgage of immovable property at West Bengal and Tamil Nadu and exclusive and/or specific charge on the specific & identified receivables of the Company. Assets cover available as on March 31st, 2022, net of provisions as per Ind AS norms excluding provisions made under IRACP is 77.75% of the principal amount of its secured redeemable non-convertible debentures. The Company has not been able to maintain the asset cover as stated in the Information Memorandum/Debenture Trust Deeds etc. As stated in Note No. 62 above, as part of the ongoing CIRP process the Administrator has appointed, two (2) independent valuers to conduct the valuation of the assets of the Company as required under the provisions of the Code. Accordingly, the percentage of asset cover given above is subject to the outcome of such valuation process.

74. As stated in Note No. 63, the Company had acquired borrowings (including secured borrowings and NCDs) from SIFL and charges created with ROC in relation to such borrowings were to be transferred in the name of the Company.

In relation to the above, cases where the novation agreements are signed by the lenders / trustees pursuant to Slump Exchange Transaction between SIFL to SEFL, necessary e-forms w.r.t. charges have been filed by SEFL with the Registrar of Companies, Kolkata (ROC) except for one ISIN whereby principal outstanding is ₹ 70 lakhs only. However, charges filed by SEFL w.r.t. such listed NCDs are yet to be approved by the ROC and thus the charges are appearing in the name of SIFL.

For cases of secured borrowings, other than the secured listed NCDs, as stated above, the relevant novation agreements are yet to be signed by all the banks / financial institutions. Hence, the charges which were originally created in the name of SIFL for such secured borrowings are still continuing so in the records of ROC.

Further, with respect to certain borrowings where, though borrowed facilities have been repaid in full, charge satisfactions are still pending. These pendencies are mainly on account of non-receipt of NOC from lenders etc. / completion of satisfaction formalities.

75. As per section 125 of the Companies Act, 2013 a Company is required to transfer certain amount lying unpaid, for 7 years, to Investor Education Protection Fund ("IEPF"). Prior to the date of commencement of CIRP i.e. October 8th, 2021 (CIRP commencement date) an amount of ₹ 18,574/- and post commencement of CIRP an amount of ₹ 31,633/-was transferable by SEFL to IEPF in terms of section 125 of the Companies Act, 2013 pertaining to the interest on application money due for refund of 2014-15 of SEFL.

The Company was unable to comply with the provision of Section 125 of the Companies Act, 2013 as its compliance will accord to breach of the moratorium in terms of section 14 of the IBC. To the extent that the provision of the Companies Act is inconsistent with section 14 of the IBC, the provisions of the IBC will prevail, in light of section 238 of the IBC. However, the Company has written to IEPF authorities and requested guidance in this regard / submission of their claim and await their response.

76. During the year ended March 31st, 2022, the Company has invoked 49% equity shares of Sanjvik Terminals Private Limited ("STPL"), which were pledged with the Company as security against the loan availed by one of the borrowers of the Company. As at March 31st, 2022, these shares appear in the demat statement of SIFL, whereas the borrower was transferred to the Company pursuant to BTA, as stated in Note No. 63 above. The Company is in the process of getting these shares transferred in its name. Till such name transfer, SIFL is holding these shares in trust for the Company for disposal in due course.

The Company has no intention to exercise any control/significant influence over STPL in terms of Ind AS 110/Ind AS 28.

The Company has taken an expert opinion, which confirms that since the Company is not exercising any significant influence/control over STPL, hence, STPL is not a subsidiary/associate in terms of Ind AS 110/Ind AS 28 and accordingly is not required to prepare consolidated financial statements with respect to its holding of 49% of the equity shares of STPL.

77. Analytical Ratios

Particulars	As at March 31st, 2022			As at March 31st, 2021	% Variance	Reasons for variance (if above 25%)
	Numerator	Denominator	Ratio			
Capital to risk-weighted assets ratio (CRAR) #	(1,186,181)	1,831,340	(64.77)%	(34.83)%	(29.94)%	*
Tier I CRAR #	(1,186,181)	1,831,340	(64.77)%	(34.83)%	(29.94)%	
Tier II CRAR #	22,892	1,831,340	1.25%	1.21%	(0.04)%	
Liquidity Coverage Ratio	Refer Note No. 51			3%	Not Applicable	

* Reasons for variances are not determinable pursuant to initiation of CIRP (Refer Note No. 1.2).

Refer Note No. 50 and Note No. 1 of Annexure-I to Notes to the Financial Statements

78. Based on the information available in the public domain, few lenders have declared the bank account of the Company as fraud. However, in case of one of the lender, on the basis of petition filed by the ex-promoters, Hon'ble High Court of Delhi has restrained the said lender from taking any further steps or action prejudicial to the petitioner on the basis of the order declaring the petitioner's bank account as fraud. The next hearing in the matter has been listed August 23rd, 2022.

79. Previous year figures have been regrouped/rearranged, wherever considered necessary, to conform to the classification of the current year.

Signatories to Notes 1 to 79.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048

Sd/-
Manoj Daga
Partner
Membership no. 048523

Place: Mumbai
Date: May 18th, 2022

For J Kala & Associates
Chartered Accountants
ICAI Firm Registration No. 118769W

Sd/-
Jayesh Kala
Partner
Membership no. 101686

Place: Kolkata
Date: May 18th, 2022

For and on behalf of SREI Equipment Finance Limited
(a Company under Corporate Insolvency Resolution Process by an order dated October 8th, 2021 passed by Hon'ble NCLT, Kolkata)

Sd/-
Rajneesh Sharma
Administrator Appointed Under IBC

Place: Kolkata
Date: May 18th, 2022

The Administrator has been appointed under Rule 5(a)(iii) of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 under the Insolvency and Bankruptcy Code, 2016 (IBC or 'the Code'). The affairs, business and property of Srei Equipment Finance Limited are being managed by the Administrator, Mr. Rajneesh Sharma, who acts as agent of the Company only and without any personal liability.
Address for Correspondence - Vishwakarma 86C, Topsia Road (South), Kolkata, West Bengal,700046
Email ID for Correspondence: sreiadministrator@srei.com

SREI EQUIPMENT FINANCE LIMITED

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1. Capital to Risk Asset Ratio (CRAR)

(₹ in Lakhs unless otherwise stated)

Sl. No.	Items	As at March 31st, 2022	As at March 31st, 2021
(i)	CRAR (%) **	(64.77)	(34.83)
(ii)	CRAR - Tier I Capital (%)	(64.77)	(34.83)
(iii)	CRAR - Tier II Capital (%)	1.25	1.21
(iv)	Amount of subordinated debt raised as Tier-II capital	-	-
(v)	Amount raised by issue of Perpetual Debt Instruments*	-	-

* As at March 31st, 2022, the amount of principal outstanding in respect of unsecured subordinated perpetual debentures is ₹ 13,750 lakhs (March 31st, 2021 : ₹ 13,750 lakhs) which is (1.15)% (March 31st, 2021 : (1.74)%) of total Tier I Capital.

** Does not include off-balance sheet items as considering the same under the scenario of negative CRAR-Tier I capital will have a favourable impact on CRAR-Tier I Ratio.

2. Exposure to Real Estate Sector

(₹ in Lakhs)

Sl. No.	Category	As at March 31st, 2022	As at March 31st, 2021
a)	**Direct Exposure**		
(i)	Residential Mortgages		
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	-	-
(ii)	Commercial Real Estate #		
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non- fund based (NFB) limits;	724,069	742,462
(iii)	Investments in Mortgage Backed Securities and other securitised exposures		
	a. Residential	-	-
	b. Commercial Real Estate	-	-
b)	**Indirect exposure**	-	-
	Total Exposure to Real Estate Sector	**724,069**	**742,462**

Includes lending in Special Economic Zones / Industrial parks amounting to ₹2,57,503 lakhs (March 31st, 2021 ₹ 2,34,357 lakhs) that would have the characteristics of Commercial Real Estate (CRE) and these would simultaneously be classified as "Infrastructure Lending" in terms of RBI Circular on classification of exposures as CRE exposures.

3. Exposure to Capital Market

(₹ in Lakhs)

Sl. No.	Category	As at March 31st, 2022	As at March 31st, 2021
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;*	15,249	11,599
(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;	1,964	30
(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)	All exposures to Venture Capital Funds (both registered and unregistered)	908	-
	Total Exposure to Capital Market	**18,121**	**11,629**

* Includes equity shares, optionally convertible debentures and compulsorily convertible preference shares acquired in satisfaction of debts.

4. Details of Assignment transactions undertaken by Non-Banking Financial Company (NBFC)

(₹ in Lakhs unless otherwise stated)

Sl. No.	Particulars	For the year ended March 31st, 2022	For the year ended March 31st, 2021*
(i)	No. of accounts (Nos.)	-	8
(ii)	Aggregate value (net of provisions) of accounts sold	-	30,385
(iii)	Aggregate consideration	-	25,835
(iv)	Additional consideration realised in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / (loss) over net book value	-	(4,550)

* The total amount of exposures retained by the Company on such assignment to comply with the Minimum Retention Requirement (MRR) is ₹ Nil

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5. Asset Liability Management

Maturity pattern of certain items of assets and liabilities as at March 31st, 2022 are as follows:

(₹ in Lakhs)

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30/31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-	-	-
Advances (refer note - 1 & 2 below)	112,454	88	10,722	9,778	7,631	24,724	39,134	200,336	480,755	2,284,589	3,170,211
Liability towards Assignment *	(197,837)	(2,861)	(5,236)	(6,693)	(6,397)	(14,365)	(13,426)	(6,995)	-	-	(253,810)
Investments (refer note - 2 below)	-	-	284	-	54	20,442	21,190	25,360	17,589	38,685	123,604
Borrowings (refer note - 3 below)	880	-	1,830	931	704	2,721	3,737	3,078	112	-	3,197,996
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-

* Amount in first bucket includes certain liabilities prior to initiation of CIRP, which are subject to reconciliation.

Note:

1. Advances represent the maturity pattern of gross loan assets and receivables for operating lease assets.
2. The maturity pattern of Investments, Loan Assets measured at FVTOCI and overdue amounts on Loans have been considered on the basis of Management's best estimates.
3. Repayments of collateralised borrowings have been considered as per the contractual obligations and for others, repayments are not determinable pursuant to initiation of CIRP (Refer Note No. 1.2, 64 and 65).

Maturity pattern of certain items of assets and liabilities as at March 31st, 2021 are as follows:

(₹ in Lakhs)

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30/31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-	-	-
Advances (refer note - 1 & 2 below)	39,233	20	31,550	33,365	32,768	80,363	125,550	341,626	1,039,115	1,650,151	3,373,741
Liability towards Assignment	(101,398)	-	-	(23,244)	(24,027)	(65,799)	(95,044)	(117,955)	-	-	(427,467)
Investments (refer note - 2 below)	-	-	-	-	130	-	34,517	25,011	39,648	2,712	102,018
Borrowings (refer note - 3, 4 & 5 below)	1,373,800	3,098	125,289	24,367	142,029	512,022	282,620	490,090	91,883	92,034	3,137,232
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-

Note:

1. Advances represent the maturity pattern of gross loan assets and receivables for operating lease assets.
2. The maturity pattern of Investments, Loan Assets measured at FVTOCI and overdue amounts on Loans have been considered on the basis of Management's best estimates.
3. The repayment of Working capital facilities (including WCDL and Cash credit facilities) has been considered based on the renewal date of the respective Working capital facilities. However, Working capital facilities for cases where renewal is pending as on March 31st, 2021 amounting to ₹ 1,036,487 lakhs has been considered in the first bucket i.e. 1 day to 7 days.
4. Repayment of overdue amount is based on contractual terms has been considered in the first bucket i.e. 1 day to 7 days.
5. As stated in Note No. 54 to the Financial Statements for the year ended March 31st, 2021-Payment to lenders, while on one hand the Company had to offer repayment moratorium/ resolution plan to its borrowers/lessees, on other hand the Company was not allowed any relief from its lenders. This resulted in huge mismatch in its cash flows. The Company, then filed Schemes of Arrangement with Hon'ble NCLT (Refer Note No. 53 to the Financial Statements for the year ended March 31st, 2021-Scheme of Arrangement). The matters covered in the Scheme are pending for final decisions before Hon'ble NCLT/NCLAT.

In the meanwhile, the Company has obtained legal opinion which states that till the time the above two interim orders dated October 21st, 2020, and December 30th, 2020 passed by Hon'ble NCLT continues to operate wherein all its secured and unsecured lenders (Creditors) are required to maintain status quo, the covenants/terms of the respective borrowing facilities availed by the Company cannot trigger an event of default. Considering the Hon'ble NCLT order for status quo and based on legal opinion, non-payment to financial creditors are not considered as an event of default and the Company's borrowings have been reflected in the books of accounts as per contractual terms.

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(₹ in Lakhs)

Sl. No.	Particulars	As at March 31st, 2022		As at March 31st, 2021	
		Amount outstanding *	Amount overdue *	Amount outstanding	Amount overdue**
6.	**Liabilities side:**				
	Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:				
	a) Debentures				
	- Secured	259,552	259,552	244,148	21,658
	- Unsecured	244,756	244,756	228,897	8,183
	(Other than falling within the meaning of public deposits)				
	b) Deferred credits	9,123	9,123	22,601	8,449
	c) Term loans	654,263	654,263	623,363	113,086
	d) Inter- corporate loans and borrowings	106	106	105	-
	e) Commercial paper	-	-	-	-
	f) Other Loans (Tier II Loan, Buyers Credit, Working Capital Demand Loan etc)	2,030,196	2,016,954	2,018,118	220,483

* Refer Note No. 1.2, 63, 64, 65 and 66

** Refer Note No. 53 of the Financial Statements for the year ended March 31st, 2021.

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31st, 2022	As at March 31st, 2021
		Amount outstanding	Amount outstanding
	Assets side:		
7.	**Break-up of Loans and Advances including bills receivables [other than those included in (8) below]:**		
	(a) Secured	2,647,145	2,639,087
	(b) Unsecured	199,591	170,035
	Total (a) + (b)	**2,846,736**	**2,809,122**
8.	Break-up of Leased Assets and Stock on Hire and other assets counting towards AFC activities		
	(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial Lease	Refer note 1	Refer note 1
	(b) Operating Lease	Refer note 1	Refer note 1
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	Refer note 1	Refer note 1
	(b) Repossessed Assets	Refer note 1	Refer note 1
	(iii) Other loans counting towards AFC activities		
	(a) Loans where Assets have been repossessed	Refer note 1	Refer note 1
	(b) Loans other than (a) above	Refer note 1	Refer note 1

Note 1: The Company has not disclosed amount outstanding under assets financing activities as the RBI has merged Asset Financing Companies (AFC's), Loan Companies and Investment companies into a new category "NBFC - Investment and Credit Company" vide its circular no. DN BR (PD) CC. No. 097/03.10.001/2018-19 dated February 28th, 2019.

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(₹ in Lakhs)

Sl. No.	Particulars	As at March 31st, 2022 Amount Outstanding	As at March 31st, 2021 Amount Outstanding
9.	**Break-up of Investments**		
	Current Investments :		
	1. Quoted :		
	(i) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others	-	-
	2. Unquoted :		
	(i) Shares : (a) Equity	1,850	-
	(b) Preference	-	-
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (Pass Through Certificates etc.)	-	-
	Long term Investments		
	1. Quoted :		
	(i) Shares : (a) Equity	421	130
	(b) Preference	-	-
	(ii) Debentures and Bonds	6,984	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others	-	-
	2. Unquoted :	-	-
	(i) Shares : (a) Equity	591	644
	(b) Preference	51,946	20,102
	(ii) Debentures and Bonds	5,866	5,186
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others*	55,947	75,956

* Includes Security Receipts and units of Trust and Schemes of Venture Fund.

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31st, 2022	As at March 31st, 2021
10.	**Value of Investments**		
(i)	**Gross Value of Investments**	**133,194**	**111,608**
	(a) In India	133,194	111,608
	(b) Outside India	-	
(ii)	**Provisions for Depreciation**	**9,590**	**9,590**
	(a) In India	9,590	9,590
	(b) Outside India		
(iii)	**Net Value of Investments**	**123,604**	**102,018**
	(a) In India	123,604	102,018
	(b) Outside India	-	-
11.	**Movement of provisions held towards depreciation on investments**		
(i)	Opening balance	9,590	9,590
(ii)	Add : Provisions made during the year	-	-
(iii)	Less : Write-off / write-back of excess provisions during the year	-	-
(iv)	**Closing balance**	**9,590**	**9,590**

(₹ in Lakhs)

Sl. No.	Particulars	For the year ended March 31st, 2022	For the year ended March 31st, 2021
12.	**Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss Account**		
(i)	Provision for depreciation on Investment	-	-
(ii)	Provisions towards NPA/ Write-offs #	310,640	947,035
(iii)	Provision made towards Income tax (Refer Note No. 70)	9,807	-
(iv)	Other Provision and Contingencies		
	- Provision for Employee Benefits	355	161
	- Provision for Standard Assets ##	43,510	12,664
		364,312	**959,860**

\# Includes Impairment Reserve created for Non performing Loans and Assets acquired in satisfaction of debt amounting to ₹ 72,116 lakhs (March 31st, 2021 : ₹ 3,72,007 lakhs) pursuant to the RBI regulatory guidance on 'Implementation of Indian Accounting Standards' (Refer Note No. 20 of Annexure - I to notes to the financial statements).

\## Includes Impairment Reserve created for Standard Assets amounting to ₹ 44,237 lakhs (March 31st, 2021 : ₹ 21,730 Lakhs) pursuant to the RBI regulatory guidance on 'Implementation of Indian Accounting Standards' (Refer Note No. 20 of Annexure - I to notes to the financial statements).

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13. Borrower Group-wise Classification of assets financed as in (7) and (8) above

(₹ in Lakhs)

Sl. No.	Category	Amount (Net of provisions) #					
		As at March 31st, 2022			As at March 31st, 2021		
		Secured	Unsecured	Total	Secured	Unsecured	Total
(i)	Related parties*						
	a) Subsidiaries	-	-	-	-	-	-
	b) Companies in the same group	1,997	12,408	14,405	2,036	27,678	29,714
	c) Other related parties	-	-	-	-	-	-
(ii)	Other than related parties	1,961,240	71,480	2,032,720	2,114,098	41,979	2,156,077
	Total	1,963,237	83,888	2,047,125	2,116,134	69,657	2,185,791

* As per Ind AS 24: Related Party Disclosures

\# Refer Note No. 62

14. Investor Group wise Classification of all Investments in Shares and Securities

(₹ in Lakhs)

Sl. No.	Category	As at March 31st, 2022		As at March 31st, 2021	
		Market Value/Break up or Fair value or NAV	Book value (net of provision)	Market Value/Break up or Fair value or NAV	Book value (net of provision)
(i)	Related parties *				
	a) Subsidiaries	-	-	-	-
	b) Companies in the same group	-	-	-	-
	c) Other related parties	-	-	-	-
(ii)	Other than related parties	123,604	123,604	102,018	102,018

* As per Ind AS 24: Related Party Disclosures

15. Concentration of Advances

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31st, 2022	As at March 31st, 2021
(i)	Total Advances to twenty largest borrowers	1,094,432	1,031,711
(ii)	Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	38.45%	36.73%

16. Concentration of Exposures

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31st, 2022	As at March 31st, 2021
(i)	Total Exposure to twenty largest borrowers / customers	1,104,908	1,049,888
(ii)	Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	36.48%	35.06%

17. Concentration of NPAs

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31st, 2022	As at March 31st, 2021
(i)	Total Exposure to top four NPA accounts	315,738	278,823

18. Sector-wise NPAs

Sl. No.	Sector	Percentage of NPAs to Total Advances in that sector
(i)	Agriculture & allied activities	*
(ii)	MSME	
(iii)	Corporate borrowers	
(iv)	Services	
(v)	Unsecured personal loans	
(vi)	Auto loans	
(vii)	Other personal loans	

* The Company is primarily engaged in financial services to its customer across India. The portfolio has been bifurcated into assets finance / infrastructure loans in various Infrastructure sectors which includes IT, construction, mining, irrigation, earthmoving, railway projects, road projects, etc.

19. Movement of Non Performing Assets (NPAs)

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31st, 2022		As at March 31st, 2021	
		Excluding Impairment Reserve	Including Impairment Reserve #	Excluding Impairment Reserve	Including Impairment Reserve #
(i)	**Net NPAs to Net Advances (%) @**	61.88%	52.97%	51.65%	43.52%
(ii)	**Movement of NPAs (Gross)**				
	(a) Opening balance	1,851,525	1,851,525	332,466	332,466
	(b) Additions during the year	600,687	600,687	1,582,790	1,582,790
	(c) Reductions during the year *	301,782	301,782	63,731	63,731
	(d) Closing balance	2,150,430	2,150,430	1,851,525	1,851,525
(iii)	**Movement of Net NPAs**				
	(a) Opening balance	1,267,927	914,600	219,217	219,217
	(b) Additions during the year	417,960	339,921	1,146,502	848,834
	(c) Reductions during the year *	295,974	290,322	97,792	153,451
	(d) Closing balance	1,389,913	964,199	1,267,927	914,600
(iv)	**Movement of provisions for NPAs (excluding provisions on standard assets)**				
	(a) Opening balance	583,598	936,925	113,249	113,249
	(b) Provisions made during the year	237,873	351,966	494,962	850,896
	(c) Write-off / write-back of excess provisions	60,954	102,660	24,613	27,220
	(d) Closing balance	760,517	1,186,231	583,598	936,925

* It includes write - off during the year

@ Net Advances represents Loans, Trade Receivables and Net Block of Assets given on Operating Lease

\# Includes Impairment Reserve created for Non performing Loans amounting to ₹ 4,25,714 lakhs (March 31st, 2021 : ₹ 3,53,327 lakhs) pursuant to the RBI regulatory guidance on 'Implementation of Indian Accounting Standards' (Refer Note No. 20 of Annexure - I to notes to the financial statements).

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20. A comparison between provisions required under Income Recognition, Asset Classification and Provisioning ('IRACP') Norms and impairment allowances made under Ind AS 109 as on March 31st, 2022 is given below:

(₹ 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 Income Recognition, Asset Classification and Provisioning (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	596,161	35,281	560,880	74,778	(39,497)
Standard	Stage 2	100,145	4,174	95,971	30,937	(26,763)
Subtotal for Standard		**696,306**	**39,455**	656,851	**105,715**	**(66,260)**
Non-Performing Assets (NPA)						
Substandard	Stage 3	508,480	135,853	372,627	170,751	(34,898)
Subtotal for Substandard		**508,480**	**135,853**	**372,627**	**170,751**	**(34,898)**
Doubtful - up to 1 year	Stage 3	885,946	282,138	603,808	439,974	(157,836)
1 to 3 years	Stage 3	637,598	300,785	336,813	483,621	(182,836)
More than 3 years #	Stage 3	146,939	35,661	111,278	108,247	(72,586)
Subtotal for doubtful		**1,670,483**	**618,584**	**1,051,899**	**1,031,842**	**(413,258)**
Loss @	Stage 3	62,419	-	62,419	62,419	(62,419)
Subtotal for NPA		**2,241,382**	**754,437**	**1,486,945**	**1,265,012**	**(510,575)**
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	-	292	(292)	-	292
	Stage 2	-	-	-	-	-
	Stage 3	-	6,080	(6,080)	-	6,080
Subtotal		-	**6,372**	**(6,372)**	-	**6,372**
Total	**Stage 1**	**596,161**	**35,573**	**560,588**	**74,778**	**(39,205)**
	Stage 2	**100,145**	**4,174**	**95,971**	**30,937**	**(26,763)**
	Stage 3	**2,241,382**	**760,517**	**1,480,865**	**1,265,012**	**(504,495)**
	Total	**2,937,688**	**800,264**	2,137,424	**1,370,727**	(570,463)

 # Doubtful - More than 3 years includes :

Claims Receivable (measured at fair value through profit or loss)	Stage 3	28,533	-	28,533	16,362	(16,362)

@ Loss includes :

Claims Receivable (measured at fair value through profit or loss)	Stage 3	44,009	-	44,009	44,009	(44,009)
Assets acquired in satisfaction of debt	Stage 3	18,410	-	18,410	18,410	(18,410)

The above table excludes Loss Allowances (Provisions) towards Trade Receivables (Refer Note No. 6) , Rental accrued but not due (Refer Note No. 9) and Interest retained on Pool Assigned (Refer Note No. 9)

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20. A comparison between provisions required under Income Recognition, Asset Classification and Provisioning ('IRACP') Norms and impairment allowances made under Ind AS 109 as on March 31st, 2021 is given below (continued).

(₹ 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 Income Recognition, Asset Classification and Provisioning (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	861,744	35,736	826,008	40,453	(4,717)
Standard	Stage 2	95,852	4,395	91,457	21,722	(17,327)
Subtotal for Standard		957,596	40,131	917,465	62,175	(22,044)
Non-Performing Assets (NPA)						
Substandard	Stage 3	1,036,079	267,717	768,362	386,770	(119,053)
Subtotal for Substandard		**1,036,079**	**267,717**	**768,362**	**386,770**	**(119,053)**
Doubtful - up to 1 year	Stage 3	410,402	122,065	288,337	222,700	(100,635)
1 to 3 years	Stage 3	353,606	170,336	183,270	281,885	(111,549)
More than 3 years #	Stage 3	75,981	17,912	58,068	57,942	(40,029)
Subtotal for doubtful		**839,989**	**310,313**	**529,675**	**562,527**	**(252,214)**
Loss @	Stage 3	60,034	-	60,034	60,034	(60,034)
Subtotal for NPA		**1,936,102**	**578,031**	**1,358,071**	**1,009,331**	**(431,300)**
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	-	313	(313)	-	313
	Stage 2	-	-	-	-	-
	Stage 3	-	5,567	(5,567)	-	5,567
Subtotal		-	5,880	(5,880)	-	5,880
Total	**Stage 1**	**861,744**	**36,049**	**825,695**	**40,453**	**(4,404)**
	Stage 2	**95,852**	**4,395**	**91,457**	**21,722**	**(17,327)**
	Stage 3	**1,936,102**	**583,598**	**1,352,504**	**1,009,331**	**(425,734)**
	Total	**2,893,699**	**624,042**	**2,269,656**	**1,071,506**	**(447,464)**

 # Doubtful - More than 3 years includes :

Claims Receivable (measured at fair value through profit or loss)	Stage 3	24,543	-	24,543	12,372	(12,372)

@ Loss includes :

Claims Receivable (measured at fair value through profit or loss)	Stage 3	41,354	-	41,354	41,354	(41,354)
Assets acquired in satisfaction of debt	Stage 3	18,680	-	18,680	18,680	(18,680)

The above table excludes Loss Allowances (Provisions) towards Trace Receivables (Refer Note No. 6), Rental accrued but not due (Refer Note No. 9) and Interest retained on Pool Assigned (Refer Note No. 9)

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21. Details of non-performing financial assets purchased from other NBFCs :

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31st, 2022	As at March 31st, 2021
(i)	(a) No. of accounts purchased during the year	-	-
	(b) Aggregate outstanding	-	-
(ii)	(a) Of these, number of accounts restructured during the year	-	-
	(b) Aggregate outstanding	-	-

22. Details of Non-performing Financial Assets sold to other NBFCs :

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31st, 2022	As at March 31st, 2021
(i)	No. of accounts sold	-	-
(ii)	Aggregate outstanding	-	-
(iii)	Aggregate consideration received	-	-

23. Other Information :

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31st, 2022		As at March 31st, 2021	
		Excluding Impairment Reserve	Including Impairment Reserve #	Excluding Impairment Reserve	Including Impairment Reserve #
i.	Gross Non-Performing Assets				
	(a) Related Parties	25,723	25,723	-	-
	(b) Other than related Parties	2,124,707	2,124,707	1,851,525	1,851,525
ii.	Net Non-Performing Assets #				
	(a) Related Parties	12,408	12,862	-	-
	(b) Other than related Parties	1,377,505	951,337	1,267,927	914,600
iii.	Assets / Receivables acquired in satisfaction of debt (net) #	#REF!	#REF!	84,577	12,171

Includes Impairment Reserve created for Non performing Loans amounting to ₹ 4,25,714 lakhs (March 31st, 2021 : ₹ 3,53,327 lakhs) and Assets / Receivables acquired in satisfaction of debt amounting to ₹ 78,781 lakhs (March 31st, 2021 : ₹ 72,406 Lakhs) pursuant to the RBI regulatory guidance on 'Implementation of Indian Accounting Standards' (Refer Note No. 20 of Annexure - I to notes to the financial statements)

24. Derivatives

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

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31st, 2022	As at March 31st, 2021
(i)	The notional principal of swap agreements	-	-
(ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii)	Collateral required by the NBFC upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from the swaps	-	-
(v)	The fair value of the swap book	-	-

The nature and terms of FRA / IRS as on March 31st, 2022 are set out below :

(₹ in Lakhs)

Sl. No.	Nature	As at March 31st, 2022	As at March 31st, 2021	Benchmark	Terms
		Notional Principal			
(i)	Hedging (Refer Note No. 67)	-	-	USD LIBOR	Fixed Payable Vs Floating Receivable

25. Exchange Traded Interest Rate (IR) Derivatives

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31st, 2022	As at March 31st, 2021
(i)	Notional principal amount of exchange traded IR derivatives undertaken during the year	-	-
(ii)	Notional principal amount of exchange traded IR derivatives outstanding as at year end	-	-
(iii)	Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective"	-	-
(iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective"	-	-

26. Disclosures on Risk Exposure in Derivatives

(i) Qualitative Disclosure

The Company's Financial Instruments are exposed to market changes due to which the Company is exposed to the following significant market risks:

i. Foreign Currency Risk

ii. Interest Rate Risk

The Company undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and reinstatement risks arising from recognised assets and liabilities, which are not in the Company's functional currency (Indian Rupees). The Company is exposed to interest rate risk as the Company borrows foreign currency funds at fixed plus floating interest rate benchmarks. The Company manages this risk by maintaining an appropriate mix between fixed and floating rate borrowings, and by use of derivative hedging products like interest rate swaps and cross currency interest rate swaps. The Company had managed both these risks as per regulatory requirements.

The Company is currently undergoing CIRP (Refer Note No. 1.2) under the provisions of the Code. Accordingly, a moratorium has been declared under section 14 of the Code. Post CIRP, the Company has reconstituted ALCO which manages the foreign currency and interest rate risks , besides other market risks/core functions. The ALCO includes the Company's senior management. It defines the strategy for managing foreign currency and interest rate risks in the business.

In view of CIRP, the foreign currency liabilities have been crystallised into INR as on October 8th, 2021 (Insolvency Commencement Date or 'ICD'). Hence, there is no foreign currency risk as at March 31st, 2022. Further all the borrowings have been crystallised as on ICD. Hence, there is no interest rate risk as at March 31st, 2022.

(ii) Quantitative Disclosures

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31st, 2022		As at March 31st, 2021	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount)				
	For hedging	-	-	48,439	-
(ii)	Marked to Market Positions				
	a) Asset (+)	-	-	936	-
	b) Liability (-)	-	-	(1,151)	-
(iii)	Credit Exposure	-	-	-	-
(iv)	Unhedged Exposures	-	-	-	-

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27. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

The Company has exceeded the prudential exposure limits during the year ended March 31st, 2022 with respect to Single Borrower Limit (SBL) and Group Borrower Limit (GBL).
During the year ended March 31st, 2021 the Company has exceeded the prudential single borrower limit in 2 cases having exposure of ₹ 86,477 lakhs & ₹ 83,226 lakhs respectively and Group Borrower limit in 2 cases having group exposure of ₹ 2,06,208 lakhs & ₹ 1,65,186 lakhs respectively, based on % of Tier-I Capital amounting to ₹ 3,98,269 lakhs as on March 31st, 2020.

28. Unsecured Advances
Unsecured advance represents unsecured Loans as at March 31st, 2022 is ₹ 1,99,591 lakhs (March 31st, 2021 ₹ 1,70,035 lakhs) and it includes advances amounting to ₹ Nil (March 31st, 2021 ₹ Nil) for which intangible securities such as charge over rights, licences, authority, etc., has been taken as collateral.

29. Registration obtained from other financial sector regulators : None

30. Penalties have been imposed by RBI or any other Regulators during the financial year ended March 31st, 2022 and March 31st, 2021 as below:

(₹ in lakhs)

Sl. No.	Regulatory Body	Reason	Amount
(i)	Bombay Stock Exchange	Non compliance of regulation 52(1) of SEBI Listing Obligations and Disclosure Requirements, 2015	1
(ii)	National Stock Exchange	Non compliance of regulation 52(1), 52(4), 54(2) of SEBI Listing Obligations and Disclosure Requirements, 2015	2

No Penalties have been imposed by RBI or any other Regulators during the financial year ended March 31st, 2021.

31. Draw Down from Reserves
Details of draw down from Reserves is disclosed in Note No. 24 of the Notes to the Financial Statements.

32. Ratings assigned by credit rating agencies and migration of ratings during the year

Sl. No.	Particulars	As at March 31st, 2022			As at March 31st, 2021		
		CARE	BRICKWORK *	ACUITE	CARE^	BRICKWORK#	ACUITE^
(i)	Long-Term Banking facilities	CARE D	–	–	CARE D	–	–
(ii)	Short-Term Banking Facilities	CARE D	–	–	CARE D	–	–
(iii)	Short-Term Debt Instruments	–	BWR D	–	–	BWR A3	–
(iv)	NCDs/Bonds	CARE D	BWR D	ACUITE D	CARE D	BWR BBB	ACUITE D
(v)	Unsecured Subordinated/Tier-II Debentures/Bonds	CARE D	BWR D	ACUITE D	CARE D	BWR BBB	ACUITE D
(vi)	Perpetual Debentures	CARE D	BWR D	–	CARE D	BWR BB	–

* 'Issuer Not Cooperating (INC)' category
^ Refer Note No. 53 to the Financial Statements for the year ended March 31st, 2021
\# Outlook negative

Sl. No.	Particulars	As at March 31st, 2022		As at March 31st, 2021	
		CARE	BRICKWORK *	CARE^	BRICKWORK**
(i)	Long Term Banking facilities @	CARE D	–	CARE D	–
(ii)	Short Term Banking Facilities @	CARE D	–	CARE D	–
(iii)	NCDs/Bonds @	CARE D	–	CARE D	BWR BBB
(iv)	Unsecured Subordinated/Tier-II Debentures/Bonds @	CARE D	–	CARE D	BWR BBB

* 'Issuer Not Cooperating (INC)' category
^ Refer Note No. 53 to the Financial Statements for the year ended March 31st, 2021
** Credit watch with negative implication
@ This represents rating assigned for outstanding borrowings which was transferred from SIFL pursuant to slump exchange. (Refer Note No. 63).

33. Details of Financial Assets sold to Securitisation/Reconstruction Company for Asset Reconstruction

(₹ in Lakhs unless otherwise stated)

Sl. No.	Particulars	As at March 31st, 2022	As at March 31st, 2021
(i)	No. of Accounts	-	2
(ii)	Aggregate value (net of provisions) of Accounts sold to SC/RC	-	31,290
(iii)	Aggregate consideration	-	29,400
(iv)	Additional Consideration realized in respect of accounts transferred in earlier years	-	Nil
(v)	Aggregate gain/loss over net book Value	-	(1,890)

34. Overseas Assets (for those with Joint Ventures and Subsidiaries abroad) : Nil

35. Off Balance Sheet SPV's sponsored : Nil

36. Details of Financing of Parent Company Products :
Financing of Parent Company products during the financial year ended March 31st, 2022 is ₹ Nil (March 31st, 2021 ₹ Nil).

37. Disclosure of Complaints

Sl. No.	Customer Complaints	As at March 31st, 2022	As at March 31st, 2021
(i)	No. of complaints pending at the beginning of the year	-	-
(ii)	No. of complaints received during the year	77	87
(iii)	No. of complaints redressed during the year	75	87
(iv)	No. of complaints pending at the end of the year	2	-

38. Disclosure of Fraud
Disclosures Relating to Fraud In Terms of the Notification Issued by Reserve Bank of India vide DNBS/2016-17/49 Master Direction DNBS. PPD.01/66.15.001/2016-17
During the year ended March 31st, 2022, there are 2 cases of fraud involving employees / ex-employees amounting to ₹ 207 lakhs :

(₹ in Lakhs)

Sl. No.	Date of Reporting to RBI	Amount Involved	Recovery made	Provision made
(i)	November 30, 2021	2	-	2
(ii)	April 8, 2022	205	31	174
Total		207	31	176

During the year ended March 31st, 2021, no fraud was committed and reported to the RBI.

SREI

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Twenty-Third Annual Report on the business and operations of the Company together with the audited annual accounts for the Financial Year ended March 31, 2022.

FINANCIAL RESULTS AND OPERATIONS

(Amount in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Total Income	32.48	156.45
Total Expenditure	118.66	174.33
Profit/Loss Before Depreciation/Bad debts/ Provision and Tax	(86.18)	(17.88)
Depreciation	0.07	0.20
Profit / Loss Before Bad Debts / Provision and Tax	**(86.25)**	**(18.08)**
Bad Debts / Provisions for Bad & Doubtful Debts, etc.	-	-
Profit / (Loss) Before Tax	**(86.25)**	**(18.08)**
Provision for Current Tax	-	-
Tax in respect of Earlier Years	(8.98)	11.27
Deferred Tax	(20.58)	(3.49)
Profit / (Loss) After Tax	**(56.69)**	**(25.85)**
Balance brought forward from previous year	190.42	216.00
Other Comprehensive Income	(242.41)	(24.40)
Balance carried to Balance Sheet	**(133.25)**	**165.74**
Paid up Equity Share Capital	505.00	505.00

During the year under review, your Company's Total Income stood at Rs. 32.48 lakhs as compared to the previous year Total Income of Rs. 156.45 Lakhs and the Company's Profit after Tax (PAT) was at Rs. (56.69) lakhs as compared to PAT of Rs. (25.85) Lakhs in the previous financial year.

CORPORATE INSOLVENCY RESOLUTION PROCESS (CIRP) OF HOLDING COMPANY

The Reserve Bank of India (**'RBI'**) had vide Press Release dated 4th October, 2021 in exercise of the powers conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934 (RBI Act) ('Press Release') superseded the Board of Directors of Srei Infrastructure Finance Limited (**'SIFL'**), the holding Company of your Company owing to governance concerns and defaults by SIFL in meeting various payment obligations. Mr. Rajneesh Sharma was appointed as the Administrator of SIFL under Section 45-IE (2) of the RBI Act with effect from 4th October, 2021 vide the said Press Release. On 8th October, 2021, the RBI filed application for initiation of Corporate Insolvency Resolution Process (**'CIRP'**) against SIFL before the Hon'ble National Company Law Tribunal, Kolkata Bench (**'Hon'ble NCLT'**) under Section 227 read with clause (zk) of sub-section (2) of Section

239 of the Insolvency and Bankruptcy Code, 2016 (**'Code'**) read with Rules 5 and 6 of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudication Authority) Rules, 2019 (**'FSP Rules'**). Thereafter vide an Order dated 8th October, 2021of the Hon'ble NCLT the application filed by the RBI for initiating the CIRP in respect of SIFL was admitted by the Hon'ble NCLT and a Corporate Insolvency Resolution Process was initiated against SIFL and the appointment of Mr. Rajneesh Sharma as the Administrator for SIFL was confirmed. Thereafter, the Committee of Creditors of SIFL was formed as per the requirements of the Code consisting of their Bankers and other Creditors.

Accordingly SIFL, the holding Company of your Company is undergoing CIRP under the provisions of the Code along with the Regulations and Rules thereunder and the Administrator of SIFL is to perform the duties of the Resolution Professional under the Code. In accordance with the provisions of the Code and with the approval of the Committee of Creditors of SIFL the Administrator on 25th February, 2022 has invited expressions of interest from prospective resolution applicants.

REVIEW OF OPERATIONS & FUTURE PROSPECT

The last years have been an exceptionally trying time for the world and our country. The COVID-19 induced pandemic that swept across the world has emaciated the global economy at a scale never seen before. The post-pandemic world will in many ways be unlike the world before. In March 2020, India along with the rest of the world was catapulted into an unprecedented crisis with the outbreak of coronavirus. The Covid-19 crisis which started as a health crisis, in a short time evolved into a devastating social and economic crisis bringing businesses and economies to almost a standstill. Lockdowns, Restrictions, supply chain disruptions and loss of business led to layoffs and acute financial distress globally. Covid-19 not only led to business shutdowns and job losses, but also increased the cost of goods and services. Innovative solutions backed by technology played a key role in addressing the challenges faced due to the aftermath of Covid-19.

India was also severely hit by the second wave of COVID pandemic and the resultant restrictions. The Indian government, Securities and Exchange Board of India ("SEBI") and the RBI took many proactive steps to deal with the situation of slowing growth and lack of liquidity.

During the last year the primary focus of your Company has been to ensure safety of the employees and to support its clients in the best possible way. With COVID19 pandemic having an adverse overall impact on the Indian economy and Corporate Insolvency Resolution Process ('CIRP') as detailed above initiated against Srei Infrastructure Finance Limited, the Holding Company of your Company, the Company is not in a position to gauge with certainty exact impact thereof at this stage as the situation is exceptional and changing dynamically. During our journey so far, we have experienced various growth phases and downturn cycles however FY22 has been a journey of resilience, determination and persistency for your Company.

With the economic activities slowly resuming the Company is hopeful of adapting to the changing business environment and responding suitably to fulfil the needs of its clients. The Company acknowledges that technology will drive the business model in the Capital Markets in coming years as digital becomes mainstream in all financial business function.

Your Company has also into a Sub-Consultancy Agreement with Mott MacDonald Limited, United Kingdom to assist in providing consultancy services in respect of Sustainable Cities for Shared Prosperity Programme to Secretary of State for Foreign and Commonwealth Affairs of the Foreign and Commonwealth Office, London.

Your Company being a Category I Merchant Banker registered with SEBI provides a full range of merchant banking services and other transaction advisory services and is supported by highly skilled and dedicated management team.

India is expected to witness GDP growth of 8.0-8.5 per cent in 2022-23, supported by widespread vaccine coverage, gains from supply-side reforms, easing of regulations, robust export growth, and availability of fiscal space to ramp up capital spending. Your Company expects that with a well-diversified range of services across the entire gamut of investment banking activities and having the required domain knowledge and experienced employees would be able to consolidate its position in the coming years.

DIVIDEND

During the Financial year under review, the Board of Directors of your Company do not recommend any dividend for the financial year 2021-22.

TRANSFER TO RESERVES

The Company is not statutorily required to transfer any amount to the General Reserve, as no Dividend has been recommended for the financial year 2021-22.

SUBSIDIARY COMPANIES/JOINT VENTURES/ASSOCIATE COMPANIES

The Company does not have any Subsidiary Company, Joint Ventures and Associate Company in terms of provisions of Section 134(3)(q) of the Companies Act, 2013 read with Rule 8(5)(iv) of the Companies (Accounts) Rules, 2014 and hence disclosure is not required.

PUBLIC DEPOSITS

The Company has not invited or accepted any deposits from the public covered in terms of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTFLOW

Your Company has no activities relating to conservation of energy and technology absorption as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014. However, your Company uses information technology extensively in its operations and also continues its endeavour to improve energy conservation and utilization, safety and environment.

Your Company has not utilized or earned any foreign exchange during the year under review (Previous Year - Nil).

DIRECTORS & KEY MANAGERIAL PERSONNEL

DIRECTORS

Presently, the Board of Directors of your Company comprises Four (4) Directors, (Category: Non-Executive Directors). The name of all the Directors of the Company is as below:

Sl. No.	Name	DIN	Date of Appointment
1	Mr. Mayank Kulinchandra Mehta	03554733	14.12.2021
2	Mr. Hari Shanker Sharma	09404713	14.12.2021
3	Ms. Nidhi Saharia	02157841	14.12.2021
4	Mr. Debasish Som	00392735	01.03.2022

During the year under review, Mr. Shyamalendu Chatterjee (DIN: 00048249) and Mr. Vinod Anand Juneja (DIN: 00044311), had resigned as Director of your Company w.e.f. 4th October, 2021 and 29th October, 2021 respectively. Your Directors place on record their appreciation for the valuable contribution, advice and guidance rendered by Mr. Shyamalendu Chatterjee and Mr. Vinod Anand Juneja, during their tenure as Directors of your Company.

Ms. Nidhi Saharia (DIN: 02157841), was appointed as an Additional Director of your Company w.e.f. 29th October, 2021 and holds office as an Additional Director upto the date of the ensuing Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier.

However, in compliance with and as per the requirement of the letter dated 30th November, 2021, issued by the Administrator of Srei Infrastructure Finance Limited (SIFL), Holding Company of your Company, Ms. Nidhi Saharia (DIN: 02157841) resigned as Director of your Company w.e.f. 14th December, 2021 and in compliance with the directions issued by the Administrator of SIFL vide letter dated 3rd December, 2021, Ms. Nidhi Saharia (DIN: 02157841) was re-appointed as an Additional Director of your Company w.e.f. 14th December, 2021 and holds office as an Additional Director upto the date of the ensuing Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier. The Board of Directors recommends the regularization of appointment of Ms. Nidhi Saharia (DIN: 02157841) as Director of the Company at the ensuing Annual General Meeting of the Company.

During the year under review, Mr. Debasish Som (DIN: 00392735), resigned as Director of your Company w.e.f. 14th December, 2021, in compliance with and as per the requirement of the letter dated 30th November, 2021, issued by the Administrator of SIFL, Holding Company of your Company.

Pursuant to the directions issued by the Administrator of SIFL, the Holding Company of your Company vide letter(s) dated 30th November, 2021 and 3rd December, 2021, Mr. Mayank Kulinchandra Mehta (DIN: 03554733) and Mr. Hari Shanker Sharma (DIN: 09404713) were appointed as Additional Director(s) of your Company w.e.f. 14th

December, 2021 and hold office as an Additional Director(s) upto the date of the ensuing Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier. The Board of Directors recommend the regularization of appointment of Mr. Mayank Kulinchandra Mehta (DIN: 03554733) and Mr. Hari Shanker Sharma (DIN: 09404713) as Director(s) of the Company at the ensuing Annual General Meeting of the Company.

In compliance with and as per the requirement of the letter dated 30th November, 2021, issued by the Administrator of Srei Infrastructure Finance Limited (SIFL), Holding Company of your Company, Mr. Ashok Kumar Pareek (DIN: 01894662) resigned as Executive Director of your Company w.e.f. 14th December, 2021 and in compliance with the directions issued by the Administrator of SIFL vide letter dated 3rd December, 2021, Mr. Ashok Kumar Pareek (DIN: 01894662) was re-appointed as an Whole-time Director (designated as "Executive Director") of the Company for a period from 14th December, 2021 to 31st October, 2022. The members of the Company at the Extra Ordinary General Meeting of your Company also resolved to re-appoint Mr. Ashok Kumar Pareek (DIN: 01894662) as Whole-time Director (designated as "Executive Director") of the Company for a period from 14th December, 2021 to 31st October, 2022 in compliance with and as per the requirement of the letter dated 3rd December, 2021 issued by the Administrator of SIFL the holding Company of your Company.

Mr. Ashok Kumar Pareek, Executive Director of your Company resigned as Executive Director of your Company w.e.f. the end of the business hours of January 31, 2022. Your Directors placed on record their sincere appreciation for the valuable contribution, advice and guidance extended by Mr. Ashok Kumar Pareek during his long association with the Company.

As per the directions of SIFL, Holding Company of your Company on behalf of the Administrator of SIFL, vide letter dated 24th February, 2022, Mr. Debasish Som (DIN: 00392735), was appointed as an Additional Director of your Company w.e.f. 1st March, 2022 and hold office as an Additional Director upto the date of the ensuing Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier. The Board of Directors recommends the regularization of appointment of Mr. Debasish Som (DIN: 00392735) as Director of the Company at the ensuing Annual General Meeting of the Company.

KEY MANAGERIAL PERSONNEL

As per the provisions of Section 203 of the Companies Act, 2013, (the Act) read with rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every Listed Company and every other Public Company, having a paid-up share capital of Ten Crore Rupees or more, shall have Whole-Time KMP's, namely; (i) Managing Director, or Chief Executive Officer, or Manager and in their absence, (i) Whole-time Director; (ii) Company Secretary and (iii) Chief Financial Officer.

During the year under review, in compliance with and as per the requirement of the letter dated 30th November, 2021, issued by the Administrator of Srei Infrastructure Finance Limited (SIFL), Mr. Ashok Kumar Pareek (DIN: 01894662), resigned as Executive Director of your Company w.e.f. 14th December, 2021.

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Further, pursuant to the directions issued by the Administrator of SIFL vide letter dated 3rd December, 2021, Mr. Ashok Kumar Pareek (DIN: 01894662) was re-appointed as a Whole-time Director (designated as "Executive Director") of your Company for a period from 14th December, 2021 to 31st October, 2022, post approval from the shareholders of the Company at the Extra-ordinary General Meeting of the members of the Company held on 31st January, 2022.

Mr. Ashok Kumar Pareek (DIN: 01894662), resigned as Executive Director of your Company w.e.f. 31st January, 2022.

Ms. Samita Lahiri (A-16091) continues to be the Company Secretary of your Company, during the year under review.

MEETINGS OF BOARD OF DIRECTORS

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by the Companies Act, 2013, which are confirmed/ noted in the subsequent Board meeting.

During the Financial Year 2021-22, Five (5) Meetings of the Board of Directors of the Company were held on 6th May, 2021, 9th August, 2021, 29th October, 2021, 14th December, 2021 and 7th February, 2022. The maximum time gap between any two consecutive meetings did not exceed 120 days. The presence of Directors at such Meetings is as follows:

Name of Director	No. of Meetings entitled to Attend	No. of Meeting Attended
Mr. Shyamalendu Chatterjee*	2	2
Mr. Vinod Anand Juneja*	3	3
Mr. Ashok Kumar Pareek*	4	4
Mr. Debasish Som	3	3
Ms. Nidhi Saharia	3	3
Mr. Mayank Kulinchandra Mehta	1	1
Mr. Hari Shanker Sharma	1	1

**Mr. Shyamalendu Chatterjee, Mr. Vinod Anand Juneja and Mr. Ashok Kumar Pareek resigned as Directors of the Company w.e.f. 4th October, 2021, 29th October, 2021 and 31st January, 2022, respectively.*

PARTICULARS OF EMPLOYEES

As required under the provisions of Section 134(3)(q) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of the employees are set out in the annexure to the Directors' Report and forms part of the Report.

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PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the Financial Year 2021-22, the Company has not given any loan, guarantees or made any investments exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more, as prescribed in Section 186 of the Companies Act, 2013.

However, the details of Investments made in other body corporates as on 31st March, 2022, are as follows:

Sl. No.	Name of Person/ Body corporate	Whether investment made/loan given/ guarantee given/security provided in connection with loan/security acquired by way of subscription, purchase or otherwise	Purpose for which the loan or guarantee or security is proposed to be utilized by the recipient of the loan or guarantee or security	Amount (Rs. in Lakhs)	Rate of interest
1	Bank of Baroda	Investment in 500 equity shares	N.A.	0.56	N.A
2	Bank of India	Investment in 100 equity shares	N.A.	0.05	N.A
3	HDFC Bank Ltd.	Investment in 1000 equity shares	N.A.	14.70	N.A
4	ICICI Bank Ltd.	Investment in 550 equity shares	N.A.	4.02	N.A
5	IDBI Bank Ltd.	Investment in 120 equity shares	N.A.	0.05	N.A.
6	State Bank of India	Investment in 1340 equity shares	N.A.	6.61	N.A.
7	Kotak Mahindra Bank Ltd	Investment in 600 equity shares	N.A.	10.53	N.A.
8	Punjab National Bank	Investment in 115 equity shares	N.A.	0.04	N.A.
9	Union Bank of India	Investment in 197 equity shares	N.A.	0.08	N.A.
10	Infrastructure Resurrection Fund	Investment in 400000 units of fund	N.A.	64.88	N.A.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Since all related party transactions entered into by your Company during the financial year ended 31st March, 2022, were in the ordinary course of business and on an arm's length basis, hence, Form AOC-2 is not applicable to your Company.

EXTRACT OF THE ANNUAL RETURN

The Ministry of Corporate Affairs (MCA) vide Notification no. G.S.R.159 (E) dated 5th March, 2021 has amended the Companies (Management and Administration) Rules, 2014. According to the amended provisions of Rule 12 of the said rule, the extract of Annual Return in Form No. MGT-9 is not applicable as on the financial year ended 31st March, 2022.

COMPLIANCE WITH THE SECRETARIAL STANDARDS

Your Company has complied with all applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) on Board Meetings and General Meetings.

INTERNAL FINANCIAL CONTROL

The Company has an Internal Financial Control Policy and System, commensurate with the nature of its business and the size and complexity of its operations. The Company's system of Internal Financial Control has been designed to provide a reasonable assurance with regard to policies and internal procedures for ensuring the orderly and efficient conduct of business, maintaining of proper accounting controls, protecting and safeguarding assets from unauthorised use or losses, prevention and detection of frauds and errors, compliance with regulations and for ensuring timely preparation of reliable financial information.

RISK MANAGEMENT

The Company has proper procedures in place for development and implementation of a risk management. A risk register is prepared based on identification of those events that expose the organization to uncertainty. Mitigation and follow up plans are discussed with the senior management and included in the risk register, and updated from time to time.

MAINTENANCE OF COST RECORDS

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 during the financial year ended on 31st March, 2022.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company is committed to provide an environment, which is free of discrimination, intimidation and abuse. The Company is guided under the policy framed under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, in the Group as a whole. No complaint was received during the year ended 31st March, 2022.

SHARE CAPITAL

The paid up Equity Share Capital of the Company was Rs. 5,05,00,000/- divided into 50,50,000 Equity Share of Rs. 10/- each as on 31st March, 2022. There were no changes in the Share Capital of the Company during the period under review.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

During the Financial Year 2021-22, no significant and material orders has been passed by regulators or courts or tribunals impacting the going concern status and Company's operations in future.

However, the Reserve Bank of India (RBI) in exercise of the powers conferred under Section 45-IE (1) of the RBI Act, 1934 had vide a Press Release 2021-2022/981 dated 4th October, 2021, superseded the Board of Directors of Srei Infrastructure Finance Limited, our Holding Company which holds 100% of our paid up share capital, with immediate effect.

Also, pursuant to the Order, dated 8th October, 2021, of the National Company Law Tribunal, Kolkata Bench (**"NCLT"**), Corporate Insolvency Resolution Process has been initiated against Srei Infrastructure Finance Limited, our Holding Company as per the provisions of the Insolvency and Bankruptcy Code, 2016.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 134(5) of the Companies Act, 2013 (Act), your Directors confirm that:

(i) in the preparation of the annual accounts for the financial year ended 31st March, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(ii) they 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 your Company at the end of the financial year and of the profit of your Company for that period;

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

(iv) they have prepared the annual accounts for the financial year ended 31st March, 2022 on a going concern basis; and

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

AUDITORS AND AUDITORS' REPORT

Messrs. G. P. Agrawal & Co., Chartered Accountants, Kolkata, having ICAI Registration No. 302082E allotted by the Institute of Chartered Accountants of India (ICAI), the Statutory Auditors of the Company has resigned as the Auditor of the Company w.e.f. 16th November, 2021, expressing their inability to continue as Statutory Auditors of the Company.

In terms of Section 139(8) of the Companies Act, 2013, any casual vacancy in the office of an auditor shall be filled by the Board of Directors within 30 days and if such vacancy is as a result of resignation of an auditor, such appointment shall also be approved by the Members at a General Meeting convened within 3 months of the recommendation of the Board of Directors.

On the recommendation of the Board of Directors of your Company, at its Meeting held on 14th December, 2021 and in accordance with the applicable provisions of the Companies Act, 2013, the Members at their Extra-Ordinary General Meeting held on 31st January, 2022, appointed M/s. Mohit Arya & Associates, Chartered Accountants, Kolkata, having Registration No. 330192E, allotted by the Institute of Chartered Accountants of India (ICAI), as the Statutory Auditors of the Company, from the conclusion of the Extraordinary General Meeting held on 31st January, 2022 until the conclusion of the Twenty Third Annual General Meeting of the Company to conduct the Statutory Audit of the Company for the financial year ending March 31, 2022.

The Board of Directors, at their meeting held on 2nd May, 2022 have recommended the Appointment of M/s. Mohit Arya & Associates, Chartered Accountants, having Firm Registration No. 330192E allotted by ICAI as Statutory Auditor of the Company to hold office for a period of 5 (five) years, from the conclusion of the Twenty Third Annual General Meeting of the Company till the conclusion of the Twenty-Eight Annual General Meeting of the Company at such remuneration as may be mutually agreed upon between the Statutory Auditor and the Board of Directors of your Company.

The Board recommends the regularization of appointment of M/s. Mohit Arya & Associates, Chartered Accountants as Statutory Auditor of the Company to hold office for a period of 5 (five) years, from the conclusion of the Twenty Third Annual General Meeting of the Company at the ensuing Annual General Meeting of the Company.

As regards observations contained in the Auditors' Report, the respective notes to the accounts are self-explanatory and, therefore, do not call for further comments.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the sustained support and co-operation received from the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), Bankers, Investors, Clients, Business Associates and holding Company, Srei Infrastructure Finance Limited. Your Directors also wish to place on record their deep appreciation to all the employees for their whole hearted and dedicated services and look forward to their continued support in the future as well.

On behalf of the Board of Directors

Sd/-
Chairman

Place: Kolkata
Dated:02.05.2022

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PARTICULARS OF EMPLOYEES

Information pursuant to Section 134(3)(q) of the Companies Act, 2013, read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, referred to in the Directors' Report for the year ended on 31st March, 2022, and forming part thereof.

Name	Age	Designation	Qualification	Remuneration (Rs.)	Date of commencement of employment	Working Experience (years)	Previous Employment, Designation
Ashok Kumar Pareek *	54	Executive Director	B.Com, FCS	5,366,702/-	11.09.2004	32	A K Pareek & Company as Proprietor

**Mr. Ashok Kumar Pareek resigned as Executive Director of the Company w.e.f. 31st January, 2022*

Note:

1. The appointment of Mr. Ashok Kumar Pareek was contractual.

2. Remuneration includes Basic Salary, Allowances, Employer's Contribution to PF, Medical Re-imbursement, LTA, Ex-Gratia and Incentive.

3. Mr. Ashok Kumar Pareek was overall in-charge of the Company.

4. Mr. Ashok Kumar Pareek holds 100 equity shares (beneficial owner being Srei Infrastructure Finance Limited) in the Company.

5. Mr. Ashok Kumar Pareek was not related to any of the Directors of the Company.

Mohit Arya & Associates
Chartered Accountants

Poddar Court, Gate No. 3, Rom No. 2
8th Floor, 18, Rabindra Sarani, Kolkata- 700 001
Contact No.: 9831750629, 033-4603 2127
E-mail : mohitarya011@gmail.com

Independent Auditor's Report

To the Members of
Srei Capital Markets Limited

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of **SREI CAPITAL MARKETS LIMITED ("The Company")**, which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to financial statements, including a summary of significant accounting policies and other explanatory information ("the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at March 31, 2022, its Loss, including other comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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.

Emphasis of matter

We draw attention to the following matters in the notes to the financial statements:

a) Note 25 to the Financial Statements which discloses that the Reserve Bank of India (RBI) had vide Press release dated 4th October 2021, superseded the Board of Directors of Srei Infrastructure Finance Limited (SIFL), being its Holding Company.

Our opinion is not modified in respect of this matter.

To the members of
Srei Capital Markets Limited

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility of Management and Those Charged with Governance for the Financial Statement

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and the statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone 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.

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

To the members of
Srei Capital Markets Limited

Auditor's Responsibility for the Audit of the Financial Statements

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

• Identify and assess the risks of material misstatement of the Standalone 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Standalone Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

To the members of
Srei Capital Markets Limited

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

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

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

Report on other legal and regulatory requirements.

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 paragraphs 3 and 4 of the Order, to the extent applicable.

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 purposes of our audit.

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

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

d. In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

To the members of
Srei Capital Markets Limited

e. On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of section 164 (2) of the Act.

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

g. The provisions of section 97 read with Schedule V of the Act are not applicable to the Company for the years ended 31st March 2022.

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

    i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements — Refer Note **27 to the 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.

For Mohit Arya & Associates.
Chartered Accountants
Firm Registration No. -330192E

Sd/-
(CA. Mohit Arya)
Membership.No. 306054
Proprietor
UDIN: 22306054AIKNTR1450

Place : Kolkata
Dated: 2nd Day of May 2022.

To the members of
Srei Capital Markets Limited

"Annexure A" to the Independent Auditor's Report of Even Date on the Financial Statements of Srei Capital Markets Limited

Statement referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Srei Capital Markets Limited on the financial statements for the year ended 31st March, 2022:

(i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant & Equipment.

b) The Property, Plant & Equipment have been physically verified by the management at regular intervals. Based on our review, no material discrepancies were noticed in respect of Property, Plant & Equipment physically verified during the year.

c) As the company has no immovable property, provisions of clause (i)(c) of para 3 of the said order is not applicable to the Company.

d) The Company has not revalued its Property, Plant & Equipment or intangible assets.

e) No proceedings have been initiated and/or are pending against the company for holding any Benami property.

(ii) The Company's nature of operation does not require it to hold inventories and it has not been sanctioned any working capital limit by any banks or financial institutions during the year. Accordingly, provision of clause (ii) (a) and (b) of paragraph 3 of the said order is not applicable to the Company and hence not commented upon.

(iii) The Company has neither made any investment nor granted any loan, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Therefore, clauses (iii) (a) to (iii) (f) of paragraph 3 of the said order are not applicable to the Company.

(iv) According to the information and explanations given to us and as per records examined by us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of investments. The Company has not given any loan, guarantee or security.

(v) The Company has not accepted any deposit within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. The directives issued by the Reserve Bank of India are not applicable to the Company.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under clause 3(vi) of the Order is not applicable to the Company.

To the members of
Srei Capital Markets Limited

(vii) a) According to the information and explanation given to us and as per records examined by us, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Duty of Customs, Duty of Excise, Goods and Service Tax or Cess and any other statutory dues, to the extent applicable, have been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues, as on 31st of March, 2022 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, the following dues of income tax have not been deposited by the Company on account of disputes:

Name of the Statute	Nature of dues	Period to which pertain	Amount Rs.	Forum where the dispute Is pending
Finance Act, 1994	Service Tax	F.Y 2007-08	76,32,005	The Commissioner of Service Tax
Income Tax Act, 1961	Fringe Benefit Tax	(F.Y. 2005-06 to 2008-09)	*	*
The ESI Act, 1948	ESIC	(Sept 2014 to June 2017)	2,92,793	Regional Office Kolkata PA Section ESIC

*The Company had challenged the Constitutional validity of Fringe Benefit Tax (FBT) before the Hon'ble High Court at Calcutta which has been dismissed vid'e order dated 01.09.2017. The management of the Company has filed appeal before the Divisional bench of Hon'ble High Court, Calcutta. However, amount of FBT liability has not been determined by the department and hence could not be disclosed (Refer note 27 to the financial statement).

(viii) According to the information and explanation given to us and as per records examined by us, the Company has had no unrecorded transactions in the books of accounts which have been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) According to the information and explanation given to us and as per records examined by us, the Company has not defaulted in repayment of loans & borrowings to a financial institution, bank, government or dues to debenture holders. Hence provisions relating to clause (ix) (a) to (f) are not applicable.

(x) According to the information and explanation given to us and as per records examined by us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. The money raised by way of term loans have been applied for the purpose for which the loans were obtained.

(xi) (a) In our opinion and according to the information and explanations given by the management, no fraud by the Company or on the Company by its officers/employees has been noticed or reported during the year that causes the financial statements materially misstated.

To the members of
Srei Capital Markets Limited

(b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year.

(c) In our opinion and according to the information and explanations given to us, no whistle-blower complaints have been received during the year by the Company.

(xii) The Company is not a nidhi Company. Therefore, clause (xii) of paragraph 3 of the said order is not applicable to the Company.

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

(xiv) According to the information and explanations given to us, the provisions relating to an internal audit system is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not has entered into any non-cash transactions with directors or persons connected with them during the year under the provisions of section 192 of the Act. Accordingly, clause (xv) of the paragraph 3 of the said order is not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

(xvii) The Company has incurred cash loss of Rs. 86.18 Lacs in the financial year and Rs. 17.88 Lacs in the immediately preceding financial year.

(xviii) There has been resignation by the statutory auditors during the year & according to the information and explanations given to us no issues, objections or concerns were raised by the outgoing auditor.

(xix) According to the information and explanations given to us and on the basis of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, we are of the opinion that no material uncertainty exists as on the date of the audit report that the Company is capable of meeting its liabilities existing on the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

To the members of
Srei Capital Markets Limited

(xx) According to the information and explanations given to us and based on our examination of the records of the Company, the provisions of CSR are not applicable. Accordingly the provisions of Clause 3(xx) of the Order are not applicable to the Company.

(xxi) As this is an audit report on the standalone financial statements, the provisions of Clause 3(xxi) of the Order are not applicable to the Company.

For Mohit Arya & Associates.
Chartered Accountants
Firm Registration No. -330192E

Sd/-
(CA. Mohit Arya)
Membership No. 306054
Proprietor
UDIN: 22306054AIKNTR1450

Place : Kolkata
Dated: 2nd Day of May 2022.

To the members of
Srei Capital Markets Limited

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SREI CAPITAL MARKETS LIMITED

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 Srei Capital Markets Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls 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, to the extent applicable to an audit of internal financial controls, 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 were established and maintained and if such controls operated effectively in all material respects.

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

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

To the members of
Srei Capital Markets Limited

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Mohit Arya & Associates.
Chartered Accountants
Firm Registration No. -330192E

Sd/-
(CA. Mohit Arya)
Membership No. 306054
Proprietor
UDIN: 22306054AIKNTR1450

Place : Kolkata
Dated: 2nd Day of May 2022.

SREI CAPITAL MARKETS LIMITED
CIN: U67190WB1998PLC087155
BALANCE SHEET AS AT MARCH 31, 2022

(Rs. In lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non Current Assets			
(a) Property, Plant and Equipment	2	-	0.07
(b) Financial Assets			
(i) Investments	3	101.51	402.13
(c) Deferred Tax Assets (Net)	4	101.24	16.91
(d) Income Tax Assets (Net)	5	8.28	8.26
(e) Other Non Current Assets	6	8.36	8.36
Total Non - Current Assets (I)		219.39	435.73
Current Assets			
(a) Financial Assets			
(i) Investments	7	144.02	246.83
(ii) Cash and Cash Equivalents	8	12.11	19.05
(iii) Other Financial Assets	9	-	21.78
(b) Other Current Assets	10	9.22	16.06
Total Current Assets (II)		165.35	303.72
TOTAL ASSETS (I+II)		384.74	739.45
EQUITY AND LIABILITY			
EQUITY			
(a) Equity Share Capital	11	505.00	505.00
(b) Other Equity	12	(133.25)	165.74
Total Equity (III)		371.75	670.74
LIABILITIES			
Non Current Liabilities			
(a) Provisions	13	7.53	26.94
Total Non-Current Liabilities (IV)		7.53	26.94
Current Liabilities			
(a) Financial Liabilities			
(i) Other Financial Liabilities	14	3.92	30.15
(b) Other Current Liabilities	15	1.14	9.83
(c) Provisions	13	0.40	1.79
Total Current Liabilities (V)		5.46	41.77
TOTAL EQUITY AND LIABILITIES (III+IV+V)		384.74	739.45

Company Overview, Significant accounting policies & estimates -1
Other disclosures - 22 to 32
The accompanying notes 1 to 32 are an integral part of the Financial Statements.
As per our report of even date Annexed.

For Mohit Arya & Associates
Chartered Accountants
Firm Registration No.330192E

For and on behalf of the Board of Directors

Sd/-
CA Mohit Arya
Partner
Membership No. 306054

Sd/-
Mayank Kulinchandra Mehta
Director
Din No

Sd/-
Debasish Som
Director
Din No

Place : Kolkata
Date: 2nd May.2022

Sd/-
Samita Lahiri
Company Secretary
Kolkata

SREI CAPITAL MARKETS LIMITED
CIN: U67190WB1998PLC087155
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. In lakhs)

	Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
I.	Revenue From Operations	16	24.34	129.35
II.	Other Income	17	8.14	27.10
III.	Total income (I+II)		32.48	156.45
IV.	Expenses:			
	Employee Benefits Expense	18	89.75	97.65
	Depreciation and Amortisation Expense	19	0.07	0.20
	Other Expenses	20	28.91	76.66
	Total Expenses (IV)		118.73	174.53
V.	Profit Before Tax (III-IV)		(86.25)	(18.08)
VI.	Tax Expense	21		
	Current Tax		-	-
	Earlier Year		(8.98)	11.27
	Deferred Tax		(20.58)	(3.49)
	Total Tax Expense		(29.56)	7.77
VII.	Profit For The Year (V - VI)		(56.69)	(25.85)
VIII.	Other Comprehensive Income			
	(i) Items that will not be reclassified to Profit or Loss:			
	- Remeasurement of the defined benefit plans		(5.43)	0.37
	- Equity instruments measured through OCI		(300.63)	(32.00)
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss		63.75	7.23
	Total Other Comprehensive Income		(242.31)	(24.40)
IX.	Total Comprehensive Income For The Year (VII + VIII)		(299.00)	(50.25)
X.	Earnings Per Equity Share	28		
	(of Rs. 10/- each)			
	Basic (Rs.)		(1.12)	(0.51)
	Diluted (Rs.)		(1.12)	(0.51)

Company Overview, Significant accounting policies & estimates -1
Other disclosures - 22 to 32
The accompanying notes 1 to 32 are an integral part of the Financial Statements.
As per our report of even date.

For Mohit Arya & Associates
Chartered Accountants
Firm Registration No.330192E

Sd/-
CA Mohit Arya
Partner
Membership No. 306054

For and on behalf of the Board of Directors

Sd/-
Mayank Kulinchandra Mehta
Director
Din No

Sd/-
Debasish Som
Director
Din No

Sd/-
Samita Lahiri
Company Secretary
Kolkata

Place : Kolkata
Date: 2nd May.2022

SREI CAPITAL MARKETS LIMITED
CIN: U67190WB1998PLC087155
Cash Flow Statement for the year ended March 31, 2022

(Rs. In lakhs)

	Particulars	Year Ended 31 March, 2022	Year Ended 31 March, 2021
A.	**Cash Flow from Operating Activities**		
	Net Profit before tax	(86.25)	(18.08)
	Adjustments for:		
	Depreciation	0.07	0.20
	Net (gain)/loss on fair valuation of investments	(6.52)	(16.98)
	Dividend Received on Long Term Investments	(0.14)	-
	Liability no longer required written back	-	-
	Profit on Investment in Scheme of Mutual Fund	-	-
	Miscellaneous Income	-	-
	Interest on Income Tax Refund	(1.49)	(9.37)
	Operating Profit before Working Capital Changes	(94.33)	(44.23)
	(Increase) / Decrease in Trade Receivables, Loans, Advances and Other Assets	28.63	(25.60)
	Increase / (Decrease) in Trade Payables, Other Liabilities and Provisions	(60.96)	(8.49)
	Cash generated from Operating activities	(126.66)	(78.31)
	Tax Paid (Net of refund and interest)	8.97	121.15
	Net Cash from/(used in) Operating Activities	(117.68)	42.84
B.	**Cash Flow from Investing Activities**		
	Sale/(Purchase) of Fixed Assets	-	-
	Purchase of Units of Trust and Schemes	-	-
	Inter Corporate Deposit given	-	-
	Inter Corporate Deposit refund received	-	-
	Redemption/(Investment) in Mutual Fund	110.60	(242.74)
	Interest received on Inter Corporate Deposits	-	-
	Interest received on Bank Fixed Deposit	-	-
	Dividend received on Long Term Investments	0.14	-
	Net Cash from Investing activities	110.74	(242.74)
C.	**Cash Flow from Financing Activities**	-	-
	Net Cash Flow from Financing Activities	-	-
	Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(6.94)	(199.90)
	Opening Cash and Cash Equivalents	19.05	218.95
	Closing Cash and Cash Equivalents	12.11	19.05

Notes:

1 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the In AS 7 "Cash Flow Statements".

2 Cash and Cash equivalent at the end of the year consist of:

(Rs. In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Cash on hand	-	-
b) Balance with Banks in Current Account	12.11	19.05
	12.11	19.05

3 Cash and cash equivalents do not include any amount which is not available to the Companies for its use.

This is the Cash Flow statement referred to in our report of even date.

For Mohit Arya & Associates
Chartered Accountants
Firm Registration No.330192E

On behalf of the Board of Directors

Sd/-
CA Mohit Arya
Partner
Membership No. 306054

Sd/-
Mayank Kulinchandra Mehta
Director
Din No

Sd/-
Debasish Som
Director
Din No

Place : Kolkata
Date: 2nd May 2022

Sd/-
Samita Lahiri
Company Secretary
Kolkata

SREI CAPITAL MARKETS LIMITED
CIN: U67190WB1998PLC087155
Statement of Changes in Equity for the year ended March 31, 2022

A. Equity Share Capital

(Rs. In lakhs)

Particulars	As at April 1, 2020	Changes during the year 2020-21	As at March 31, 2021	As at April 1, 2021	Changes during the year 2021-22	As at March 31, 2022
Equity Share Capital	505.00	-	505.00	505.00	-	505.00

B. Other equity

(Rs. In lakhs)

Particulars	Other Comprehensive Income		Reserves and Surplus	Total
	Equity instruments measured through OCI	Remeasurement of the defined benefit	Retained Earnings (Surplus in statement of P&L)	
Balance as at April 01, 2020	-		216.00	216.00
Profit/(Loss) for the year ended March 31,2021	-		(25.85)	(25.85)
Remeasurement of the defined benefit plans (net of taxes)	-	0.28	-	0.28
Transfer from other comprehensive Income to retained earnings		(0.28)	0.28	-
Equity instruments measured through OCI (net of taxes)	(24.68)			(24.68)
Balance as at March 31, 2021	**(24.68)**	-	**190.42**	**165.74**
Profit/(Loss) for the period ended March 31, 2022	-	-	(56.69)	(56.69)
Equity instruments measured through OCI (net of taxes)	(242.31)			(242.31)
Balance as at March 31, 2022	**(266.99)**	-	**133.73**	**(133.26)**

Retained Earnings:
This reserve represents the cumulative profits of the Company. This can be utilised in accordance with the provisions of the Companies Act, 2013.

Significant accounting policies estimates note no: -1
Other disclosures - 22 to 32
The accompanying notes 1 to 32 are an integral part of the Financial Statements.
As per our report of even date Annexed.

For Mohit Arya & Associates
Chartered Accountants
Firm Registration No.330192E

Sd/-
CA Mohit Arya
Partner
Membership No. 306054

For and on behalf of the Board of Directors

Sd/-
Mayank Kulinchandra-Mehta
Director
Din No

Sd/-
Debasish Som
Director
Din No

Place : Kolkata
Date: 2nd May.2022

Sd/-
Samita Lahiri
Company Secretary
Kolkata

SREI CAPITAL MARKETS LIMITED

1. Company Overview and Significant Accounting Policies

(A) Corporate Information

Srei Capital Markets Limited ("The Company") is domiciled and incorporated in India. The Registered Office of the Company is at 'Vishwakarma Building', 86C, Topsia Road (South), Kolkata - 700 046.

The Company is engaged in Merchant Banking Services. All the activity of the company revolves around the main business.

(B) Recent Accounting Developments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards.

New Standards / Amendments to Existing Standard/ New Pronouncement issued but not yet effective up to the date of issuance of the Company's Financial Statement:

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

Rounding Off: For the purpose of rounding off the figures appearing in the Financial Statements for financial year ending 31.03.2022 the total income of the Company shall be considered instead of Turnover.

Additional Disclosure in Notes to Balance Sheet:

• **Shareholding of Promoter**: The note on Share Capital in the Financial Statements shall mention details of the Shareholding of the Promotes along with changes, if any, during the Financial Year.

• Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

• Current maturities of Long-term borrowings shall be disclosed separately under the heading Short Term Borrowing.

• Security Deposits to be shown under the head of Other Non-Current Assets instead of Long term Loan & Advances.

• Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

• Specific disclosure for title deeds of Immovable Property not held in name of the Company and disclosure on revaluation of Assets

• Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

• Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of Benami property held etc.

• If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

• Ratios-Following Ratios to be disclosed: - (a) Current Ratio, (b) Debt-Equity Ratio, (c) Debt Service Coverage Ratio, (d) Return on Equity Ratio, (e) Inventory turnover ratio, (f) Trade Receivables turnover ratio,

(g) Trade payables turnover ratio, (h) Net capital turnover ratio, (i) Net profit ratio, (j) Return on Capital employed, (k) Return on investment

• Specific Disclosure Borrowing & Wilful Defaulter

Additional Disclosure in Notes to Profit & Loss Account:

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

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

(C) Significant Accounting Policies

a) Statement of Compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), guidelines issued by the Securities and Exchange Board of India (SEBI), other relevant provisions of the Act and other accounting principles generally accepted in India.

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

The Ministry of Corporate Affairs (MCA) has issued certain amendments in existing Accounting Standards which are effective from July 24, 2020.

A. Ind AS 103 (Business Combinations): Defined "business" in more detail, an optional test to identify concentration of fair value, element of Businesses and Assessing whether an acquired process is substantive.

B. Ind AS 107 (Financial Instruments: Disclosures): Disclosures for uncertainty arising from interest rate benchmark reform.

C. Ind AS 109 (Financial Instruments): Temporary exceptions from applying specific hedge accounting requirements.

D. Ind AS 116 (Leases): Due to the pandemic COVID- 19 – Related Rent concession, a clarification has been provided on accounting of Rent concessions, whether to treat as a lease modification or not.

E. Ind AS 1 and Ind AS 8 (Presentation of Financial Statements and Accounting Policies, Changes in Accounting Estimates and Errors): Change/modification in the definition of "Material".

F. Ind AS 10 (Events after the Reporting Period): Definition for non – adjusting events and its effective date of application.

G. Ind AS 34 (Interim Financial Reporting): Consequential of the above amendments.

H. Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets): Consequential amendment and accounting of restructuring plan.

The amendments listed did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current and future periods.

(D) Significant Accounting Policies

1.1. Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

The preparation of financial statements require the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosed amount of contingent liabilities.

Areas involving a higher degree of judgement or complexity or areas where assumptions are significant to the Company are discussed in Note 1.17 Critical accounting judgements and key sources of estimation uncertainty.

The management believes that the estimates used in preparation of financial statements are prudent and reasonable. Actual results could differ from those estimates and the differences between the actual results and the estimates would be recognised in the periods in which the results are known / materialised.

Comparative information has been restated to accord with changes in presentations made in the current year, except where otherwise stated.

These Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

1.2. Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements. For the company, there is generally no clearly identifiable normal operating cycle and hence the normal operating for the company is assumed to have duration of 12 months.

1.3. Revenue

Income from Merchant Banking Services is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Interest Income is recognised on the time proportion basis taking into account the amount outstanding and the rate applicable. Management and placement fees, underwriting commission and financial advisory fees are accounted based on stage of completion of assignments. Brokerage on fixed income securities placement is accounted on completion of the transaction.

1.4. Foreign Currency Transactions

The financial statements are presented in Indian Rupee (INR) in lakhs, the functional currency of the Company. Functional currency is the currency of the primary economic environment in which the Company operates.

Non-Financial Instruments - foreign currency translation policy:

Initially foreign currency transactions are recorded at the rates of exchange prevailing at the dates of the respective transactions. Foreign currency monetary items are restated using the exchange rate prevailing at the reporting date. Non-monetary items (carried at fair value) as on reporting date are restated using the exchange rate prevailing at the date when the fair value was determined. Translation differences on such items are reported as part of the fair value gain or loss on such items. For non-monetary items (carried at historical cost) as on reporting date restatement is not required

Financial Assets - foreign Exchange Gains and Losses:
The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated using the exchange rate prevailing at the reporting date. For monetary financial assets measured at amortised cost, FVTOCI or FVTPL and non-monetary financial assets measured at amortised cost or FVTPL, the exchange differences are recognised in the statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship. Foreign currency changes for non-monetary financial assets measured at FVTOCI are recognised in other comprehensive income.

Financial Liabilities - Foreign Exchange Gains and Losses:
The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated using the exchange rate prevailing at the reporting date. For monetary financial liabilities measured at amortised cost, FVTOCI or FVTPL and non-monetary financial liabilities measured at amortised cost or FVTPL, the exchange differences are recognised in the statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship. Foreign currency changes for non-monetary financial liabilities measured at FVTOCI are recognised in other comprehensive income

1.5. Borrowing Cost

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Other income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

1.6. Employee Benefits

Defined Contribution Plans
Company's contributions towards Regional Provident Fund with respect to employees, paid/payable during the period to the Provident Fund Authority, are charged to the Statement of Profit and Loss. Contributions to Employees State Insurance Corporation are charged to the Statement of Profit and Loss.

Defined Benefit Plans:
Company's liabilities towards Gratuity and Leave benefits are defined benefit plans. The cost of providing benefits under the defined benefit obligation is calculated by independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of re-measurements are recognised immediately through other comprehensive income in the period in which they occur.

The employees of the Company are entitled to compensated leave for which the Company records the liability based on actuarial valuation computed using projected unit credit method. These benefits are unfunded.

Short-term and other long-term employee benefits:
A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period in which related service is rendered. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange

for the related service. Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

1.7. Property, Plant and Equipment – Tangible Assets

Property, plant and equipment are initially recognised at cost together with borrowing cost capitalized for qualifying assets. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

Subsequent to initial recognition, property, plant and equipment are measured at cost less accumulated depreciation and impairment, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

Depreciation

Depreciation of these assets commences when the assets are ready for their intended use. It is recognised so as to amortise the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Estimated useful life of the assets determined is as under:

- Furniture and Fixtures- 10 years
- Computers- 3 to 6 years
- Office equipment- 5 years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Leasehold assets including improvements are amortised over the period of the lease. Freehold Land is not depreciated.

Depreciation on assets purchased / sold during the period is recognized on a pro-rata basis.

1.8. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives of 2-6 years.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit and loss when the asset is de-recognised.

1.9. Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

1.10. Financial instruments, Financial assets, Financial liabilities and Equity Instruments

Recognition of Financial Instruments:

Financial assets and financial liabilities are recognised when entity becomes a party to the contractual provisions of the instruments. Loans & advances and all other regular way purchases or sales of financial assets are recognised and derecognised on the trade date basis.

Initial Measurement of Financial Instruments:

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

Subsequent Measurement:

(i) Financial Assets

Financial Assets carried at Amortised Cost (AC):

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

Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI):

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

Investment in equity instruments that are not held for trading are measured at FVTOCI, where an irrevocable election has been made by management on an instrument-by-instrument basis. These investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to the statement of profit and loss on disposal of the investments. Dividends on such investments are recognised in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Debt investments measured at FVTOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Other net gains and losses are recognised in Other Comprehensive Income (OCI). On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.

Financial Assets at Fair Value through Profit or Loss (FVTPL):
A financial asset which is not classified in any of the above categories are measured at FVTPL. A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the statement of profit and loss.

Impairment of Financial Assets:
Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and FVTOCI at each reporting date based on evidence or information that is available without undue cost or effort.

The Company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for that financial asset at an amount equal to 12-month expected credit losses.

In case of debt instruments measured at FVTOCI, the loss allowance shall be recognised in other comprehensive income with a corresponding effect to the profit or loss and not reduced from the carrying amount of the financial asset in the balance sheet. In case of such instrument, amount recognized in the statement of profit and loss are the same as the amount would have been recognized in case the debt instrument is measured at amortised cost.

No Expected credit losses is recognised on equity investments.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company measures the loss allowance at an amount equal to lifetime expected credit losses taking into account historical credit loss experience and adjusted for forward-looking information.

Derecognition of Financial Assets:
The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset accounted under Ind AS 109 in its entirety:
a) for financial assets measured at amortised cost, the gain or loss is recognized in the statement of profit and loss.

b) for financial assets measured at fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

(ii) Financial Liabilities and Equity Instruments:

Classification as debt or equity:
Financial liabilities and equity instruments issued are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments
An Equity Instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial Liabilities
Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest rate method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial liabilities
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

Off-setting of financial instruments
Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously backed by past practice.

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

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

The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - Other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - Unobservable inputs for the asset or liability.

Expected Credit Loss
Expected credit loss (ECL) is the probability-weighted estimate of credit losses (i.e., the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between

scheduled or contractual cash flows and actual expected cash flows. Consequently, ECL subsumes both the amount and timing of payments – a credit loss would arise even when a receivable was realised in full but later than when contractually due.

1.11. Taxes on Income

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

Current tax

Current Tax is determined at the amount of tax payable in respect of taxable profit for the year as per the Income-tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rate that has been enacted by the end of the reporting period.

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Deferred tax

The Company's deferred tax is calculated using tax rate that are substantially enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Current and deferred tax for the year

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

1.12. Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

1.13. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

In case of litigations, provision is recognised once it has been established that the Company has a present obligation based on information available up to the date on which the Company's financial statements are finalised and may in some cases entail seeking expert advice in making the determination on whether there is a present obligation.

Contingent Liabilities
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. Company does not recognize contingent liability but discloses its existence in the financial statements.

Contingent Assets
Contingent assets are not recognized in the financial statement, but are disclosed where an inflow of economic benefits is probable.

1.14. Operating Segments
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Corporate Management Committee. Based on such the Company operates in one operating segment, viz. Merchant Banking Services.

1.15. Use of Estimates and Judgements
The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

A. Judgements in applying accounting policies
The judgements, apart from those involving estimations (see note below), that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of intangible assets.

B. Key sources of estimation uncertainty
The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

i) Useful lives of property, plant and equipment and intangible assets:
As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

ii) Fair value measurements and valuation processes:
Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

iii) **Actuarial Valuation:**
The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

iv) **Claims, Provisions and Contingent Liabilities:**
Any litigation where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

v) **Impairment of Financial Assets:**
The Company assesses impairment based on expected credit losses (ECL) model on trade receivables. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable. At every reporting date, the historically observed default rates are updated.

1.16. 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. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

1.17. Cash Flow Statement
Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

SREI CAPITAL MARKETS LIMITED

Notes to the financial statement for the year ended March 31, 2022

2 **Property, Plant and Equipment**

(Rs. In lakhs)

Particulars	Gross block				Depreciation/ amortisation/ impairment				Net book value
	As at April 01, 2021	Additions	Disposals and other adjustments	As at March 31, 2022	As at April 01, 2021	Depreciation/ amortisation Charge	Disposals and other adjustments	As at March 31, 2022	As at March 31, 2022
Furniture & Fittings	0.05	-	-	0.05	0.05	-	-	0.05	-
Computer	0.93	-	-	0.93	0.86	0.07	-	0.93	-
Total Tangible assets	0.98	-	-	0.98	0.91	0.07	-	0.98	-

(Rs. In lakhs)

Particulars	Gross block				Depreciation/ amortisation/ impairment				Net book value
	As at April 01, 2020	Additions	Disposals and other adjustments	As at 31 March, 2021	As at April 01, 2020	Depreciation/ amortisation Charge	Disposals and other adjustments	As at 31 March, 2021	As at 31 March, 2021
Furniture & Fittings	0.05	-	-	0.05	0.05	-	-	0.05	-
Computer	0.93	-	-	0.93	0.66	0.20	-	0.86	0.07
Total Tangible assets	0.98	-	-	0.98	0.71	0.20	-	0.91	0.07

3 Investments

a) Non-current

PARTICULARS	As at March 31, 2022			As at March 31, 2021		
	Face Value Rs.	Nos.	(Rs. In lakhs)	Face Value Rs.	Nos.	(Rs. In lakhs)
(Measured at FVTPL)						
In Quoted Equity Instruments (Fully paid up)						
Andhra Bank*	-	-	-	-	-	-
Bank of Baroda	2	500	0.56	2.00	500	0.37
Bank of India	10	100	0.05	10.00	100	0.07
Corporation Bank*	-	-	-	-	-	-
HDFC Bank Ltd.	1	1000	14.70	.00	1000	14.94
ICICI Bank Ltd. (including 50 bonus shares)	2	550	4.02	2.00	550	3.20
IDBI Bank Ltd.	10	120	0.05	10.00	120	0.05
Oriental Bank of Commerce**	-	-	-	-	-	-
State Bank of India	1	1340	6.61	.00	1340	4.88
Kotak Mahirdra Bank Ltd. (including 300 bonus shares)	5	600	10.53	5.00	600	10.52
Punjab National Bank**	2	115	0.04	2.00	115	0.04
Union Bank of India*	10	197	0.08	10.00	197	0.07
Total (A)			**36.63**			**34.13**

* Andhra Bank and Corporation Bank were merged into Union Bank of India on April 1, 2020 as a part of consolidation exercise in the country's banking space.

**Oriental Bank of Commerce has amalgamated with Punjab National Bank with effect from April 1, 2020

b) In Units of Trust and Schemes

Particulars	As at March 31, 2022			As at March 31, 2021		
	Face Value Rs.	Nos.	(Rs. In lakhs)	Face Value Rs.	Nos.	(Rs. In lakhs)
Unquoted, fully paid (at fair value through OCI)						
Infrastructure Resurrection Fund	100	400,000	64.88	100.00	400,000	368.00
Total (B)			**64.88**			**368.00**
Total (A + B)			**101.51**			**402.13**
Aggregate amount of Quoted Investments			36.63			34.13
Aggregate amount of Unquoted Investments			64.88			368.00
Aggregate provision for impairment in value of investments			300.63			32.00

4 Deferred Tax Assets (Net)

(Rs. In lakhs)

Particulars	Balance as at 01.04.2021	Recognised/ (reversed) in Statement of Profit & Loss	Recognised/ (reversed) in OCI	As at March 31, 2022
Deferred Tax Assets				
Carry forward losses	8.17	26.37	-	34.54
Unabsorbed depreciation	0.29	0.25	-	0.54
Property, Plant and Equipment	2.21	(0.24)	-	1.97
Provision for Gratuity	4.93	(4.59)	1.37	1.71
Allowance for credit loss	0.76	-	-	0.76
Leave encashment	0.42	(0.33)	-	0.09
Other Comprehensive Income	7.32		62.38	69.70
Total	24.10	21.46	63.75	109.31
Deferred Tax Liabilities				
Fair value gain on investment in shares	5.97	0.46	-	6.43
Fair valuation gain - Mutual Fund	1.22	0.42	-	1.64
Total	7.19	0.88	-	8.07
Net deferred tax assets/(liabilities)	**16.91**	**20.58**	**63.75**	**101.24**

(Rs. In lakhs)

Particulars	Balance as at 01.04.2020	Recognised/ (reversed) in Statement of Profit & Loss	Recognised/ (reversed) in OCI	As at March 31, 2021
Deferred Tax Assets				
Carry forward losses		6.78	-	8.17
Unabsorbed depreciation	1.39	0.29	-	0.29
Property, Plant and Equipment	-	(0.24)	-	2.21
Provision for Gratuity	2.45	0.46	(0.09)	4.93
Allowance for credit loss	4.56	-	-	0.76
Leave encashment	0.76	0.06	-	0.42
Other Comprehensive Income	0.36	-	7.32	7.32
	-			
Total	9.52	7.35	7.23	24.10
Deferred Tax Liabilities				
Fair value gain on investment	3.33	2.64	-	5.97
Fair valuation gain - Mutual Fund	-	1.22	-	1.22
Total	3.33	3.86	-	7.19
Net deferred tax assets/(liabilities)	**6.19**	**3.49**	**7.23**	**16.91**

5 Income Tax Asset (Net)

(Rs. In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance Tax & Tax Deducted At Source	8.28	8.26
Less: Provision for taxation	-	-
Total	8.28	8.26

6 Other Non Current Assets

(Rs. In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(Advances other than capital advances)		
Balances with Statutory Authorities	8.36	8.36
Total	**8.36**	**8.36**

7 **Investment-Current**

(Rs. In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Investments		
Scheme of Mutual Funds - ICICI Prudential Money Market Scheme 46927.412 units @ Rs. 306.8943 (previous year - 83592.257 units @ Rs. 295.2785)	144.02	246.83
Total	**144.02**	**246.83**

8 **Cash and Cash Equivalents:**

(Rs. In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with Banks in current account	12.11	19.04
Total	**12.11**	**19.04**

9 **Other Financial Assets - Current**

(Rs. In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposits	3.00	3.00
Less : Allowance for expected credit loss	(3.00)	(3.00)
Other Receivables	-	21.78
Total	-	**21.78**

10 **Other Current Assets**

(Rs. In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance to vendor	-	0.75
Balances with Statutory Authorities	3.64	6.93
Prepaid Expenses	5.38	8.38
Advance to Employee	0.20	-
Total	9.22	16.06

11 Equity Share Capital

	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	(Rs. In lakhs)	Number of Shares	(Rs. In lakhs)
Authorised Share Capital				
Equity Shares of Rs. 10/- each	5,250,000	525.00	5,250,000	525.00
Issued, Subscribed and Paid up Capital				
Equity Shares of Rs. 10/- each fully paid up	5,050,000	505.00	5,050,000	505.00
		505.00		505.00

11.1 Reconciliation of equity shares

	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	(Rs. In lakhs)	Number of Shares	(Rs. In lakhs)
Shares outstanding at the beginning	5,050,000	505.00	5,050,000	505.00
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	5,050,000	505.00	5,050,000	505.00

Terms and rights attached to equity shares:
The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. Dividend, if declared by the Company, is paid in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

11.2 Details of shares held by each shareholder holding more than 5%

	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% holding	No. of Shares	% holding
Fully paid equity shares				
Srei Infrastructure Finance Limited *	5,050,000	100%	5,050,000	100%

* Includes 600 Equity Shares held by nominees on behalf of Srei Infrastructure Finance Limited

11.3 Shares held by Holding/Ultimate Holding and/or their Subsidiaries/Associates

	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% holding	No. of Shares	% holding
Srei Infrastructure Finance Limited	5,050,000	100%	5,050,000	100%

11.4 The Company during the preceding 5 years:
- i Has not allotted shares pursuant to contracts without payment received in cash.
- ii Has not issued shares by the way of bonus shares.
- iii Has not bought back any shares.

11.5 Shareholding of promoters as at March 31, 2022 :

Shares held by promoters at the end of the year				% Change during the year
Sl.No.	Promoter name	No. of shares	% of total shares	
(i)	SREI Infrastructure Finance Limited *	5,050,000	100%	NA
	Total			

Shareholding of promoters as at March 31, 2021 :

Shares held by promoters at the end of the year				% Change during the year
Sl.No.	Promoter name	No. of shares	% of total shares	
(i)	SREI Infrastructure Finance Limited *	5,050,000	100%	NA
	Total			

*Includes Equity Shares held by nominees on behalf of Srei Infrastructure Finance Limited

12 Other Equity

(Rs. In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Retained Earnings		
Balance as per last accounts	190.42	216.00
Net Profit/(Loss) for the Year	(56.69)	(25.85)
Add: Remeasurement of the defined benefit plans transferred from Other Comprehensive Incom	-	0.28
Closing Balance	**133.73**	**190.42**
b) Other comprehensive income		
Remeasurement of the defined benefit plans		
Balance as per last accounts	-	0.28
Less: Remeasurement of the defined benefit plans transferred from Other Comprehensive Incom	-	(0.28)
Equity instruments measured through OCI		
Balance as per last accounts	(24.68)	-
Add:Addition during the year	(242.31)	(24.68)
Closing Balance	**(266.98)**	**(24.68)**
Total (a + b)	**(133.25)**	**165.74**

13 Provisions

A) Non current

(Rs. In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Employee Benefits		
Gratuity	6.61	18.97
Provision for Compensated absence	0.92	7.97
Total	7.53	26.94

B) Current

(Rs. In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Employee Benefits		
Gratuity	0.22	0.61
Provision for Compensated absence	0.19	1.18
Total	0.40	1.79

14 **Other Financial Liabilities - Current**

(Rs. In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Liability for expenses	1.17	1.52
Other Payables	-	21.84
Salaries and other payroll dues	2.76	6.79
Total	**3.92**	**30.15**

15 **Other Current Liabilities**

(Rs. In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory Liabilities	1.14	9.83
Total	**1.14**	**9.83**

16 Revenue From Operations

(Rs. In lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Sale of Services:		
-Consultancy Fee	24.34	129.35
Total	**24.34**	**129.35**

17 Other Income

(Rs. In lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest Income carried at amortised cost :		
- Income Tax refund	1.49	9.37
Other non-Operating income :		
Net gain on fair valuation of investments - measured at FVTPL	5.45	16.98
Profit on Investment in Scheme of Mutual Fund	1.07	0.75
Dividend Received on Long Term Investment (other than trade)	0.14	-
Total	**8.14**	**27.10**

18 **Employee Benefits Expense**

(Rs. In lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Salaries, wages, bonus and allowances	81.67	89.95
Contribution to Provident & Other funds	6.27	6.82
Staff welfare expenses	1.81	0.88
Total	**89.75**	**97.65**

19 **Depreciation and Amortisation Expense**

(Rs. In lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Depreciation on property, plant and equipment	0.07	0.20
Total	**0.07**	**0.20**

20 Other Expenses

(Rs. In lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Rent	2.46	-
Legal & Professional Fees	13.37	63.86
Travelling and Conveyance	7.31	6.88
Rates & Taxes	3.42	3.08
Filing Fees	0.08	0.10
Communication Expenses	0.13	0.20
Payment to Auditors :		
-Fees for Statutory Audit	0.25	0.30
-For Tax Audit Fees	-	-
Director's Sitting Fees	1.75	2.00
Miscellaneous Expenses	0.13	0.25
Total	28.91	76.66

21 **Income Tax Expenses**

(Rs. In lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Current Tax	-	-
Tax for earlier year	(8.98)	11.27
Total Current Tax	**(8.98)**	**11.27**
Deferred tax	43.17	3.74
Total Deferred Tax	**43.17**	**3.74**
Total	**34.19**	**15.01**

The reconciliation of estimated income tax to income tax expense is as below:

(Rs. in Lakh)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2020
Profit before tax	(86.25)	(18.08)
Statutory Income Tax Rate	25.17%	25.17%
Expected income tax expense at statutory income tax rate	-	-
(i) Tax on Ind AS transition adjustment	-	-
(ii) Income exempt from tax/Items not deductible	(137.22)	(32.44)
(iii) Carried Forward Loss	137.22	32.44
Total Current Tax Expense recognised in profit and loss	-	-

22 CAPITAL MANAGEMENT

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains a strong capital base by maximizing shareholders' wealth, safeguarding business continuity and augmenting its internal generations with a judicious use to fund working capital that arise from time to time as well as requirements to finance business growth.

The Company determines the amount of capital required on the basis of annual business plan. The funding needs are met through cash generated from operations and money raised through issue of equity share to the shareholders.
The capital structure of the Company consists of total equity. The Company does not have any borrowing.

23 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of Financial asset, Financial liability and equity instrument are disclosed in Note 1 to the financial statements.

A) Categories of Financial Instruments

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments.

(Rs. in lakh)

	As at March 31, 2022		As at March 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
a) Measured at amortised cost				
(i) Cash and Cash Equivalents	12.11	12.11	19.05	19.05
(ii) Other Financial Assets	-	-	21.78	21.78
Sub-total	12.11	12.11	40.83	40.83
b) Measured at Fair value through Profit or Loss				
i) Investments	180.65	180.65	280.96	280.96
Sub-total	180.65	180.65	280.96	280.96
c) Measured at Fair value through other Comprehensive income				
i) Investments	64.88	64.88	368.00	368.00
Sub-total	64.88	64.88	368.00	368.00
Total financial assets	257.64	257.64	689.79	689.79
Financial liabilities				
a) Measured at amortised cost				
i) Other financial liabilities	3.92	3.92	30.15	30.15
Total financial liabilities	3.92	3.92	30.15	30.15

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

Other financial assets measured at amortised cost
For other financial assets that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include cash, cash equivalents.

B) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1). Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments 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.

Valuation techniques with observable inputs (Level 2): The fair value of financial instruments that are not traded in an active market (for example over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

23 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

B) Fair value hierarchy (Contd..)

Valuation techniques with significant unobservable inputs (Level 3): If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and investment in Alternate Investment Funds included in level 3.

(Rs. in lakh)

	As at 31.03.2022			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments	180.65	-	64.88	245.53
	180.65	-	64.88	245.53

(Rs. in lakh)

	As at 31.03.2021			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments	280.96	-	368.00	648.96
	280.96	-	368.00	648.96

C) Financial risk management objectives

The Company's activities expose it to a variety of financial risks, including credit risk and liquidity risk. The Company is not exposed to market risk as it borrows funds on fixed rate of interest and it do not indulge in transaction involving foreign currencies. The current Risk Management System rests on policies and procedures issued by appropriate authorities, process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

i) Liquidity risk

Liquidity risk is the risk that the Company does not have sufficient financial resources to meet its obligations as they fall due, or will have to do so at an excessive cost. This risk arises from mismatches in the timing of cash flows which is inherent in all finance driven organisations and can be affected by a range of Company-specific and market-wide events. The objectives of the Company's liquidity risk management processes are to lessen the impact of liquidity risk by minimizing mismatch in timing of cash flow.

The Company mitigates its liquidity risks by ensuring timely collections of its trade receivables and close monitoring of its credit cycle. The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

(Rs. In Lakh)

	As at March 31, 2022		As at March 31, 2021	
	Current	Non-Current	Current	Non-Current
Financial assets				
a) Measured at amortised cost				
(i) Cash and Cash Equivalents	12.11	-	19.05	-
(ii) Other Financial Assets	-	-	21.78	-
Total financial assets	**12.11**	-	**40.83**	-
Financial liabilities				
a) Measured at amortised cost				
i) Other financial liabilities	3.92	-	30.15	-
Total financial liabilities	**3.92**	-	**30.15**	-

ii) Credit risk

Credit risk is the risk that the Company will incur a loss because counterparties fail to discharge their contractual obligations. The Company mitigates its credit risks by ensuring timely collections of its trade receivables and close monitoring of its credit cycle.

24 **Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013 read with Rule 7 c Companies (Accounts) Rules, 2014.**

The Company has recognised, in Statement of Profit and Loss for the year ended 31.03.2022 an amount of Rs.4.08 Lakh (Previous year Rs.4.32 Lakh) a expenses under defined contribution plans.

Defined benefit plans

(A) Gratuity Fund :-

The Employees' Gratuity scheme, Leave benefit scheme, and Sick Leave availment scheme are the Company's defined benefit plans. The liabilities arising i the Defined Benefit Schemes are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credi method.

All employees who have rendered service for specified period as per the Payment of Gratuity Act, 1972 are entitled for gratuity. The gratuity amount i determined based on the last drawn salary and period of service with the company.

The defined benefit obligations are unfunded and thus the disclosure requirements of plan assets have not been made.

Risk Management
The Defined Benefit Plans expose the Company to risk of actuarial deficit arising out of interest rate risk, salary inflation risk and demographic risk.

(a) Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefi obligation will tend to increase.

(b) Salary Inflation risk: Higher than expected increase in salary will increase the defined benefit obligation.

(c) Demographic Risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability anc retirement. The effect of these on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate anc vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of short career employee typically costs less per year as compared to long service employee.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation was carried out as at 31.03.2022.

24.1 **Particulars in respect of post retirement defined benefit plans of the Company are as follows :-**

(Rs. In Lakh)

Description	Gratuity Fund		Leave	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
1. Change in the defined benefit obligation				
Present Value of Obligation at the Beginning of the Year	19.58	18.07	4.63	4.39
Current Service Cost	0.65	0.67	-	0.74
Interest Cost	0.66	1.21	0.03	0.25
Settlement (Credit)/cost	-	-	1.46	-
Past Service Cost - Plan Amendments	-	-	-	-
Acquisitions Cost/credit	-	-		
Actuarial (gain)/loss	5.43	(0.37)	0.37	0.58
Benefits paid	(19.49)	-	(6.17)	(1.33)
Present Value of Obligation at the end of the Year	**6.83**	**19.58**	**0.32**	**4.63**
2. Amount recognised in Balance Sheet consists of:				
Fair value of Plan Assets at the end of the Year	-	-	-	-
Present Value of Obligation at the end of the Year	6.83	19.58	0.32	4.63
(Asset)/Liabilities as per the actuarial valuation	6.83	19.58	0.32	4.63
Net (Asset)/Liabilities recognised in the Balance Sheet in respect of defined benefits	**6.83**	**19.58**	**0.32**	**4.63**

(Rs. In Lakh)

3. Expenses recognised in the statement of profit and loss consists of:	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021
Employee benefits expenses:				
Current Service cost	0.65	0.67	-	0.74
Net Interest cost	0.66	1.21	0.03	0.25
Total [A]	**1.31**	**1.88**	**0.03**	**0.99**
Other Comprehensive Income				
Actuarial (Gain) / Loss from experience adjustments	5.43	(0.37)	0.37	0.58
Actuarial (Gain) / Loss from financial assumptions	-	-	-	-
Return on plan assets (excluding amounts included in net interest cost)	-	-	-	-
Total [B]	**5.43**	**(0.37)**	**0.37**	**0.58**
Expense recognised during the year [A+B]	**6.74**	**1.51**	**0.40**	**1.57**

24.2 **Particulars in respect of post retirement defined benefit plans of the Company are as follows :-**

(Rs in lakh)

Description	Gratuity Fund % Invested		Leave % Invested	
7. Assumptions	31-3-2022	31-3-2021	31-3-2022	31-3-2021
Discount rate per annum	7.00%	6.70%	7.00%	6.70%
Salary escalation rate per annum	5.00%	5.00%	5.00%	5.00%
Best Estimate of Employers' Expected Contributions for the next	NA	NA	NA	NA
Method used	Projected Unit Credit Method		Projected Unit Credit Method	

24.3 The estimate of future salary increases take into account inflation, seniority, promotion and other relevant reasons.

24.4 Sensitivity Analysis

The Sensitivity Analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above. There was no change in the methods and assumptions used in the preparation of the Sensitivity Analysis from previous year.

	Year ended 31.03.2022				Year ended 31.03.2021			
	Gratuity Fund		Leave		Gratuity Fund		Leave	
	%	(Rs. in Lakh)	%	(Rs. in Lakh)	%	(Rs. in Lakh)	%	(Rs. in Lakh)
Discount Rate + 100 basis points	-6.7%	(0.46)	-8.8%	(0.03)	-6.0%	(1.17)	-6.5%	(0.30)
Discount Rate - 100 basis points	7.4%	0.51	10.2%	0.03	6.5%	1.27	7.1%	0.33
Salary Increase Rate + 1%	7.5%	0.51	10.3%	0.03	1.9%	0.36	7.2%	0.33
Salary Increase Rate – 1%	-6.9%	(0.47)	-9.0%	(0.03)	-1.8%	(0.36)	-6.6%	(0.31)

24.5 **Maturity Analysis Of The Benefit Payments**

(Rs in lakh)

	Year ended 31.03.2022		Year ended 31.03.2021	
	Gratuity Fund	Leave	Gratuity Fund	Leave
Year 1	0.22	0.01	0.63	0.16
Year 2	0.25	0.01	0.71	0.16
Year 3	0.28	0.01	1.02	0.21
Year 4	0.39	0.01	1.04	0.22
Year 5	0.42	0.01	1.08	0.24
Next 5 Years	13.35	0.34	29.58	6.66

24.6 Sick Leave Benefits

(Rs in lakh)

S.No	Particulars	Sick Leave Benefit (Unfunded)	
		As at 31 March, 2022	As at 31 March, 2021
	Assets/ Liabilities		
1	Projected Benefit Obligation	(0.78)	(4.52)
2	Fair Value of Plan Assets	-	-
3	Current Asset / (Liability)	(0.18)	(1.03)
4	Non Current Asset / (Liability)	(0.60)	(3.49)
	Actuarial Assumptions		
1	Discount Rate	7.00%	6.70%
2	Expected return on plan assets	NA	NA
3	Salary Escalation	5.00%	5.00%

25 Related Party Disclosures

a) Related Parties

Sl.No	Name of the Company	Country of Origin
A	**Ultimate Holding Company**	
1	Adisri Commercial Private Limited	India
B	**Subsidiary of Ultimate Holding Company**	
2	Srei Factors Private Limited (w.e.f. 02.01.2019)	India
C	**Holding Company**	
3	Srei Infrastructure Finance Limited (SIFL)	India
D	**Fellow Subsidiaries:**	
4	Trinity Alternative Investment Managers Limited (Formerly Srei Alternative Investment Managers	India
5	Bengal Srei Infrastructure Development Limited	India
6	Srei Insurance Broking Private Limited	India
7	Srei Mutual Fund Trust Private Limited	India
8	Srei Mutual Fund Asset Management Private Limited	India
9	Srei Assets Leasing Ltd.(Formerly Srei Finance Limited)	
10	Controlla Electrotech Private Limited	India
11	Hyderabad Information Technology Venture Enterprises Limited (Subsidiary of Trinity Alternative Investment Managers Ltd.)	India
12	Cyberabad Trustee Company Private Ltd. (Subsidiary of Trinity Alternative Investment Managers Ltd.)	India
13	Srei Equipment Finance Limited	India
F	**Fellow Associates**	
14	IIS International Infrastructure Services GmbH, Germany (Officially liquidated w.e.f. 29.07.2020)	Germany
15	AO International Infrastructure Services, Russia, (Subsidiary of IIS International Infrastructure Services GmbH, Germany) ceased to be related party on liquidation of IIS International Infrastructure Services GmbH, Germany.	Russia
G	**Others**	
16	Srei Mutual Fund Trust	India
17	Srei Infrastructure Finance Limited Employees Gratuity Trust	India
H	**Key Management Personnel (KMP)/Directors:**	**Designation**
18	Mr. Hari Shanker Sharma	Non Executive Director
19	Mr. Mayank Kulinchandra Mehta	Non Executive Director
20	Mr. Debasish Som	Non Executive Director
21	Ms. Nidhi Saharia	Non Executive Director
22	Mr.Ashok Kumar Pareek (Upto 31.01.2022)	Executive Director
23	Samita Lahiri (w.e.f. 04.02.2020)	Company Secretary
I	**Holding Company - Key Management Personnel (KMP)/Directors:**	**Designation**
24	Mr. Hemant Kanoria *	Chairman
25	Mr. Sunil Kanoria *	Vice Chairman (Non Executive Director)
26	Mr. Shyamalendu Chatterjee *	Independent Director
27	Mr. Malay Mukherjee *	Independent Director
28	Dr. Punita Kumar Sinha *	Independent Director
29	Dr. Tamali Sengupta *	Independent Director
30	Dr. Deepali Pant Rajeev Joshi (w.e.f 30.06.2021) *	Additional Director (Category: Independent Director)
31	Mr. Ram Krishna Agarwal (ceased w.e.f 17.09.2021)	Independent Director
32	Mr. Srinivasachari Rajagopal (ceased w.e.f. 30.06.2021)	Independent Director
33	Mr. Rakesh Kumar Bhutoria (cease w.e.f 15.09.2021)	Chief Executive Officer
34	Mr. Sandeep Lakhotia (ceased w.e.f. 20.03.2021)	Company Secretary
35	Mr. Sandeep Kumar Sultania (ceased to be a KMP w.e.f. 07.12.2021)	Chief Financial Officer
36	Mr. Shashi Bhushan Tiwari (from 20.05.2019 to 30.06.2020)	Chief Risk Officer
37	Mr. Rajneesh Sharma (w.e.f 04-10-2021) **	Administrator
38	Mr. Souren Mokhopadhyay (w.e.f 30.06.2021)	Deputy Chief Executive Officer
39	Mr. Manoj Kumar (w.e.f. 01.04.2021)	Company Secretary & Chief Financial Officer
40	Mr.Vishnu Gopal Agarwal (w.e.f. 21.03.2022)	Chief Compliance Officer & Financial Controller

* In exercise of the powers conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934, the Reserve Bank of India (RBI) had vide Press Release dated 4th October, 2021 superseded the Board of Directors of Srei Infrastructure Finance Limited (SIFL).

** The Reserve Bank of India has appointed Shri Rajneesh Sharma as the Administrator of SIFL under Section 45-IE (2) of the RBI Act.

25 Related Party Transaction

b) Summary of Transactions with Related Parties

Transactions entered with related parties during the period ended March 31, 2022 and year ended March 31, 2021 are as under:

(Rs. In Lakh)

Name of related party	Nature of Transactions & Outstanding Balances	Year ended March 31, 2022	Year ended March 31, 2021
Holding Company			
Srei Infrastructure Finance Limited	Transactions:		
	Rent Expenses	1.56	-
(B) Fellow Subsidiaries:			
Srei Equipment Finance Ltd	Transactions: Rent Expenses	0.90	-
Key Management Personnel			
Shyamalendu Chatterjee (Ceased to be Director w.e.f. 04.10.2021)	Director's Sitting Fee	0.50	1.00
Vinod Kumar Anand Juneja (Ceased to be Director w.e.f. 29.10.2021)	Director's Sitting Fee	0.75	1.00
Nidhi Saharia (Director w.e.f. 29.10.2021)	Director's Sitting Fee	-	-
Mayank Kulinchandra Mehta (Director w.e.f. 14.12.2021)	Director's Sitting Fee	0.25	-
Hari Shankar Sharma (Director w.e.f. 14.12.2021)	Director's Sitting Fee	0.25	-
Debasish Som (Director w.e.f. 01.03.2022)	Director's Sitting Fee	-	-
Ashok Kumar Pareek (Ceased to be Director w.e.f. 31.01.2022)	Director's Sitting Fee	-	-
Debasish Som	Consultancy Fees	12.00	16.20
Ashok Kumar Pareek (Upto 31.01.2022)	Salary & Allowances	53.66	62.15
Samita Lahiri (Company Secretary w.e.f. 04.02.2020)	Salary & Allowances	24.59	21.75

c) Balance due with related parties as on March 31, 2022 and March 31, 2021 are as under:

Name of related party	Outstanding Balances	As at March 31, 2022	As at March 31, 2021
Related Party & Key Management Personnel			
Srei Infrastructure Finance Limited	Outstanding Balances:	-	-
	Rent Payable	-	-
Fellow Subsidiaries:			
Srei Equipment Finance Ltd	Transactions: Rent Payable	0.81	-

26 Segment Reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the Chief Operating Decision Maker, in deciding how to allocate resources and assessing performance. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Based on the management approach as defined in Ind AS 108, the Chief Operating Decision Maker evaluates the Company's performance based on only one segment i.e. Merchant Banking services.

27 Contingent Liability

(Rs. In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Claims against the company not acknowledged as debt		
-Service Tax (F.Y. 2007-08)	76.32	76.32
-ESIC (Sept 2014 to June 2017)	2.93	2.93
Total	79.25	79.25

The amounts shown above represent the best possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

The Company had challenged the Constitutional validity of Fringe Benefit Tax (FBT) before the Hon'ble High Court at Calcutta and the Hon'ble court has dismissed the petition vide order dated 01.09.2017. The Company has filed Appeals before the Division Bench of Hon'ble Calcutta High Court. The Income Tax liability is yet to be determined by the Income Tax Department. In view of this, the Company has not provided for any liability towards FBT till 31 March 2009. However, consequent upon abolition of FBT from accounting year 2009-10, no liability arises for the current year.

28 Earnings per Share

Basic and Diluted Earnings per Share

S.No	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
1	Net Profit/ (Loss) after tax attributable to Equity Shareholders (Amount in Rs. In Lakhs)	(56.69)	(25.85)
2	Weighted average number of Equity Shares Basic (Nos.)	5,050,000	5,050,000
3	Weighted average number of Equity Shares Diluted (Nos.)	5,050,000	5,050,000
4	Nominal Value of Equity per share (Rs)	10.00	10.00
5	Basic Earnings per share (Rs)	(1.12)	(0.51)
6	Diluted Earnings per share (Rs)	(1.12)	(0.51)

29 Capital Commitment - Rs. Nil (Previous Year Rs. Nil).

30 Details of Loan Given, investments made and guarantee given covered u/s 186(4) of the Companies Act, 2013 :

a) The particulars of investments made are given under Note No.3 & 7.

b) The particulars of loan given are as under: (Rs. in lakh)

S.No	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
1	Loan Given	-	-

No Guarantee were Given by the company during the period ended 31.03.2022 and F.Y. 2020-2021.

31 Ratios to be disclosed:

S.No	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Current Ratio	30.26	7.27
(b)	Debt Equity Ratio	-	-
(c)	Debt Service Coverage Ratio	-	-
(d)	Return on Equity Ratio	(0.15)	(0.04)
(e)	Inventory Turnover Ratio	-	-
(f)	Trade Receivable Turnover Ratio	-	-
(g)	Trade Payable Turnover Ratio	-	-
(h)	Net Capital Turnover Ratio	0.09	0.23
(i)	Net Proft Ratio	(1.75)	(0.17)
(j)	Return on Capital Employed	(0.15)	(0.04)
(k)	Return on Investment	-	-

32 Figures pertaining to the previous year have been rearranged/regrouped, reclassified and restated, wherever necessary, to make them comparable with those of current reporting period.

For Mohit Arya & associates
Chartered Accountants
Firm Registration No.330192E

For and on behalf of the Board of Directors

Sd/-
Mayank Kulinchandra-Mehta
Director
Din No

Sd/-
Debasish Som
Director
Din No

Sd/-
CA Mohit Arya
Partner
Membership No. 306054

Sd/-
Samita Lahiri
Company Secretary
Kolkata

Place : Kolkata
Date: 2nd May 2022

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DIRECTORS' REPORT

Dear Members,

The Board of Directors of your Company have pleasure in presenting the Twentieth Annual Report on the business and operations of the Company and the Accounts for the Financial Year ended March 31, 2022.

FINANCIAL RESULTS AND OPERATIONS

(Rs. In Lakhs)

Particulars	March 31, 2022	March 31, 2021
Total Income	1,958.61	882.56
Profit before finance charges, Tax, Depreciation/Amortization (PBITDA)	860.38	260.62
Less : Finance Charges	-	-
Profit before Depreciation/Amortization (PBTDA)	860.38	260.62
Less : Depreciation	1,35	1.62
Net Profit before Taxation (PBT)	859.03	259.00
Current tax	210.83	59.62
Deferred Tax	(3.32)	5.06
Income Tax in respect of earlier year	(7.37)	-
Reversal of Mat Credit Entitlement of earlier year	-	-
Profit/(Loss) after Taxation (PAT)	658.89	194.32
Provision for proposed dividend	Nil	Nil
Dividend tax	Nil	Nil

REVIEW OF OPERATIONS, DURING THE FINANCIAL YEAR 2021-22 & FUTURE PROSPECTS

During the year under review, the total income of the Company was Rs. 1,958.61 Lakhs as against Rs. 882.56 Lakhs, during the previous financial year. The Company recorded a net profit (PAT) of Rs. 658.89 Lakhs against a net profit (PAT) of Rs. 194.32 Lakhs during the previous financial year.

During the year the focal point of the Company was on new client acquisition and retention. Primarily, the thrust was on quality advisory to our clients, customer service enhancement for them and enrichment of best in class value added services. Despite a competitive environment we have left our mark in establishing a strong relationship with our clients. insurers and other stake holders like TPAs.

The corona virus pandemic has thrown everything out of gear including the business plans. The lockdowns had affected the entire economy and post lockdowns are going to slowly bring back people to work, in a staggered manner. That would mean most of our clients would take time to restart their businesses and would be running on low working capital. Many of the clients have started asking for instalment options even for policies which may require GIC RE approval and is not easily attainable. This means they are already short of funds.

Government business is getting affected as the scheme launches are getting delayed because of the lockdown.

New Corporate business is getting affected as striking a relationship with new clients without meeting, is a challenge. Most of the clients are preferring to go status quo as last year, due to the limitations because of the pandemic.

Technology based selling will take a front seat. Digital distribution of retail health and term life products will take a front seat. Health insurance and term life insurance should do well, in this scenario.

Loss of Profit claims have increased exponentially. Unfortunately, these are not covered in BI (Business Interruption) claims, as pandemic is an exclusion. That is resulting in losses for clients. Pandemic might get considered in future policies. Wimbledon this year had a pandemic cover in their event insurance policy and this is now talk of the industry. Currently, pandemic is not covered in any policy in India.

Overall, the future strategy and business plans would need tweaking as we move ahead this year.

During the current year, the impetus of the Company would be to emerge as an established name in the Government Business space, Further penetrate the Corporate Insurance space with specific focus on Construction & Infrastructure, Projects, Power (including Renewables), energy & the equipment space. There would also be focus on Employee Benefit policies for corporate clients. Despite the current Corona scenario, where the entire environment has been challenged, we intend to stay on course, on our objectives.

Other highlights would be on team building to ensure quality acquisition of clients and servicing for them.

The company will focus on the growth of its own opportunities by providing customers optimum coverage at competitive price, improve Service standards, Focus on post sales services & Employee Wellness. The pivot of Reinsurance business for both inward and outward will continue to be on the facultative class of business.

DIVIDEND

The Board of Directors does not recommend any dividend for the Financial Year 2021-22 and has decided to transfer the entire profit of the year to the Reserve & Surplus for the time being.

TRANSFER TO RESERVES

The Company is not statutorily required to transfer any amount to the General Reserve, as no Dividend has been recommended for the financial year 2021-22.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year under review, there was no change in the nature of business carried out by the Company.

SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2022 was Rs. 5,00,00,000/- divided into 50,00,000 Equity Shares of Rs. 10/- each. During the year under review, the Company has not issued any shares.

HOLDING COMPANY

The Company is a direct Subsidiary of Srei Infrastructure Finance Limited (SIFL) as on 31st March, 2022.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

Your Company does not have a Subsidiary / Joint Venture / Associate Companies, therefore, the relevant disclosure as required under the Companies Act, 2013 is not provided.

PUBLIC DEPOSITS

The Company has not invited or accepted any Deposits from the Public, covered under Section 73 of the Companies Act, 2013, and The Companies (Acceptance of Deposits) Rules, 2014.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The disclosure with regard to conservation of energy and technology absorption, as required under the provisions of the Companies Act, 2013, is not applicable to your Company.

During the year under review, there were no foreign exchange earnings and no foreign exchange expenditure by your Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR) AND ITS TERMS OF REFERENCE

During the year under review, the provisions of the Companies Act, 2013 with regard to Corporate Social Responsibility were not applicable to your Company; therefore, your Company is not required to make the disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014.

DIRECTORS & KEY MANAGERIAL PERSONNEL

DIRECTORS

Presently, the Board of Directors of your Company comprises of Two (2) Directors, namely, Mr. Rajendra Nath Tripathi (DIN: 00090547) and Mr. Ratiranjan Mandal (DIN: 01129023).

During the year under review, Mr. Rakesh Kumar Bhutoria (DIN: 08449728), resigned as Director of your Company w.e.f. 12th May, 2021. Your Directors placed on records their appreciation for valuable contributions rendered by Mr. Rakesh Kumar Bhutoria, during his tenure as Director of your Company.

Mr. Dulal Mitra, who was appointed as an Additional Director of your Company on 13th October, 2020, has been appointed as Director of your Company at the 19th Annual General Meeting of the Shareholders of the Company held on 25th August, 2021.

Further, Mr. Dulal Mitra (DIN: 08915882), resigned as Director of your Company w.e.f. 11th November, 2021. Your Directors placed on records their appreciation for valuable contributions rendered by Mr. Dulal Mitra, during his tenure as Director of your Company.

In accordance with the Provisions of Section 152(6) of the Companies Act, 2013 and pursuant to the Articles of Association of your Company, Mr. Rajendra Nath Tripathi (DIN: 00090547), Director of your Company, Retires by Rotation at the ensuing Annual General Meeting. Mr. Rajendra Nath Tripathi (DIN: 00090547), though being eligible, expressed his unwillingness for re-appointment. Therefore, Mr. Rajendra Nath Tripathi (DIN: 00090547), Director of your Company, will retire by rotation at the ensuing Annual General Meeting.

KEY MANAGERIAL PERSONNEL

As per the provisions of Section 203 of the Companies Act, 2013, (the Act) read with rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every Listed Company and every other Public Company, having a paid-up share capital of Ten Crore Rupees or more, shall have Whole-Time KMP's, namely; (i) Managing Director, or Chief Executive Officer, or Manager and in their absence, a Whole-time Director; (ii) Company Secretary and (iii) Chief Financial Officer.

However, Ms. Vibha Agarwal continues to be the Chief Executive Officer (CEO) of your Company.

Further, Mr. Gajendra Kumar Singh was appointed as Company Secretary of your Company w.e.f. 11th May, 2021, in accordance with the provisions of the Companies Act, 2013.

NUMBER OF MEETINGS OF BOARD OF DIRECTORS

During the Financial Year 2021-22, the Company held 5 (Five) Meetings of the Board of Directors on the following dates:

Date of Board Meeting	Directors Present
11th May, 2021	Mr. Rajendra Nath Tripathi Mr. Ratiranjan Mandal Mr. Rakesh Kumar Bhutoria Mr. Dulal Mitra
3rd July, 2021	Mr. Rajendra Nath Tripathi Mr. Ratiranjan Mandal Mr. Dulal Mitra
6th August, 2021	Mr. Rajendra Nath Tripathi Mr. Ratiranjan Mandal Mr. Dulal Mitra
25th October, 2021	Mr. Rajendra Nath Tripathi Mr. Ratiranjan Mandal Mr. Dulal Mitra
9th February, 2022	Mr. Rajendra Nath Tripathi Mr. Ratiranjan Mandal

AUDIT COMMITTEE

In terms of the provisions of the Companies Act, 2013 read with relevant Rules framed thereunder, your Company is not required to constitute an Audit Committee.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

The provisions with regard to establishment of vigil mechanism for directors and employees are not applicable to your Company.

NOMINATION AND REMUNERATION COMMITTEE

In terms of the provisions of the Companies Act, 2013 read with relevant Rules framed thereunder, your Company is not required to constitute a Nomination and Remuneration Committee.

COMPLIANCE WITH THE SECRETARIAL STANDARDS

Your Company has complied with all applicable provisions of the Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) on Board Meetings and General Meetings.

PARTICULARS OF EMPLOYEES

None of the employees of your Company is in receipt of Remuneration which requires Disclosure pursuant to the Provisions of Section 134(3)(q) of the Companies Act, 2013, read with Rule 5(2) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review your Company has not granted any loan or made any investment or given any guarantee under Section 186 of the Companies Act, 2013, therefore, the required disclosure is not required to be given by your Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Since all related party transactions entered into by the Company during the financial year 2021-22 were in ordinary course of Business and were on an arm's length basis, hence, form AOC-2 is not applicable to your Company.

SECRETARIAL AUDIT REPORT

The provisions with regard to Secretarial Audit Report are not applicable to your company.

RISK MANAGEMENT POLICY

In the opinion of the Board, there is no element of risk, which may threaten the existence of the company.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are no material changes and commitments affecting the financial position of the company which occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

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DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the year under review, the Reserve Bank of India (RBI) in exercise of the powers conferred under Section 45-IE (1) of the RBI Act, 1934 had vide a Press Release 2021-2022/981 dated 4th October, 2021, superseded the Board of Directors of Srei Infrastructure Finance Limited, our Holding Company which holds 100% of our paid up share capital, with immediate effect.

Also, pursuant to the Order, dated 8th October, 2021, of the National Company Law Tribunal, Kolkata Bench (**"NCLT"**), Corporate Insolvency Resolution Process has been initiated against Srei Infrastructure Finance Limited, our Holding Company as per the provisions of the Insolvency and Bankruptcy Code, 2016.

EXTRACT OF THE ANNUAL RETURN

The Ministry of Corporate Affairs (MCA) vide Notification no. G.S.R.159 (E) dated 5th March, 2021 has amended the Companies (Management and Administration) Rules, 2014. According to the amended provisions of Rule 12 of the said rule, the extract of Annual Return in Form No. MGT-9 is not applicable as on the financial year ended 31st March, 2021.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company is committed to provide an environment, which is free of discrimination, intimidation and abuse. The Company is guided under the policy framed under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, in the Group as a whole. No complaint is received during the year ended 31st March, 2022.

MAINTENANCE OF COST RECORDS

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 during the financial year ended on 31st March, 2022.

INTERNAL FINANCIAL CONTROL

The Company has an Internal Financial Control Policy and System, commensurate with the nature of its business and the size and complexity of its operations. The Company's system of Internal Financial Control has been designed to provide a reasonable assurance with regard to policies and internal procedures for ensuring the orderly and efficient conduct of business, maintaining of proper accounting controls, protecting and safeguarding assets from unauthorized use or losses, prevention and detection of frauds and errors, compliance with regulations and for ensuring timely preparation of reliable financial information.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 134(5) of the Companies Act, 2013, your Directors confirm that:

(a) in the preparation of the annual accounts, the applicable accounting standards 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 at the end of the financial year and of the profit and loss of the company for that period;

(c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this 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 they were adequate and operating effectively; and

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

AUDITORS & AUDITORS REPORT

On the recommendation of the Board of Directors of your Company, the Members at their Annual General Meeting held on 5th July, 2019, appointed M/s. J K V S & Co., Chartered Accountants, Kolkata having Registration No. 318086E allotted by The Institute of Chartered Accountants of India (ICAI), as Statutory Auditors of the Company for a term of Five (5) Years, who shall hold the office until the conclusion of the 22nd Annual General Meeting of the Company, in accordance with Section 139(1), and other applicable provisions, if any, of the Companies Act, 2013.

As regards observations contained in the Auditors' Report, the respective notes to the accounts are self-explanatory and, therefore, do not call for further comments.

ACKNOWLEDGEMENTS

Your Directors acknowledge with gratitude the cooperation and contribution made by the Company's Bankers, Customers, Associates, and Shareholders for their continued active support and cooperation.

Your Directors also wish to place on record its sincere appreciation for the wholehearted and dedicated services rendered by employees at all levels during the year under review and

look forward to their continued cooperation in realization of the corporate goals in the years ahead.

For and on behalf of the Board of Directors

Sd/-	Sd/-
Ratiranjan Mandal	**Rajendra Nath Tripathi**
Director	**Director**
DIN: 01129023	**DIN: 00090547**

Place: Kolkata
Date: 28.04.2022

INDEPENDENT AUDITOR'S REPORT

To the Members of SREI Insurance Broking Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **SREI Insurance Broking Private Limited** ("the Company"), which comprise the Balance sheet as at March 31, 2022, the Statement of Profit and Loss, (including the Statement of Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information(hereinafter referred to as "the financial statements").

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

Basis for Opinion

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

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

The Company's Management and Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Ind AS Financial Statements

The Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of state of affairs, the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time;

   (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act;

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

   (g) The Company being a Private Limited Company, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2022.

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

i. The Company does not have any pending litigations which would impact its financials positions as on 31st March 2022;

ii. The Company does not have any on long term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a)The management has represented to us that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b)The management has represented, to us that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, and

(c) Based on our audit procedures conducted that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under paragraph (2)(h)(iv)(a) & (b) above, contain any material misstatement.

(v) The Company has not declared or paid any dividend during the year.

For J K V S & CO
Chartered Accountants
Firm's Registration No. 318086E

Sd/-
Suprio Ghatak
Partner
Membership No. 051889
UDIN: 22051889AIYVPX8025

Date: 28th April, 2022
Place: Kolkata

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SREI Insurance Broking Private Limited of even date)

i. In respect of the Company's fixed assets:

(a) (A)The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
(B) The Company has maintained proper records showing full particulars of Intangible assets.

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification

(c) The Company is not holding any immovable property. Hence, paragraph 3(i)(c)of the Order is not applicable to the Company.

(d) The Company has not revalued its property, plant and equipment and intangible assets during the year.

(e) There are no proceedings initiated or pending against the company for holding any benami property under the Prohibition of Benami Property Transaction Act, 1988 and rules made thereunder.

ii. The company is a service company, primarily rendering insurance auxiliary-General Insurance services. Accordingly, it does not hold any physical inventory. Hence, paragraph 3(ii) of the Order is not applicable.

iii. The Company has not made any investments in, provided any security or guarantee or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms and limited liability partnership or any other parties. Accordingly, reporting under clause 3(iii)(a) to (f) of the Order are not applicable to the company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of investments made during the year.

v. According to the information and explanation given to us, the Company has not accepted deposits from public within the meaning of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under to the extent notified

vi. Pursuant to the rules made by the Central Government of India, the company is not required to maintain cost records as specified under section 148(1) of the Act in respect of its services.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company is generally regular in depositing undisputed statutory dues including Goods and service Tax, Provident Fund, Employee's State Insurance, Income Tax, Customs Duty, Cess, professional tax and other statutory dues with the appropriate authorities. According to the information and explanations given to us and the records of the Company examined by us, no undisputed statutory dues as above were outstanding as at 31st March, 2022 for a period of more than six months from the date they became payable.

(b) According to information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, sales tax, value added tax, service tax, goods and service tax, duty of customs which have not been deposited on account of any dispute as at March 31, 2022.

viii. According to the information and explanation given to us, Company has not surrendered or disclosed any transaction, previously unrecorded in books of accounts, in the tax assessment under the Income Tax Act 1961, as income during the year. Accordingly, the requirement to report on clause 3(viii) of the order is not applicable to the Company.

ix. The Company did not have any outstanding loans or borrowings to a financial institution, bank or to government or dues to debenture holders during the year. Accordingly, the provisions of clause 3(ix)(a) to (e) of the Order are not applicable.

x. (a)In our opinion, and according to the information and explanation given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instrument) and terms loans.

(b) In our opinion, and according to the information and explanation given to us, the Company has not made any preferential allotment or private allotment of share or convertible debentures during the year.

xi. (a) To the best of our knowledge and information and explanation given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) According to the information and explanation & representation made by the management, no whistle-blower complaint has been received during the year by the Company.

xii. The Company is not a Nidhi Company and hence, reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. The provisions of Internal Audit is not applicable to the Company as per section 138 of the Companies Act, 2013. Accordingly, the provisions of clause 3(xiv)(a) and (b) of the order are not applicable to the company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence, provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

(b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanation given to us, the Group has one CIC as part of the Group.

xvii. In our opinion and according to the information and explanations provided to us, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, provisions of clause 3(xviii) of the Order are not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx. The provisions related to Corporate Social Responsibility u/s 135 of the Companies Act, 2013 are not applicable to the Company. Accordingly, the provisions of clause 3(xx)(a) and (b) of the order are not applicable to the company.

For J K V S & CO
Chartered Accountants
Firm's Registration No. 318086E

Sd/-
Sudip Ghatak
Partner
Membership No. 051889
UDIN: 22051889AIYVPX8025

Date: 28th April, 2022
Place: Kolkata

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SREI Insurance Broking Private Limited of even date)

Report on the Internal Financial Controls With Reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls with reference to financial statements of **SREI Insurance Broking Private Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls With Reference To Financial Statements

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

Limitations of Internal Financial Controls with Reference to Financial Statements

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

For J K V S & CO
Chartered Accountants
Firm's Registration No. 318086E

Sd/-
Subhro Ghatak
Partner
Membership No. 051889
UDIN: 22051889AIYVPX8025

Date: 28th April, 2022
Place: Kolkata

SREI INSURANCE BROKING PRIVATE LIMITED
CIN: U67120WB2002PTC095019
Balance Sheet as at March 31, 2022

(Rs.In Lakhs)

	Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
I.	**ASSETS**			
	Non-Current Assets			
	(a) Property, Plant and Equipment	2	1.82	3.11
	(b) Intangible Assets	3	-	0.06
	(c) Financial Assets			
	(i) Other financial assets	4	50.00	50.00
	(d) Deferred Tax Assets (Net)	5	15.19	11.87
	(e) Other Non Current Tax Assets (Net)	6	-	76.26
	Current Assets			
	(a) Financial Assets			
	(i) Investments	7	587.38	442.03
	(ii) Trade Receivables	8	348.41	226.03
	(iii) Cash and Cash Equivalents	9	38.28	37.48
	(b) Other Current Assets	10	473.58	34.07
	Total Assets		**1,514.66**	**880.91**
II.	**EQUITY AND LIABILITIES**			
	EQUITY			
	(a) Equity Share capital	11	500.00	500.00
	(b) Other Equity	12	903.65	250.05
			1,403.65	**750.05**
	LIABILITIES			
	Non-Current Liabilities			
	(a) Provisions	13	27.58	37.33
	(b) Other Non Current Tax Liability (Net)	14	0.01	-
	Current Liabilities			
	(a) Financial Liabilities			
	(i) Trade Payable	15		
	- Due to Micro and Small Enterprises		-	-
	- Due to Others		9.55	0.69
	(ii) Other Financial Liabilities	16	38.53	51.58
	(b) Other Current Liabilities	17	33.69	39.19
	(c) Provisions	13	1.65	2.07
	Total Equity and Liabilities		**1,514.66**	**880.91**

The Accompanying Notes are an Integral part of the Financial Statements.
As per our report of even date Annexed.

For J K V S & Co.
Chartered Accountants
Firm Registration No.318086E

For and on behalf of the Board of Directors

Sd/-
Suprio Ghatak
Partner
Membership No. 051889

Sd/-
R N Tripathi
Director
Din No.00090547
Place: Kolkata

Sd/-
Rati Ranjan Mandal
Director
Din No.01129023
Place: Kolkata

Place : Kolkata
Date : 28th April, 2022

Sd/-
Vipna Agarwal
Chief Executive Officer

Sd/-
Gajendra Kr.Singh
Company Secretary

SREI INSURANCE BROKING PRIVATE LIMITED
CIN: U67120WB2002PTC095019

Statement of Profit and Loss for the year ended March 31, 2022

(Rs.In Lakhs)

	Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021
(I)	Revenue from Operations	18	1,924.59	850.45
(II)	Other Income	19	34.02	32.11
(III)	Total Income		1,958.61	882.56
(IV)	**Expenses**			
	(a) Employee benefits expense	20	389.20	361.40
	(b) Depreciation and Amortisation expense	21	1.35	1.62
	(c) Other Expenses	22	709.03	260.54
	Total Expenses		**1,099.58**	**623.56**
(V)	**Profit Before Exceptional Items and Tax (III-IV)**		859.03	259.00
(VI)	Exceptional Items		-	-
(VII)	**Profit Before Tax (V-VI)**		**859.03**	**259.00**
(VIII)	**Tax Expense**			
	(a) Current Tax		210.83	59.62
	Less: MAT Credit Entitlement		-	-
	(b) Income tax relating to earlier years		(7.37)	-
	Net Current Tax		203.46	59.62
	(c) Deferred Tax	5	(3.32)	5.06
	Total Tax Expense		**200.14**	**64.68**
(IX)	**Profit For The Year (VII-VIII)**		**658.89**	**194.32**
(X)	Other Comprehensive Income			
	(i) Items that will not be reclassified to profit or loss			
	(a) Remeasurements of the defined benefit plans		(5.29)	0.83
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	(0.21)
	Other Comprehensive Income (X)		(5.29)	0.62
(XI)	**Total Comprehensive Income for the period (IX+X)**		**653.60**	**194.94**
(XII)	**Earnings per equity share (Face value of ₹10 each)**	27		
	Basic (Rs.)		**13.18**	**3.89**
	Diluted (Rs.)		**13.18**	**3.89**

The Accompanying Notes are an Integral part of the Financial Statements.
As per our report of even date Annexed.

For J K V S & Co.
Chartered Accountants
Firm Registration No.3018086E

For and on behalf of the Board of Directors

Sd/-
Suprio Ghatak
Partner
Membership No. 051889

Sd/-
R N Tripathi
Director
Din No.00090547
Place: Kolkata

Sd/-
Rati Ranjan Mandal
Director
Din No.01129023
Place: Kolkata

Place : Kolkata
Date : 28th April, 2022

Sd/-
Vibha Agarwal
Chief Executive Officer

Sd/-
Gajendra Kr.Singh
Company Secretary

SREI INSURANCE BROKING PRIVATE LIMITED
CIN: U67120WB2002PTC095019

Statement of Cash Flow for the year ended March 31, 2022

(Rs.In Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A. Cash Flows from Operating Activities		
Profit Before Tax	859.03	259.00
Adjustment for :		
Depreciation and Amortization Expense	1.35	1.62
Doubtful and Bad Debts, Advances, Loans and Deposits	0.29	1.67
Bad debts written-off (net of recovery)	1.46	-
Liabilities No Longer Required written back	-	(0.84)
Profit on Investment in Scheme of Mutual Fund	(8.37)	(3.86)
Net Gain on Investments Carried at Fair Value through PL (FVTPL)	(14.01)	(11.35)
Interest Income	(3.41)	(14.83)
Interest Income on Income Tax Refund	(8.14)	(1.14)
Operating profit before working capital changes	828.20	230.27
Changes in working capital :		
(Increase) / Decrease in Trade Receivables, Loans, Advances and Other Assets	(479.89)	284.76
Increase in Other Bank Balances	-	-
Increase / (Decrease) in Trade Payables, Other Liabilities and Provisions	(19.86)	(30.30)
Cash generated/(used) in operations	328.45	484.73
Income Tax Paid (Net)	(126.06)	(42.37)
Net Cash used in Operating Activities	202.39	442.36
B. Cash flows from Investing Activities		
Purchase of Property, Plant and Equipment, Intangibles etc.	-	-
Investment in Mutual Fund	(740.00)	(687.97)
Advance for Mutual Fund Investment	(100.00)	(18.00)
Proceeds from sale of Investment in Mutual Fund	635.00	261.14
Interest Received	3.41	20.86
Net Cash used in Investing Activities	(201.59)	(423.97)
C. Cash Flows from Financing Activities		
Issue of Equity Share Capital	-	-
Net Cash generated from Financing Activities	-	-
Net Increase / (Decrease) in Cash and Cash Equivalents	0.80	18.39
Cash & Cash Equivalents at the beginning of the year	37.48	19.09
Cash and Cash Equivalents at the end of the period	38.28	37.48

Note:

1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statements of Cash Flow ".

2) Components of Cash and Cash Equivalents:

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	-	-
In Current Account	38.28	37.48
	38.28	37.48

For J K V S & Co.
Chartered Accountants
Firm Registration No.318086E

Sd/-
Suprio Ghatak
Partner
Membership No. 051889

Place : Kolkata
Date : 28th April, 2022

For and on behalf of the Board of Directors

Sd/-
R N Tripathi
Director
Din No.00090547
Place: Kolkata

Sd/-
Rati Ranjan Mandal
Director
Din No.01129023
Place: Kolkata

Sd/-
Vibha Agarwal
Chief Executive Officer

Sd/-
Gajendra Kr.Singh
Company Secretary

SREI INSURANCE BROKING PRIVATE LIMITED
CIN: U67120WB2002PTC095019

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

A. Equity Share Capital

(1) Current reporting period

(Rs. in lakhs)

Particulars	Balance as at April 1, 2021	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2021	Changes in equity share capital during the year*	Balance as at March 31, 2022
Equity Share Capital	500.00	-	500.00	-	500.00

(2) Previous reporting period

(Rs. in lakhs)

Particulars	Balance as at April 1, 2020	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2020	Changes in equity share capital during the year*	Balance as at March 31, 2021
Equity Share Capital	490.00	-	490.00	10.00	500.00

B. Other Equity

(Rs.In Lakhs)

Particulars	Reserves and Surplus	Total
	Retained Earnings	
Balance as at the April 1, 2020	55.11	55.11
Profit for the year	194.32	194.32
Other Comprehensive Income (net of tax)	0.62	0.62
Balance as at March 31, 2021	**250.05**	**250.05**
Balance as at the April 1, 2021	250.05	250.05
Profit for the period	658.89	658.89
Other Comprehensive Income (net of tax)	- 5.29	- 5.29
Balance as at March 31, 2022	**903.65**	**903.65**

Retained Earnings:
This reserve represents the cumulative profits of the Company. This can be utilised in accordance with the provisions of the Companies Act, 2013.

The Accompanying Notes are an Integral part of the Financial Statements.

For J K V S & Co.
Chartered Accountants
Firm Registration No.3018086E

Sd/-
Suprio Ghatak
Partner
Membership No. 051889

Place : Kolkata
Date : 28th April, 2022

For and on behalf of the Board of Directors

Sd/-
R N Tripathi
Director
Din No.00090547
Place: Kolkata

Sd/-
Rati Ranjan Mandal
Director
Din No.01129023
Place: Kolkata

Sd/-
Vibha Agarwal
Chief Executive Officer

Sd/-
Gajendra Kr.Singh
Company Secretary

SREI INSURANCE BROKING PRIVATE LIMITED

1. Company Overview and Significant Accounting Policies

(A) Corporate Information

Srei Insurance Broking Private Limited (the "Company") is a public limited company domiciled and incorporated in India. The Registered Office of the Company is at 'Vishwakarma Building', 86C, Topsia Road (South), Kolkata - 700046. The Company is a composite insurance broker, licensed by the Insurance Regulatory Development Authority (IRDA), to act as a Direct Broker and a Reinsurance Broker in both the Life and Non-Life Insurance sectors.

(B) Recent Accounting Developments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards.

New Standards / Amendments to Existing Standard/ New Pronouncement issued but not yet effective upto the date of issuance of the Company's Financial Statement:

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

Rounding Off: For the purpose of rounding off the figures appearing in the Financial Statements for financial year ending 31.03.2022 the total income of the Company shall be considered instead of Turnover.

Additional Disclosure in Notes to Balance Sheet:

• **Shareholding of Promoter**: The note on Share Capital in the Financial Statements shall mention details of ~~the~~ Shareholding of the Promotes along with changes, if any, during the Financial Year.

• Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

• Current maturities of Long-term borrowings shall be disclosed separately under the heading Short Term Borrowing.

• Security Deposits to be shown under the head of Other Non-Current Assets instead of Long term Loan & Advances.

• Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

• Specific disclosure for title deeds of Immovable Property not held in name of the Company and disclosure on revaluation of Assets

• Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

• Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

• If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

• Ratios-Following Ratios to be disclosed: - (a) Current Ratio, (b) Debt-Equity Ratio, (c) Debt Service Coverage Ratio, (d) Return on Equity Ratio, (e) Inventory turnover ratio, (f) Trade Receivables turnover ratio, (g) Trade payables turnover ratio, (h) Net capital turnover ratio, (i) Net profit ratio, (j) Return on Capital employed, (k) Return on investment

• Specific Disclosure Borrowing & Wilful Defaulter

Additional Disclosure in Notes to Profit & Loss Account:

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

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

(C) Significant Accounting Policies

a) Statement of Compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), guidelines issued by the Securities and Exchange Board of India (SEBI), other relevant provisions of the Act and other accounting principles generally accepted in India.

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

The Ministry of Corporate Affairs (MCA) has issued certain amendments in existing Accounting Standards which are effective from July 24, 2020.

A. Ind AS 103 (Business Combinations): Defined "business" in more detail, an optional test to identify concentration of fair value, element of Businesses and Assessing whether an acquired process is substantive.

B. Ind AS 107 (Financial Instruments: Disclosures): Disclosures for uncertainty arising from interest rate benchmark reform.

C. Ind AS 109 (Financial Instruments): Temporary exceptions from applying specific hedge accounting requirements.

D. Ind AS 116 (Leases): Due to the pandemic COVID- 19 – Related Rent concession, a clarification has been provided on accounting of Rent concessions, whether to treat as a lease modification or not.

E. Ind AS 1 and Ind AS 8 (Presentation of Financial Statements and Accounting Policies, Changes in Accounting Estimates and Errors): Change/modification in the definition of "Material".

F. Ind AS 10 (Events after the Reporting Period): Definition for non – adjusting events and its effective date of application.

G. Ind AS 34 (Interim Financial Reporting): Consequential of the above amendments.

H. Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets): Consequential amendment and accounting of restructuring plan.

The amendments listed did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current and future periods.

SREI INSURANCE BROKING PRIVATE LIMITED

1.1. Basis of Preparation

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of operations and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

The preparation of financial statements require the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosed amount of contingent liabilities.

Areas involving a higher degree of judgement or complexity or areas where assumptions are significant to the Company are discussed in Note 1.16- Critical accounting judgements and key sources of estimation uncertainty.

The management believes that the estimates used in preparation of financial statements are prudent and reasonable. Actual results could differ from those estimates and the differences between the actual results and the estimates would be recognised in the periods in which the results are known / materialised.

Comparative information has been restated to accord with changes in presentations made in the current year, except where otherwise stated.

These Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

1.2. Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements. For the company, there is generally no clearly identifiable normal operating cycle and hence the normal operating for the company is assumed to have duration of 12 months.

1.3. Revenue

Income from insurance commission is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Interest Income is recognised on the time proportion basis taking into account the amount outstanding and the rate applicable.

1.4. Leasing

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of lease requires significant judgement. The company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

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

1.5. Foreign Currency Transactions

The financial statements are presented in Indian Rupee (INR) in lakhs, the functional currency of the Company. Functional currency is the currency of the primary economic environment in which the Company operates.

Non-Financial Instruments - foreign currency translation policy:

Initially foreign currency transactions are recorded at the rates of exchange prevailing at the dates of the respective transactions. Foreign currency monetary items are restated using the exchange rate prevailing at the reporting date. Non-monetary items (carried at fair value) as on reporting date are restated using the exchange rate prevailing at the date when the fair value was determined. Translation differences on such items are reported as part of the fair value gain or loss on such items. For non-monetary items (carried at historical cost) as on reporting date restatement is not required

Financial Assets - foreign Exchange Gains and Losses:

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated using the exchange rate prevailing at the reporting date. For monetary financial assets measured at amortised cost, FVTOCI or FVTPL and non-monetary financial assets measured at amortised cost or FVTPL, the exchange differences are recognised in the statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship. Foreign currency changes for non-monetary financial assets measured at FVTOCI are recognised in other comprehensive income.

Financial Liabilities - Foreign Exchange Gains and Losses:

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated using the exchange rate prevailing at the reporting date. For monetary financial liabilities measured at amortised cost, FVTOCI or FVTPL and non-monetary financial liabilities measured at amortised cost or FVTPL, the exchange differences are recognised in the statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship. Foreign currency changes for non-monetary financial liabilities measured at FVTOCI are recognised in other comprehensive income

1.6. Borrowing Cost

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Other income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

1.7. Employee Benefits

Defined Contribution Plans

Company's contributions towards Regional Provident Fund with respect to employees, paid/payable during the period to the Provident Fund Authority, are charged to the Statement of Profit and Loss. Contributions to Employees State Insurance Corporation are charged to the Statement of Profit and Loss.

Defined Benefit Plans:

Company's liabilities towards Gratuity and Leave benefits are defined benefit plans. The cost of providing benefits under the defined benefit obligation is calculated by independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of re-measurements are recognised immediately through other comprehensive income in the period in which they occur.

The employees of the Company are entitled to compensated leave for which the Company records the liability based on actuarial valuation computed using projected unit credit method. These benefits are unfunded.

Short-term and other long-term employee benefits:
A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period in which related service is rendered. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

1.8. Property, Plant and Equipment – Tangible Assets

Property, plant and equipment are initially recognised at cost together with borrowing cost capitalized for qualifying assets. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

Subsequent to initial recognition, property, plant and equipment are measured at cost less accumulated depreciation and impairment, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

Depreciation
Depreciation of these assets commences when the assets are ready for their intended use. It is recognised so as to amortise the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Estimated useful life of the assets determined is as under:

- Furniture and Fixtures- 10 years
- Computers- 3 to 6 years
- Office equipment- 5 years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Freehold Land is not depreciated.

Depreciation on assets purchased / sold during the period is recognized on a pro-rata basis.

1.9. Intangible Assets
Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives of 2-6 years.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit and loss when the asset is de-recognised.

1.10. Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

1.11. Financial instruments, Financial assets, Financial liabilities and Equity Instruments

Recognition of Financial Instruments:

Financial assets and financial liabilities are recognised when entity becomes a party to the contractual provisions of the instruments. Loans & advances and all other regular way purchases or sales of financial assets are recognised and derecognised on the trade date basis.

Initial Measurement of Financial Instruments:

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

Subsequent Measurement:

(i) Financial Assets

Financial Assets carried at Amortised Cost (AC):

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

Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI):

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

Investment in equity instruments that are not held for trading are measured at FVTOCI, where an irrevocable election has been made by management on an instrument-by-instrument basis. These investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to the statement of profit and loss on disposal of the investments. Dividends on such investments are recognised in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Debt investments measured at FVTOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Other net gains and losses are recognised in Other Comprehensive Income (OCI). On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.

Financial Assets at Fair Value through Profit or Loss (FVTPL):

A financial asset which is not classified in any of the above categories are measured at FVTPL. A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the statement of profit and loss.

Impairment of Financial Assets:
Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and FVTOCI at each reporting date based on evidence or information that is available without undue cost or effort.

The Company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for that financial asset at an amount equal to 12-month expected credit losses.

In case of debt instruments measured at FVTOCI, the loss allowance shall be recognised in other comprehensive income with a corresponding effect to the profit or loss and not reduced from the carrying amount of the financial asset in the balance sheet. In case of such instrument, amount recognized in the statement of profit and loss are the same as the amount would have been recognized in case the debt instrument is measured at amortised cost.

No Expected credit losses are recognised on equity investments.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company measures the loss allowance at an amount equal to lifetime expected credit losses taking into account historical credit loss experience and adjusted for forward-looking information.

Derecognition of Financial Assets:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset accounted under Ind AS 109 in its entirety:
a)for financial assets measured at amortised cost, the gain or loss is recognized in the statement of profit and loss.

b)for financial assets measured at fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

(ii)Financial Liabilities and Equity Instruments:

Classification as debt or equity:
Financial liabilities and equity instruments issued are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments
An Equity Instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial Liabilities
Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest rate method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

Off-setting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously backed by past practice.

Fair value measurement

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

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

The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - Other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - Unobservable inputs for the asset or liability.

Expected Credit Loss

Expected credit loss (ECL) is the probability-weighted estimate of credit losses (i.e., the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between scheduled or contractual cash flows and actual expected cash flows. Consequently, ECL subsumes both the amount and timing of payments – a credit loss would arise even when a receivable was realised in full but later than when contractually due.

1.12. Taxes on Income

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

Current tax

Current Tax is determined at the amount of tax payable in respect of taxable profit for the year as per the Income-tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rate that has been enacted by the end of the reporting period.

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Deferred tax

The Company's deferred tax is calculated using tax rate that are substantially enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Current and deferred tax for the year

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

1.13. Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

1.14. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

In case of litigations, provision is recognised once it has been established that the Company has a present obligation based on information available up to the date on which the Company's financial statements are finalised and may in some cases entail seeking expert advice in making the determination on whether there is a present obligation.

Contingent Liabilities

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. Company does not recognize contingent liability but discloses its existence in the financial statements.

Contingent Assets
Contingent assets are not recognized in the financial statement, but are disclosed where an inflow of economic benefits is probable.

i) **Estimation uncertainty relating to the global health pandemic on COVID-19-**

The Company has considered internal and external information up to the date of approval of financial statements In assessing the recoverability of property plant and equipments, receivables, intangible assets, cash and cash equivalent and investments. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions; the Company expects to recover the carrying amount of these assets. The Company has concluded that the impact of COVID – 19 is not material based on these estimates. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

1.15. Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Corporate Management Committee. Based on such the Company operates in one operating segment, viz. Composite Insurance Broking Services.

1.16. Use of Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

A. Judgements in applying accounting policies
The judgements, apart from those involving estimations (see note below), that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of intangible assets. Refer Note 2.5 to the financial statements.

B. Key sources of estimation uncertainty
The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

i) **Useful lives of property, plant and equipment and intangible assets:**
As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

ii) **Fair value measurements and valuation processes:**
Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

iii) **Actuarial Valuation:**
The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements

iv) **Claims, Provisions and Contingent Liabilities:**
Any litigation where an outflow of funds is believed to be probable and are liable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

v) **Impairment of Financial Assets:**
The Company assesses impairment based on expected credit losses (ECL) model on trade receivables. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable. At every reporting date, the historically observed default rates are updated.

1.17. 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. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

1.18. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

SREI INSURANCE BROKING PRIVATE LIMITED
Notes to the financial statement for the year ended March 31, 2022

2 Property, Plant and Equipment

(Rs.In Lakhs)

Particulars	Gross block				Depreciation/ amortisation/ impairment				Net book value
	As at April 01, 2021	Additions	Disposals and other adjustments	As at March 31, 2022	As at April 01, 2021	Depreciation/ amortisation Charge	Disposals and other adjustments	As at March 31, 2022	As at March 31, 2022
Furniture & Fittings	7.89	-	-	7.89	4.93	1.23	-	6.16	1.73
Computer	1.93	-	-	1.93	1.78	0.06	-	1.84	0.09
Office Equipment	1.57	-	-	1.57	1.57	-	-	1.57	-
Total Tangible assets	**11.39**	-	-	**11.39**	**8.28**	**1.29**	-	**9.57**	**1.82**

Particulars	Gross block				Depreciation/ amortisation/ impairment				Net book value
	As at April 01, 2020	Additions	Disposals and other adjustments	As at 31st March, 2021	As at April 01, 2020	Depreciation/ amortisation Charge	Disposals and other adjustments	As at 31st March, 2021	As at 31st March, 2021
Furniture & Fittings	7.89	-	-	7.89	3.70	1.23	-	4.93	2.96
Computer	1.93	-	-	1.93	1.71	0.07	-	1.78	0.15
Office Equipment	1.57	-	-	1.57	1.57	-	-	1.57	-
Total Tangible assets	**11.39**	-	-	**11.39**	**6.98**	**1.30**	-	**8.28**	**3.11**

2.i) The Company has not revalued its Property,Plant and Equipment based on the valuation by Registered Valuer as defined under Rule 2 of the Companies (Registered Valuers and Valuation) Rules,2017.

3 Intangible Assets

(Rs.In Lakhs)

Particulars	Gross block				Depreciation/ amortisation/ impairment				Net book value
	As at April 01, 2021	Additions	Disposals and other adjustments	As at March 31, 2022	As at April 01, 2021	Depreciation/ amortisation Charge	Disposals and other adjustments	As at March 31, 2022	As at March 31, 2022
I. Intangible Assets									
Computer software	2.93	-	-	2.93	2.87	0.06	-	2.93	-
Total Intangible assets	**2.93**	-	-	**2.93**	**2.87**	**0.06**	-	**2.93**	-

Particulars	Gross block				Depreciation/ amortisation/ impairment				Net book value
	As at April 01, 2020	Additions	Disposals and other adjustments	As at 31st March, 2021	As at April 01, 2020	Depreciation/ amortisation Charge	Disposals and other adjustments	As at 31st March, 2021	As at 31st March, 2021
I. Intangible Assets									
Computer software	2.93	-	-	2.93	2.55	0.32	-	2.87	0.06
Total Intangible assets	**2.93**	-	-	**2.93**	**2.55**	**0.32**	-	**2.87**	**0.06**

4 **Other financial assets (non-current)**

(Rs.In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Bank deposits with more than 12 months maturity	50.00	50.00
Total	**50.00**	**50.00**

5 **Deferred Tax Assets (Net)**

(Rs.In Lakhs)

Particulars	As at April 1, 2021	Recognised/ (reversed) in Statement of Profit & Loss	Recognised/ (reversed) in OCI	As at March 31, 2022
Deferred Tax Assets				
Provisions	1.64	(1.71)	-	3.35
MAT Credit Entitlement	-	-	-	-
Disallowances u/s 43B of IT Act	6.34	2.02	-	4.32
Unabsorbed Depreciation & Bought Forward Loss	-	-	-	-
Total	7.98	0.31	-	7.67
Deferred Tax Liabilities				
Property, Plant and equipment and intangible assets	(1.03)	0.11		(1.14)
Fair Valuatiuon of Investment / Securities	(2.86)	3.52		(6.38)
Total	(3.89)	3.63	-	(7.52)
Net deferred tax assets/(liabilities)	**11.87**	**(3.32)**	**-**	**15.19**

SREI INSURANCE BROKING PRIVATE LIMITED

Notes to the financial statement for the year ended March 31, 2022

6 Other Non Current Tax Assets (Net)

(Rs.In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance Tax & TDS receivable	-	140.27
Less : Provision for income tax	-	(64.01)
Total	-	**76.26**

7 Investment-Current

(Rs.In Lakhs)

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Investments in Mutual Funds		
Investments in Scheme of Mutual Funds in Axis Mutual Fund - Current Investments - 26141.740 units @ Rs 2187.0567 (Previous Year - 20353.343 units @ Rs 2097.7900)	571.73	426.97
Investments in Scheme of Mutual Funds in ICICI Prudential Mutual Fund - Current Investments - 5099.751 units @ Rs 306.8943 (Previous Year - 5099.751 units @ Rs 295.2785).	15.65	15.06
Total	587.38	**442.03**

8 Trade Receivables

Trade Receivables ageing schedule as at March 31, 2022

(Rs.In Lakhs

Particulars	**Outstanding for following periods from due date of payment**					
	Less than 6 months	**6 months- 1 year**	**1-2 year**	**2-3 year**	**More than 3 year**	**Total**
Unsecured						
(i) Undisputed Trade receivables - considered good	354.71	0.49	-	-	-	355.20
(ii) Undisputed Trade receivables -Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables -Credit impaired	(6.33)	(0.46)	-	-	-	(6.79
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables -Which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired			-	-	-	-
	348.38	**0.03**	-	-	-	**348.41**
Unbilled dues	-	-	-	-	-	
Total	**348.38**	**0.03**	-	-	-	**348.41**

SREI INSURANCE BROKING PRIVATE LIMITED
Notes to the financial statement for the year ended March 31, 2022

Trade Receivables ageing schedule as at March 31, 2021

(Rs.In Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months- 1 year	1-2 year	2-3 year	More than 3 year	Total
Unsecured						
(i) Undisputed Trade receivables - considered good	231.07	1.46	-	-	-	232.53
(ii) Undisputed Trade receivables -Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables -Credit impaired	(6.06)	(0.44)	-	-	-	6.50
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables -Which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired			-	-	-	-
	225.01	**1.02**	-	-	-	**226.03**
Unbilled dues	-	-	-	-	-	
Total	**225.01**	**1.02**	-	-	-	226.03

i) In determining the allowances for credit losses, the Company has used a practical expedient by computing the expected credit loss allowance based on a provision matrix. The provision matrix takes into account historical credit loss experience. The Company measures the loss allowance at an amount higher of lifetime expected credit losses taking into account historical credit loss experience (adjusted for forward-looking information) and Income Recognition and Assets Classification norms of RBI compared on individual bucket basis.

ii) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person.

9 Cash and Cash Equivalents

(Rs.In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	-	-
Balances with Banks - in Current Account	38.28	37.48
Total	**38.28**	**37.48**

10 Other Current Assets

(Rs.In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	8.82	0.59
GST Input credit	83.73	7.28
Advance for Investment in Mutual Fund	100.00	18.00
Advance to vendors	273.25	-
Advance to employees	7.78	8.20
Total	**473.58**	**34.07**

11 Equity Share Capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	(Rs.In Lakhs)	Number	(Rs.In Lakhs)
Authorised				
Equity Shares of Rs. 10 each	5,000,000	500.00	5,000,000	500.00
	5,000,000	500.00	5,000,000	500.00
Issued, Subscribed & Paid up				
Equity Shares of Rs. 10 each fully paid up	5,000,000	500.00	5,000,000	500.00
Total	5,000,000	500.00	5,000,000	500.00

11.1 **The rights, preferences and restrictions attached to each class of shares including restrictions on the distribution of dividends and the repayment of capital are as under:**

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. Dividend, if declared by the Company, is paid in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

11.2 Equity shares issued/bought back during the year:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	(Rs.In Lakhs)	Number	(Rs.In Lakhs)
Shares outstanding at the beginning of the year	5,000,000	500.00	5,000,000	500.00
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	5,000,000	500.00	5,000,000	500.00

11.3 Details of Shares held by Holding/Ultimate Holding and/or their Subsidiaries/Associates :-

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	Number	% of Holding	Number	% of Holding
SREI Infrastructure Finance Limited*	5,000,000	100.00	5,000,000	100.00

11.4 Details of shareholder holding more than 5% shares :-

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	Number	% of Holding	Number	% of Holding

13 Provisions

(A) Non-Current

(Rs.In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits		
Provision for gratuity	21.29	19.54
Provision for compensated absence	6.29	17.79
Total	**27.58**	**37.33**

(B) Current

(Rs.In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits		
Provision for gratuity	0.52	0.40
Provision for compensated absence	1.13	1.67
Total	**1.65**	**2.07**

14 Other Non Current Tax Liability (Net)

(Rs.In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for income tax	271.18	
Less : Advance Tax & TDS receivable	271.17	-
Total	**0.01**	-

15 Trade Payables

SREI INSURANCE BROKING PRIVATE LIMITED
Notes to the financial statement for the year ended March 31, 2022

Trade Payables ageing schedule as at March 31, 2021 (Rs.In Lakhs)

Particulars	utstanding for following periods from due date of payme			
	Less than 1 year	1-2 year	More than 3 year	Total
Trade Payables	-	-	-	-
(i) MSME	-	-	-	-
(ii) Others	0.69	-	-	0.69
(iii) Disputed dues (MSMEs) and	-	-	-	-
(iii) Disputed dues (Others)	-	-	-	-
	0.69	-	-	0.69
Unbilled dues	-	-	-	-
Total	0.69	-	-	0.69

Note : The Company is not engaged in business with MSME during the year ended 31st March, 2022.

(A) Due to Micro and Small Enterprises (Rs.In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a) The principal amount and interest due thereon remaining unpaid to any supplier	-	-
b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d) The amount of interest accrued and remaining unpaid	-	-
e) The amount of further interest remaining due and payable even in the succeeding year until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Total	-	-

SREI INSURANCE BROKING PRIVATE LIMITED
Notes to the financial statement for the year ended March 31, 2022

16 Other Financial Liabilities

(Rs.In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Liabilities For Expenses	20.56	8.37
Employee Payable	17.97	43.21
Total	38.53	51.58

17 Other Current Liabilities

(Rs.In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory liabilities	33.69	39.19
Total	33.69	39.19

18 Revenue from Operations

(Rs.In Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sale of Services		
- Professional & Consultancy Fee	0.80	-
- Insurance Commission	1,849.06	764.15
- Reward Commission	74.73	86.30
Total	**1,924.59**	**850.45**

The Company has presented revenue based on the type of services provided to the customers. The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

19 Other Income

(Rs.In Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest income comprises interest from:		
- Deposits with banks etc. - carried at amortised cost	3.41	3.69
- Inter Corporate Deposits	-	11.14
- Income tax refund (from statutory authorities etc.)	8.14	1.14
- Others	0.09	0.09
Profit on Sale of Investment in Mutual Fund Scheme	8.37	3.86
Net Gain on Investments Carried at Fair Value through PL (FVTPL)	14.01	11.35
Liabilities No Longer Required Written Back	-	0.84
Total	**34.02**	**32.11**

20 Employee benefits expense

(Rs.In Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and wages	366.20	340.05
Contribution to Provident and Other Funds	16.95	18.45
Staff Welfare Expenses	6.05	2.90
Total	**389.20**	**361.40**

21 Depreciation and amortisation expenses

(Rs.In Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on tangible assets	1.29	1.30
Amortisation of intangible assets	0.06	0.32
Total	**1.35**	**1.62**

SREI INSURANCE BROKING PRIVATE LIMITED
Notes to the financial statement for the year ended March 31, 2022

22 Other Expenses

(Rs.In Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Rent	21.49	25.37
Repairs and Maintainance	3.07	2.49
Insurance	1.45	1.93
Legal & Professional Fees	40.88	65.27
Travelling and conveyance	53.32	29.08
Communication Expenses	0.38	1.40
Membership & Subscription	0.57	0.50
Business Promotion	5.35	2.12
Implementation Agency Expenses	562.69	127.91
Donations - 80G	5.00	-
Employee Training & Education Expenses	0.58	-
Director's Sitting Fees	3.75	0.75
Provision For Director Commission*	6.00	-
Auditor's fees and expenses	1.71	1.71
Bad debts written-off (net of recovery)	1.46	-
Doubtful and bad advances, loans and deposits	0.29	1.67
Miscellaneous expenses	1.04	0.34
Total	**709.03**	**260.54**

** The Director Commission is subject to the Board Approval and subsequent Shareholder's Approval which shall be held in the next Financial Year.*

23 CAPITAL MANAGEMENT

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains a strong capital base by maximizing shareholders' wealth, safeguarding business continuity and augmenting its internal generations with a judicious use of borrowing facilities to fund spikes in working capital that arise from time to time as well as requirements to finance business growth.

The Company determines the amount of capital required on the basis of annual business plan. The funding needs are met through cash generated from operations, long term and short term borrowings from financial institutions.

The capital structure of the Company consists of net debt (borrowings as detailed in notes 14 offset by cash and cash equivalents in note 8) and total equity of the Company.

Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances (including non-current earmarked balances).

The table below summarises the capital, net debt and net debt to equity ratio of the Company.

(Rs.In Lakhs)

	As at 31.03.2022	As at 31.03.2021
Equity Share Capital	500.00	500.00
Other Equity	903.65	250.05
Total Equity (A)	**1,403.65**	**750.05**
Non Current Borrowings	-	-
Gross Debts (B)	-	-
Total Capital (A+B)	**1,403.65**	**750.05**
Gross Debt as above	-	-
Less: Cash and Cash Equivalents	38.28	37.48
Less: Other Balances with Bank (including non-current earmarked balances)	50.00	50.00
Net Debt (C)	**(88.28)**	**(87.48)**
Net Debt to Equity	(0.08)	(0.14)

Net debt to equity as at 31.03.2022 and 31.03.2021 has been computed based on average equity.

24 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of Financial asset, Financial liability and equity instrument are disclosed in Note 1 to the financial statements.

A) Categories of Financial Instruments

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

(Rs.In Lakhs)

	As at March 31, 2022		As at March 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
a) Measured at amortised cost				
i) Cash and cash equivalents	38.28	38.28	37.48	37.48
ii) Other bank balances	50.00	50.00	50.00	50.00
iii) Trade Receivables	348.41	348.41	226.03	226.03
iv) Loans	-	-	-	-
v) Other financial assets	-	-	-	-
Total financial assets	**436.69**	**436.69**	**313.51**	**313.51**
Financial liabilities				
a) Measured at amortised cost				
i) Payables	9.55	9.55	0.69	0.69
ii) Borrowings	-	-	-	-
iii) Other financial liabilities	38.53	38.53	51.58	51.58
Total financial liabilities	**48.08**	**48.08**	**52.27**	**52.27**

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables

Other financial assets measured at amortised cost

For other financial assets that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value.
Such instruments include: cash, cash equivalents, other bank balances, Loans, Trade and Other receivables.

Borrowings measured at amortised cost

The fair values of debts are estimated using a discounted cash flow model based on observable future cash flows based on terms, discounted at a rate that reflects market risks.

Other financial liabilities measured at amortised cost

For other financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts are a reasonable approximation of their fair value.
Such instruments include: Trade & Other payables.

24 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES (Contd..)

B) Financial risk management objectives

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. The current Risk Management System rests on policies and procedures issued by appropriate authorities, internal control systems, process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

a) Market risk

The Company's Financial Instruments are exposed to market changes. The Company is exposed to the following significant market risk:

i. Foreign currency risk

The Company undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and reinstatement risks arising from recognised assets and liabilities, which are not in the Company's functional currency (Indian Rupees).

However the company's exposure to foreign exchange rate fluctuation is not significant as the level of foreign currency transactions are limited. Therefore the company does not hedge its exposure in foreign currency. Unhedged exposure in foreign currency is as under:

Particulars	Currency of exposure	As at 31-3-2022	As at 31-3-2021
Re-insurance premium payable (In Rs. equivalent in Lakh)	USD	-	-

Foreign currency sensitivity

Foreign Currency Sensitivities for unhedged exposure (impact on increase in 0.5%) gain/(loss):

Particulars	Currency of exposure	As at 31-3-2022	As at 31-3-2021
Re-Insurance premium payable (In Rs. equivalent in Lakh)	USD	-	-

Note: If the rate is increased by 0.5% profit of the Company will increase by an equal amount.
Figures in brackets indicate decrease in profit

ii. Interest rate risk

The Company is exposed to interest rate risk as the Company borrows funds at both fixed and floating interest rates. The Company manages the risk by maintaining an appropriate mix between fixed and floating rate borrowings. The objectives of the Company's interest rate risk management processes are to lessen the impact of adverse interest rate movements on its earnings and cash flows and to minimise counter party risks.

Interest Rate Exposure (Rs. in lakhs) (Rs.In Lakhs)

	Currency of exposure	As at 31-3-2022	As at 31-3-2021
Financial Liabilities (non current)			
Borrowings	INR	-	-

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

Interest Rate Sensitivities for outstanding exposure (impact on increase in 0.25%) gain/(loss):

(Rs.In Lakhs)

	Currency of exposure	As at 31-3-2022	As at 31-3-2021
Financial Liabilities (non current)			
Borrowings	INR	-	-

The sensitivity analysis above has been determined based on the exposure to interest rates for assets and liabilities at the end of the reporting period. For floating rate assets and liabilities, the analysis is prepared assuming the amount of the liabilities/assets outstanding at the end of the reporting period was outstanding for the whole year and the rates are reset as per the applicable reset dates.

Note: If the rate is increased by 0.25% profit of the Company will decrease by an equal amount. Figures in brackets indicate decrease in profit.

24 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES (Contd..)

C) Liquidity risk

Liquidity risk is the risk that the Company does not have sufficient financial resources to meet its obligations as they fall due, or will have to do so at an excessive cost. This risk arises from mismatches in the timing of cash flows which is inherent in all finance driven organisations and can be affected by a range of Company-specific and market-wide events.

The Company mitigates its liquidity risks by ensuring timely collections of its trade receivables and close monitoring of its credit cycle. The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date

	As at 31-3-2022		As at 31-3-2021	
	Current	Non-Current	Current	Non-Current
A: Financial assets				
(i) Trade Receivables	348.41	-	226.03	-
(ii) Cash and Cash Equivalents	38.28	-	37.48	-
(iii) Other Bank Balance	-	-	-	-
(iv) Loans	-	-	-	-
(v) Other Financial Assets	-	50.00	-	50.00
Total	**386.69**	**50.00**	**263.51**	**50.00**
B: Financial liabilities				
i) Borrowings	-	-	-	-
ii) Trade payables	9.55	-	0.69	-
iii) Other financial liabilities	38.53	-	51.58	-
Total	**48.08**	**-**	**52.27**	**-**

D) Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations.

The Company mitigates its credit risks by ensuring timely collections of its trade receivables and close monitoring of its credit cycle.

25 Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.

The Company has recognised, in Statement of Profit and Loss for the year ended 31.03.2021 an amount of Rs.16.35 Lakhs (Previous Year Rs.17.70 Lakhs) as expenses under defined contribution plans.

Defined benefit plans

(A) Gratuity Fund :-

The Employees' Gratuity scheme, Leave benefit scheme, and Sick Leave availment scheme are the Company's defined benefit plans.The liabilities arising in the Defined Benefit Schemes are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method.

All employees who have rendered service for specified period as per the Payment of Gratuity Act, 1972 are entitled for gratuity. The gratuity amount is determined based on the last drawn salary and period of service with the company.

The defined benefit obligations are unfunded and thus the disclosure requirements of plan assets have not been made.

Risk Management

The Defined Benefit Plans expose the Company to risk of actuarial deficit arising out of interest rate risk, salary inflation risk and demographic risk.

(a) Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

(b) Salary Inflation risk: Higher than expected increase in salary will increase the defined benefit obligation.

(c) Demographic Risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of short career employee typically costs less per year as compared to long service employee.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation was carried out as at 31.03.2022.

25.1 Particulars in respect of post retirement defined benefit plans of the Company are as follows :-

(Rs.In Lakhs)

Description	Gratuity (Non Funded)		Leave	
	As at 31-3-2022	As at 31-3-2021	As at 31-3-2022	As at 31-3-2021
1. Change in the defined benefit obligation				
Present Value of Obligation at the Beginning of the Year	19.94	17.79	11.57	9.54
Current Service Cost	3.11	3.21	5.11	2.46
Interest Cost	1.08	1.15	(0.03)	0.62
Acquisitions Cost/credit	-	-		-
Actuarial (gain)/loss	5.29	(0.83)	3.38	(0.42)
Benefits paid	(7.62)	(1.38)	(18.36)	(0.62)
Present Value of Obligation at the end of the Year	**21.80**	**19.94**	**1.67**	**11.58**
2. Amount recognised in Balance Sheet consists of:				
Fair value of Plan Assets at the end of the Year	-	-	-	-
Present Value of Obligation at the end of the Year	21.80	19.94	1.67	11.58
(Asset)/Liabilities as per the actuarial valuation	21.80	19.94	1.67	11.58
Net (Asset)/Liabilities recognised in the Balance Sheet in respect of defined benefits	21.80	19.94	1.67	11.58
3. Expenses recognised in the statement of profit and loss consists of:	**Year ended 31.03.2022**	**Year ended 31.03.2021**	**Year ended 31.03.2022**	**Year ended 31.03.2021**
Employee benefits expenses:				
Current Service cost	3.11	3.21	5.11	2.46
Net Interest cost	1.08	1.15	0.03	0.62
Total [A]	**4.19**	**4.36**	**5.08**	**3.08**
Other Comprehensive Income				
Actuarial (Gain) / Loss from experience adjustments	5.29	(0.83)	3.38	(0.42)
Actuarial (Gain) / Loss from financial assumptions	-	-	-	-
Return on plan assets (excluding amounts included in net interest cost)	-	-	-	-
Total [B]	**5.29**	**(0.83)**	**3.38**	**(0.42)**
Expense recognised during the year [A+B]	**9.48**	**3.53**	**8.46**	**2.66**

25.2 Particulars in respect of post retirement defined benefit plans of the Company are as follows :-

Description	Gratuity % Invested		Leave % Invested	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
4. Investment Details of Plan Assets	NA	NA	NA	NA
5. Assumptions				
Discount rate per annum	7.00%	6.70%	7.00%	6.70%
Salary escalation rate per annum	5.00%	5.00%	5.00%	5.00%
Best Estimate of Employers' Expected Contributions for the next year	NA	NA	NA	NA
Method used	Projected Unit Credit Method		Projected Unit Credit Method	

25.3 The estimate of future salary increases take into account inflation, seniority, promotion and other relevant reasons.

25.4 Sensitivity Analysis

The Sensitivity Analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above. There was no change in the methods and assumptions used in the preparation of the Sensitivity Analysis from previous year.

Particular	Year ended 31.03.2022				Year ended 31.03.2021			
	Gratuity		Leave		Gratuity		Leave	
	%	(Rs.In Lakhs)	%	(Rs.In Lakhs)	%	(Rs.In Lakhs)	%	(Rs.In Lakhs)
Discount Rate + 1%	(9.30)	(2.02)	(10.40)	(17.41)	(10.40)	(2.07)	(11.40)	(1.32)
Discount Rate - 1%	10.50	2.30	12.10	20.15	11.90	2.38	13.30	1.54
Salary Increase Rate + 1%	5.10	1.10	12.20	20.36	5.60	1.11	13.40	1.56
Salary Deccrease Rate – 1%	(4.40)	(0.97)	(10.70)	(17.89)	(4.80)	(0.96)	(11.70)	(1.36)

25.5 Maturity Analysis Of The Benefit Payments

Particular	Year ended 31.03.2022		Year ended 31.03.2021	
	Gratuity	Leave	Gratuity	Leave
Year 1	0.54	0.04	0.41	0.22
Year 2	0.60	0.04	0.46	0.27
Year 3	0.93	0.05	0.53	0.30
Year 4	0.99	0.06	0.96	0.39
Year 5	1.05	0.06	1.08	0.41
Next 5 Years	8.28	0.41	8.96	2.86

25.6 Sick Leave Benefit (Unfunded)

S.No	Particulars	Sick Leave Benefit (Unfunded)	
		As at 31 March, 2022	As at 31 March, 2021
	Assets/ Liabilities		
1	Projected Benefit Obligation	(5.75)	(7.88)
2	Fair Value of Plan Assets	-	-
3	Current Asset / (Liability)	(1.09)	(1.45)
4	Non Current Asset / (Liability)	(4.66)	(6.43)
	Actuarial Assumptions		
1	Discount Rate	7.00%	6.70%
2	Expected return on plan assets	NA	NA
3	Salary Escalation	5.00%	5.00%

SREI INSURANCE BROKING PRIVATE LIMITED
Notes to the financial statement for the year ended March 31, 2022

26 Related Party Disclosures

a) Related Parties list

Sl.No	Name of the Company	Country of Origin
A	**Ultimate Holding Company**	
1	Adisri Commercial Private Limited	India
B	**Subsidiary of Ultimate Holding Company**	
2	Srei Factors Private Limited	India
C	**Holding Company**	
3	Srei Infrastructure Finance Limited (SIFL)	India
D	**Fellow Subsidiaries:**	
1	Srei Capital Markets Limited	India
2	Trinity Alternative Investment Managers Limited (Formerly Srei Alternative Investment Managers Limited)	India
3	Bengal Srei Infrastructure Development Limited	India
4	Srei Mutual Fund Trust Private Limited	India
5	Srei Mutual Fund Asset Management Private Limited	India
6	Srei Assets Leasing Ltd.(Formerly Srei Finance Limited)	
7	Controlla Electrotech Private Limited	India
8	Hyderabad Information Technology Venture Enterprises Limited (Subsidiary of Trinity Alternative Investment	India
9	Cyberabad Trustee Company Private Ltd. (Subsidiary of Trinity Alternative Investment Managers Ltd.)	India
10	Srei Equipment Finance Limited	India
F	**Fellow Associates**	
11	IIS International Infrastructure Services GmbH, Germany (Officially liquidated w.e.f. 29.07.2020)	Germany
12	AO International Infrastructure Services, Russia. (Subsidiary of IIS International Infrastructure Services GmbH, Germany) ceased to be related party on liquidation of IIS International Infrastructure Services GmbH, Germany.	Russia
G	**Others**	
13	Srei Mutual Fund Trust	India
14	Srei Infrastructure Finance Limited Employees Gratuity Trust	India
I	**Key Management Personnel (KMP)/Directors:**	**Designation**
15	Mr.Rajendranath Tripathi	Non Executive Director
16	Mr.Ratiranjan Mandal	Non Executive Director
17	Ms. Vibha Agarwal	Chief Ecexutive Officer
18	Mr. Gajendra Kumar Singh (w.e.f. 11.05.2021)	Company Secretary
I	**Holding Company - Key Management Personnel (KMP)/Directors:**	**Designation**
19	Mr. Hemant Kanoria *	Chairman
20	Mr. Sunil Kanoria *	Vice Chairman (Non Executive Director)
21	Mr. Shyamalendu Chatterjee *	Independent Director
22	Mr. Malay Mukherjee *	Independent Director
23	Dr. Punita Kumar Sinha *	Independent Director
24	Dr. Tamali Sengupta *	Independent Director
25	Dr. Deepali Pant Rajeev Joshi (w.e.f 30.06.2021) *	Additional Director (Category: Independent Director)
26	Mr. Ram Krishna Agarwal (ceased w.e.f. 17.09.2021)	Independent Director
27	Mr. Srinivasachari Rajagopal (ceased w.e.f. 30.06.2021)	Independent Director
28	Mr. Rakesh Kumar Bhutoria (cease w.e.f. 15.09.2021)	Chief Executive Officer
29	Mr. Sandeep Lakhotia (ceased w.e.f. 20.03.2021)	Company Secretary
30	Mr. Sandeep Kumar Sultania (ceased to be a KMP w.e.f. 07.12.2021)	Chief Financial Officer
31	Mr. Shashi Bhushan Tiwari (from 20.05.2019 to 30.06.2020)	Chief Risk Officer
32	Mr. Rajneesh Sharma (w.e.f 04-10-2021) **	Administrator
33	Mr. Souren Mokhopadhyay (w.e.f 30.06.2021)	Deputy Chief Executive Officer
34	Mr. Manoj Kumar (w.e.f. 01.04.2021)	Company Secretary & Chief Financial Officer
35	Mr.Vishnu Gopal Agarwal (w.e.f. 21.03.2022)	Chief Compliance Officer & Financial Controller

* In exercise of the powers conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934, the Reserve Bank of India (RBI) had vide Press Release dated 4th October, 2021 superseded the Board of Directors of Srei Infrastructure Finance Limited (SIFL).

** The Reserve Bank of India has appointed Shri Rajneesh Sharma as the Administrator of SIFL under Section 45-IE (2) of the RBI Act.

26 Related Party Disclosures

b) Related Parties transaction

Transactions entered with related parties during the period ended March 31, 2022 and year ended March 31, 2021 are as under:

(Rs.In Lakhs)

Name of related party	Nature of Transactions	Year Ended March 31, 2022	Year Ended March 31, 2021
(A) Holding Company			
Srei Infrastructure Finance Limited	Transactions:		
	Rent Expenses	11.15	17.82
	ICD Given during the period/year	-	410.55
	ICD refunded received	-	821.09
	Interest Income on ICD	-	11.14
(B) Fellow Subsidiaries:			
Srei Equipment Finance Ltd	Transactions:		
	Rent Expenses	3.38	-
(B) Key Management Personnel (KMP)/Director:			
R N Tripathi	Director's Sitting Fee	1.70	0.75
Mr. Dulal Mitra (Ceased to be Director w.e.f 11th November 2021)	Director's Sitting Fee	1.35	-
Mr. Rati Ranjan Mandal	Director's Sitting Fee	0.70	-
Ms. Vibha Agarwal (CEO)	Salary and Allowances	171.88	75.28
Mr. Gajendra Kumar Singh (Company Secretary w.e.f 11th May 2021)	Salary and Allowances	17.70	-

c) Balance due with related parties as on March 31, 2022 and March 31, 2021 are as under:

(Rs.In Lakhs)

Name of related party	Outstanding balances	As at March 31, 2022	As at March 31, 2021
(A) Holding Company			
Srei Infrastructure Finance Limited	Balance Outstanding :		
	Rent Expenses	-	-
	ICD given balance receivable	-	-
	Interest Accrued but not due on ICD	-	-
(B) Fellow Subsidiaries			
Srei Equipment Finance Ltd	Balance Outstanding :		
	Rent Expenses	-	-

d) Compensation to Key Managerial Personnel/Director:

(Rs.In Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Short-term benefit	181.15	68.55
Other long-term employee benefit	8.43	6.73
Director sitting fee	3.75	0.75

27 Earnings Per Share (EPS) - The numerators and denominators used to calculate Basic and Diluted EPS:

S.No	Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
1	Profit/ (Loss) after tax attributable to Equity Shareholders (Amount in Lakhs)	658.89	194.32
2	Weighted average number of Equity Shares Basic (Nos.)	5,000,000	5,000,000
3	Weighted average number of Equity Shares Diluted (Nos.)	5,000,000	5,000,000
4	Nominal Value of Equity per share (Rs.)	10.00	10.00
5	Basic Earnings per share (Rs.)	13.18	3.89
6	Diluted Earnings per share (Rs.)	13.18	3.89

28 Segment Reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the Chief Operating Decision Maker, in deciding how to allocate resources and assessing performance. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Based on the management approach as defined in Ind AS 108, the Chief Operating Decision Maker evaluates the Company's performance based on only one segment i.e. Insurance Broking.

29 Contingent Liability and capital commitment

(Rs.In Lakhs)

Particulars	As at March 31, 2022	As at 31 March 2021
Contingent Liability		
Claims against the company not acknowledged as debt	-	-
Total	-	-
Capital Commitment	-	-

The amounts shown above represent the best possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

The Company had challenged the Constitutional validity of Fringe Benefit Tax (FBT) before the Hon'ble High Court at Calcutta and the Hon'ble court has dismissed the petition vide order dated 01.09.2017. The Company has filed Appeals before the Division Bench of Hon'ble Calcutta High Court. The Income Tax liability is yet to be determined by the Income Tax Department. In view of this, the Company has not provided for any liability towards FBT till 31st March, 2009. However, consequent upon abolition of FBT from accounting year 2009-10, no liability arises for the current year.

30 Ratios to be disclosed:

S.No	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Current Ratio	17.35	7.91
(b)	Debt Equity Ratio	-	-
(c)	Debt Service Coverage Ratio	-	-
(d)	Return on Equity Ratio	1.32	0.39
(e)	Inventory Turnover Ratio	-	-
(f)	Trade Receivable Turnover Ratio	6.70	5.36
(g)	Trade Payable Turnover Ratio	-	-
(h)	Net Capital Turnover Ratio	1.40	1.18
(i)	Net Proft Ratio	0.34	0.22
(j)	Return on Capital Employed	-	-
(k)	Return on Investment	-	-

During the FY 2021-22, there was decent increase in revenue from vertical under general Insurance sourcing business. Over all profitability had positive impact on the books of accounts resulting in good change in various ratios as compared to the previous years'. Certain ratios like Current Ratio, Return on Equity & Net profit Ratio has variation over 25% as compared to the previous year.

31 As per the requirement of the Regulation 34 of the IRDAI (Insurance Brokers) Regulation 2018 the details of Insurers - wise income is shown below.-

(Rs.In Lakhs)

SL.No	Name of Reinsurer	Year Ended March 31, 2022	Year Ended March 31, 2021
1	Agriculture Insurance Company of India Limited	1,142.13	254.07
2	Aditya Birla Health Insurance Company Limited	0.08	5.38
3	Bajaj Allianz General Insurance Company Limited	0.91	2.24
4	Blaize New Computing Technologies India Pvt Ltd	0.80	-
5	Care Health Insurance Limited (Formerly Religare Health Insurance Co Ltd)	-	0.67
6	Cholamandalam General Insurance Company Limited	0.37	2.95
7	Future General India Insurance Company Limited	-	0.06
8	Go Digit General Insurance Company Limited	37.03	2.64
9	HDFC Egro General Insurance Company Limited	361.27	34.89
10	ICICI Lombard General Insurance Company Limited	36.71	43.53
11	ICICI Prudential Life Insurance Company Limited	9.90	5.87
12	IFFCO Tokyo General Insurance Company Limited	12.38	45.99
13	Kotak Mahindra Life Insurance Company Limited	-	0.53
14	Kotak General Insurance Company Limited	0.40	-
15	Liberty General Insurance Limited	3.07	21.13
16	Manipal Cigna Health Insurance Company Limited	2.39	-
17	National Insurance Company Limited	4.94	64.96
18	Oriental Insurance Company Limited	114.55	120.86
19	Reliance General Insurance Company Limited	56.45	102.11
20	Religare Health Insurance Company Limited	-	(12.65)
21	Royal Sundaram General Insurance Company Limited	27.19	36.34
22	SBI General Insurance Company Limited	1.66	27.32
23	Star Health And Allied Insurance Company Limited	0.56	-
24	Shriram General Insurance Company Limited	-	0.61
25	Tata AIG General Insurance Company Limited	14.54	6.64
26	TATA AIA Life Insurance Company Limited	6.51	-
27	The New India Assurance Company Limited	31.45	22.60
28	United India Insurance Company Limited	58.54	59.50
29	Universal Sompo General Insurance Company Limited	0.74	2.21
	Total	**1,924.59**	**850.45**

32 Group Companies and/or associates and /or related parties of the Srei Insurance Broking Private Limited has not received any payment from any insurer's group companies.

33 Figures pertaining to the previous year have been rearranged/regrouped, reclassified and restated, wherever necessary, to make them comparable

For and on behalf of the Board of Directors

For J K V S & Co.
Chartered Accountants
Firm Registration No.3018086E

Sd/-
Suprio Ghatak
Partner
Membership No. 051889

Place : Kolkata
Date : 28th April, 2022

Sd/-
R N Tripathi
Director
Din No.00090547
Place: Kolkata

Sd/-
Rati Ranjan Mandal
Director
Din No.01129023
Place: Kolkata

Sd/-
Vibha Agarwal
Chief Executive Officer

Sd/-
Gajendra Kr.Singh
Company Secretary

DIRECTORS' REPORT

Dear Members,

The Board of Directors of your Company have pleasure in presenting the Seventeenth Annual Report, together with the Audited Financial Statements of your Company, for the Financial Year ended 31st March, 2022.

FINANCIAL RESULTS AND OPERATIONS

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Total Income	1.72	1.57
Total Expenditure	14.75	22.43
Profit /(Loss) Before Tax	**(13.03)**	**(20.86)**
Provision for Taxation:		
Current Tax	(0.35)	-
Deferred Tax (Net)	-	25.85
Profit/(Loss) After Tax	**(12.68)**	**(46.71)**

During the year under review, your Company's total Income aggregated to Rs. 1.72 Lacs as compared to the Previous Year's total Income of Rs. 1.57 Lacs and Company's total Loss stands at Rs. 12.68 Lacs, as compared to a PAT of Rs. (46.71) Lacs, in the Previous Financial Year.

REVIEW OF OPERATIONS, DURING THE FINANCIAL YEAR 2021-22 & FUTURE PROSPECTS

In view of the Covid-19 pandemic which started in the latter half of FY 2019-20 decelerated the business sentiment across the spectrum. The still raging Pandemic has been devastating for our Clients and the macro economy as a whole and there have been several externalities related to the same. Accordingly, the Turnover of the Company has been affected. Our Teams and Partners have stood up to the challenges through the year and as the overall macros improve, we expect to make larger gains in the selected business/Investments. Overview of the prevailing Economic Scenario indicates, that despite the thrust on Development of Infrastructure and various Central Government Schemes, which should have been instrumental for catalyzing Investment in the Infrastructure Sector, the desired initiatives, are yet to have a significant impact, at the Operational Level.

FUTURE OUTLOOK AND BUSINESS STRATEGY

Your Company has been rendering Professional/Advisory related Services, among others, to KMDA, ADDA, ULBs, Tourism and MSME Depts. of Govt. of West Bengal and other State Agencies. With the thrust of the State Government on Developmental Project activities, relating to Industry and Infrastructure in the State, it is expected to generate Business Opportunities for the Company, in near future, provided Financing related issues are sorted out.

Covid-19 Pandemic, is also one of the Key Factors for determining Future Outlook and implementation of Business Strategy, of the Company.

Local presence of your Company, familiarity with the local Infrastructure Development need and our knowledge & experience in the Infrastructure Advisory domain, coupled with various Central Government Schemes, is expected to trigger and generate business opportunities, in the present challenging economic scenario.

Your Company looks forward to the future with a certain level of Optimism, as the Pandemic recedes and capital investments in the Economy picks up with a fresh cycle of growth and prosperity. Your Company is actively pursuing projects in Urban, Industrial as well as Social Infrastructure.

DIVIDEND

The Board of Directors of your Company does not recommend any Dividend for the financial year 2021-22.

TRANSFER TO RESERVES

The Company is not statutorily required to transfer any amount to the General Reserve, as no Dividend has been recommended for the financial year 2021-22.

SUBSIDIARY COMPANIES/JOINT VENTURES/ASSOCIATE COMPANIES

The Company does not have any Subsidiary Company, Joint Venture or Associate Company in terms of Provisions of Section 134(3)(q) of the Companies Act, 2013, read with Rule 8(5) (iv) of the Companies (Accounts) Rules, 2014 and hence, Disclosure is not required.

HOLDING COMPANY

The Company is a direct Subsidiary of Srei Infrastructure Finance Limited (SIFL), with effect from 12th March, 2018.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year under review, there was no change in the nature of business carried out, by the Company.

PUBLIC DEPOSITS

The Company has not invited or accepted, any Deposits from the Public, covered under Section 73 of the Companies Act, 2013, and the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company is not engaged in any activities, which warrants requirements of Disclosure regarding to Conservation of Energy, as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) the Companies (Accounts) Rules, 2014.

However, your Company uses Information Technology extensively, in its Operations and also continues its endeavor, to improve Energy Conservation and Utilization, Safety and Environment.

Your Company has not utilized any Foreign Exchange during the year under Review, and has also not earned any Foreign Exchange, during the year, under review, Previous Year (Nil).

DIRECTORS & KEY MANAGERIAL PERSONNEL

DIRECTORS

Presently, the Board of Directors of your Company comprises of Four (4) Directors (Category: Non-Executive), namely, Mr. Sourendranath Mukhopadhyay (DIN: 00960942), Mr. Sudipta Kumar Mukherjee (DIN: 09022104), Mr. Manoj Kumar (DIN: 06397089) and Mr. Kamalakanth Polukonda (DIN: 07297777).

During the year under review, Mr. Ratiranjan Mandal (DIN: 01129023) resigned as Director of your Company w.e.f. 26th October, 2021. The Board wishes to place on record its sincere appreciation for the valuable contribution, advice and guidance extended by Mr. Ratiranjan Mandal during his tenure as a Director of your Company.

Further, Mr. Subrata Ghosh (DIN: 01018614), resigned as Director of your Company w.e.f. 24th December, 2021, in compliance with and as per the requirement of the letter dated 30th November, 2021, issued by the Administrator of Srei Infrastructure Finance Limited (SIFL), Holding Company of your Company.

During the year under review, in compliance with and as per the directions issued by the Administrator of Srei Infrastructure Finance Limited (SIFL) vide letter dated 30th November, 2021 and 3rd December, 2021, Mr. Sudipta Kumar Mukherjee (DIN: 09022104) and Mr. Manoj Kumar (DIN: 09277024), has been appointed as Directors of your Company w.e.f. 20th December, 2021.

Mr. Sudipta Kumar Mukherjee (DIN: 09022104), was appointed as an Additional Director of your Company w.e.f. 20th December, 2021 and hold office as an Additional Director upto the date of the ensuing Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier. The Board of Directors recommends the regularization of appointment of Mr. Sudipta Kumar Mukherjee as Director of the Company, liable to retires by rotation, at the ensuing Annual General Meeting of the Company.

Mr. Manoj Kumar (DIN: 09277024), was appointed as an Additional Director of your Company w.e.f. 20th December, 2021 and hold office as an Additional Director upto the date of the ensuing Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier. The Board of Directors recommends the regularization of appointment of Mr. Manoj Kumar as Director of the Company, liable to retires by rotation, at the ensuing Annual General Meeting of the Company.

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and pursuant to the Articles of Association of your Company, Mr. Sourendranath Mukhopadhyay (DIN: 00960942), Director of your Company, retires by Rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Mr. Sourendranath Mukhopadhyay (DIN: 00960942) has submitted his Form DIR-8 with your Company, as required under Section 164(2) of the Companies Act, 2013 read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014. The Board, therefore, recommends re-appointment of Mr. Sourendranath Mukhopadhyay (DIN: 00960942), as a Director of your Company.

KEY MANAGERIAL PERSONNEL

Your Company is not required to appoint any Whole-Time KMPs under Section 203 of the Companies Act, 2013, as the paid-up share capital of the Company is Rs. 5,00,000/-, which is less than the threshold limit, prescribed under the said Act.

MEETINGS OF BOARD OF DIRECTORS

During the Financial Year 2021-22, 4 (Four) Meetings of the Board of Directors of the Company were held on 10th May, 2021, 9th August, 2021, 24th November, 2021 and 8th February, 2022. The Presence of Directors at such Meetings is as follows:

Name of Directors	No. of Meetings held	No. of Meetings entitled to Attend	No. of Meeting Attended
Mr. Ratiranjan Mandal*	4	2	2
Mr. Subrata Ghosh*	4	3	3
Mr. Kamalakanth Polukonda	4	4	1
Mr. Sourendranath Mukhopadhyay	4	4	4
Mr. Manoj Kumar	4	1	1
Mr. Sudipta Kumar Mukherjee	4	1	1

**Mr. Ratiranjan Mandal and Mr. Subrata Ghosh resigned as Director of the Company w.e.f. 26th October, 2021 and 24th December, 2021 respectively.*

COMPLIANCE WITH THE SECRETARIAL STANDARDS

Your Company has complied with all applicable provisions of the Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) on Board Meetings and General Meetings.

PARTICULARS OF EMPLOYEES

There is no employee in the Company, hence, Disclosure pursuant to the Provisions of Section 134(3)(q) of the Companies Act, 2013, read with Rule 5(2) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 does not apply to your company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the financial year 2021-22, the Company has not given any Loan, Guarantees or provided any Security, or made any Investments, exceeding sixty percent of its Paid-up Share Capital, Free Reserves and Securities Premium Account, or one hundred percent of its Free Reserves and Securities Premium Account, whichever is more, as prescribed in Section 186, of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Board of Directors of the Company reviews all Related Party Transactions on Quarterly Basis. The particulars of Contract or Arrangements, if any, entered into by the Company with Related Parties referred to in sub-section (1) of section 188 of the Companies Act, 2013, read with relevant Rules made there under, were in the ordinary course of business and were on an arm's length basis, hence, Form AOC-2, is not applicable to your Company.

EXTRACT OF THE ANNUAL RETURN

The Ministry of Corporate Affairs (MCA) vide Notification no. G.S.R.159 (E) dated 5th March, 2021 has amended the Companies (Management and Administration) Rules, 2014. According to the amended Provisions of Rule 12, of the said Rule, the extract of Annual Return in Form No. MGT-9 is not applicable, as on the financial year ended 31st March, 2021.

RISK MANAGEMENT

There is no risk which threatens the existence of the Company.

MAINTENANCE OF COST RECORDS

The Company is not required to maintain Cost Records, as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, during the financial year ended on 31st March, 2022.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no Material Changes and Commitments, affecting the Financial Position of the Company which has occurred between the end of the Financial Year of the Company, to which the Financial Statements relate to and the Date of the Report.

SHARE CAPITAL

The Paid up Equity Share Capital as on 31st March, 2022 was Rs. 5,00,000/- divided into 50,000 Equity Shares of Rs. 10/- each. There were no changes in the Share Capital of the Company during the year under review.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

During the Financial Year 2021-22, the Reserve Bank of India (RBI) in exercise of the powers conferred under Section 45-IE (1) of the RBI Act, 1934 had vide a Press Release 2021-2022/981 dated 4th October, 2021, superseded the Board of Directors of Srei Infrastructure Finance Limited, our Holding Company which holds 100% of our paid up share capital, with immediate effect.

Also, pursuant to the Order, dated 8th October, 2021, of the National Company Law Tribunal, Kolkata Bench (**"NCLT"**), Corporate Insolvency Resolution Process has been initiated against Srei Infrastructure Finance Limited, our Holding Company as per the provisions of the Insolvency and Bankruptcy Code, 2016. The corporate insolvency resolution processes of SIFL and SEFL stands consolidated vide Order dated 14th February, 2022 of the Hon'ble National Company Law Tribunal, Kolkata.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company is committed to provide an environment, which is free of discrimination, intimidation and abuse. The Company is guided under the policy framed under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, in the Group as a whole. No complaint was received during the year ended 31st March, 2022.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Provisions of Section 134(5) of the Companies Act, 2013 (Act), read with relevant Rules made thereunder, your Directors confirm that:

(i) In the preparation of the Annual Accounts for the Financial Year ended 31st March, 2022, the Applicable Accounting Standards had been followed, along with proper explanation relating to Material Departures;

(ii) 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 your Company, at the end of the Financial Year, and of the Profit of your Company, for that period;

(iii) The Directors have taken proper and sufficient care for the maintenance of adequate Accounting Records, in accordance with the Provisions of this Act, for safeguarding the Assets of your Company and for preventing and detecting Fraud and other irregularities;

(iv) The Annual Accounts for the Financial Year ended 31st March, 2022, have been prepared, on a Going Concern Basis; and

(v) The Directors have devised proper Systems, to ensure Compliance with the Provisions of all applicable Laws and that, such Systems were adequate and operating effectively.

INTERNAL FINANCIAL CONTROL

The Company has an Internal Financial Control and System, commensurate with the nature of its business and the size and complexity of its operations. The Company's system of Internal Financial Control has been designed to provide a reasonable assurance with regard to system and process and internal procedures for ensuring the orderly and efficient conduct of business, maintaining of proper accounting controls, protecting and safeguarding assets from unauthorised use or losses, prevention and detection of frauds and errors, compliance with regulations and for ensuring timely preparation of reliable financial information.

AUDITORS AND AUDITORS' REPORT

Messrs. G. P. Agrawal & Co., Chartered Accountants, Kolkata, having ICAI Registration No. 302082E allotted by the Institute of Chartered Accountants of India (ICAI), the Statutory Auditors of the Company has resigned as the Auditor of the Company w.e.f. 16th November, 2021, expressing their inability to continue as Statutory Auditors of the Company.

In terms of Section 139(8) of the Companies Act, 2013, any casual vacancy in the office of an auditor shall be filled by the Board of Directors within 30 days and if such vacancy is as a result of resignation of an auditor, such appointment shall also be approved by the Members at a General Meeting convened within 3 months of the recommendation of the Board of Directors.

On the recommendation of the Board of Directors of your Company at its Meeting held on 8th February, 2022, the Members at their Extra-Ordinary General Meeting held on 14th February, 2022, appointed M/s. Mohit Arya & Associates, Chartered Accountants, Kolkata, having Registration No. 330192E, allotted by the Institute of Chartered Accountants of India (ICAI), as the Statutory Auditors of the Company, who shall hold the office until the conclusion of the Seventeenth Annual General Meeting of the Company, in accordance with the applicable provisions of the Companies Act, 2013.

As regards observations contained in the Auditors' Report, if any, the respective Notes to the Accounts are Self-Explanatory and therefore, do not call for further comments.

ACKNOWLEDGEMENT

Your Directors wish to place on record, their Appreciation for the Excellent Support and Co-operation received from its Bankers, Investors, Clients and WBIDC. Your Directors also wish to place on record, their deep Appreciation of the Contribution made by the Employees and look forward to their continued support in the future.

For and on behalf of the Board of Directors
For **Bengal Srei Infrastructure Development Limited**

Date: 27.04.2022
Place: Kolkata

Sd/-
Sourendranath Mukhopadhyay
Director
DIN: 00960942

Sd/-
Manoj Kumar
Director
DIN: 06397089

Mohit Arya & Associates
Chartered Accountants

Poddar Court, Gate No. 3, Rom No. 2
8th Floor, 18, Rabindra Sarani, Kolkata- 700 001
Contact No. : 9831750629, 033-4603 2127
E-mail : mohitarya011@gmail.com

Independent Auditor's Report

To the Members of
Bengal Srei Infrastructure Development Limited

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of BENGAL SREI INFRASTRUCTURE DEVELOPMENT LIMITED ("The Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to financial statements, including a summary of significant accounting policies and other explanatory information ("the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at March 31, 2022, its Loss, including other comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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.

Emphasis of matter

We draw attention to the following matters in the notes to the financial statements:

a) Note 21 to the Financial Statements which discloses that the Reserve Bank of India (RBI) had vide Press release dated 4th October 2021, superseded the Board of Directors of Srei Infrastructure Finance Limited (SIFL), being its Holding Company.

b) Note 28 of the Financial Statements which indicate that the Company has accumulated losses and its Net Worth is fully eroded. However, the financial statements have been prepared on the going concern basis for the reason stated in said note.

Our opinion is not modified in respect of this matter.

To the members of
Bengal Srei Infrastructure Development Limited

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility of Management and Those Charged with Governance for the Financial Statement

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and the statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone 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.

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

To the members of
Bengal Srei Infrastructure Development Limited

Auditor's Responsibility for the Audit of the Financial Statements

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

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

• Identify and assess the risks of material misstatement of the Standalone 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Standalone Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

To the members of
Bengal Srei Infrastructure Development Limited

Materiality is the magnitude of misstatements in the Standalone 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 Standalone 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.

Report on other legal and regulatory requirements.

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 paragraphs 3 and 4 of the Order, to the extent applicable.

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 purposes of our audit.

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

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

To the members of
Bengal Srei Infrastructure Development Limited

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 the Companies (Indian Accounting Standards) Rules, 2015, as amended.

e. On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of section 164 (2) of the Act.

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

g. The provisions of section 97 read with Schedule V of the Act are not applicable to the Company for the years ended 31st March 2022.

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

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 23 to the 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.

For Mohit Arya & Associates.
Chartered Accountants
Firm Registration No. -330192E

Sd/-
(CA. Mohit Arya)
Membership No. 306054
Proprietor
UDIN: 22306054AIKLRY5820

Place : Kolkata
Dated: 27th Day of April 2022.

To the members of
Bengal Srei Infrastructure Development Limited

"Annexure A" to the Independent Auditor's Report of Even Date on the Financial Statements of Bengal Srei Infrastructure Development Limited

Statement referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Bengal Srei Infrastructure Development Limited on the financial statements for the year ended 31st March, 2022:

(i) The Company has no Property, Plant & Equipment or intangible assets. Accordingly, provision of clause (i) (a) to (e) of paragraph 3 of the said Order is not applicable to the Company and hence not commented upon.

(ii) The Company's nature of operation does not require it to hold inventories and it has not been sanctioned any working capital limit by any banks or financial institutions during the year. Accordingly, provision of clause (ii) (a) and (b) of paragraph 3 of the said order is not applicable to the Company and hence not commented upon.

(iii) The Company has neither made any investment nor granted any loan, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Therefore, clauses (iii) (a) to (iii) (f) of paragraph 3 of the said order are not applicable to the Company.

(iv) According to the information and explanations given to us and as per records examined by us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of investments. The Company has not given any loan, guarantee or security.

(v) The Company has not accepted any deposit within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. The directives issued by the Reserve Bank of India are not applicable to the Company.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under clause 3(vi) of the Order is not applicable to the Company.

(vii) a) According to the information and explanation given to us and as per records examined by us, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Duty of Customs, Duty of Excise, Goods and Service Tax or Cess and any other statutory dues, to the extent applicable, have been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues, as on 31st of March, 2022 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, the following dues of income tax have not been deposited by the Company on account of disputes:

Independent Auditor's Report (contd.)

To the members of
Bengal Srei Infrastructure Development Limited

Name of the Statute	Nature of dues	Period to which pertain	Amount Rs.	Forum where the dispute Is pending
Income Tax Act, 1961	Fringe Benefit Tax	(F.Y. 2005-06 to 2008-09)	*	*

*The Company had challenged the Constitutional validity of Fringe Benefit Tax (FBT) before the Hon'ble High Court at Calcutta which has been dismissed vid'e order dated 01.09.2017. The management of the Company has filed appeal before the Divisional bench of Hon'ble High Court, Calcutta. However, amount of FBT liability has not been determined by the department and hence could not be disclosed (Refer note 23 to the financial statement).

(viii) According to the information and explanation given to us and as per records examined by us, the Company has had no unrecorded transactions in the books of accounts which have been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) According to the information and explanation given to us and as per records examined by us, the Company has not defaulted in repayment of loans & borrowings to a financial institution, bank, government or dues to debenture holders. Hence provisions relating to clause (ix) (a) to (f) are not applicable.

(x) According to the information and explanation given to us and as per records examined by us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. The money raised by way of term loans have been applied for the purpose for which the loans were obtained.

(xi) (a) In our opinion and according to the information and explanations given by the management, no fraud by the Company or on the Company by its officers/employees has been noticed or reported during the year that causes the financial statements materially misstated.

(b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year.

(c) In our opinion and according to the information and explanations given to us, no whistle-blower complaints have been received during the year by the Company.

(xii) The Company is not a nidhi Company. Therefore, clause (xii) of paragraph 3 of the said order is not applicable to the Company.

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

To the members of
Bengal Srei Infrastructure Development Limited

(xiv) According to the information and explanations given to us, the provisions relating to an internal audit system is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not has entered into any non-cash transactions with directors or persons connected with them during the year under the provisions of section 192 of the Act. Accordingly, clause (xv) of the paragraph 3 of the said order is not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

(xvii) The Company has incurred cash loss of Rs. 13.03 Lacs in the financial year and Rs. 20.86 Lacs in the immediately preceding financial year.

(xviii) There has been resignation by the statutory auditors during the year & according to the information and explanations given to us no issues, objections or concerns were raised by the outgoing auditor.

(xix) According to the information and explanations given to us and on the basis of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, we are of the opinion that *material uncertainty exists as on the date of the audit report that the Company is capable of meeting its liabilities existing on the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.*

(xx) According to the information and explanations given to us and based on our examination of the records of the Company, the provisions of CSR are not applicable. Accordingly the provisions of Clause 3(xx) of the Order are not applicable to the Company.

(xxi) As this is an audit report on the Standalone Ind AS Financial Statements, the provisions of Clause 3(xxi) of the Order are not applicable to the Company.

For Mohit Arya & Associates.
Chartered Accountants
Firm Registration No. -330192E

Sd/-
(CA. Mohit Arya)
Membership No. 306054
Proprietor
UDIN: 22306054AIKLRY5820

Place : Kolkata
Dated: 27th Day of April 2022.

To the members of
Bengal Srei Infrastructure Development Limited

ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF BENGAL SREI INFRASTRUCTURE LIMITED

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 Bengal Srei Infrastructure Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

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

Auditors' Responsibility
Our responsibility is to express an opinion on the Company's internal financial controls 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, to the extent applicable to an audit of internal financial controls, 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 were established and maintained and if such controls operated effectively in all material respects.

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

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

To the members of
Bengal Srei Infrastructure Development Limited

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Mohit Arya & Associates.
Chartered Accountants
Firm Registration No. -330192E

Sd/-

(CA. Mohit Arya)
Membership No. 306054
Proprietor
UDIN: 22306054AIKLRY5820

Place : Kolkata
Dated: 27th Day of April 2022.

BENGAL SREI INFRASTRUCTURE DEVELOPMENT LIMITED

CIN: U70109WB2004PLC100517

BALANCE SHEET AS AT MARCH 31, 2022

(₹ in Lakhs)

	Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
I.	ASSETS			
	Non Current Assets			
	(a) Deferred Tax Assets	2	-	-
	(b) Other Non Current Tax Assets (Net)	3	2.62	5.05
	Total Non - Current Assets		2.62	5.05
	Current Assets			
	(a) Financial Assets			
	(i) Investments	4	0.59	2.04
	(ii) Trade Receivables	5	-	-
	(iii) Cash and Cash Equivalents	6	0.95	0.23
	(iv) Other Financial Assets	7	-	-
	(b) Other Current Assets	8	3.59	0.16
	Total Current Assets		5.13	2.43
	Total Assets		7.75	7.48
II.	**EQUITY AND LIABILITY**			
	EQUITY			
	(a) Equity Share Capital	9	5.00	5.00
	(b) Other Equity	10	(116.24)	(103.56)
	Total Equity		(111.24)	(98.56)
	LIABILITIES			
	Non Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	11	-	105.16
	Total Non - Current Liabilities		-	105.16
	Current Liabilities			
	(a) Financial Liabilities			
	(i) Other Financial Liabilities	12	118.61	0.42
	(b) Other Current Liabilities	13	0.38	0.46
	Total Current Liabilities		118.99	0.88
	TOTAL EQUITY AND LIABILITIES		7.75	7.48

Company Overview, Significant accounting policies &
Other Disclosures - 19 to 29

The Accompanying Notes 1 to 29 are an Integral part of the Financial Statements.

As per our report of even date Annexed.

For Mohit Arya & Associates
Chartered Accountants
Firm Registration No.330192E

Sd/-
C.A. Mohit Arya
Proprietor
Membership No.306054

Place : Kolkata
Date : 27th April,2022

For and on behalf of the Board of Directors

Sd/-
Souren Mukhopadhayay
Director
DIN No 00960942

Sd/-
Manoj Kumar
Director
DIN No 06397029

BENGAL SREI INFRASTRUCTURE DEVELOPMENT LIMITED

CIN: U70109WB2004PLC100517

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2022

(₹ in Lakhs)

	Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
I.	Revenue From Operations	14	1.02	-
II.	Other Income	15	0.70	1.57
III.	**Total income (I+II)**		1.72	1.57
IV.	**Expenses:**			
	Finance Cost	16	14.52	12.97
	Other Expenses	17	0.22	9.46
	Total Expenses (IV)		**14.75**	**22.43**
V.	**Profit Before Tax (III - IV)**		(13.03)	(20.86)
VI.	**Tax Expense**	18		
	Current Tax		(0.35)	-
	Deferred Tax		-	25.85
VII.	**Profit For The Period (V - VI)**		(12.68)	(46.71)
VIII.	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to Profit or Loss:			
	- Remeasurements of the defined benefit plans		-	-
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss		-	-
	Total Other Comprehensive Income		-	-
IX.	**Total Comprehensive Income For The Period (VIII + IX)**		(12.68)	(46.71)
X.	**Earnings Per Equity Share (of Rs. 10/- each)**	22		
	Basic (Rs.)		(25.36)	(93.42)
	Diluted (Rs.)		(25.36)	(93.42)

Company Overview, Significant accounting policies & estimates - 1

Other Disclosures - 19 to 29

The Accompanying Notes 1 to 29 are an Integral part of the Financial Statements.

As per our report of even date Annexed.

For Mohit Arya & Associates
Chartered Accountants
Firm Registration No.330192E

Sd/-
C.A. Mohit Arya
Proprietor
Membership No.306054

Place : Kolkata
Date : 27th April,2022

For and on behalf of the Board of Directors

Sd/-
Souren Mukhopadhayay
Director
DIN No 00960942

Sd/-
Manoj Kumar
Director
DIN No 06397089

BENGAL SREI INFRASTRUCTURE DEVELOPMENT LIMITED

CIN: U70109WB2004PLC100517

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A.	**Cash Flow from Operating Activities**		
	Profit/(Loss) before tax	(13.03)	(20.86)
	Adjustments for:		
	Finance Cost	14.52	12.97
	Interest Income on Income Tax Refund	(0.67)	(0.26)
	Liabilities no longer required written back	-	(1.27)
	Bad debts written off	-	4.34
	Provision for Bad & Doubtful Debts	(0.49)	4.20
	Operating Loss before Working Capital Changes	0.32	(0.88)
	Increase / (Decrease) in Trade Payables, Other Liabilities and Provisions	(0.36)	1.46
	(Increase) / Decrease in Trade Receivables, Loans, Advances and Other Assets	(2.93)	(1.10)
	Cash generated from Operating activities	**(2.96)**	**(0.52)**
	Income Tax Paid (Net)	3.45	3.53
	Net Cash from Operating Activities	0.49	3.01
B.	**Cash Flow from Investing Activities**		
	Investment in Schemes of Mutual Fund	1.45	(2.04)
	Net Cash used in Investing activities	**1.45**	**(2.04)**
C.	**Cash Flow from Financing Activities**		
	Long Term Loan repaid	-	-
	Interest Paid	(1.22)	(7.19)
	Net Cash Flow used in Financing Activities	**(1.22)**	**(7.19)**
	Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	0.72	(6.22)
	Opening Cash and Cash Equivalents	0.23	6.45
	Closing Cash and Cash Equivalents	**0.95**	**0.23**

Notes:

1 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS -7 "Statement of Cash Flow Statements".

2 Components of Cash and Cash equivalents:

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Cash on hand	0.02	0.02
b) Balance with Banks in Current Account	0.93	0.21
	0.95	0.23

3 Change in Liability arising from financing activities

(₹ in Lakhs)

Particulars	As at April 1, 2021	Cash Flow	As at March 31, 2022
Non-Current Borrowing (including current maturity)	96.50	-	96.50
	96.50	-	96.50

This is the cash flow statement referred to in our report of even date.

For Mohit Arya & Associates
Chartered Accountants
Firm Registration No.330192E

Sd/-
C.A. Mohit Arya
Proprietor
Membership No.306054

Place : Kolkata
Date : 27th April,2022

For and on behalf of the Board of Directors

Sd/-
Souren Mukhopadhayay
Director
DIN No 00960942

Sd/-
Manoj Kumar
Director
DIN No 06397089

BENGAL SREI INFRASTRUCTURE DEVELOPMENT LIMITED

CIN: U70109WB2004PLC100517

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

A. Equity Share Capital

(₹ in Lakhs)

Particulars	As at April 1, 2020	Changes during the year	As at April 1, 2021	Changes during the year	As at March 31, 2022
Equity Share Capital	5.00	-	5.00	-	5.00

B. Other equity

(₹ in Lakhs)

Particulars	Reserves and Surplus		Total
	General Reserve	Retained Earnings	
Balance as at April 1, 2020	5.85	(62.70)	(56.85)
Profit for the year	-	(46.71)	(46.71)
Other Comprehensive Income (net of tax)	-	-	-
Balance as at March 31, 2021	**5.85**	**(109.41)**	**(103.56)**
Profit for the period		(12.68)	(12.68)
Other Comprehensive Income (net of tax)	-	-	-
Balance as at March 31, 2022	**5.85**	**(122.09)**	**(116.24)**

General Reserve

The reserve has been created out of profit of the Company. This reserve can be utilised in accordance with the provisions of the Companies Act,

Retained Earnings:

The reserve represent the cumulative profits of the Company. This reserve can be utilised in accordance with the provisions of the Companies

Company Overview, Significant accounting policies & estimates - 1

Other Disclosures - 19 to 29

The accompanying notes 1 to 29 are an integral part of the Financial Statements.

As per our report of even date Annexed.

For Mohit Arya & Associates
Chartered Accountants
Firm Registration No.330192E

For and on behalf of the Board of Directors

Sd/-
C.A. Mohit Arya
Proprietor
Membership No.306054

Sd/-
Souren Mukhopadhayay
Director
DIN No 00960942

Sd/-
Manoj Kumar
Director
DIN No 06397089

Place : Kolkata
Date : 27th April,2022

Bengal Srei Infrastructure Development Limited

1. Company Overview and Significant Accounting Policies

(A) Corporate Information

Bengal Srei Infrastructure Development Limited (the "Company") is domiciled and incorporated in India. The Registered Office of the Company is at 'Vishwakarma Building', 86C, Topsia Road (South), Kolkata - 700 046.

The Company is engaged in Infrastructure Project Advisory and related Services.

(B) Recent Accounting Developments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards.

New Standards / Amendments to Existing Standard/ New Pronouncement issued but not yet effective upto the date of issuance of the Company's Financial Statement:

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

Rounding Off: For the purpose of rounding off the figures appearing in the Financial Statements for financial year ending 31.03.2022 the total income of the Company shall be considered instead of Turnover.

Additional Disclosure in Notes to Balance Sheet:

- **Shareholding of Promoter**: The note on Share Capital in the Financial Statements shall mention details of the Shareholding of the Promotes along with changes, if any, during the Financial Year.

- Current maturities of Long-term borrowings shall be disclosed separately under the heading Short Term Borrowing.

- Security Deposits to be shown under the head of Other Non-Current Assets instead of Long term Loan & Advances.

- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

- Ratios-Following Ratios to be disclosed: - (a) Current Ratio, (b) Debt-Equity Ratio, (c) Debt Service Coverage Ratio, (d) Return on Equity Ratio, (e) Inventory turnover ratio, (f) Trade Receivables turnover ratio, (g) Trade payables turnover ratio, (h) Net capital turnover ratio, (i) Net profit ratio, (j) Return on Capital employed, (k) Return on investment

- Specific Disclosure Borrowing & Wilful Defaulter

Additional Disclosure in Notes to Profit & Loss Account:

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

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

(C) Statement of Compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), guidelines issued by the Securities and Exchange Board of India (SEBI), other relevant provisions of the Act and other accounting principles generally accepted in India.

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

The Ministry of Corporate Affairs (MCA) has issued certain amendments in existing Accounting Standards which are effective from July 24, 2020.

A. Ind AS 103 (Business Combinations): Defined "business" in more detail, an optional test to identify concentration of fair value, element of Businesses and Assessing whether an acquired process is substantive.

B. Ind AS 107 (Financial Instruments: Disclosures): Disclosures for uncertainty arising from interest rate benchmark reform.

C. Ind AS 109 (Financial Instruments): Temporary exceptions from applying specific hedge accounting requirements.

D. Ind AS 1 and Ind AS 8 (Presentation of Financial Statements and Accounting Policies, Changes in Accounting Estimates and Errors): Change/modification in the definition of "Material".

E. Ind AS 10 (Events after the Reporting Period): Definition for non – adjusting events and its effective date of application.

F. Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets): Consequential amendment and accounting of restructuring plan.

The amendments listed did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current and future periods.

(D) Significant Accounting Policies

1.1. Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

The preparation of financial statements require the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosed amount of contingent liabilities.

Areas involving a higher degree of judgement or complexity or areas where assumptions are significant to the Company are discussed in Note 1.16 Critical accounting judgements and key sources of estimation uncertainty.

The management believes that the estimates used in preparation of financial statements are prudent and reasonable. Actual results could differ from those estimates and the differences between the actual results and the estimates would be recognised in the periods in which the results are known / materialised.

Comparative information has been restated to accord with changes in presentations made in the current year, except where otherwise stated.

These Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

1.2. Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements. For the company, there is generally no clearly identifiable normal operating cycle and hence the normal operating for the company is assumed to have duration of 12 months.

1.3. Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control over a product or service to customers.

Income from Consultancy is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Interest Income is recognised on the time proportion basis taking into account the amount outstanding and the rate applicable.

1.4. Borrowing Cost

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Other income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

1.5. Property, Plant and Equipment – Tangible Assets

Property, plant and equipment are initially recognised at cost together with borrowing cost capitalized for qualifying assets. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

Subsequent to initial recognition, property, plant and equipment are measured at cost less accumulated depreciation and impairment, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

Depreciation

Depreciation of these assets commences when the assets are ready for their intended use. It is recognised so as to amortise the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Estimated useful life of the assets determined is as under:

- Furniture and Fixtures- 10 years
- Computers- 3 to 6 years
- Office equipment- 5 years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Leasehold assets including improvements are amortised over the period of the lease. Freehold Land is not depreciated.

Depreciation on assets purchased / sold during the period is recognized on a pro-rata basis.

1.6. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives of 2-6 years.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit and loss when the asset is de-recognised.

1.7. Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

1.8. Financial instruments, Financial assets, Financial liabilities and Equity Instruments

Recognition of Financial Instruments:
Financial assets and financial liabilities are recognised when entity becomes a party to the contractual provisions of the instruments. Loans & advances and all other regular way purchases or sales of financial assets are recognised and derecognised on the trade date basis.

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

Subsequent Measurement:

(i) Financial Assets
Financial Assets carried at Amortised Cost (AC):
A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI):
A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investment in equity instruments that are not held for trading are measured at FVTOCI, where an irrevocable election has been made by management on an instrument-by-instrument basis. These investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to the statement of profit and loss on disposal of the investments. Dividends on such investments are recognised in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Debt investments measured at FVTOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Other net gains and losses are recognised in Other Comprehensive Income (OCI). On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.

Financial Assets at Fair Value through Profit or Loss (FVTPL):
A financial asset which is not classified in any of the above categories are measured at FVTPL. A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the statement of profit and loss.

Impairment of Financial Assets:
Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and FVTOCI at each reporting date based on evidence or information that is available without undue cost or effort.

The Company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for that financial asset at an amount equal to 12-month expected credit losses.

In case of debt instruments measured at FVTOCI, the loss allowance shall be recognised in other comprehensive income with a corresponding effect to the profit or loss and not reduced from the carrying amount of the financial asset in the balance sheet. In case of such instrument, amount recognized in the statement of profit and loss are the same as the amount would have been recognized in case the debt instrument is measured at amortised cost.

No Expected credit losses is recognised on equity investments.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company measures the loss allowance at an amount equal to lifetime expected credit losses taking into account historical credit loss experience and adjusted for forward-looking information.

Derecognition of Financial Assets:
The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset accounted under Ind AS 109 in its entirety:
a) for financial assets measured at amortised cost, the gain or loss is recognized in the statement of profit and loss.

b) for financial assets measured at fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

(ii) Financial Liabilities and Equity Instruments:

Classification as debt or equity:
Financial liabilities and equity instruments issued are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments
An Equity Instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial Liabilities
Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest rate method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial liabilities
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

Off-setting of financial instruments
Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously backed by past practice.

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

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

The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - Other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - Unobservable inputs for the asset or liability.

Expected Credit Loss
Expected credit loss (ECL) is the probability-weighted estimate of credit losses (i.e., the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between scheduled or contractual cash flows and actual expected cash flows. Consequently, ECL subsumes both the amount and timing of payments – a credit loss would arise even when a receivable was realised in full but later than when contractually due.

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

Current tax
Current Tax is determined at the amount of tax payable in respect of taxable profit for the year as per the Income-tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rate that has been enacted by the end of the reporting period.

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Deferred tax

The Company's deferred tax is calculated using tax rate that are substantially enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Current and deferred tax for the year

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

1.10. Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

1.11. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

In case of litigations, provision is recognised once it has been established that the Company has a present obligation based on information available up to the date on which the Company's financial statements are finalised and may in some cases entail seeking expert advice in making the determination on whether there is a present obligation.

Contingent Liabilities

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. Company does not recognize contingent liability but discloses its existence in the financial statements.

Contingent Assets

Contingent assets are not recognized in the financial statement, but are disclosed where an inflow of economic benefits is probable.

1.12. Use of Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

A. Judgements in applying accounting policies

The judgements, apart from those involving estimations (see note below), that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of intangible assets.

B. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

i) Useful lives of property, plant and equipment and intangible assets:

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

ii) **Fair value measurements and valuation processes:**

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

iii) **Actuarial Valuation:**

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

iv) **Claims, Provisions and Contingent Liabilities:**

Any litigation where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

v) Impairment of Financial Assets:

The Company assesses impairment based on expected credit losses (ECL) model on trade receivables. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable. At every reporting date, the historically observed default rates are updated.

1.13. 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. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

1.14. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Bengal Srei Infrastructure Development Limited (the "Company") is domiciled and incorporated in India. The Registered Office of the Company is at 'Vishwakarma Building', 86C, Topsia Road (South), Kolkata - 700 046. The Company is engaged in Infrastructure Project Advisory and related Services.

2 **Deferred Tax Assets**

(₹ in Lakhs)

Particulars	Balance as at April 1, 2021	Recognised/ (reversed) in Statement of Profit and Loss	Balance as at March 31, 2022
Components of Deferred Tax Assets			
Allowance for bad and doubtful debts	-	-	-
MAT Credit Entitlement	-	-	-
Total	-	-	-

(₹ in Lakhs)

Particulars	Balance as at April 1, 2020	Recognised/ (reversed) in Statement of Profit and Loss	Balance as at March 31, 2021
Components of Deferred Tax Assets			
Allowance For Bad And Doubtful Debts	13.00	(13.00)	-
MAT Credit Entitlement	12.85	(12.85)	-
Total	**25.85**	(25.85)	-

3 **Other Non Current Tax Assets (Net)**

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance Tax & Tax Deducted At Source	14.30	16.73
Less: Provision for Taxation	(11.68)	(11.68)
Total	**2.62**	**5.05**

4 **Investments - Current**

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Investments		
Investments in Scheme of Mutual Funds - Current Investments - 193.284 units @ Rs 306.8943 (previous year - 692.291 units @ Rs 295.2785)	0.59	2.04
Total	**0.59**	**2.04**

5 Trade Receivables

Trade Receivables ageing schedule as at March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months- 1 year	1-2 year	2-3 year	More than 3 year	Total
(i) Undisputed Trade receivables - considered good	-	-	-	-	-	-
(ii) Undisputed Trade receivables -Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Disputed Trade receivables -Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables -Which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Total	-	-	-	-	-	-

Trade Receivables ageing schedule as at March 31, 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months- 1 year	1-2 year	2-3 year	More than 3 year	Total
(i) Undisputed Trade receivables - considered good	-	-	-	-	-	-
(ii) Undisputed Trade receivables -Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables -Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables -Which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Total		-	-	-	-	-

Trade Receivables:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Considered good - Secured;	-	-
Less: Allowance for impairment loss allowance	-	-
(b) Considered good - Unsecured;	-	-
Less: Allowance for impairment loss allowance	-	-
	-	-
(c) Significant increase in credit risk	-	-
Less: Allowance for impairment loss allowance	-	-
	-	-
(d) Credit impaired	48.51	48.63
Less: Allowance for impairment loss allowance	(48.51)	(48.63)
Total (a+b+c+d)	-	-

i. In determining the allowances for credit losses, the Company has used a practical expedient by computing the expected credit loss allowance based on a provision matrix. The provision matrix takes into account historical credit loss experience. The Company measures the loss allowance at an amount higher of lifetime expected credit losses taking into account historical credit loss experience (adjusted for forward-looking information) and Income Recognition and Assets Classification norms of RBI compared on individual bucket basis.

ii. No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. In these notes the 'directors' represent the directors of the Board of the Comapny superseded by the RBI vide its letter and press release dated 4th October 2021.

iii. Movements in Expected Credit Losses Allowance is as below:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at 31st March, 2021
Balance at the beginning of the year	48.63	49.88
Charge in Statement of Profit and Loss	(0.12)	(1.24)
Utilized during the year	-	-
Balance at the end of the year	48.51	48.63

iv. Ageing of Trade Receivables and Credit Risk arising therefrom is as below:

(₹ in Lakhs)

Particulars	As at March 31, 2022		
	Gross carrying amount	Allowance for credit loss	Net carrying amount
Due till three months	-	-	-
Due between three to six months	-	-	-
Due between six months to one year	-	-	-
Due between one year to two year	-	-	-
More than 2 year due	48.51	48.51	-
	48.51	48.51	-

(₹ In Lakhs)

Particulars	As at 31st March, 2021		
	Gross carrying amount	Allowance for credit loss	Net carrying amount
Due till three months	-	-	-
Due between three to six months	-	-	-
Due between six months to one year	-	-	-
Due between one year to two year	-	-	-
More than 2 year due	48.63	48.63	-
	48.63	48.63	-

6 **Cash and Cash Equivalents:**

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	0.02	0.02
Fixed deposit with bank having original maturity of 3 months or less	-	-
Balances with Banks in current account	0.93	0.21
Total	**0.95**	**0.23**

7 **Other Financial assets - current**

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposit	3.71	4.20
Less : Allowance for expected credit loss	(3.71)	(4.20)
Other Advances	-	-
Total	-	-

8 **Other Current Assets**

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Input GST	0.09	0.16
Advance for Investment in Mutual Fund	3.50	-
Total	**3.59**	**0.16**

9 **Equity Share Capital** (₹ in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of Rs. 10/- each	50,000	5.00	50,000	5.00
	50,000	5.00	50,000	5.00
Issued, Subscribed and Paid up				
Equity Shares of Rs. 10/- each fully paid	50,000	5.00	50,000	5.00
	50,000	5.00	50,000	5.00

9.1 The reconciliation of the number of shares outstanding at the beginning and at the end of year

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Rs. in Lakh	No. of Shares	Rs. in Lakh
Shares outstanding at the beginning of the year	50,000	5.00	50,000	5.00
Shares outstanding at the end of the year	50,000	5.00	50,000	5.00

Terms and rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. Dividend, if declared by the Company, is paid in Indian Rupees. The dividend, if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

9.2 **Details of shares held by each shareholder holding more than 5%**

Name of the Company	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% holding	No. of Shares	% holding
Fully paid equity shares				
Srei Infrastructure Finance Limited *	25,500	51%	25,500	51%
West Bengal Industrial Development Corporation Limited	24,500	49%	24,500	49%

* Includes 500 Equity Shares held by nominees on behalf of Srei Infrastructure Finance Limited

9.3 Shares held by Holding/Ultimate Holding and/or their Subsidiaries/Associates

Name of the Company (Relationship)	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% holding	No. of Shares	% holding
Srei Infrastructure Finance Limited- holding company	25,500	51%	25,500	51%

9.4 The Company during the preceding 5 years:

i Has not alloted shares pursuant to contracts without payment received in cash.
ii Has not issued shares by the way of bonus shares.
iii Has not bought back any shares.

9.5 Shareholding of promoters as at March 31, 2022 :

Shares held by promoters at the end of the year				% Change during the year
Sl.No.	Promoter name	No. of shares	% of total shares	
(i)	SREI Infrastructure Finance Limited *	25,500	51%	NA
	Total			

*Includes 500 Equity Shares held by nominees on behalf of Srei Infrastructure Finance Limited

Shareholding of promoters as at March 31, 2021 :

Shares held by promoters at the end of the year				% Change during the year
Sl.No.	Promoter name	No. of shares	% of total shares	
(i)	SREI Infrastructure Finance Limited *	25,500	51%	NA
	Total			

*Includes 500 Equity Shares held by nominees on behalf of Srei Infrastructure Finance Limited

10 **Other Equity** (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a) General Reserve	5.85	5.85
b) Retained Earnings		
Balance as per last accounts	(109.20)	(62.49)
Net Profit/(Loss) for the Period	(12.68)	(46.71)
Closing Balance	(121.88)	(109.20)
c) Other comprehensive income		
Balance as per last accounts	(0.21)	(0.21)
Add: Other comprehensive income for the Period	-	-
Closing Balance	(0.21)	(0.21)
Total	(116.24)	(103.56)

11 Borrowings - non current

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Secured Borrowings (Measured at Amotized Cost)		
Term Loan	96.50	96.50
Less : Current maturity of Long Term Borrowings	(96.50)	-
Interest Accrued but not Due on Borrowings	-	8.66
Total	-	**105.16**

Terms of repayment for Secured Borrowing:

Rupee Term Loan is secured by way of charge on entire moveable assets including book-debts, ranking pari passu with existing facilities & Demand Promissory Note covering the Principal and Interest Repayment. The Loan would be governed by some additional terms and conditions as per letter SREI/2020-21/SRE 440/02 dated 29.09.2020 from the Lender. The additional terms and conditions are:- 1) Interest rate w.e.f. 1st July, 2020 shall be fixed rate @ 1% p.a. payable quarterly in arrear with yield on exit @ 13% at the time of exit, 2) Entire principal outstanding to be repaid on 30th June, 2022 , 3) The Loan is allowed to be prepaid either entire or part thereof before maturity date without any prepayment penalty.

12 Other Financial Liabilities - Current

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current Maturities of Long Term Borrowings	96.50	-
Interest Accrued but not Due on Borrowings	21.96	-
Liability for expenses	0.14	0.42
Total	**118.61**	**0.42**

13 Other Current Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory Liabilities	0.38	0.46
Total	**0.38**	**0.46**

14 Revenue From Operations

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sale of Sevices		
-Consultancy Fees	1.02	-
Total	**1.02**	-

15 Other Income

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest Income comprises interest from:		
-On refund of income tax	0.67	0.26
Liability no longer required written back	-	1.27
Profit on Investment in Schemes of Mutual Fund	0.03	0.04
Total	**0.70**	**1.57**

16 Finance Cost

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense		
-On financial liabilities measured at amortised cost	14.52	12.97
Total	**14.52**	**12.97**

17 Other Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Legal & Professional Fees	0.32	0.27
Travelling and Conveyance	0.00	0.01
Rates & Taxes	0.08	0.27
Provision for Bad & Doubtful Debts	(0.49)	4.20
Bad Debts Written off	-	4.34
Director Sitting Fee	0.10	-
Membership & Subscription	-	0.08
Payment to Auditors :		
-Statutory Audit Fees	0.15	0.28
-Other Services (Certification etc.)	-	-
Miscellaneous Expenses	0.06	0.01
Total	**0.22**	**9.46**

18 Income Tax Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year Ended March 31, 2021
Current tax		
-Tax for earlier period	(0.35)	-
-Current Tax	-	-
Total Current Tax	**(0.35)**	-
Deferred tax	-	25.85
Total Deferred Tax	-	**25.85**
Total	**(0.35)**	**25.85**

The reconciliation of estimated income tax to income tax expense is as below:

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year Ended March 31, 2021
Profit before tax	(13.03)	(20.86)
Statutory Income Tax Rate	25.17%	25.17%
Expected income tax expense at statutory income tax rate	-	-
(i) Income exempt from tax/Items not deductible	-	-
Current Tax Expense recognised in profit and loss account	-	-

19 CAPITAL MANAGEMENT

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains a strong capital base by maximizing shareholders' wealth, safeguarding business continuity and augmenting its internal generations with a judicious use of borrowing facilities to fund spikes in working capital that arise from time to time as well as requirements to finance business growth.

The capital structure of the Company consists of net debt (borrowings as detailed in notes 11 & 12 offset by cash and cash equivalents in note 6) and total equity of the Company.
Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances (including non-current earmarked balances).

The table below summarises the capital, net debt and net debt to equity ratio of the Company.

(Rs. in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Equity Share Capital	5.00	5.00
Other Equity	(116.24)	(103.57)
Total Equity (A)	(111.24)	(98.57)
Non Current Borrowings	-	105.16
Current Maturities of Long Term Borrowings	96.50	-
Gross Debts (B)	96.50	105.16
Total Capital (A+B)	(14.74)	6.59
Gross Debt as above	96.50	105.16
Less: Cash and Cash Equivalents	0.95	0.23
Net Debt (C)	95.55	104.93
Net Debt to Equity	(0.91)	(3.38)

Net debt to equity as at 31.03.2022 and 31.03.2021 has been computed based on average equity.

20 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of Financial asset, Financial liability and equity instrument are disclosed in Note 1 to the financial statements.

A) Categories of Financial Instruments

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

(Rs. In Lakh)

	As at March 31, 2022		As at March 31, 2021	
	Carrying Value	**Fair Value**	Carrying Value	Fair Value
Financial assets				
a) Measured at amortised cost				
i) Trade Receivables	-	-	-	-
ii) Cash and cash equivalents	0.95	0.95	0.23	0.23
iii) Other financial assets	-	-	-	-
Sub-total	**0.95**	**0.95**	**0.23**	**0.23**
a) Measured at Fair value through Profit and loss account				
i) Investments	0.59	0.59	-	-
Sub-total	**0.59**	**0.59**	-	-
Total financial assets	**1.54**	**1.54**	**0.23**	**0.23**
Financial liabilities				
a) Measured at amortised cost				
i) Borrowings	-	-	96.50	96.50
ii) Other financial liabilities	118.61	118.61	0.42	0.42
Total financial liabilities	**118.61**	**118.61**	**96.92**	**96.92**

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

Other financial assets measured at amortised cost

For other financial assets that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash, cash equivalents, other bank balances, Trade and Other receivables and Security Deposits.

20 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES (Contd..)

Borrowings measured at amortised cost

The fair values of debts are estimated using a discounted cash flow model based on observable future cash flows based on terms, discounted at a rate that reflects market risks.

Other financial liabilities measured at amortised cost

For other financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts are a reasonable approximation of their fair value.

B) **Financial risk management objectives**

The Company's activities expose it to a variety of financial risks, including credit risk and liquidity risk. The Company is not exposed to market risk as it borrows funds on fixed rate of interest and it do not indulge in transaction involving foreign currencies. The current Risk Management System rests on policies and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

a) Liquidity risk

Liquidity risk is the risk that the Company does not have sufficient financial resources to meet its obligations as they fall due, or will have to do so at an excessive cost. This risk arises from mismatches in the timing of cash flows which is inherent in all finance driven organisations and can be affected by a range of Company-specific and market-wide events.

The Company mitigates its liquidity risks by ensuring timely collections of its trade receivables and close monitoring of its credit cycle. The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date

(Rs. In Lakh)

	As at March 31, 2022		As at March 31, 2021	
	Current	**Non-Current**	**Current**	**Non-Current**
A: Financial assets				
i) Trade receivables	-	-	-	-
ii) Cash and cash equivalents	0.95	-	0.23	-
iii) Other financial assets	-	-	-	-
iv) Investment	0.59	-		
Total	**1.54**	-	**0.22**	-
B: Financial liabilities				
i) Borrowings	-	-	-	105.16
ii) Other financial liabilities	118.61	-	0.42	-
Total	**118.61**	-	**0.42**	**105.16**

b) Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations.
The Company mitigates its credit risks by ensuring timely collections of its trade receivables and close monitoring of its credit cycle.

21 **Related Party Disclosures**

a) **Related Parties list**

Sl.No	Name of the Company	Country of Origin
A	**Ultimate Holding Company**	
1	Adisri Commercial Private Limited	India
B	**Subsidiary of Ultimate Holding Company**	
2	Srei Factors Private Limited (w.e.f. 02.01.2019)	India
C	**Holding Company**	
3	Srei Infrastructure Finance Limited (SIFL)	India
D	**Fellow Subsidiaries:**	
1	Srei Capital Markets Limited	India
2	Trinity Alternative Investment Managers Limited (Formerly Srei Alternative Investment Managers Limited)	India
3	Srei Insurance Broking Private Limited	India
4	Srei Mutual Fund Trust Private Limited	India
5	Srei Mutual Fund Asset Management Private Limited	India
6	Srei Assets Leasing Ltd.(Formerly Srei Finance Limited)	
7	Controlla Electrotech Private Limited	India
8	Hyderabad Information Technology Venture Enterprises Limited (Subsidiary of Trinity Alternative Investment Managers Ltd.)	India
9	Cyberabad Trustee Company Private Ltd. (Subsidiary of Trinity Alternative Investment Managers Ltd.)	India
10	Srei Equipment Finance Limited	India
F	**Fellow Associates**	
11	IIS International Infrastructure Services GmbH, Germany (Officially liquidated w.e.f. 29.07.2020)	Germany
12	AO International Infrastructure Services, Russia, (Subsidiary of IIS International Infrastructure Services GmbH, Germany) ceased to be related party on liquidation of IIS International Infrastructure Services GmbH, Germany.	Russia
G	**Others**	
13	Srei Mutual Fund Trust	India
14	Srei Infrastructure Finance Limited Employees Gratuity Trust	India
H	**Key Management Personnel (KMP)/Directors:**	**Designation**
15	Mr. Kamalakanth Polukonda	Nominee Director of WBIDC
16	Mr. Sudipta Mukherjee	Non Executive Director
17	Mr. Manoj Kumar	Non Executive Director
18	Mr. Souren Mukhopadhayay	Non Executive Director
I	**Holding Company - Key Management Personnel (KMP)/Directors:**	**Designation**
19	Mr. Hemant Kanoria *	Chairman
20	Mr. Sunil Kanoria *	Vice Chairman (Non Executive Director)
21	Mr. Shyamalendu Chatterjee *	Independent Director
22	Mr. Malay Mukherjee *	Independent Director
23	Dr. Punita Kumar Sinha *	Independent Director
24	Dr. Tamali Sengupta *	Independent Director
25	Dr. Deepali Pant Rajeev Joshi (w.e.f 30.06.2021) *	Additional Director (Category: Independent Director)
26	Mr. Ram Krishna Agarwal (ceased w.e.f. 17.09.2021)	Independent Director
27	Mr. Srinivasachari Rajagopal (ceased w.e.f. 30.06.2021)	Independent Director
28	Mr. Rakesh Kumar Bhutoria (cease w.e.f. 15.09.2021)	Chief Executive Officer
29	Mr. Sandeep Lakhotia (ceased w.e.f. 20.03.2021)	Company Secretary
30	Mr. Sandeep Kumar Sultania (ceased to be a KMP w.e.f. 07.12.2021)	Chief Financial Officer
31	Mr. Shashi Bhushan Tiwari (from 20.05.2019 to 30.06.2020)	Chief Risk Officer
32	Mr. Rajneesh Sharma (w.e.f 04-10-2021) **	Administrator
33	Mr. Souren Mokhopadhyay (w.e.f 30.06.2021)	Deputy Chief Executive Officer
34	Mr. Manoj Kumar (w.e.f. 01.04.2021)	Company Secretary & Chief Financial Officer
35	Mr. Vishnu Gopal Agarwal (w.e.f. 21.03.2022)	Chief Compliance Officer & Financial Controller

* In exercise of the powers conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934, the Reserve Bank of India (RBI) had vide Press Release dated 4th October, 2021 superseded the Board of Directors of Srei Infrastructure Finance Limited (SIFL).

** The Reserve Bank of India has appointed Shri Rajneesh Sharma as the Administrator of SIFL under Section 45-IE (2) of the RBI Act.

21 Related Party Transaction

b) Summary of Transactions with Related Parties

Disclosure pursuant to Indian Accounting Standard 24 - "Related Party Disclosures"
Transactions entered with related parties during the period ended 31st March 2022 and for the year ended 31st March 2021 and outstanding balances are as under:

(₹ in Lakhs)

Name of related party	Nature of Transactions & Outstanding Balances	March 31, 2022	March 31, 2021
Fellow Subsidiary			
Srei Equipment Finance Limited	**Transactions during the period / year ended:**		
	Long Term Loan Taken	-	-
	Long Term Loan Refunded	-	-
	Interest on Loan Taken	14.52	12.97
	Advance Paid/ (Adjusted)	-	(0.01)
Srei Equipment Finance Limited	**Outstanding Balances as at:**		
	Balance Loan Payable	96.50	96.50
	Interest accrued but not due - Outstanding - capitalised with loan balance	21.96	8.66
	Interest Accrued and Due on Borrowings (net of TDS)	-	-
	Outstanding Advance receivable	-	-

(₹ in Lakhs)

Name of related party	Nature of Transactions & Outstanding Balances	March 31, 2022	March 31, 2021
Holding Company			
Srei Infrastructure Finance Limited	**Transactions during the period / year ended:**		
	Interest Accrued and Due (Net of TDS)		
	Long Term Loan Refunded	-	-
	Interest on Loan Taken	-	-

No amount has been written back/ written off during the period/year in respect of due to / from related parties

c) Related Party Transaction

(Rs.In lakhs)

(B) Key Management Personnel (KMP)/Director:		March 31, 2022	March 31, 2021
Mr. Sudipta Mukherjee (Director w.e.f 20th December 2021)	Director's Sitting Fee	0.10	-
Mr. Kamalakanth Polukonda (Director w.e.f 8th July 2016)	Director's Sitting Fee	-	-
Mr. Manoj Kumar (Director w.e.f 20th December 2021)	Director's Sitting Fee	-	-
Mr. Sourendranath Mukhopadhyay Director w.e.fr 25th July 2019)	Director's Sitting Fee	-	-

22 Earnings per Share

Basic and Diluted Earnings per Share

S.No	Particulars	Year ended March 31 2022	Year ended March 31 2021
1	Net Profit/(Loss) after tax attributable to Equity Shareholders (Rs. In	(12.68)	(46.71)
2	Weighted average number of Equity Shares Basic (Nos.)	50,000	50,000
3	Weighted average number of Equity Shares Diluted (Nos.)	50,000	50,000
4	Nominal Value of Equity per share (Rs)	10.00	10.00
5	Basic Earnings per share (Rs)	(25.36)	(93.42)
6	Diluted Earnings per share (Rs)	(25.36)	(93.42)

23 Contingent Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Claims against the company not acknowledged as debt	-	-
Total	-	-

The amounts shown above represent the best possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

The Company had challenged the Constitutional validity of Fringe Benefit Tax (FBT) before the Hon'ble High Court at Calcutta and the Hon'ble court has dismissed the petition vide order dated 01.09.2017. However amount of FBT liability has not been determined by the department. Also management of the Company is in the process of filing appeal before the Divisional bench of Hon'ble High Court, Calcutta. In view of this, the Company has not provided for any liability towards FBT till 31 March 2009. However, consequent upon abolition of FBT from accounting year 2009-10, no liability arises for the year.

24 Micro, Small and Medium Enterprises Development Act, 2006

The Company has not received any Memorandum (as required to be filed by the Suppliers with the notified Authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31 March 2022 as Micro, Small or Medium Enterprises. Consequently , the Amount due to Micro and Small Enterprises as per the requirement of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 is Nil (Previous year Nil).

25 Capital Commitment - Rs. Nil (Previous Year Rs. Nil).

26 Details of Loan Given, investments made and guarantee given covered u/s 186(4) of the Companies Act, 2013 :

Particulars	As at March 31, 2022	As at March 31, 2021
Loan Given	Nil	Nil
Investment	Nil	Nil

No Guarantee were Given by the company during the FY 2021-2022 and FY 2020-2021.

27 **Ratios to be disclosed:**

S.No	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Current Ratio	0.04	2.76
(b)	Debt Equity Ratio	(2.80)	(1.07)
(c)	Debt Service Coverage Ratio	0.10	(0.61)
(d)	Return on Equity Ratio*	-	-
(e)	Inventory Turnover Ratio	-	-
(f)	Trade Receivable Turnover Ratio	-	-
(g)	Trade Payable Turnover Ratio	-	-
(h)	Net Capital Turnover Ratio*	-	-
(i)	Net Profi Ratio	(7.57)	(13.28)
(j)	Return on Capital Employed	(1.81)	(3.16)
(k)	Return on Investment	-	-

* As the Net worth/ Net Capital is negative. Hence the ratio are not applicable.

** Since, the Net worth of the Company is nageative and the operations are insignificiant there is wide variation in ratio (more than 25%) compared to previous year.

28 The Company's accumulated losses aggregate to Rs.111.24 lakhs as at 31st March, 2022 (Previous Year Rs. 98.56 lakhs) and the net worth is fully eroded. However, the Company is exploring new avenues in the advisory sector and is in negotiation with its Parent Company so that in future the Advisory Business can be done on sharing basis with its Parent Company. The Management has assessed that considering the above factor, the use of going concern assumption is appropriate in the circumstanes and no material uncertainty exist in this regard. Hence, this Financial Statement have been prepared on going concern.

29 Figures pertaining to the previous year have been rearranged/regrouped, reclassified and restated, wherever necessary, to make them comparable with those of current year.

For Mohit Arya & Associates
Chartered Accountants
Firm Registration No.330192E

On behalf of the Board of Directors

Sd/-
C.A. Mohit Arya
Proprietor
Membership No.306054

Sd/-
Souren Mukhopadhayay
Director
DIN No 00960942

Sd/-
Manoj Kumar
Director
DIN No 06397089

Place : Kolkata
Date : 27th April,2022

CONTROLLA ELECTROTECH PRIVATE LIMITED

DIRECTORS' REPORT

Dear Members,

The Board of Directors of your Company has pleasure in presenting the Annual Report together with the Audited Accounts of your Company for the financial year ended 31st March, 2022.

FINANCIAL RESULTS AND OPERATIONS

(Rs. in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Total Income	160.34	319.07
Total Expenditure	143.62	263.71
Profit Before Depreciation	16.72	55.36
Depreciation	45.25	45.25
Profit/(Loss) Before Bad Debts / Provision and Tax	(28.53)	10.11
Bad Debts / Provisions etc.	-	-
Profit/(Loss) Before Tax	**(28.53)**	**10.11**
Provision for Current Tax	-	-
Income Tax in respect of earlier years	(2.08)	0.57
Deferred Tax	-	-
Profit/(Loss) After Tax	**(26.45)**	**9.54**

REVIEW OF OPERATIONS

During the Financial Year 2021-22, your Company earned the Total Income of Rs. 160.34 Lakhs as against Rs. 319.07 Lakhs earned in the previous year and incurred a Loss of Rs. 26.45 Lakhs as compared to the Profit (after tax) of Rs. 9.54 Lakhs in the previous financial year.

DIVIDEND

The Board of Directors of your Company does not recommend any dividend for the financial year 2021-22.

TRANSFER TO RESERVES

The Company is not statutorily required to transfer any amount to the General Reserve, as no Dividend has been recommended for the financial year 2021-22.

SUBSIDIARY COMPANIES/JOINT VENTURES/ASSOCIATE COMPANIES

The Company does not have any Subsidiary Company, Joint Ventures and Associate Company as required to be disclosed in terms of provisions of Section 134(3)(q) of the Companies Act, 2013 read with Rule 5 and 8(5) the Companies (Accounts) Rules, 2014.

PUBLIC DEPOSITS

The Company has not invited or accepted deposits from the public covered under Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTFLOW

Your Company has no activities relating to conservation of energy and technology absorption as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014. However, your Company uses information technology extensively in its operations and also continues its endeavor to improve energy conservation and utilization, safety and environment.

Your Company has not utilized or earned any foreign exchange during the year ended 31st March, 2022 (Previous Year – Nil).

DIRECTOR & KEY MANAGERIAL PERSONNEL

Appointment and Resignation of Directors

Presently, the Board of Directors of your Company comprises of Two (2) Directors (Category: Non-Executive), namely, Mr. Manoj Kumar (DIN: 06397089) and Mr. Hari Shanker Sharma (DIN: 09404713).

During the year under review, Mr. Vishnu Gopal Agarwal (DIN: 02771818), and Mr. Sandeep Kumar Sultania (DIN: 01157697), resigned as Director of your Company w.e.f. 21st December, 2021, in compliance with and as per the requirement of the letter dated 30th November, 2021 issued by the Administrator of Srei Infrastructure Finance Limited (SIFL), Holding Company of your Company.

During the year under review, Mr. Manoj Kumar (DIN: 06397089) and Mr. Hari Shanker Sharma (DIN: 09404713), has been appointed as Directors of your Company w.e.f. 20th December, 2021.

Pursuant to the directions issued by the Administrator of Srei Infrastructure Finance Limited (SIFL) vide letter dated 30th November, 2021 and 3rd December, 2021, Mr. Manoj Kumar (DIN: 06397089), was appointed as an Additional Director of your Company w.e.f. 20th December, 2021 and hold office as an Additional Director upto the date of the ensuing Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier. The Board of Directors recommends the regularization of appointment of Mr. Manoj Kumar as Director of the Company, liable to retire by rotation, at the ensuing Annual General Meeting of the Company.

Pursuant to the directions issued by the Administrator of Srei Infrastructure Finance Limited (SIFL) vide letter dated 30th November, 2021 and 3rd December, 2021, Mr. Hari Shanker Sharma (DIN: 09404713), was appointed as an Additional Director of your Company w.e.f. 20th December, 2021 and hold office as an Additional Director upto the date of the ensuing

Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier. The Board of Directors recommends the regularization of appointment of Mr. Hari Shanker Sharma as Director of the Company, liable to retires by rotation, at the ensuing Annual General Meeting of the Company.

Key Managerial Personnel

As per the provisions of Section 203 of the Companies Act, 2013 (the Act) read with Rule 8 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed company and every other public company having a paid-up share capital of ten crore rupees or more shall have whole-time KMPs namely (i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director and (ii) Chief Financial Officer. Further, every company having paid-up share capital of Ten crores rupees or more shall have a whole-time Company Secretary. Your Company is not required to appoint any whole-time KMPs as the paid-up share capital of the Company is less than the limit as prescribed above.

MEETINGS OF BOARD OF DIRECTORS

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by the Companies Act, 2013, which are confirmed/ noted in the subsequent Board meeting.

During the Financial Year 2021-22, Four (4) Meetings of the Board of Directors of the Company were held on 4th June, 2021, 11th August, 2021, 9th November, 2021 and 7th February, 2022. The maximum time gap between any two consecutive meetings did not exceed 120 days. The presence of Directors at such Meetings is as follows:

Name of Directors	No. of Meetings held	No. of Meetings entitled to Attend	No. of Meetings Attended
Mr. Vishnu Gopal Agarwal*	4	3	3
Mr. Sandeep Kumar Sultania*	4	3	3
Mr. Manoj Kumar	4	1	1
Mr. Hari Shanker Sharma	4	1	1

**Mr. Vishnu Gopal Agarwal and Mr. Sandeep Kumar Sultania resigned as Director of the Company w.e.f. 21st December, 2021.*

PARTICULARS OF EMPLOYEES

None of the employees of your Company is in receipt of remuneration which require disclosure pursuant to the provisions of Section 134(3)(q) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the Financial Year 2021-22, the Company has not given any loan, guarantees or made any investments exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more, as prescribed in Section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Since all Related Party transactions entered into by your Company during the financial year 2021-22 were in the ordinary course of business and were on an arm's length basis, Form AOC-2 is not applicable to your Company.

EXTRACT OF THE ANNUAL RETURN

The Ministry of Corporate Affairs (MCA) vide Notification no. G.S.R.159 (E) dated 5th March, 2021 has amended the Companies (Management and Administration) Rules, 2014. According to the amended provisions of Rule 12 of the said rule, requirement of the extract of Annual Return in Form No. MGT-9 has been dispensed with effective from the financial year ended 31st March, 2021.

COMPLIANCE WITH THE SECRETARIAL STANDARDS

Your Company has complied with all applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) on Board Meetings and General Meetings.

INTERNAL FINANCIAL CONTROL

The Company has an Internal Financial Control and System, commensurate with the nature of its business and the size and complexity of its operations. The Company's system of Internal Financial Control has been designed to provide a reasonable assurance with regard to system and process and internal procedures for ensuring the orderly and efficient conduct of business, maintaining of proper accounting controls, protecting and safeguarding assets from unauthorised use or losses, prevention and detection of frauds and errors, compliance with regulations and for ensuring timely preparation of reliable financial information.

RISK MANAGEMENT

There is no risk which threatens the existence of the Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

During the Financial Year 2021-22, no significant and material orders has been passed by Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

However, the Reserve Bank of India (RBI) in exercise of the powers conferred under Section 45-IE (1) of the RBI Act, 1934 had vide a Press Release 2021-2022/981 dated 4th October, 2021, superseded the Board of Directors of Srei Infrastructure Finance Limited, our Holding Company which holds 100% of our paid up share capital, with immediate effect.

Also, pursuant to the Order, dated 8th October, 2021, of the National Company Law Tribunal, Kolkata Bench (**"NCLT"**), Corporate Insolvency Resolution Process has been initiated against Srei Infrastructure Finance Limited, our Holding Company as per the provisions of the Insolvency and Bankruptcy Code, 2016.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Since there was no employee in the Company during the financial year 2021-22, so the disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, is not applicable to the Company.

MAINTENANCE OF COST RECORDS

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 during the financial year ended on 31st March, 2022.

SHARE CAPITAL

The Paid up Equity Share Capital as on 31st March, 2022 was Rs. 3,53,050/- divided into 35,305 Equity Shares of Rs. 10/- each. There were no changes in the Share Capital of the Company during the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 134(5) of the Companies Act, 2013 (Act) read with relevant Rules made thereunder, your Directors confirm that:

(i) in the preparation of the annual accounts for the financial year ended 31st March, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(ii) they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the loss of your Company for that period;

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

(iv) they have prepared the annual accounts for the financial year ended 31st March, 2022 on a going concern basis; and

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

AUDITORS AND AUDITORS' REPORT

Messrs. P. K. Drolia & Co., Chartered Accountants, having Registration No. 316057E allotted by the Institute of Chartered Accountants of India (ICAI), was re-appointed as the Statutory Auditors of the Company at the Annual General Meeting held on 4th July, 2019 for a term of five years, who shall hold the office until the conclusion of the Annual General Meeting to be held in the year 2024.

As regards observations contained in the Auditors' Report, the respective notes to the accounts are self-explanatory and, therefore, do not call for further comments.

ACKNOWLEDGEMENT

Your Directors express their gratitude for the continued cooperation and excellent support received from the Ministry of Corporate Affairs, Srei Infrastructure Finance Limited, the Holding Company, Bankers, Business Associates and various regulatory and Government authorities.

On behalf of the Board of Directors

	Sd/-	Sd/-
Place: Kolkata	**Manoj Kumar**	**Hari Shanker Sharma**
Date: 29.04.2022	**Director**	**Director**
	DIN: 06397089	**DIN: 09404713**

P. K. DROLIA & CO.
Chartered Accountants

9, Crooked Lane, 3rd Floor,
Kolkata - 700 069
Tel +91 33 4001 5098
Mobile : 98300 99491
E-mail : pkdroliaco@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Members of CONTROLLA ELECTROTECH PRIVATE LIMITED

Report on the Audit of the standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **CONTROLLA ELECTROTECH PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at March 31, 2022, **its Loss**, including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs),as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the standalone 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 financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Emphasis of Matter:

We draw attention to the following matters in the notes to the Financial Statements:

i) Notes 24 to the Financial Statements which discloses that the Reserve Bank of India (RBI) had vide Press Release dated 4th October, 2021 superseded the Board of Directors of Srei Infrastructure Finance Limited (SIFL), being its 100% Holding Company.

ii) Notes 16 to the Financial Statements which discloses that revenue earned as Income from Businees Centre amounting to Rs 156 Lakhs and its related expense as interest payable on Security deposit amounting to Rs 117 Lakhs from SREI Equipment Finance Limited being a fellow subsidiary of the company has not been recognized for the period from April'21 to Sep'21 due to restrictions imposed by the Bankers of SEFL under TRA agreement. Therefore, the net revenue of the current year is understated by Rs 39 lakhs.

Our opinion is not modified in respect of this matter.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone 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.

Responsibility of Management for the standalone 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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.

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

Auditor's Responsibilities for the Audit of the standalone Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone 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 Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone 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 standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

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

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

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

   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2022;

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 26 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For P.K.Drolia & Co.
Chartered Accountants
Firm Registration No.316057E

Sd/-
P. K. Drolia
Partner
Membership No.52629
UDIN: 22052629AJEJYV1122

Place : Kolkata
Date : 29/04/2022

ANNEXURE "1" TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of **CONTROLLA ELECTROTECH (P) LIMITED** on the financial statements for the year ended 31/03/2022]

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment;.

(b) The Property, Plant & Equipment of the company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.

(c) According to the information and explanations given to us, The title deed of immovable properties disclosed in the financial statements are held by the company in its own name as per the documents produced before us.

(d) According to the information and explanations given to us, The Company has not revalued its of Property, Plant & Equipment during the year . Hence this clause is not applicable

..

(e) According to the information and explanations given to us, No proceeding have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder,

(ii) The Company has no inventory and has not been sanctioned any working Capital limit by any banks or financial Institutions during the year. Hence, the provisions stated in paragraph 3 (ii) (a) and (b) of the order are not applicable.

(iii) In our opinion and according to the information and explanations given to us, the Company has neither made any investment nor provided any guarantee or securities or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties during the year. Hence, the provisions stated in paragraph 3 (iii) (b) (c), (d), (e) and (f) of the order are not applicable.

(iv) In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees, and security, the company has complied with the provisions of section 185 and 186 of the Companies Act 2013.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public, hence directives issued by the Reserve Bank of India and provision of Sections 73 to 76 of the Companies Act are not applicable.

"ANNEXURE A" TO AUDITORS' REPORT (Contd.)

(vi) As explained to us and to the best of our knowledge and belief, the maintenance of Cost records under Section 148(1) of the Companies Act,2013 are not applicable to the Company.

(vii) (a) According to the information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Goods & Service tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax , duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it and no undisputed amounts payable in respect thereof were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, dues of income tax which has not been deposited by the Company on account of dispute is disclosed in note 26 to the Financial Statement.

(viii) In our opinion and according to the information and explanations given to us, no unrecorded transactions in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961)

(ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans & borrowings to financial institution, bank, government or dues to debenture holders. Hence other provisions relating to this clause are not applicable.

(x) (a) On the basis of our examination of records and according to the information and explanations given to us, the Company has neither raised any money by the way of initial public offer or further public offer (including debt instrument) nor taken any term loan during the year. Therefore, Therefore, other provisions of this clause are not applicable to the Company.

(b) the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year . Therefore, other provisions of this clause are not applicable to the Company.

(xi) (a) In our opinion and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers/employees has been noticed or reported during the year that causes the financial statements materially misstated.

(b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year;

(c) In our opinion and according to the information and explanations given to us, no whistle-blower complaints have been received during the year by the company

ANNEXURE A" TO AUDITORS' REPORT (Contd.)

(xii) The Company is not a Nidhi Company. Therefore, clause (xii) of paragraph 3 of the said order is not applicable to the Company.

(xiii) On the basis of our examination of records and according to the information and explanations given to us, the Company has entered into transactions with the related parties and have complied with the provisions of Section 127 and 188 of the Act. The names of related parties as required by Accounting Standard 18 have been disclosed in the Financial Statements.

(xiv) In our opinion and according to the information and explanations given to us, the provisions relating to an internal audit system is not applicable to the company .

(xv) On the basis of our examination of records and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year under the provisions of section 192 of the Act. Therefore, clause (xv) of paragraph 3 of the said order is not applicable to the Company.

(xvi) (a)On the basis of our examination of records and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

(b)On the basis of our examination of records and according to the information and explanations given to us, the Company has no conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c)On the basis of our examination of records and according to the information and explanations given to us, the Company is neither a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India nor it has CIC in the group. Therefore, other provisions of this clause are not applicable to the Company.

(xvii) In our opinion and according to the information and explanations given to us, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) During the year under audit, there has been no resignation of the statutory auditors during the year. Therefore, other provisions of this clause are not applicable to the Company.

(xix) In our opinion and according to the information and explanations given to us, on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, and on the basis of the information provided to us 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 and 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;

ANNEXURE A" TO AUDITORS' REPORT (Contd.)

(xx) In our opinion and according to the information and explanations given to us ,the second proviso to sub-section (5) of section 135 of the Companies Act is not applicable to the Company.

(xxi) In our opinion and according to the information and explanations given to us, the provisions of this clause are not applicable to the Company.

For P.K.Drolia & Co.
Chartered Accountants
Firm Registration No.316057E

Sd/-
P. K. Drolia
Partner
Membership No.52629
UDIN: 22052629AJEJYV1122

Place : Kolkata
Date : 29/04/2022

ANNEXURE "2" TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **CONTROLLA ELECTROTECH PRIVATE LIMITED** ("the Company") as of 31st March, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For P.K.Drolia & Co.
Chartered Accountants
Firm Registration No.316057E

Sd/-
P. K. Drolia
Partner
Membership No.52629
UDIN: 22052629AJEJYVU22

Place : Kolkata
Date : 29/04/2022

CONTROLLA ELECTROTECH PRIVATE LIMITED
CIN: U2930WB1991PTC052455
BALANCE SHEET AS AT MARCH 31 , 2022

(Rs. in lakhs)

	Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
I.	**ASSETS**			
	Non Current Assets			
	(a) Property, Plant and Equipment	2	6.83	15.69
	(b) Investment Property	3	1,692.15	1,728.54
	(c) Financial Assets			
	(i) Other Financial Assets	4	2.55	2.55
	(d) Other Non Current Assets	5	5.06	2.93
	Total Non - Current Assets		**1,706.60**	**1,749.71**
	Current Assets			
	(a) Financial Assets			
	(i) Investment	6	20.37	26.93
	(ii) Trade Receivables	7	183.92	183.92
	(iii) Cash and Cash Equivalents	8	1.07	7.80
	(iv) Other Bank Balances	9	65.16	61.94
	(b) Other Current Assets	10	19.79	1.43
	Total Current Assets		**290.30**	**282.02**
	TOTAL ASSETS		**1,996.89**	**2,031.73**
II.	**EQUITY AND LIABILITY**			
	EQUITY			
	(a) Equity Share Capital	11	3.53	3.53
	(b) Other Equity	12	(485.17)	(458.72)
	Total Equity		**(481.64)**	**(455.19)**
	LIABILITIES			
	Current Liabilities			
	(a) Financial Liabilities			
	(i) Trade Payable			
	- Due to Micro, Small and Medium Enterprises	13	-	-
	(ii) Other Financial Liabilities	14	2,463.57	2,463.78
	(b) Other Current Liabilities	15	14.97	23.14
	Total Current Liabilities		**2,478.54**	**2,486.92**
	TOTAL EQUITY AND LIABILITIES		**1,996.90**	**2,031.73**

The Accompanying Notes are an Integral part of the Financial Statements.
As per our report of even date Annexed.

For P. K. Drolia & Co.
Chartered Accountants
Firm Registration No. : 316057E

Sd/-
CA P.K. Drolia
Partner
Membership No. : 052629
UDIN: 22052629AJEJYV1122

Place : Kolkata
Date: 29th ~~May~~, 2022
Apr

On behalf of the Board of Directors

Sd/-
Hari Shanker Sharma
Director
Din No:-09404713

Sd/-
Manoj Kumar
Director
Din No:-06397089

CONTROLLA ELECTROTECH PRIVATE LIMITED
CIN: U2930WB1991PTC052455
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in lakhs)

	Particulars	Note No.	Year ended March 31 2022	Year ended March 31 2021
I.	Revenue From Operations	16	156.00	312.00
II.	Other Income	17	4.34	7.07
III.	Total income (I+II)		160.34	319.07
IV.	Expenses:			
	Finance Cost	18	117.50	236.52
	Depreciation and Amortisation Expense	19	45.25	45.25
	Other Expenses	20	26.12	27.19
	Total Expenses (IV)		188.87	308.96
V.	Profit Before Exceptional Items and Tax (III-IV)		(28.53)	10.11
VI.	Exceptional Items		-	-
VII.	Profit Before Tax (V-VI)		(28.53)	10.11
VIII.	Tax Expense			
	Current Tax	21	-	-
			(2.08)	0.57
IX.	Profit For The Period/Year (VII-VIII)		(26.45)	9.54
X.	Other Comprehensive Income			
	Items that will not be reclassified to Profit or Loss		-	-
	Income tax relating to items that will not be reclassified to Profit or Loss		-	-
	Total Other Comprehensive Income		-	-
XI.	Total Comprehensive Income For The Period/Year (IX + X)		(26.45)	9.54
XII.	Earnings Per Equity Share (of Rs. 10/- each)	25		
			(74.93)	27.03
			(74.93)	27.03

The Accompanying Notes are an Integral part of the Financial Statements.
As per our report of even date Annexed.

For P. K. Drolia & Co.
Chartered Accountants
Firm Registration No. : 316057E

On behalf of the Board of Directors

Sd/-
CA P.K. Drolia
Partner
Membership No. : 052629
UDIN: 22052629AJEJYV1122

Sd/-
Hari Shanker Sharma
Director
Din No:-09404713

Sd/-
Manoj Kumar
Director
Din No:-06397089

Place : Kolkata
Date: 29th ~~May~~ Apr, 2022

CONTROLLA ELECTROTECH PRIVATE LIMITED

CIN: U2930WB1991PTC052455

Statement of Cash Flows for the year ended March 31, 2022

(Rs. in lakhs)

Particulars	Year ended March 31 2022	Year ended March 31 2021
A. Cash Flows from Operating Activities		
Profit Before Tax	(28.53)	10.11
Adjustment for :		
Depreciation and Amortization Expense	45.25	45.25
Finance costs	117.50	236.52
Interest Income	(4.34)	(7.07)
Operating profit before working capital changes	129.88	284.81
Changes in working capital :		
Increase / (Decrease) in Trade Receivables, Loans, Advances and Other Assets	(18.36)	(184.23)
Increase / (Decrease) in Trade Payables, Other Liabilities and Provisions	(8.38)	79.78
Cash generated/(used) in operations	103.15	180.36
Income Tax Paid (Net)	(2.11)	25.52
Net Cash used in Operating Activities	101.05	205.89
B. Cash flows from Investing Activities		
(Increase)/decrease in fixed deposit	-	(3.89)
Investment in Mutual Fund	7.65	(25.99)
Investment in ICD	-	(20.00)
Refund received from ICD	-	65.00
Interest Received	-	5.73
Net Cash used in Investing Activities	7.65	20.85
C. Cash Flows from Financing Activities		
Interest paid	(117.50)	(236.52)
Net Cash generated from Financing Activities	(117.50)	(236.52)
Net Increase / (Decrease) in Cash and Cash Equivalents	**(8.80)**	**(9.79)**
Cash & Cash Equivalents at the beginning of the year	**7.80**	17.59
Cash and Cash Equivalents at the end of the year	**(1.00)**	7.80

Note:

1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statements of Cash Flow ".

2) Components of Cash and Cash Equivalents:

(Rs. in lakhs)

Particulars	Year ended March 31 2022	As at March 31, 2021
Cash on hand	-	-
In Current Account	1.07	7.80
	1.07	7.80

The Accompanying Notes are an Integral part of the Financial Statements.
As per our report of even date Annexed.

For P. K. Drolia & Co.
Chartered Accountants
Firm Registration No. : 316057E

Sd/-
CA P.K. Drolia
Partner
Membership No. : 052629
UDIN: 22052629AJEJYV1122

Place : Kolkata
Date: 29th ~~May~~ Apr, 2022

On behalf of the Board of Directors

Sd/-
Hari Shanker Sharma
Director
Din No:-09404713

Sd/-
Manoj Kumar
Director
Din No:-06397089

CONTROLLA ELECTROTECH PRIVATE LIMITED
CIN: U2930WB1991PTC052455
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31,2022

A. Equity Share Capital

(1) Current reporting period

(Rs. in lakhs)

Particulars	Balance as at April 1, 2021	share capital due to prior period errors	Restated balance as at April 1, 2021	Changes in equity share capital during the year*	Balance as at March 31, 2022
Equity Share Capital	3.53	0.00	3.53	0.00	3.53

(2) Previous reporting period

Particulars	Balance as at April 1, 2020	Changes in equity share capital due to prior period	Restated balance as at April 1, 2020	Changes in equity share capital during the year*	Balance as at March 31, 2021
Equity Share Capital	3.53	0.00	3.53	0.00	3.53

B. Other equity

(Rs. in lakhs)

Particulars	Reserves and Surplus		Total
	Secutities Premium	Retained Earnings	
Balance as at March 31, 2020	**31.74**	**(500.00)**	**(468.26)**
Profit for the year ended March 31, 2021	-	9.54	9.54
Changes in accounting policies/prior period errors	-	-	-
Balance as at March 31, 2021	**31.75**	**(490.45)**	**(458.71)**
Profit for the year ended June 30, 2021	-	(26.45)	(26.45)
Changes in accounting policies/prior period errors	-	-	-
Balance as at March 31, 2022	**31.75**	**(516.90)**	**(485.16)**

Securities Premium Reserves:

Securities premium reserves is issued to record the premium on issue of shares. The reserve can be utilised in accordance with the provision of the Companies Act,2013.

Retained Earnings:

This reserve represents the cumulative profits of the Company. This can be utilised in accordance with the provisions of the Companies Act, 2013.
The Accompanying Notes are an Integral part of the Financial Statements.
As per our report of even date Annexed.

For P. K. Drolia & Co.
Chartered Accountants
Firm Registration No. : 316057E

Sd/-
CA P.K. Drolia
Partner
Membership No. : 052629

Place : Kolkata
Date: 29th ~~May~~, 2022
Apr

On behalf of the Board of Directors

Sd/-
Hari Shanker Sharma
Director
Din No:-06397089

Sd/-
Manoj Kumar
Director
Din No:-06397089

1. Company Overview and Significant Accounting Policies

(A) Corporate Information

Controlla Electrotech Private Limited (the "Company") is domiciled and incorporated in India. The Registered Office of the Company is at Y-10, Block-EP, Sector-V, Saltlake Electronics Complex, Bidhannagar Kolkata - 700 091. The Company is engaged in business of providing business centre, renting and allied activity.

(B) Recent Accounting Developments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards.

New Standards / Amendments to Existing Standard/ New Pronouncement issued but not yet effective upto the date of issuance of the Company's Financial Statement:

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

Rounding Off: For the purpose of rounding off the figures appearing in the Financial Statements for financial year ending 31.03.2022 the total income of the Company shall be considered instead of Turnover.

Additional Disclosure in Notes to Balance Sheet:

- Shareholding of Promoter: The note on Share Capital in the Financial Statements shall mention details of the Shareholding of the Promotes along with changes, if any, during the Financial Year.
- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Current maturities of Long-term borrowings shall be disclosed separately under the heading Short Term Borrowing.
- Security Deposits to be shown under the head of Other Non-Current Assets instead of Long term Loan & Advances.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specific disclosure for title deeds of Immovable Property not held in name of the Company and disclosure on revaluation of Assets
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of Benami property held etc.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Ratios-Following Ratios to be disclosed: - (a) Current Ratio, (b) Debt-Equity Ratio, (c) Debt Service Coverage Ratio, (d) Return on Equity Ratio, (e) Inventory turnover ratio, (f) Trade Receivables turnover ratio, (g) Trade payables turnover ratio, (h) Net capital turnover ratio, (i) Net profit ratio, (j) Return on Capital employed, (k) Return on investment
- Specific Disclosure Borrowing & Wilful Defaulter

Additional Disclosure in Notes to Profit & Loss Account:

- • Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.
- The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

(C) Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

CONTROLLA ELECTROTECH PRIVATE LIMITED

(D) Significant Accounting Policies

1.1. Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

The preparation of financial statements require the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosed amount of contingent liabilities.

Areas involving a higher degree of judgement or complexity or areas where assumptions are significant to the Company are discussed in Note 1.16- Critical accounting judgements and key sources of estimation uncertainty.

The management believes that the estimates used in preparation of financial statements are prudent and reasonable. Actual results could differ from those estimates and the differences between the actual results and the estimates would be recognised in the periods in which the results are known / materialised.

Comparative information has been restated to accord with changes in presentations made in the current year, except where otherwise stated.

These Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

1.2. Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and In AS 1 – Presentation of Financial Statements. For the company, there is generally no clearly identifiable normal operating cycle and hence the normal operating for the company is assumed to have duration of 12 months.

1.3. Investments in subsidiaries, associates and joint ventures

Investment in associates and joint ventures are accounted for at cost. Cost is arrived at on weighted average method for the purpose of valuation of investments.

Equity Investment in subsidiaries are carried at cost less accumulated impairment, if any.
When necessary, the entire carrying amount of the investment is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

1.4. Revenue

Income rental and business centre is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Interest Income is recognised on the time proportion basis taking into account the amount outstanding and the rate applicable.

1.5. Leasing

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed or the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

1.6. Foreign Currency Transactions

The financial statements are presented in Indian Rupee (INR) in lakhs, the functional currency of the Company. Functional currency is the currency of the primary economic environment in which the Company operates.

Non-Financial Instruments - foreign currency translation policy:

Initially foreign currency transactions are recorded at the rates of exchange prevailing at the dates of the respective transactions. Foreign currency monetary items are restated using the exchange rate prevailing at the reporting date.Non-monetary items (carried at fair value) as on reporting date are restated using the exchange rate prevailing at the date when the

Investment in equity instruments that are not held for trading are measured at FVTOCI, where an irrevocable election has been made by management on an instrument-by-instrument basis. These investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to the statement of profit and loss on disposal of the investments. Dividends on such investments are recognised in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Debt investments measured at FVTOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Other net gains and losses are recognised in Other Comprehensive Income (OCI). On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.

Financial Assets at Fair Value through Profit or Loss (FVTPL):
A financial asset which is not classified in any of the above categories are measured at FVTPL. A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the statement of profit and loss.

Impairment of Financial Assets:
Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and FVTOCI at each reporting date based on evidence or information that is available without undue cost or effort.

The Company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for that financial asset at an amount equal to 12-month expected credit losses.

In case of debt instruments measured at FVTOCI, the loss allowance shall be recognised in other comprehensive income with a corresponding effect to the profit or loss and not reduced from the carrying amount of the financial asset in the balance sheet. In case of such instrument, amount recognized in the statement of profit and loss are the same as the amount would have been recognized in case the debt instrument is measured at amortised cost.

No Expected credit losses is recognised on equity investments.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company measures the loss allowance at an amount equal to lifetime expected credit losses taking into account historical credit loss experience and adjusted for forward-looking information.

Derecognition of Financial Assets:
The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset accounted under Ind AS 109 in its entirety:

a) for financial assets measured at amortised cost, the gain or loss is recognized in the statement of profit and loss.

b) for financial assets measured at fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

(ii) **Financial Liabilities and Equity Instruments:**

Classification as debt or equity:
Financial liabilities and equity instruments issued are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

fair value was determined. Translation differences on such items are reported as part of the fair value gain or loss on such items. For non-monetary items (carried at historical cost) as on reporting date restatement is not required

Financial Assets - foreign Exchange Gains and Losses:
The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated using the exchange rate prevailing at the reporting date. For monetary financial assets measured at amortised cost, FVTOCI or FVTPL and non-monetary financial assets measured at amortised cost or FVTPL, the exchange differences are recognised in the statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship. Foreign currency changes for non-monetary financial assets measured at FVTOCI are recognised in other comprehensive income.

Financial Liabilities - Foreign Exchange Gains and Losses:
The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated using the exchange rate prevailing at the reporting date. For monetary financial liabilities measured at amortised cost, FVTOCI or FVTPL and non-monetary financial liabilities measured at amortised cost or FVTPL, the exchange differences are recognised in the statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship. Foreign currency changes for non-monetary financial liabilities measured at FVTOCI are recognised in other comprehensive income

1.7. Borrowing Cost
Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Other income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

1.8. Property, Plant and Equipment – Tangible Assets

Property, plant and equipment are initially recognised at cost together with borrowing cost capitalized for qualifying assets. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

Subsequent to initial recognition, property, plant and equipment are measured at cost less accumulated depreciation and impairment, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

Depreciation
Depreciation of these assets commences when the assets are ready for their intended use. It is recognised so as to amortise the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Estimated useful life of the assets determined is as under:

- Buildings- 60 years
- Plant and machinery- 15 years
- Furniture and Fixtures- 10 years
- Computers- 3 to 6 years
- Office equipment- 5 years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Leasehold assets including improvements are amortised over the period of the lease. Freehold Land is not depreciated.

Depreciation on assets purchased / sold during the period is recognized on a pro-rata basis.

1.9. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives of 2-6 years.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit and loss when the asset is de-recognised.

1.10. Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

1.11. Financial instruments, Financial assets, Financial liabilities and Equity Instruments

Recognition of Financial Instruments:

Financial assets and financial liabilities are recognised when entity becomes a party to the contractual provisions of the instruments. Loans & advances and all other regular way purchases or sales of financial assets are recognised and derecognised on the trade date basis.

Initial Measurement of Financial Instruments:

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

Subsequent Measurement:

(i) Financial Assets

Financial Assets carried at Amortised Cost (AC):

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

Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI):

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

Equity Instruments

An Equity Instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial Liabilities

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest rate method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

Off-setting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously backed by past practice.

Fair value measurement

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

a) In the principal market for the asset or liability, or

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

The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - Other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - Unobservable inputs for the asset or liability.

Expected Credit Loss

Expected credit loss (ECL) is the probability-weighted estimate of credit losses (i.e., the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between scheduled or contractual cash flows and actual expected cash flows. Consequently, ECL subsumes both the amount and timing of payments – a credit loss would arise even when a receivable was realised in full but later than when contractually due.

1.12. Taxes on Income

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

Current tax

Current Tax is determined at the amount of tax payable in respect of taxable profit for the year as per the Income-tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rate that has been enacted by the end of the reporting period.

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Deferred tax

The Company's deferred tax is calculated using tax rate that are substantially enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Current and deferred tax for the year

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

1.13. Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

1.14. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

In case of litigations, provision is recognised once it has been established that the Company has a present obligation based on information available up to the date on which the Company's financial statements are finalised and may in some cases entail seeking expert advice in making the determination on whether there is a present obligation.

Contingent Liabilities

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. Company does not recognize contingent liability but discloses its existence in the financial statements.

Contingent Assets

Contingent assets are not recognized in the financial statement, but are disclosed where an inflow of economic benefits is probable.

1.15. Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Corporate Management Committee. Based on such the Company operates in one operating segment, viz. Real Estate Services.

1.16. Use of Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

A. Judgements in applying accounting policies

The judgements, apart from those involving estimations, that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of property plant and equipment and investment property.

B. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

i) **Useful lives of property, plant and equipment:**

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

ii) **Fair value measurements and valuation processes:**

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

iii) **Claims, Provisions and Contingent Liabilities:**

Any litigation where an outflow of funds is believed to be probable and are liable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

1.17. 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. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

1.18. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

CONTROLLA ELECTROTECH PRIVATE LIMITED

Notes to the financial statement for the year ended March 31, 2022

2 Property, Plant and Equipment

(Rs. in lakhs)

Particulars	Gross block				Depreciation/ amortisation/ impairment				Net book value
	As at April 01, 2021	Additions	Disposals and other adjustments	As at March 31, 2022	As at April 01, 2021	Depreciation/ amortisation Charge	Disposals and other adjustments	As at March 31, 2022	As at March 31, 2022
Plant & Machinery	51.12	-	-	51.12	35.43	8.86	-	44.29	6.83
Total Tangible assets	**51.12**	-	-	**51.12**	**35.43**	**8.86**	-	**44.29**	**6.83**

Particulars	Gross block				Depreciation/ amortisation/ impairment				Net book value
	As at April 01, 2020	Additions	Disposals and other adjustments	As at 31st March, 2021	As at April 01, 2020	Depreciation/ amortisation Charge	Disposals and other adjustments	As at 31st March, 2021	As at 31st March, 2021
Plant & Machinery	51.12	-	-	51.12	26.57	8.86	-	35.43	15.69
Total Tangible assets	**51.12**	-	-	**51.12**	**26.57**	**8.86**	-	**35.43**	**15.69**

2(i) The Company has not revalued its Property,Plant and Equipment based on the valuation by Registered Valuer as defined under Rule 2 of the Companies (Registered Valuers and Valuation) Rules,2017.

CONTROLLA ELECTROTECH PRIVATE LIMITED

Notes to the financial statement for the year ended March 31, 2022

3 **Investment Property**

(Rs. in lakhs)

Particulars	Gross block				Depreciation/ amortisation/ impairment				Net book value
	As at April 01, 2021	Additions	Disposals and other adjustments	As at March 31, 2022	As at April 01, 2021	Depreciation/ amortisation Charge	Disposals and other adjustments	As at March 31, 2022	As at March 31, 2022
Land	8.99	-	-	8.99	-	-	-	-	8.99
Building	1,865.11		-	1,865.11	145.56	36.39	-	181.95	1,683.16
Total Tangible assets	**1,874.10**	-	-	**1,874.10**	**145.56**	**36.39**	-	**181.95**	**1,692.15**

Particulars	Gross block				Depreciation/ amortisation/ impairment				Net book value
	As at April 01, 2020	Additions	Disposals and other adjustments	As at March 31, 2021	As at April 01, 2020	Depreciation/ amortisation Charge	Disposals and other adjustments	As at March 31, 2021	As at March 31, 2021
Land	8.99	-	-	8.99	-	-	-	-	8.99
Building	1,865.11	-	-	1,865.11	109.17	36.39	-	145.56	1,719.55
Total Tangible assets	**1,874.10**	-	-	**1,874.10**	**109.17**	**36.39**	-	**145.56**	**1,728.54**

3(i) The Investment Property is valued at cost. Depreciation is charged using the straight- line method based on its estimated useful life i.e. 60 years.

3(ii) Fair Value of Land and Building as on 31.03.2022 - Rs 3,704 Lakhs (as on 31.03.2021 - Rs 3,531 Lakhs)

3(iii) The amount recognised in the profit or loss in relation to Investment Property:-

a) Income for the year 2021-22 - Rs.156 Laks (previous year - Rs 312 Lakhs)

b) Direct operating expenses arising from investment property that generated rental income as on 31.03.2022 - Rs.138.39 Lakhs (previous year - Rs 257.27 Lakhs)

c) Building is Mortgaged as a collateral security against the allotment of Secured Redeemable Non-Convertible Debentures aggregating to Rs.0.70 Crores by Srei Equipment Finance Limited, the fellow subsidiary company in favour of the Debenture Trustee, Axis Trustee Services Limited.

4 Other Financial assets - Non Current

(₹ in Lakhs)

Particulars	As at March 31,	As at March 31,
Security Deposit	2.55	2.55
Bank deposit with more than 12 months maturity (measured at amortised cost)	-	-
Total	2.55	2.55

5 Other Non Current Assets

(₹ in Lakhs)

Particulars	As at March 31,	As at March 31,
Advance Tax & Tax Deducted At Source	5.06	8.92
Less: Provision for taxation	-	(5.99)
Total	5.06	2.93

6 Investment-Current

(₹ in Lakhs)

Particulars	As at March 31,	As at March 31,
Investments (Measured at Fair Value through Profit and loss)		
Investments Investments in Scheme of Mutual Funds - Current Investments - 6637.217 units @ Rs 306.8943 (previous year - 9121.304 units @ Rs 295.2785)	20.37	26.93
Total	**20.37**	**26.93**

7 **Trade Receivables**

Trade Receivables ageing schedule as at March 31, 2022

(₹ in Lakhs

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months- 1 year	1-2 year	2-3 year	More than 3 year	Total
Unsecured						
(i) Undisputed Trade receivables - considered good	-	-	-	-	-	-
(ii) Undisputed Trade receivables -Which have significant increase in credit risk	-	-	183.92	-	-	183.92
(iii) Disputed Trade receivables -Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables -Which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
	-	-	183.92	-	-	183.92
Unbilled dues	-	-	-	-	-	
Total	-	-	183.92	-	-	183.92

Trade Receivables ageing schedule as at March 31, 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months- 1 year	1-2 year	2-3 year	More than 3 year	Total
Unsecured						
(i) Undisputed Trade receivables - considered good	-	-	-	-	-	-
(ii) Undisputed Trade receivables -Which have significant increase in credit risk	183.92	-	-	-	-	183.92
(iii) Disputed Trade receivables -Credit impaired	-	-	-	-		-
(iv) Disputed Trade receivables - considered good	-	-	-			-
(v) Disputed Trade receivables -Which have significant increase in credit risk		-	-			
(vi) Disputed Trade receivables - credit impaired	-	-	-	-		-
	183.92	-	-	-	-	183.92
Unbilled dues	-	-	-	-	-	
Total	183.92	-	-	-	-	183.92

i. In determining the allowances for credit losses, the Company has used a practical expedient by computing the expected credit loss allowance based on a provision matrix. The provision matrix takes into account historical credit loss experience. The Company measures the loss allowance at an amount higher of lifetime expected credit losses taking into account historical credit loss experience (adjusted for forward-looking information) and Income Recognition

ii. No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person.

8 Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at March 31,	As at March 31,
Cash on hand	-	-
Balances with Banks in current account	1.07	7.80
Bank deposit with original maturity upto 3 months	-	-
Total	**1.07**	**7.80**

9 **Other Bank Balances**

(₹ in Lakhs)

Particulars	As at March 31,	As at March 31,
Bank deposit with balance maturity upto 12 months	62.38	58.96
Interest accrued but not due	2.77	2.98
Total	**65.16**	**61.94**

10 Other Current Assets

(₹ in Lakhs)

Particulars	As at March 31,	As at March 31,
GST Input	0.59	0.98
Advance For Investment in Mutual Fund	17.50	-
Other Advances	1.70	-
Prepaid Expenses	-	0.45
Total	**19.79**	**1.43**

CONTROLLA ELECTROTECH PRIVATE LIMITED
Notes to the financial statement for the year ended March 31, 2022

11 Equity Share Capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	(₹ in Lakhs)	Number	(₹ in Lakhs)
Authorised				
Equity Shares of Rs. 10 each	50,000	5.00	50,000	5.00
	50,000	5.00	50,000	5.00
Issued, Subscribed & Paid up				
Equity Shares of Rs. 10 each fully paid up	35,305	3.53	35,305	3.53
Total	35,305	3.53	35,305	3.53

The rights, preferences and restrictions attached to each class of shares including restrictions on the distribution of dividends and the repayment of capital are as under:

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. Dividend, if declared by the Company, is paid in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

11.1 Equity shares issued/bought back during the period:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	(₹ in Lakhs)	Number	(₹ in Lakhs)
Shares outstanding at the beginning of the period/ year	35,305	3.53	35,305	3.53
Shares Issued during the period	-	-	-	-
Shares Forfeiture	-	-	-	-
Shares bought back during the period	-	-	-	-
Shares outstanding at the end of the period	35,305	3.53	35,305	3.53

11.2 Details of Shares held by Holding/Ultimate Holding and/or their Subsidiaries/Associates :-

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	Number	% of Holding	Number	% of Holding
SREI Infrastructure Finance Limited *	35,305	100.00	35,305	100.00

11.3 Details of shareholder holding more than 5% shares :-

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	Number	% of Holding	Number	% of Holding
SREI Infrastructure Finance Limited *	35,305	100.00	35,305	100.00

* Includes 3000 Equity shares held by nominee of Srei Infrastructure Finance Limited.

Shareholding of promoters as at March 31, 2022 :

Shares held by promoters at the end of the year				% Change during the year
Sl.No.	Promoter name	No. of shares	% of total shares	
(i)	SREI Infrastructure Finance Limited *	35,305	100.00	NA
	Total			

Shareholding of promoters as at March 31, 2021 :

Shares held by promoters at the end of the year				% Change during the year
Sl.No.	Promoter name	No. of shares	% of total shares	
(i)	SREI Infrastructure Finance Limited *	35,305	100.00	NA
	Total			

12 Other Equity

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Share Premium	31.74	31.74
b) Retained Earnings		
Balance as per last accounts	(490.45)	(500.00)
Net Profit/(Loss) for the Period/Year	(26.45)	9.54
Closing Balance	**(516.90)**	**(490.45)**
Total (a+b)	**(485.17)**	**(458.72)**

13 **Trade Payables**

Trade Payables ageing schedule as at March 31, 2022					(₹ in Lakhs)
Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 year	2-3 year	More than 3 year	Total
Trade Payables	-	-	-	-	-
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
(iii) Disputed dues (MSMEs) and	-	-	-	-	-
(iv) Disputed dues (Others)	-	-	-	-	-
	-	-	-	-	-
Unbilled dues					
Total	-	-	-	-	-

Trade Payables ageing schedule as at March 31, 2021					(₹ in Lakhs)
Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 year	2-3 year	More than 3 year	Total
Trade Payables	-	-	-	-	-
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
(iii) Disputed dues (MSMEs) and	-	-	-	-	-
(iv) Disputed dues (Others)	-	-	-	-	-
	-	-	-	-	-
Unbilled dues					
Total	-	-	-	-	-

(A) Due to Micro, Small and Medium Enterprises (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a) The principal amount and interest due thereon remaining unpaid to any supplier	-	-
b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day.	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d) The amount of interest accrued and remaining unpaid	-	-
e) The amount of further interest remaining due and payable even in the succeeding year until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Total	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

14 **Other Financial Liabilities - Current**

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposit taken-measured at amortised cost	2,350.00	2,350.00
Interest payable on Refundable Security Deposit	113.34	113.34
Liabilities for expenses	0.23	0.43
Total	**2,463.57**	**2,463.78**

15 **Other Current Liabilities**

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory Liabilities	14.97	23.14
Total	**14.97**	**23.14**

16 Revenue From Operations

(₹ in Lakhs)

Particulars	Year ended March 31 2022	Year ended March 31 2021
Income from Business Centre *	156.00	312.00
Total	**156.00**	**312.00**

* The company has given its property to its fellow subsidiary, Srei Equipment Finance Ltd (SEFL) as business centre at a monthly consideration of Rs.26 laks. Due to restrictions imposed by the Bankers of SEFL, they had requested the company to waive business centre fees untill the same is approved by Bankers. Hence, business centre fees for the period April 1, 2021 to Sep 30, 2021 amounting to Rs.156 lackhs waived by the Company. Consequently, SEFL also waived the interest on Security Deposit amounting to Rs.117 lacs to the Company for the period April 1, 2021 to Sep, 2021. The Bankers have approved Business centre fees and interest on security deposit w.e.f. Oct 1, 2021 which has been recognised and paid by both the companies.

17 Other Income

(₹ in Lakhs)

Particulars	Year ended March 31 2022	Year ended March 31 2021
Interest on Fixed Deposits	3.17	3.54
Interest on income tax refund	0.02	1.13
Interest on Inter Corporate Deposit	-	1.46
Profit on Investment in Mutual Fund Scheme	1.15	0.36
Net gain on fair valuation of investments - measured at FVTPL	-	0.58
Total	**4.34**	**7.07**

18 Finance Cost

(₹ in Lakhs)

Particulars	Year ended March 31 2022	Year Ended March 31 2021
Interest expense on Security deposit measured at amortised cost	117.50	236.52
Total	**117.50**	**236.52**

19 Depreciation and Amortisation Expense

(₹ in Lakhs)

Particulars	Year ended March 31 2022	Year Ended March 31 2021
Depreciation on property, plant and equipments	45.25	45.25
Total	**45.25**	**45.25**

20 Other Expenses

(₹ in Lakhs)

Particulars	Year ended March 31 2022	Year Ended March 31 2021
Rates & Taxes	21.17	21.00
Insurance	2.46	2.90
Legal & Professional Fees	0.54	2.35
Director Sitting Fee	0.10	-
Payment to Auditors :		
- Statutory Audit Fees	0.25	0.25
- Other Services (Certification, etc.)	-	0.03
Bank Charges	1.57	0.47
Miscellaneous Expenses	0.03	0.19
Total	**26.12**	**27.19**

21 Tax Expenses

(₹ in Lakhs)

Particulars	Year ended March 31 2022	Year Ended March 31 2021
Current Tax	-	-
Tax for earlier year	(2.08)	0.57
Total Current Tax	**(2.08)**	**0.57**
Deferred tax	-	-
Total Deferred Tax	-	-
Total	**(2.08)**	**0.57**

The reconciliation of estimated income tax to income tax expense is as below:

(₹ in Lakhs)

Particulars	Year ended March 31 2022	Year Ended March 31 2021
Profit before tax	(28.53)	10.11
Statutory Income Tax Rate	25.17%	25.17%
Expected income tax expense at statutory income tax rate	(7.18)	2.54
(i) Income exempt from tax/Items not deductible	7.18	(2.54)
Total Tax Expense recognised in profit and loss	-	-

22 CAPITAL MANAGEMENT

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains a strong capital base by maximizing shareholders' wealth, safeguarding business continuity and augmenting its internal generations with a judicious use to fund working capital that arise from time to time as well as requirements to finance business growth.

The Company determines the amount of capital required on the basis of annual business plan. The funding needs are met through cash generated from operations.

The capital structure of the Company consists of total equity. The Company does not have any borrowing.

23 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of Financial asset, Financial liability and equity instrument are disclosed in Note 1 to the financial statements.

A) Categories of Financial Instruments

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

	As at March 31, 2022		As at March 31, 2021	
	Carrying Value	**Fair Value**	Carrying Value	Fair Value
Financial assets				
a) Measured at amortised cost				
(i) Cash and Cash Equivalents	1.07	1.07	7.80	7.80
(ii) Other Bank Balances	65.16	65.16	61.94	61.94
(iii) Other Financial Assets	2.55	2.55	2.55	2.55
Sub-Total	68.78	68.78	72.29	72.29
b) Measured at Fair Value through Profit or Loss				
i) Investments	20.37	20.37	-	-
Sub-Total	20.37	20.37	-	-
Total financial assets	**89.15**	**89.15**	**72.29**	**72.29**
Financial liabilities				
a) Measured at amortised cost				
(i) Other Financial Liabilities	2,463.57	2,463.57	2,463.78	2,463.78
Total financial liabilities	**2,463.57**	**2,463.57**	**2,463.78**	**2,463.78**

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables

Other financial assets measured at amortised cost

For other financial assets that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash, cash equivalents, other bank balances and Other receivables.

Other financial liabilities measured at amortised cost

For other financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts are a reasonable approximation of their fair value. Such instruments include: Trade & Other payables.

23 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES (Contd..)

B) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments 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.

Valuation techniques with observable inputs (Level 2): The fair value of financial instruments that are not traded in an active market (for example over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Valuation techniques with significant unobservable inputs (Level 3): If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and investment in Alternate Investment Funds included in level 3.

(Rs. in lakh)

	As at 31.03.2022			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments	20.37	-	-	20.37
	20.37	-	-	**20.37**

	As at 31.03.2021			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments	-	-	-	-
	-	-	-	-

C) Financial risk management objectives

The Company's activities expose it to a variety of financial risks, including credit risk and liquidity risk. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. The current Risk Management System rests on policies and procedures issued by appropriate authorities, internal control systems, process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

a) Liquidity risk

Liquidity risk is the risk that the Company does not have sufficient financial resources to meet its obligations as they fall due, or will have to do so at an excessive cost. This risk arises from mismatches in the timing of cash flows which is inherent in all finance driven organisations and can be affected by a range of Company-specific and market-wide events.

The Company mitigates its liquidity risks by ensuring timely collections of its trade receivables and close monitoring of its credit cycle. The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date

	As at 31.03.2022		As at 31.03.2021	
	Current	Non-Current	Current	Non-Current
Financial assets				
a) Measured at amortised cost				
(i) Cash and Cash Equivalents	1.07	-	7.80	-
(ii) Other Bank Balances	65.16	-	61.94	-
(iii) Other Financial Assets	-	2.55	-	2.55
Total	66.23	2.55	69.74	2.55
Financial liabilities				
a) Measured at amortised cost				
(i) Other Financial Liabilities	2,463.57	-	2,463.78	-
Total	2,463.57	-	**2,463.78**	-

b) Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations.

The Company mitigates its credit risks by ensuring timely collections of its trade receivables and close monitoring of its credit cycle.

CONTROLLA ELECTROTECH PRIVATE LIMITED
Notes to the financial statement for the year ended March 31, 2022

24 Related Party Disclosures

a) Related Parties list

Sl.No	Name of the Company	Country of Origin
A	**Ultimate Holding Company**	
1	Adisri Commercial Private Limited	India
B	**Subsidiary of Ultimate Holding Company**	
2	Srei Factors Private Limited (w.e.f. 02.01.2019)	India
C	**Holding Company**	
3	Srei Infrastructure Finance Limited (SIFL)	India
D	**Fellow Subsidiaries:**	
4	Srei Capital Markets Limited	India
5	Trinity Alternative Investment Managers Limited (Formerly Srei Alternative Investment Managers Limited)	India
6	Bengal Srei Infrastructure Development Limited	India
7	Srei Insurance Broking Private Limited	India
8	Srei Mutual Fund Trust Private Limited	India
9	Srei Mutual Fund Asset Management Private Limited	India
10	Srei Assets Leasing Ltd.(Formerly Srei Finance Limited)	India
11	Hyderabad Information Technology Venture Enterprises Limited (Subsidiary of Trinity Alternative Investment Managers Ltd.)	India
12	Cyberabad Trustee Company Private Ltd. (Subsidiary of Trinity Alternative Investment Managers Ltd.)	India
13	Srei Equipment Finance Limited	India
E	**Fellow Associates**	
14	IIS International Infrastructure Services GmbH, Germany (Officially liquidated w.e.f. 29.07.2020)	Germany
15	AO International Infrastructure Services, Russia, (Subsidiary of IIS International Infrastructure Services GmbH, Germany) ceased to be related party on liquidation of IIS International Infrastructure Services GmbH, Germany	Russia
F	**Others**	
16	Srei Mutual Fund Trust	India
17	Srei Infrastructure Finance Limited Employees Gratuity Trust	India
G	**Key Management Personnel (KMP)/Directors:**	**Designation**
18	Mr. Hari Shanker Sharma	Non Executive Director
19	Mr. Manoj Kumar	Non Executive Director
H	**Holding Company - Key Management Personnel (KMP)/Directors:**	**Designation**
20	Mr. Hemant Kanoria *	Chairman
21	Mr. Sunil Kanoria *	Vice Chairman (Non Executive Director)
22	Mr. Shyamalendu Chatterjee *	Independent Director
23	Mr. Malay Mukherjee *	Independent Director
24	Dr. Punita Kumar Sinha *	Independent Director
25	Dr. Tamali Sengupta *	Independent Director
26	Dr. Deepali Pant Rajeev Joshi (w.e.f 30.06.2021) *	Additional Director (Independent Director)
27	Mr. Ram Krishna Agarwal (ceased w.e.f 17.09.2021)	Independent Director
28	Mr. Srinivasachari Rajagopal (ceased w.e.f. 30.06.2021)	Independent Director
29	Mr. Rakesh Kumar Bhutoria (cease w.e.f 15.09.2021)	Chief Executive Officer
30	Mr. Sandeep Lakhotia (ceased w.e.f. 20.03.2021)	Company Secretary
31	Mr. Sandeep Kumar Sultania (ceased to be a KMP w.e.f. 07.12.2021)	Chief Financial Officer
32	Mr. Shashi Bhushan Tiwari (from 20.05.2019 to 30.06.2020)	Chief Risk Officer
33	Mr. Rajneesh Sharma (w.e.f 04-10-2021) **	Administrator
34	Mr. Souren Mokhopadhyay (w.e.f 30.06.2021)	Deputy Chief Executive Officer
35	Mr. Manoj Kumar (w.e.f. 01.04.2021)	Company Secretary & Chief Financial Officer
36	Mr.Vishnu Gopal Agarwal (w.e.f. 21.03.2022)	Chief Compliance Officer & Financial Controller

* In exercise of the powers conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934, the Reserve Bank of India (RBI) had vide Press Release dated 4th October, 2021 superseded the Board of Directors of Srei Infrastructure Finance Limited (SIFL). Hence, ceased to be Director w.e.f. 04.10.2021.

** The Reserve Bank of India has appointed Shri Rajneesh Sharma, Ex- Chief General Manager, Bank of Baroda as the Administrator of SIFL under Section 45-IE (2) of the RBI Act.

24 Related Party Transactions

b) Transactions entered with related parties during the year ended March 31, 2022 and year ended March 31, 2021 are as under:

(₹ in Lakhs)

Name of related party	Nature of Transactions	Year ended March 31 2022	Year ended March 31 2021
(A) Holding Company			
Srei Infrastructure Finance Limited	Transactions: ICD Given during the period / ICD Refund during the period / Interest Income on ICD	- - -	20.00 65.00 1.46
(B) Fellow Subsidiary			
Srei Equipment Finance Limited	Transactions:		
	Security Deposit taken	-	-
	Security Deposit refunded	-	50.00
	Income From Business Centre	156.00	312.00
	Interest expense on Security deposit measured at amortised cost	117.50	236.52
(C) Key Management Personnel			
Vishnu Gopal Agarwal (Ceased to be Director w.e.f. 21.12.2021)	Director Sitting Fee	-	-
Sandeep Kumar Sultania (Ceased to be Director w.e.f. 21.12.2021)	Director Sitting Fee	-	-
Manoj Kumar (Director w.e.f. 20.12.2021)	Director Sitting Fee	-	-
Hari Shanker Sharma (Director w.e.f. 20.12.2021)	Director Sitting Fee	0.10	-

Balance due with related parties as on March 31 2022 and March 31, 2021 are as under:

(₹ in Lakhs)

Name of related party	Outstanding balances	As at March 31, 2022	As at March 31, 2021
(A) Holding Company			
Srei Infrastructure Finance Limited	Outstanding Balances: ICD receivable Interest receivable on ICD (net of TDS)	- -	- -
(B) Fellow Subsidiary			
Srei Equipment Finance Limited	Outstanding Balances: Security Deposit Balance	2,350.00	2,350.00
	Receivable : Income From Business Centre	183.92	183.92
	Payable : Interest Expenses on Security Deposit	113.34	113.34
	Property mortgaged as a collateral security against the allotment of Secured Redeemable Non-Convertible Debentures	70.00	70.00

25 Earnings Per Share (EPS) - The numerators and denominators used to calculate Basic and Diluted EPS:

S.No	Particulars	Year ended March 31 2022	Year ended March 31 2021
1	Profit/ (Loss) after tax attributable to Equity Shareholders (Rs. In Lakhs)	(26.45)	9.54
2	Weighted average number of Equity Shares Basic (Nos.)	35,305	35,305
3	Weighted average number of Equity Shares Diluted (Nos.)	35,305	35,305
4	Nominal Value of Equity per share (Rs)	10.00	10.00
5	Basic Earnings per share (Rs)	(74.93)	27.03
6	Diluted Earnings per share (Rs)	(74.93)	27.03

26 Segment Reporting

The Company is primarily engaged in a single business segment of Real Estate Services. All the activity of the company revolves around the main business. As such there are no separate reporting segments as per Accounting Standard -- 108 "Operating Segments".

27 Contingent Liability and capital commitment

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Contingent Liability		
Bank Guarantee	46.74	46.74
Income Tax Demand u/s 143(3) - FY 2010-11	0.35	0.35
Incorrect Demand u/s 115JB intimation u/s 143 (1) - FY 2019-20	1.42	1.42
Total	**48.51**	**48.51**
Capital Commitment	-	-

The amounts shown above represent the best possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

28 Ratios to be disclosed:

S.No	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Current Ratio	0.12	0.11
(b)	Debt Equity Ratio	-	-
(c)	Debt Service Coverage Ratio	-	-
(d)	Return on Equity Ratio*	-	-
(e)	Inventory Turnover Ratio	-	-
(f)	Trade Receivable Turnover Ratio	0.87	1.73
(g)	Trade Payable Turnover Ratio	-	-
(h)	Net Capital Turnover Ratio*	-	-
(i)	Net Proft Ratio	(0.18)	0.03
(j)	Return on Capital Employed	-	-
(k)	Return on Investment	-	-

* As the Net worth/ Net Capital is negative. Hence the ratio are not applicable.

** Since, the Net worth of the Company is nageative and the operations are insignificiant there is wide variation in ratio (more than 25%) compared to previous year.

29 Figures pertaining to the previous year have been rearranged/regrouped, reclassified and restated, wherever necessary, to make them comparable

The Accompanying Notes are an Integral part of the Financial Statements.
As per our report of even date annexed.

For P. K. Drolia & Co.
Chartered Accountants
Firm Registration No. : 316057E

On behalf of the Board of Directors

Sd/-
CA P.K. Drolia
Partner
Membership No. : 052629
UDIN: 22052629AJEJYV1122

Sd/-
Hari Shanker Sharma
Director
Din No:-09404713

Sd/-
Manoj Kumar
Director
Din No:-06397089

Place : Kolkata
Date: 29th ~~May~~ Apr, 2022

SREI

Srei Asset Leasing Limited

DIRECTORS' REPORT

Dear Members,

The Board of Directors of your Company has pleasure in presenting the Eighth Annual Report together with the Audited Accounts of the Company for the financial year ended 31st March, 2022.

FINANCIAL RESULTS AND OPERATIONS

(Amount in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Total Income	4.02	2.81
Total Expenditure	0.50	1.05
Profit/(Loss) Before Tax	**3.52**	**1.76**
Provision for Current Tax	-	-
Profit/(Loss) After Tax	**3.52**	**1.76**
Balance brought forward from previous year	**(0.35)**	**(2.11)**
Balance carried to Balance Sheet	**3.17**	**(0.35)**
Paid up Equity Share Capital	100.00	100.00
Amount transferred to Reserves	-	-

REVIEW OF OPERATIONS

During the Financial Year 2021-22, your Company earned a total Profit of Rs. 3.52 Lakhs as compared to the previous year profit of Rs. 1.76 Lakhs.

DIVIDEND

The Board of Directors of your Company does not recommend any dividend for the financial year 2021-22.

TRANSFER TO RESERVES

The Company is not statutorily required to transfer any amount to the General Reserve, as no Dividend has been recommended for the financial year 2021-22.

SUBSIDIARY COMPANIES/JOINT VENTURES/ASSOCIATE COMPANIES

The Company does not have any Subsidiary Company, Joint Ventures and Associate Company as required to be disclosed in terms of provisions of Section 134(3)(q) of the Companies Act, 2013 read with Rule 5 and 8(5) the Companies (Accounts) Rules, 2014.

SREI

Srei Asset Leasing Limited

PUBLIC DEPOSITS

The Company has not invited or accepted deposits from the public covered under Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company has no activities relating to conservation of energy and technology absorption as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) the Companies (Accounts) Rules, 2014. However, your Company uses information technology extensively in its operations and also continues its endeavor to improve energy conservation and utilization, safety and environment.

During the year under review, the total foreign exchange outflow was NIL (Previous Year – NIL). Your Company has not earned any foreign exchange during the year under review (Previous Year – Nil).

DIRECTOR & KEY MANAGERIAL PERSONNEL

DIRECTORS

Presently, the Board of Directors of your Company comprises of Three (3) Directors (Category: Non-Executive), namely, Mr. Manoj Kumar (DIN: 06397089), Mr. Sudipta Kumar Mukherjee (DIN: 09022104) and Mr. Umakant Kashinath Bijapur (DIN: 07269181).

During the year under review, Mr. Vishnu Gopal Agarwal (DIN: 02771818), and Mr. Manoj Kumar Beriwala (DIN: 07022437), resigned as Director of your Company w.e.f. 21st December, 2021, in compliance with and as per the requirement of the letter dated 30th November, 2021 issued by the Administrator of Srei Infrastructure Finance Limited (SIFL), Holding Company of your Company.

Further, Mr. Shashi Bhushan Tiwari (DIN: 00190997) resigned as Director of your Company w.e.f. 24th December, 2021, in compliance with and as per the requirement of the letter dated 30th November, 2021 issued by the Administrator of Srei Infrastructure Finance Limited (SIFL), Holding Company of your Company.

Further, in compliance with and as per the directions issued by the Administrator of Srei Infrastructure Finance Limited (SIFL) vide letter dated 30th November, 2021 and 3rd December, 2021, Mr. Manoj Kumar (DIN: 06397089), Mr. Sudipta Kumar Mukherjee (DIN: 09022104) and Mr. Umakant Kashinath Bijapur (DIN: 07269181), has been appointed as Directors of your Company w.e.f. 20th December, 2021.

SREI

Srei Asset Leasing Limited

Pursuant to the directions issued by the Administrator of Srei Infrastructure Finance Limited (SIFL) vide letter dated 30th November, 2021 and 3rd December, 2021, Mr. Manoj Kumar (DIN: 06397089), was appointed as an Additional Director of your Company w.e.f. 20th December, 2021 and hold office as an Additional Director upto the date of the ensuing Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier. The Board of Directors recommends the regularization of appointment of Mr. Manoj Kumar as Director of the Company, liable to retires by rotation, at the ensuing Annual General Meeting of the Company.

Pursuant to the directions issued by the Administrator of Srei Infrastructure Finance Limited (SIFL) vide letter dated 30th November, 2021 and 3rd December, 2021, Mr. Sudipta Kumar Mukherjee (DIN: 09022104), was appointed as an Additional Director of your Company w.e.f. 20th December, 2021 and hold office as an Additional Director upto the date of the ensuing Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier. The Board of Directors recommends the regularization of appointment of Mr. Sudipta Kumar Mukherjee as Director of the Company, liable to retires by rotation, at the ensuing Annual General Meeting of the Company.

Pursuant to the directions issued by the Administrator of Srei Infrastructure Finance Limited (SIFL) vide letter dated 30th November, 2021 and 3rd December, 2021, Mr. Umakant Kashinath Bijapur (DIN: 07269181), was appointed as an Additional Director of your Company w.e.f. 20th December, 2021 and hold office as an Additional Director upto the date of the ensuing Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier. The Board of Directors recommends the regularization of appointment of Mr. Umakant Kashinath Bijapur as Director of the Company, liable to retires by rotation, at the ensuing Annual General Meeting of the Company.

KEY MANAGERIAL PERSONNEL

As per the provisions of Section 203 of the Companies Act, 2013 (the Act) read with Rule 8 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed Company and every other Public Company having a paid-up share capital of ten crore rupees or more shall have whole-time KMPs namely (i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director; and (ii) Chief Financial Officer. Further, every company having paid-up share capital of five crores rupees or more shall have a whole-time Company Secretary. Your Company is not required to appoint any whole-time KMPs as the paid-up share capital of the Company is less than the limit as prescribed above.

MEETINGS OF BOARD OF DIRECTORS

The Board meets at regular intervals to discuss and decide on Company's business operations and strategy apart from other Board business. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by the Companies Act, 2013, which are confirmed/ noted in the subsequent Board meeting.

Srei Asset Leasing Limited

During the Financial Year 2021-22, Four (4) Meetings of the Board of Directors of the Company were held on 31st May, 2021, 11th August, 2021, 9th November, 2021 and 8th February, 2022. The maximum time gap between any two consecutive meetings did not exceed 120 days. The presence of Directors at such Meetings is as follows:

Name of Director	No. of Meetings held	No. of Meetings entitled to Attend	No. of Meeting Attended
Mr. Manoj Kumar Beriwala*	4	3	2
Mr. Vishnu Gopal Agarwal*	4	3	3
Mr. Shashi Bhushan Tiwari*	4	3	3
Mr. Manoj Kumar	4	1	1
Mr. Sudipta Kumar Mukherjee	4	1	1
Mr. Umakant Kashinath Bijapur	4	1	1

**Mr. Manoj Kumar Beriwala, Mr. Vishnu Gopal Agarwal and Mr. Shashi Bhushan Tiwari has resigned as Directors of the Company.*

PARTICULARS OF EMPLOYEES

There was no employee in the Company during the financial year 2021-22, so the disclosure pursuant to the provisions of Section 134(3)(q) of the Companies Act, 2013 read with Rule 5(2) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not applicable to the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the Financial Year 2021-22, the Company has not given any loan, guarantees or made any investments exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more, as prescribed in Section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Since all the Related Party transactions entered into by your Company during the financial year 2021-22 were in the ordinary course of business and were on an arm's length basis, Form AOC-2 is not applicable to your Company.

EXTRACT OF THE ANNUAL RETURN

The Ministry of Corporate Affairs (MCA) vide Notification no. G.S.R.159 (E) dated 5th March, 2021 has amended the Companies (Management and Administration) Rules, 2014. According to the amended provisions of Rule 12 of the said rule, requirement of the extract of Annual Return in Form No. MGT-9 has been dispensed with effective from the financial year ended 31st March, 2021.

COMPLIANCE WITH THE SECRETARIAL STANDARDS

Your Company has complied with all applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) on Board Meetings and General Meetings.

MAINTENANCE OF COST RECORDS

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 during the financial year ended on 31st March, 2022.

INTERNAL FINANCIAL CONTROL

The Company has an Internal Financial Control and System, commensurate with the nature of its business and the size and complexity of its operations. The Company's system of Internal Financial Control has been designed to provide a reasonable assurance with regard to system and process and internal procedures for ensuring the orderly and efficient conduct of business, maintaining of proper accounting controls, protecting and safeguarding assets from unauthorised use or losses, prevention and detection of frauds and errors, compliance with regulations and for ensuring timely preparation of reliable financial information.

RISK MANAGEMENT

There is no risk which threatens the existence of the Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

During the Financial Year 2021-22, the Reserve Bank of India (RBI) in exercise of the powers conferred under Section 45-IE (1) of the RBI Act, 1934 had vide a Press Release 2021-2022/981 dated 4th October, 2021, superseded the Board of Directors of Srei Infrastructure Finance Limited, our Holding Company which holds 100% of our paid up share capital, with immediate effect.

Also, pursuant to the Order, dated 8th October, 2021, of the National Company Law Tribunal, Kolkata Bench (**"NCLT"**), Corporate Insolvency Resolution Process has been initiated against Srei Infrastructure Finance Limited, our Holding Company as per the provisions of the Insolvency and Bankruptcy Code, 2016.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Since there was no employee in the Company during the financial year 2021-22, so the disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, is not applicable to the Company.

SHARE CAPITAL

The Paid up Equity Share Capital as on 31st March, 2022 was Rs. 1,00,00,000/- divided into 10,00,000 Equity Share of Rs. 10/- each. There were no changes in the Share Capital of the Company during the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 134(5) of the Companies Act, 2013 (Act) read with relevant Rules made thereunder, your Directors confirm that:

(i) in the preparation of the annual accounts for the period ended on 31st March, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(ii) they 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 your Company at the end of the period and of the loss of your Company for that period;

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

(iv) they have prepared the annual accounts for the period ended on 31st March, 2022 on a going concern basis; and

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

Srei Asset Leasing Limited

AUDITORS AND AUDITORS' REPORT

Messrs. G. P. Agrawal & Co., Chartered Accountants, Kolkata, having ICAI Registration No. 302082E allotted by the Institute of Chartered Accountants of India (ICAI), the Statutory Auditors of the Company has resigned as the Auditor of the Company w.e.f. 16th November, 2021, expressing their inability to continue as Statutory Auditors of the Company.

In terms of Section 139(8) of the Companies Act, 2013, any casual vacancy in the office of an auditor shall be filled by the Board of Directors within 30 days and if such vacancy is as a result of resignation of an auditor, such appointment shall also be approved by the Members at a General Meeting convened within 3 months of the recommendation of the Board of Directors.

On the recommendation of the Board of Directors of your Company at its Meeting held on 8th February, 2022, the Members at their Extra-Ordinary General Meeting held on 14th February, 2022, appointed M/s. Mohit Arya & Associates, Chartered Accountants, Kolkata, having Registration No. 330192E, allotted by the Institute of Chartered Accountants of India (ICAI), as the Statutory Auditors of the Company, who shall hold the office until the conclusion of the Eighth Annual General Meeting of the Company, in accordance with the applicable provisions of the Companies Act, 2013.

As regards observations contained in the Auditors' Report, the respective notes to the accounts are self-explanatory and, therefore, do not call for further comments.

ACKNOWLEDGEMENT

Your Directors express their gratitude for the continued cooperation and excellent support received from the Ministry of Corporate Affairs, Srei Infrastructure Finance Limited, the Holding Company, Bankers, Business Associates and various regulatory and Government authorities.

On behalf of the Board of Directors

Place: Kolkata	Sd/-	Sd/-
Date: 27.04.2022	**Sudipta Kumar Mukherjee**	**Manoj Kumar**
	Director	**Director**
	DIN: 09022104	**DIN: 06397089**

Corporate Identity Number: U65999WB2014PLC202301
Registered Office: 'Vishwakarma', 86C, Topsia Road (South), Kolkata - 700 046
Phones: +91 33 2285 0112 - 15, +91 33 2285 0124 - 27 **Fax:** +91 33 2285 8501,
Email Id: secretarial.assetleasing@gmail.com

Mohit Arya & Associates
Chartered Accountants

Poddar Court, Gate No. 3, Rom No. 2
8th Floor, 18, Rabindra Sarani, Kolkata- 700 001
Contact No. : 9831750629, 033-4603 2127
E-mail : mohitarya011@gmail.com

Independent Auditor's Report

To the Members of
Srei Asset Leasing Limited

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of **SREI ASSET LEASING LIMITED ("The Company")**, which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to financial statements, including a summary of significant accounting policies and other explanatory information ("the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind As, of the state of affairs of the Company as at March 31, 2022, its **Profit**, including other comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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.

Emphasis of matter

We draw attention to the following matters in the notes to the financial statements:

a) Note 15 to the Financial Statements which discloses that the Reserve Bank of India (RBI) had vide Press release dated 4th October 2021, superseded the Board of Directors of Srei Infrastructure Finance Limited (SIFL), being its Holding Company.

Our opinion is not modified in respect of this matter.

To the members of
Srei Asset Leasing Limited

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility of Management and Those Charged with Governance for the Financial Statement

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and the statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone 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.

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

To the members of
Srei Asset Leasing Limited

Auditor's Responsibility for the Audit of the Financial Statements

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

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

• Identify and assess the risks of material misstatement of the Standalone 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Standalone Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

To the members of
Srei Asset Leasing Limited

Materiality is the magnitude of misstatements in the Standalone 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 Standalone 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.

Report on other legal and regulatory requirements.

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 paragraphs 3 and 4 of the Order, to the extent applicable.

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 purposes of our audit.

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

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

d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

Independent Auditor's Report (contd.)

To the members of
Srei Asset Leasing Limited

e. On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of section 164 (2) of the Act.

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

g. The provisions of section 97 read with Schedule V of the Act are not applicable to the Company for the years ended 31st March 2022.

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

    i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

    ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

For Mohit Arya & Associates.
Chartered Accountants
Firm Registration No. -330192E

Sd/-
(CA. Mohit Arya)
Membership No. 306054
Proprietor
UDIN: 22306054AJGHCF3455

Place : Kolkata
Dated: 27th Day of April 2022.

To the members of
Srei Asset Leasing Limited

"Annexure A" to the Independent Auditor's Report of Even Date on the Financial Statements of Srei Asset Leasing Limited

Statement referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Srei Asset Leasing Limited on the financial statements for the year ended 31st March, 2022:

(i) The Company has no Property, Plant & Equipment or intangible assets. Accordingly, provision of clause (i) of paragraph 3 of the said Order is not applicable to the Company and hence not commented upon.

(ii) The Company's nature of operation does not require it to hold inventories and it has not been sanctioned any working capital limit by any banks or financial institutions during the year. Accordingly, provision of clause (ii) (a) and (b) of paragraph 3 of the said order is not applicable to the Company and hence not commented upon.

(iii) The Company has neither made any investment nor granted any loan, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Therefore, clauses (iii) (a) to (iii) (f) of paragraph 3 of the said order are not applicable to the Company.

(iv) According to the information and explanations given to us and as per records examined by us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of investments. The Company has not given any loan, guarantee or security.

(v) The Company has not accepted any deposit within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. The directives issued by the Reserve Bank of India are not applicable to the Company.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under clause 3(vi) of the Order is not applicable to the Company.

(vii) According to the information and explanation given to us and as per records examined by us, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Duty of Customs, Duty of Excise, Goods and Service Tax or Cess and any other statutory dues, to the extent applicable, have been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues, as on 31st of March, 2022 for a period of more than six months from the date they became payable.

(viii) According to the information and explanation given to us and as per records examined by us, the Company has had no unrecorded transactions in the books of accounts which have been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961.

To the members of
Srei Asset Leasing Limited

(ix) According to the information and explanation given to us and as per records examined by us, the Company has not defaulted in repayment of dues to a financial institution. The Company has not taken any loans or borrowing from bank or Government. The Company has not issued any debentures.

(x) According to the information and explanation given to us and as per records examined by us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. The money raised by way of term loans have been applied for the purpose for which the loans were obtained.

(xi) (a) In our opinion and according to the information and explanations given by the management, no fraud by the Company or on the Company by its officers/employees has been noticed or reported during the year that causes the financial statements materially misstated.

(b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year.

(c) In our opinion and according to the information and explanations given to us, no whistle-blower complaints have been received during the year by the Company.

(xii) The Company is not a nidhi Company. Therefore, clause (xii) of paragraph 3 of the said order is not applicable to the Company.

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

(xiv) According to the information and explanations given to us, the provisions relating to an internal audit system is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not has entered into any non-cash transactions with directors or persons connected with them during the year under the provisions of section 192 of the Act. Accordingly, clause (xv) of the paragraph 3 of the said order is not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

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

Independent Auditor's Report (contd.)

To the members of
Srei Asset Leasing Limited

(xviii) There has been resignation by the statutory auditors during the year & according to the information and explanations given to us no issues, objections or concerns were raised by the outgoing auditor.

(xix) According to the information and explanations given to us and on the basis of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, we are of the opinion that no material uncertainty exists as on the date of the audit report that the Company is capable of meeting its liabilities existing on the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

(xx) According to the information and explanations given to us and based on our examination of the records of the Company, the provisions of CSR are not applicable. Accordingly the provisions of Clause 3(xx) of the Order are not applicable to the Company.

(xxi) As this is an audit report on the standalone financial statements, the provisions of Clause 3(xxi) of the Order are not applicable to the Company.

For Mohit Arya & Associates.
Chartered Accountants
Firm Registration No. -330192E

Sd/-
(CA. Mohit Arya)
Membership No. 306054
Proprietor
UDIN: 22306054AJGHCF3455

Place : Kolkata
Dated: 27th Day of April 2022.

To the members of
Srei Asset Leasing Limited

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SREI ASSET LEASING LIMITED

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 Srei Asset Leasing Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

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

Auditors' Responsibility
Our responsibility is to express an opinion on the Company's internal financial controls 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, to the extent applicable to an audit of internal financial controls, 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 were established and maintained and if such controls operated effectively in all material respects.

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

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

To the members of
Srei Asset Leasing Limited

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT (Contd.)

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

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

Opinion
In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Mohit Arya & Associates.
Chartered Accountants
Firm Registration No. -330192E

SREI ASSET LEASING LIMITED
(Formerly SREI FINANCE LIMITED)
CIN: U65999WB2014PLC202301

Balance Sheet as at March 31st, 2022

(₹ in Lakhs)

	Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
I.	**ASSETS**			
	Non-Current Assets			
	(a) Other Non Current Tax Assets (Net)	2	0.20	0.21
	Current Assets			
	(a) Financial Assets			
	(i) Investments	3	94.40	90.83
	(ii) Cash and Cash Equivalents	4	1.02	1.06
	(iii) Other Bank Balance	5	8.32	7.93
	(b) Other Current Assets	6	-	0.03
	Total Assets		**103.94**	**100.06**
II.	**EQUITY AND LIABILITIES**			
	EQUITY			
	(a) Equity Share capital	7	100.00	100.00
	(b) Other Equity	8	3.17	(0.35)
			103.17	**99.65**
	LIABILITIES			
	Current Liabilities			
	(a) Financial Liabilities			
	(i) Other Financial Liabilities	9	0.73	0.39
	(b) Other Current Liabilities	10	0.04	0.02
	Total Equity and Liabilities		**103.94**	**100.06**

The accompanying notes 1 to 20 are an integral part of the Financial Statements.
As per our report of even date Annexed.

For Mohit Arya & Associates
Chartered Accountants
Firm Registration No.330192E

Sd/-
(CA. Mohit Arya)
Proprietorship
Membership No. 306054

On behalf of the Board of Directors

Sd/-
Mr. Sudipta Mukherjee
Director
DIN No. 09022104

Sd/-
Mr. Manoj Kumar
Director
DIN No. 06397089

Place : Kolkata
Date: 27th April, 2022

SREI ASSET LEASING LIMITED
(Formerly SREI FINANCE LIMITED)
CIN: U65999WB2014PLC202301

Statement of Profit and Loss for the year ended March 31st, 2022

(₹ in Lakhs)

	Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021
(I)	Revenue from operations		-	-
(II)	Other Income	11	4.02	2.81
(III)	**Total Income**		**4.02**	**2.81**
(IV)	Expenses			
	(a) Other Expenses	12	0.50	1.05
	Total Expenses		**0.50**	**1.05**
(V)	**Profit Before Exceptional Items and Tax (III-IV)**		**3.52**	**1.76**
(VI)	Exceptional Items		-	-
(VII)	**Profit Before Tax (V-VI)**		3.52	1.76
(VIII)	**Tax Expense**			
	(a) Current Tax		-	-
	(b) Deferred Tax		-	-
	Total Tax Expense		-	-
(IX)	**Profit For The Year (VII-VIII)**		**3.52**	**1.76**
(X)	**Other Comprehensive Income**			
	(i) Items that will not be		-	-
	(ii) Income tax relating to items that will not be		-	-
	Other Comprehensive Income (X)		-	-
(XI)	**Total Comprehensive Income for the period (IX+X)**		**3.52**	**1.76**
(XII)	**Earnings per equity share (Face value of Rs.10 each)**	16		
	Basic (Rs.)		0.35	0.18
	Diluted (Rs.)		0.35	0.18

The accompanying notes 1 to 20 are an integral part of the Financial Statements.
As per our report of even date Annexed.

For Mohit Arya & Associates
Chartered Accountants
Firm Registration No.330192E

Sd/-
(CA. Mohit Arya)
Proprietorship
Membership No. 306054

Place : Kolkata
Date: 27th April, 2022

On behalf of the Board of Directors

Sd/-
Mr. Sudipta Mukherjee
Director
DIN No. 09022104

Sd/-
Mr. Manoj Kumar
Director
DIN No. 06397089

SREI ASSET LEASING LIMITED
(FormerlySREI FINANCE LIMITED)
CIN: U65999WB2014PLC202301
Statement of Cash Flows for the year ended March 31st, 2022

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A. Cash Flows from Operating Activities		
Profit Before Tax	3.52	1.76
Adjustment for :		
Interest Income	(0.44)	(0.48)
Profit on Scheme of Mutual Fund	(3.57)	(2.33)
Advances for written off	-	0.06
Operating profit before working capital changes	(0.49)	(0.99)
Changes in working capital :		
Decrease in Trade Receivables, Advances and Other Assets	0.03	1.78
Increase / (Decrease) in Trade Payables, Other Liabilities and Provisions	0.36	(1.60)
Cash generated/(used) in operations	**(0.10)**	**(0.80)**
Income Tax Paid (Net)	0.01	(0.16)
Net Cash used in Operating Activities	(0.09)	(0.96)
B. Cash flows from Investing Activities		
(Increase)/Decrease in Other Bank Balances	(0.40)	(0.44)
Investment in Mutual Fund	-	(88.50)
Interest Received	0.45	0.47
Net Cash used in Investing Activities	**0.05**	**(88.47)**
C. Cash Flows from Financing Activities		
Issue of Equity Share Capital	-	90.00
Net Cash generated from Financing Activities	-	**90.00**
Net Increase / (Decrease) in Cash and Cash Equivalents	**(0.04)**	**0.57**
Cash & Cash Equivalents at the beginning of the year	**1.06**	0.49
Cash and Cash Equivalents at the end of the period	**1.02**	**1.06**

Note:

1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statements of Cash Flow ".

2) Components of Cash and Cash Equivalents:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
In Current Account	1.02	1.06
	1.02	**1.06**

The accompanying notes 1 to 20 are an integral part of the Financial Statements.
As per our report of even date Annexed.

For Mohit Arya & Associates
Chartered Accountants
Firm Registration No.330192E

Sd/-
(CA. Mohit Arya)
Proprietorship
Membership No. 306054

Place : Kolkata
Date: 27th April, 2022

On behalf of the Board of Directors

Sd/-
Mr. Sudipta Mukherjee
Director
DIN No. 09022104

Sd/-
Mr. Manoj Kumar
Director
DIN No. 06397089

SREI ASSET LEASING LIMITED
(FormerlySREI FINANCE LIMITED)
CIN: U65999WB2014PLC202301

Statement of Changes in Equity as at March 31st, 2022

a. Equity Share Capital

(₹ in Lakhs)

Particulars	As at April 1, 2021	Changes during the year	As at March 31, 2022
Equity Share Capital	100.00	-	100.00

b. Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus	Total
	Retained Earnings	
Balance as at the April 1, 2020	(2.11)	(2.11)
Profit for the year ended 31st March 2021	1.76	1.76
Balance as at March 31, 2021	(0.35)	**(0.35)**
Balance as at the April 1, 2021	(0.35)	(0.35)
Profit for the period ended 31st Mar 2022	3.52	3.52
Balance as at Mar 31, 2022	3.17	**3.17**

Retained Earnings:
This reserve represents the cumulative profits of the Company. This can be utilised in accordance with the provisions of the Companies Act, 2013.

As per our report of even date Annexed.

For Mohit Arya & Associates
Chartered Accountants
Firm Registration No.330192E

On behalf of the Board of Directors

Sd/-
(CA. Mohit Arya)
Proprietorship
Membership No. 306054

Sd/-
Mr. Sudipta Mukherjee
Director
DIN No. 09022104

Sd/-
Mr. Manoj Kumar
Director
DIN No. 06397089

Place : Kolkata
Date: 27th April, 2022

1. **Company Overview and Significant Accounting Policies**

(A) Corporate Information

Srei Finance Limited (formerly known as Srei Asset Finance limited) (the "Company") is domiciled and incorporated in India. The Registered Office of the Company is at 'Vishwakarma Building', 86C, Topsia Road (South), Kolkata - 700 046.

The Company is engaged in rendering Consultancy Services.

(B) Recent Accounting Developments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards.

New Standards / Amendments to Existing Standard/ New Pronouncement issued but not yet effective upto the date of issuance of the Company's Financial Statement:

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

Rounding Off: For the purpose of rounding off the figures appearing in the Financial Statements for financial year ending 31.03.2022 the total income of the Company shall be considered instead of Turnover.

Additional Disclosure in Notes to Balance Sheet:

• Shareholding of Promoter: The note on Share Capital in the Financial Statements shall mention details of the Shareholding of the Promotes along with changes, if any, during the Financial Year.

• Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

• Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

• Specific disclosure for title deeds of Immovable Property not held in name of the Company and disclosure on revaluation of Assets

• Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

• Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of Benami property held etc.

• Ratios-Following Ratios to be disclosed: - (a) Current Ratio, (b) Debt-Equity Ratio, (c) Debt Service Coverage Ratio, (d) Return on Equity Ratio, (e) Inventory turnover ratio, (f) Trade Receivables turnover ratio, (g) Trade payables turnover ratio, (h) Net capital turnover ratio, (i) Net profit ratio, (j) Return on Capital employed, (k) Return on investment

• Specific Disclosure Borrowing & Wilful Defaulter

Additional Disclosure in Notes to Profit & Loss Account:

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

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

(C) Statement of Compliance
These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

(D) Significant Accounting Policies

1.1. Basis of Preparation
The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

The preparation of financial statements require the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosed amount of contingent liabilities.

Areas involving a higher degree of judgement or complexity or areas where assumptions are significant to the Company are discussed in Note 1.11 Critical accounting judgements and key sources of estimation uncertainty.

The management believes that the estimates used in preparation of financial statements are prudent and reasonable. Actual results could differ from those estimates and the differences between the actual results and the estimates would be recognised in the periods in which the results are known / materialised.

Comparative information has been restated to accord with changes in presentations made in the current year, except where otherwise stated.

These Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

1.2. Operating Cycle
All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements. For the company, there is generally no clearly identifiable normal operating cycle and hence the normal operating for the company is assumed to have duration of 12 months.

1.3. Revenue
Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control over a product or service to customers.

Income from Consultancy is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Interest Income is recognised on the time proportion basis taking into account the amount outstanding and the rate applicable.

1.4. Leasing

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed or the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

1.5. Foreign Currency Transactions

The financial statements are presented in Indian Rupee (INR) in lakhs, the functional currency of the Company. Functional currency is the currency of the primary economic environment in which the Company operates.

Non-Financial Instruments - foreign currency translation policy:

Initially foreign currency transactions are recorded at the rates of exchange prevailing at the dates of the respective transactions. Foreign currency monetary items are restated using the exchange rate prevailing at the reporting date. Non-monetary items (carried at fair value) as on reporting date are restated using the exchange rate prevailing at the date when the fair value was determined. Translation differences on such items are reported as part of the fair value gain or loss on such items. For non-monetary items (carried at historical cost) as on reporting date restatement is not required.

Financial Assets - foreign Exchange Gains and Losses:

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated using the exchange rate prevailing at the reporting date. For monetary financial assets measured at amortised cost, FVTOCI or FVTPL and non-monetary financial assets measured at amortised cost or FVTPL, the exchange differences are recognised in the statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship. Foreign currency changes for non-monetary financial assets measured at FVTOCI are recognised in other comprehensive income.

Financial Liabilities - Foreign Exchange Gains and Losses:

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated using the exchange rate prevailing at the reporting date. For monetary financial liabilities measured at amortised cost, FVTOCI or FVTPL and non-monetary financial liabilities measured at amortised cost or FVTPL, the exchange differences are recognised in the statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship. Foreign currency changes for non-monetary financial liabilities measured at FVTOCI are recognised in other comprehensive income

1.6. Financial instruments, Financial assets, Financial liabilities and Equity Instruments

Recognition of Financial Instruments:

Financial assets and financial liabilities are recognised when entity becomes a party to the contractual provisions of the instruments. Loans & advances and all other regular way purchases or sales of financial assets are recognised and derecognised on the trade date basis.

Initial Measurement of Financial Instruments:

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

Subsequent Measurement:

(i) Financial Assets
Financial Assets carried at Amortised Cost (AC):
A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI):
A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investment in equity instruments that are not held for trading are measured at FVTOCI, where an irrevocable election has been made by management on an instrument-by-instrument basis. These investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to the statement of profit and loss on disposal of the investments. Dividends on such investments are recognised in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Debt investments measured at FVTOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Other net gains and losses are recognised in Other Comprehensive Income (OCI). On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.

Financial Assets at Fair Value through Profit or Loss (FVTPL):
A financial asset which is not classified in any of the above categories are measured at FVTPL. A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the statement of profit and loss.

Impairment of Financial Assets:
Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and FVTOCI at each reporting date based on evidence or information that is available without undue cost or effort.

The Company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for that financial asset at an amount equal to 12-month expected credit losses.

In case of debt instruments measured at FVTOCI, the loss allowance shall be recognised in other comprehensive income with a corresponding effect to the profit or loss and not reduced from the carrying amount of the financial asset in the balance sheet. In case of such instrument, amount recognized in the statement of profit and loss are the same as the amount would have been recognized in case the debt instrument is measured at amortised cost.

No Expected credit losses are recognised on equity investments.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company measures the loss allowance at an amount equal to lifetime expected credit losses taking into account historical credit loss experience and adjusted for forward-looking information.

Derecognition of Financial Assets:
The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset accounted under Ind AS 109 in its entirety:
a) For financial assets measured at amortised cost, the gain or loss is recognized in the statement of profit and loss.

b) For financial assets measured at fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

(ii) Financial Liabilities and Equity Instruments:

Classification as debt or equity:
Financial liabilities and equity instruments issued are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments
An Equity Instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial Liabilities
Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest rate method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial liabilities
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

Off-setting of financial instruments
Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously backed by past practice.

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

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

The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - Other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - Unobservable inputs for the asset or liability.

Expected Credit Loss
Expected credit loss (ECL) is the probability-weighted estimate of credit losses (i.e., the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between scheduled or contractual cash flows and actual expected cash flows.

Consequently, ECL subsumes both the amount and timing of payments – a credit loss would arise even when a receivable was realised in full but later than when contractually due.

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

Current tax
Current Tax is determined at the amount of tax payable in respect of taxable profit for the year as per the Income-tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rate that has been enacted by the end of the reporting period.

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Deferred tax

The Company's deferred tax is calculated using tax rate that are substantially enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Current and deferred tax for the year

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

1.8. Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

1.9. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks
specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

In case of litigations, provision is recognised once it has been established that the Company has a present obligation based on information available up to the date on which the Company's financial statements are finalised and may in some cases entail seeking expert advice in making the determination on whether there is a present obligation.

Contingent Liabilities

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. Company does not recognize contingent liability but discloses its existence in the financial statements.

Contingent Assets
Contingent assets are not recognized in the financial statement, but are disclosed where an inflow of economic benefits is probable.

1.10. Operating Segments
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Corporate Management Committee. Based on such the Company operates in one operating segment, viz. Consultancy Services.

1.11. Use of Estimates and Judgements
The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

A. Judgements in applying accounting policies
The judgements, apart from those involving estimations (see note below), that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of assets.

B. Key sources of estimation uncertainty
The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

i) **Fair value measurements and valuation processes:**
Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

ii) **Claims, Provisions and Contingent Liabilities:**
Any litigation where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

iii **Impairment of Financial Assets:**
The Company assesses impairment based on expected credit losses (ECL) model on trade receivables. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable. At every reporting date, the historically observed default rates are updated.

1.12. 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. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

1.13. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

SREI ASSET LEASING LIMITED

Notes to the financial statement for the period ended March 31st, 2022

2 Other Non Current Tax Assets (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance Tax & TDS receivable	0.21	0.22
Less : Provision for income tax	0.01	0.01
Total	**0.20**	**0.21**

2(i) Income Tax Expense

The reconciliation of estimated income tax to income tax expense is as below:

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2022	For the year ended March 31st, 2021
Profit before tax	3.52	1.76
Statutory Income Tax Rate	25.17%	25.17%
Expected income tax expense at statutory income tax rate	0.89	0.44
(i) Tax effect on Income exempt from tax/Items not deductible	-	(0.59)
(ii) Items disallowed	-	0.00
(ii) Carry forward losses	(0.89)	0.14
Total Tax Expense recognised in profit and loss account	-	- **0.00**

3 Investment-Current

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Investments (Measured at Fair Value through Profit and loss)		
ICICI Prudential Money Market Fund Investments in Scheme of Mutual Funds - Current Investments 30759.415 units @ 306.894 (Previous year - 30759.415 units @ 295.278)	94.40	90.83
Total	**94.40**	**90.83**

4 Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with Banks - in Current Account	1.02	1.06
Total	**1.02**	**1.06**

5 Other Bank Balance

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with Banks - in Deposit Accounts	8.31	7.91
Interest Accrued but not due on Fixed Deposits	0.02	0.02
Total	**8.32**	**7.93**

6 Other Current Assets

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	-	0.03
Total	-	**0.03**

SREI ASSET LEASING LIMITED
Notes to the financial statement for the period ended March 31st, 2022

7 Equity Share Capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	(₹ in Lakhs)	Number	(₹ in Lakhs)
Authorised				
Equity Shares of Rs. 10 each	30,00,000	300.00	30,00,000	300.00
	30,00,000	300.00	30,00,000	300.00
Issued, Subscribed & Paid up				
Equity Shares of Rs. 10 each fully paid up	10,00,000	100.00	10,00,000	100.00
Total	10,00,000	100.00	10,00,000	100.00

7.1 **The rights, preferences and restrictions attached to each class of shares including restrictions on the distribution of dividends**
The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. Dividend, if declared by the Company, is paid in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

7.2 **Equity shares issued/bought back during the year:**

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	(₹ in Lakhs)	Number	(₹ in Lakhs)
Shares outstanding at the beginning of the year	10,00,000	100.00	10,00,000	100.00
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year'	10,00,000	100.00	10,00,000	100.00

7.3 **Details of Shares held by Holding/Ultimate Holding and/or their Subsidiaries/Associates :-**

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	Number	% of Holding	Number	% of Holding
SREI Infrastructure Finance Limited	10,00,000	100%	10,00,000	100%

7.4 **Details of shareholder holding more than 5% shares :-**

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	Number	% of Holding	Number	% of Holding
SREI Infrastructure Finance Limited	10,00,000	100%	10,00,000	100%

7.5 **Shareholding of promoters as at March 31, 2022 :**

Shares held by promoters at the end of the year				% Change during the year
Sl.No.	Promoter name	No. of shares	% of total shares	
(i)	SREI Infrastructure Finance Limited *	10,00,000	100.00	NA
	Total			

Shareholding of promoters as at March 31, 2021 :

Shares held by promoters at the end of the year				% Change during the year
Sl.No.	Promoter name	No. of shares	% of total shares	
(i)	SREI Infrastructure Finance Limited *	10,00,000	100.00	NA
	Total			

* Includes Equity shares held by nominee of Srei Infrastructure Finance Limited.

SREI ASSET LEASING LIMITED
Notes to the financial statement for the period ended March 31st, 2022

8 Other Equity

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Retained Earnings		
Balance as per last accounts	(0.35)	(2.11)
Net Profit/(Loss) for the year	3.52	1.76
Closing Balance	**3.17**	**(0.35)**

9 Other Financial Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Liabilities For Expenses	0.73	0.39
Total	**0.73**	**0.39**

10 Other Current Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory liabilities	0.04	0.02
Advance from Customer	-	-
Total	**0.04**	**0.02**

SREI ASSET LEASING LIMITED

Notes to the financial statement for the period ended March 31st, 2022

11 Other Income

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2022	For the year ended March 31st, 2022
Interest income		
- on Fixed Deposits	0.44	0.48
Other non-Operating income :		
Net gain on fair valuation of investments - measured at FVTPL	3.57	2.33
- Others (from statutory authorities etc.)	0.00	0.00
Total	**4.02**	**2.81**

12 Other Expenses

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2022	For the year ended March 31st, 2022
Rates & Taxes Others	0.03	0.04
Filing Fees	-	0.44
Legal & Professional Fees	0.08	0.31
Advance written off	-	0.06
Director Sitting Fee	0.20	-
Auditor's fees and expenses		
-Audit Fee	0.15	0.15
Other Expenses	0.02	0.05
Total	**0.50**	**1.05**

12.1 Payments to the Auditor (including GST)

(₹ in Lakhs)

Particulars	For the year ended March 31st, 2022	For the year ended March 31st, 2022
As Auditor - Statutory Audit & Limited Reviews	0.15	0.15
Others Services (Certification etc.)	-	-
For Reimbursement Expenses	-	-
Total	-	**2.81**

13 CAPITAL MANAGEMENT

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains a strong capital base by maximizing shareholders' wealth, safeguarding business continuity and augmenting its internal generations.

The Company determines the amount of capital required on the basis of annual business plan. The funding needs are presently met through cash generated from operations.

The capital structure of the Company consists of total equity. The Company does not have any borrowing.

14 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of Financial asset, Financial liability and equity instrument are disclosed in Note 1 to the financial statements.

A) Categories of Financial Instruments

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

(Rs. in Lakh)

	As at March 31, 2022		**As at March 31, 2021**	
	Carrying Value	**Fair Value**	Carrying Value	Fair Value
Financial assets				
a) Measured at amortised cost				
i) Trade Receivables	-	-	-	-
ii) Cash and cash equivalents	1.02	1.02	1.06	1.06
iii) Other bank balances	8.32	8.32	7.93	7.93
Sub-Total	9.34	9.34	8.99	8.99
b) Measured at Fair Value through Profit or Loss				
i) Investments	94.40	94.40	90.83	90.83
Sub-Total	94.40	94.40	90.83	90.83
Total financial assets	103.74	103.74	99.82	99.82
Financial liabilities				
a) Measured at amortised cost				
i) Trade Payables	-	-	-	-
ii) Other financial liabilities	0.73	0.73	0.39	0.39
Total financial liabilities	0.73	0.73	0.39	0.39

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

Financial assets measured at amortised cost

For other financial assets that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value.

Such instruments include: cash, cash equivalents, other bank balances, Trade and Other receivables.

Other financial liabilities measured at amortised cost

For other financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts are a reasonable approximation of their fair value.

Such instruments include: Trade & Other payables.

14 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES (Contd..)

Quoted prices in an active market (Level 1): Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments 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.

Valuation techniques with observable inputs (Level 2): The fair value of financial instruments that are not traded in an active market (for example over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

14 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES (Contd..)

Valuation techniques with significant unobservable inputs (Level 3): If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and investment in Alternate Investment Funds included in level 3.

(₹ in Lakhs)

Particulars	As at March 31, 2022			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments	94.40	-		94.40
	94.40	-	-	**94.40**

Particulars	As at March 31, 2021			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments	90.83	-		90.83
	90.83	-	-	**90.83**

B) Financial risk management objectives

The Company's activities expose it to a variety of financial risks, including credit risk and liquidity risk. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. The current Risk Management System rests on policies and procedures issued by appropriate authorities, internal control systems, process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

i) Liquidity risk

Liquidity risk is the risk that the Company does not have sufficient financial resources to meet its obligations as they fall due, or will have to do so at an excessive cost. This risk arises from mismatches in the timing of cash flows which is inherent in all finance driven organisations and can be affected by a range of Company-specific and market-wide events.

The Company mitigates its liquidity risks by ensuring timely collections of its trade receivables and close monitoring of its credit cycle. The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date

(₹ in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Current	Non-Current	Current	Non-Current
A: Financial assets				
(i) Trade Receivables	-	-	-	-
(ii) Cash and Cash Equivalents	1.02	-	1.06	-
(iii) Other Bank Balance	8.32	-	7.93	-
Total	**9.34**	-	**8.99**	-
B: Financial liabilities				
i) Other financial liabilities	0.73	-	0.39	-
Total	**0.73**	-	**0.39**	-

ii) Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations.

The Company mitigates its credit risks by ensuring timely collections of its trade receivables and close monitoring of its credit cycle.

SREI ASSET LEASING LIMITED (Formerly SREI FINANCE LIMITED)
Notes to the financial statement for the period ended March 31st, 2022

15 Related Party Disclosures

a) Related Parties

Sl.No	Name of the Company	Country of Origin
A	**Ultimate Holding Company**	
1	Adisri Commercial Private Limited	India
B	**Subsidiary of Ultimate Holding Company**	
2	Srei Factors Private Limited	India
C	**Holding Company**	
3	Srei Infrastructure Finance Limited (SIFL)	India
D	**Fellow Subsidiaries:**	
1	Srei Capital Markets Limited	India
2	Trinity Alternative Investment Managers Limited (Formerly Srei Alternative Investment Managers Limited)	India
3	Srei Mutual Fund Asset Management Private Limited	India
4	Srei Mutual Fund Trust Private Limited	India
5	Bengal Srei Infrastructure Development Limited	India
6	Srei Insurance Broking Private Limited	India
7	Controlla Electrotech Private Limited	India
8	Hyderabad Information Technology Venture Enterprises Limited (Subsidiary of Trinity Alternative Investment Managers Ltd.)	India
9	Cyberabad Trustee Company Private Ltd. (Subsidiary of Trinity Alternative Investment Managers Ltd.)	India
10	Srei Equipment Finance Limited	India
F	**Fellow Associates**	
11	IIS International Infrastructure Services GmbH, Germany (Formerly Srei International Infrastructure Services GmbH, Germany) liquidated on 29.07.2020	Germany
12	AO International Infrastructure Services, Russia (Formerly AO Srei Leasing) (Subsidiary of IIS International Infrastructure Services GmbH, Germany) upto 29.07.2020	Russia
G	**TRUSTS**	
13	Srei Mutual Fund Trust	India
H	**OTHERS**	
14	Srei Infrastructure Finance Limited Employees Gratuity Trust	India
I	**Key Management Personnel (KMP)/Directors:**	**Designation**
15	Mr. Umakant Kashinath Bijapur	Non Executive Director
16	Mr. Manoj Kumar	Non Executive Director
17	Mr. Sudipta Kumar Mukherjee	Non Executive Director
J	**Holding Company - Key Management Personnel (KMP)/Directors:**	**Designation**
18	Mr. Hemant Kanoria *	Chairman
19	Mr. Sunil Kanoria *	Vice Chairman (Non Executive Director)
20	Mr. Shyamalendu Chatterjee *	Independent Director
21	Mr. Malay Mukherjee *	Independent Director
22	Dr. Punita Kumar Sinha *	Independent Director
23	Dr. Tamali Sengupta *	Independent Director
24	Dr. Deepali Pant Rajeev Joshi (w.e.f 30.06.2021) *	Additional Director (Independent Director)
25	Mr. Ram Krishna Agarwal (ceased w.e.f 17.09.2021)	Independent Director
26	Mr. Srinivasachari Rajagopal (ceased w.e.f. 30.06.2021)	Independent Director
27	Mr. Rakesh Kumar Bhutoria (cease w.e.f 15.09.2021)	Chief Executive Officer
28	Mr. Sandeep Lakhotia (ceased w.e.f. 20.03.2021)	Company Secretary
29	Mr. Sandeep Kumar Sultania (ceased to be a KMP w.e.f. 07.12.2021)	Chief Financial Officer
30	Mr. Shashi Bhushan Tiwari (from 20.05.2019 to 30.06.2020)	Chief Risk Officer
31	Mr. Rajneesh Sharma (w.e.f 04-10-2021) **	Administrator
32	Mr. Souren Mokhopadhyay (w.e.f 30.06.2021)	Deputy Chief Executive Officer
33	Mr. Manoj Kumar (w.e.f. 01.04.2021)	Company Secretary & Chief Financial Officer
34	Mr.Vishnu Gopal Agarwal (w.e.f. 21.03.2022)	Chief Compliance Officer & Financial Controller

* In exercise of the powers conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934, the Reserve Bank of India (RBI) had vide Press Release dated 4th October, 2021 superseded the Board of Directors of Srei Infrastructure Finance Limited (SIFL). Hence,
** The Reserve Bank of India has appointed Shri Rajneesh Sharma, Ex- Chief General Manager, Bank of Baroda as the Administrator of SIFL under Section 45-IE (2) of the RBI Act.

15 Related Party Transactions

b) Transactions entered with related parties during the period ended March 31, 2022 and year ended March 31, 2021 are as under:

(₹ in Lakhs)

Particulars	Nature of Transactions	Year ended March 31, 2022	Year ended March 31, 2021
(C) Holding Company			
	Equity Share Subscription Received	-	90.00
(C) Key Management Personnel			
Vishnu Gopal Agarwal (Ceased to be Director w.e.f. 21.12.2021)	Director Sitting Fee	-	-
Manoj Kumar Beriwala (Ceased to be Director w.e.f. 21.12.2021)	Director Sitting Fee	-	-
Shashi Bhushan Tiwari (Ceased to be Director w.e.f. 24.12.2021)	Director Sitting Fee	-	-
Manoj Kumar (Director w.e.f. 20.12.2021)	Director Sitting Fee	-	-
Umakant Kashinath Bijapur (Director w.e.f. 20.12.2021)	Director Sitting Fee	0.10	-
Sudipta Kumar Mukherjee (Director w.e.f. 20.12.2021)	Director Sitting Fee	0.10	-

16 **Earnings Per Share (EPS) - The numerators and denominators used to calculate Basic and Diluted EPS:**

S.No	Particulars	Year ended March 31, 2022	Year ended March 31, 2022
1	Profit/ (Loss) after tax attributable to Equity Shareholders (Rs. In lakhs)	3.52	1.76
2	Weighted average number of Equity Shares Basic (Nos.)	10,00,000	10,00,000
3	Weighted average number of Equity Shares Diluted (Nos.)	10,00,000	10,00,000
4	Nominal Value of Equity per share (Rs)	10.00	10.00
5	Basic Earnings per share (Rs)	0.35	0.18
6	Diluted Earnings per share (Rs)	0.35	0.18

17 **Segment Reporting**

All the activities of the company revolved around the main business of Consultancy Services. As such there are no separate reportable segments as per Ind AS - 108 "Segment Reporting".

18 Contingent Liability and capital commitment - Rs. Nil (Previous Year Rs. Nil).

19 **Ratios to be disclosed:**

S.No	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Current Ratio	134.86	243.51
(b)	Debt Equity Ratio	-	-
(c)	Debt Service Coverage Ratio	-	-
(d)	Return on Equity Ratio	0.03	0.02
(e)	Inventory Turnover Ratio	-	-
(f)	Trade Receivable Turnover Ratio	-	-
(g)	Trade Payable Turnover Ratio	-	-
(h)	Net Capital Turnover Ratio	0.04	0.03
(i)	Net Proft Ratio	0.88	0.63
(j)	Return on Capital Employed	0.03	0.02
(k)	Return on Investment	-	-

**The operations of the Company are insignificiant therefore there is wide variation in ratio (more than 25%) compared to previous year.

20 Figures pertaining to the previous year have been rearranged/regrouped, reclassified and restated, wherever necessary, to make them comparable with those of current reporting year.

For Mohit Arya & Associates
Chartered Accountants
Firm Registration No.330192E

Sd/-
(CA. Mohit Arya)
Proprietorship
Membership No. 306054

Place : Kolkata
Date: 27th April, 2022

On behalf of the Board of Directors

Sd/-
Mr. Sudipta Mukherjee
Director
DIN No. 09022104

Sd/-
Mr. Manoj Kumar
Director
DIN No. 06397089

SREI

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their 12th Annual Report on the business and operations of Srei Mutual Fund Asset Management Private Limited (the Company) together with the Audited Financial Statements of your Company for the financial year ended on March 31, 2022.

FINANCIAL RESULTS AND OPERATIONS

(Amount in Rs. Lakhs)

Particulars	**Year ended 31st March, 2022**	**Year ended 31st March, 2021**
Total Income	86.10	82.03
Total Expenditure	7.20	35.63
Profit/Loss Before Depreciation	78.90	46.40
Depreciation	0.02	0.14
Profit / (Loss) Before Bad Debts / Provision and Tax	78.88	46.26
Bad Debts / Provisions etc.	-	-
Profit / (Loss) Before Tax	78.88	46.26
Current tax Deferred Tax	- -	- -
Profit / (Loss) After Tax	**78.88**	**46.26**
Other Comprehensive Income	-	0.44
Total Comprehensive Income for the Year	**78.88**	**46.70**
Balance brought forward from previous year	(670.25)	(716.95)
Balance carried to Balance Sheet	**(591.37)**	**(670.25)**
Paid up Equity Share Capital	1850.00	1850.00
Amount transferred to Reserves	-	-

During the Financial Year 2021-22, your Company's Total Income stands at Rs. 86.10 Lakhs as against Rs. 82.03 Lakhs earned in the previous year and Company has earned profit (after tax) of Rs. 78.88 Lakhs as compared to the profit (after tax) of Rs. 46.26 Lakhs in the previous financial year.

REVIEW OF OPERATIONS & FUTURE PROSPECTS

In the present economic conditions, the Sponsor was not willing to pursue the application filed by it for full-fledged mutual fund license. Therefore, during the year under review, application has been filed with the Securities and Exchange Board of India (SEBI) for withdrawal of application for full-fledged Mutual Fund License.

Further, an application was filed with SEBI for surrender/cancellation of Srei Mutual Fund (IDF) License.

SEBI in reference to the application filed have taken our submission on record subject to the undertaking given vide affidavit cum undertaking dated 25th June, 2021.

Further, SEBI has asked to submit a status report within a period of one month after change of name of the Company, alteration of memorandum of association and articles of association, as the case may be.

Further, during the year under review, Srei Mutual Fund had no Schemes in operation.

DIVIDEND

The Board of Directors of your Company does not recommend any dividend for the financial year 2021-22.

TRANSFER TO RESERVES

The Company is not statutorily required to transfer any amount to the General Reserve, as no Dividend has been recommended for the financial year 2021-22.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year under review, no change took place in the nature of business of the Company.

SUBSIDIARY COMPANIES/JOINT VENTURES/ASSOCIATE COMPANIES

The Company does not have any Subsidiary Company, Joint Ventures and Associate Company. Hence, disclosure as required under the provisions of Section 134(3)(q) of the Companies Act, 2013, read with Rule 8(5) (iv) of the Companies (Accounts) Rules, 2014 is not applicable to your Company.

PUBLIC DEPOSITS

The Company has not invited or accepted any Deposits from Public in terms of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014, therefore, no disclosure was required to be made.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year under review, the provisions of the Companies Act, 2013 with regard to Corporate Social Responsibility were not applicable to your Company, therefore, your Company is not required to make the disclosures as per Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Directors

Presently, the Board of Directors of your Company comprises of Three (3) Directors (Category: Non-Executive), namely, Mr. Manoj Kumar (DIN: 06397089), Mr. Venkateswarlu Kakkera (DIN: 06931804) and Mr. Hari Shanker Sharma (DIN: 09404713).

During the year under review, Mr. Shishir Jain (DIN: 02248661), Mr. Man Mohan Agrawal (DIN: 00681433), Mr. T. K. Mukhopadhyay (DIN: 00239251) and Mr. Jaideep Bhattacharya (DIN: 01213201), resigned as Directors of your Company w.e.f. 5th May, 2021, 2nd August, 2021, 9th August, 2021 and 11th August, 2021, respectively. Your Directors placed on records their appreciation for valuable contributions made by Mr. Shishir Jain, Mr. Man Mohan Agrawal, Mr. T. K. Mukhopadhyay and Mr. Jaideep Bhattacharya, during their tenure as Directors of your Company.

Further, during the year under review, Mr. Sourendranath Mukhopadhyay (DIN: 00960942) and Mr. Vishnu Gopal Agarwal (DIN: 02771818), were appointed as Directors of your Company w.e.f. 10th August, 2021, and Mr. Ganesh Prasad Bagree (DIN: 03515989), was appointed as an Additional Director of your Company w.e.f. 11th August, 2021.

Further, Mr. Manoj Kumar (DIN: 06397089), Mr. Venkateswarlu Kakkera (DIN: 06931804) and Mr. Hari Shanker Sharma (DIN: 09404713), were appointed as Directors (Category: Non-Executive) of your Company w.e.f. 20th December, 2021, in compliance with and as per the requirement of the letter dated 30th November, 2021, issued by the Administrator of Srei Infrastructure Finance Limited (SIFL), Holding Company of your Company.

However, Mr. Sourendranath Mukhopadhyay (DIN: 00960942), Mr. Vishnu Gopal Agarwal (DIN: 02771818) and Mr. Ganesh Prasad Bagree (DIN: 03515989), resigned as Directors of your Company w.e.f. 21st December, 2021, in compliance with and as per the requirement of the letter dated 30th November, 2021, issued by the Administrator of Srei Infrastructure Finance Limited (SIFL), Holding Company of your Company.

Pursuant to the directions issued by the Administrator of Srei Infrastructure Finance Limited (SIFL) vide letter dated 30th November, 2021 and 3rd December, 2021, Mr. Manoj Kumar (DIN: 06397089), was appointed as an Additional Director of your Company w.e.f. 20th December, 2021 and hold office as an Additional Director upto the date of the ensuing Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier. The Board of Directors recommends the regularization of appointment of Mr. Manoj Kumar as Director of the Company, liable to retires by rotation, at the ensuing Annual General Meeting of the Company.

Pursuant to the directions issued by the Administrator of Srei Infrastructure Finance Limited (SIFL) vide letter dated 30th November, 2021 and 3rd December, 2021, Mr. Venkateswarlu Kakkera (DIN: 06931804), was appointed as an Additional Director of your Company w.e.f. 20th December, 2021 and hold office as an Additional Director upto the date of the ensuing Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier. The Board of Directors recommends the regularization of appointment of Mr. Venkateswarlu Kakkera as Director of the Company, liable to retire by rotation, at the ensuing Annual General Meeting of the Company.

Pursuant to the directions issued by the Administrator of Srei Infrastructure Finance Limited (SIFL) vide letter dated 30th November, 2021 and 3rd December, 2021, Mr. Hari

Shanker Sharma (DIN: 09404713), was appointed as an Additional Director of your Company w.e.f. 20th December, 2021 and hold office as an Additional Director upto the date of the ensuing Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier. The Board of Directors recommends the regularization of appointment of Mr. Hari Shanker Sharma as Director of the Company, liable to retires by rotation, at the ensuing Annual General Meeting of the Company.

Key Managerial Personnel

During the year under review, Mr. Rupesh Poddar resigned as Chief Financial Officer & Manager of your Company, w.e.f. 15th August, 2021. Your Directors placed on records their appreciation for valuable contributions rendered by Mr. Rupesh Poddar, during his tenure as Chief Financial Officer and Manager of your Company.

Further, Mr. Ritesh Agrawal, was appointed as Chief Financial Officer of your Company w.e.f. 16th August, 2021. Also, Mr. Ritesh Agrawal, Chief Financial Officer, was appointed as Manager of your Company to hold office for a period of 3 (Three) years from 16th August, 2021 to 15th August, 2024. However, Mr. Ritesh Agrawal resigned as Chief Financial Officer and Manager of your Company, w.e.f. 20th October, 2021. Your Directors placed on records their appreciation for valuable contributions rendered by Mr. Ritesh Agrawal, during his tenure as Chief Financial Officer and Manager of your Company.

Further, Ms. Shimpa Vyas had resigned as Company Secretary & Compliance Officer of the Company with effect from 30th April, 2021. Your Directors placed on records their appreciation for valuable services rendered by Ms. Shimpa Vyas during her tenure as Company Secretary & Compliance Officer of the Company.

Currently, there are no Key Managerial Personnel (KMPs) appointed in the Company.

MEETINGS OF BOARD OF DIRECTORS

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by the Companies Act, 2013, which are confirmed/ noted in the subsequent Board meeting.

During the Financial Year 2021-22, Four (4) Meetings of Board of Directors of your Company were held, the particulars of which are as under:

Sl. No.	Date of Board Meeting	Directors Present
1	28th May, 2021	Mr. Man Mohan Agrawal Dr. Tapan Kumar Mukhopadhyay Mr. Jaideep Bhattacharya
2	11th August, 2021	Mr. Sourendranath Mukhopadhyay Mr. Vishnu Gopal Agarwal
3	24th November, 2021	Mr. Sourendranath Mukhopadhyay

		Mr. Vishnu Gopal Agarwal Mr. Ganesh Prasad Bagree
4.	7th February, 2022	Mr. Manoj Kumar Mr. Hari Shanker Sharma Mr. Venkateswarlu Kakkera

The maximum time gap between any two consecutive meetings did not exceed 120 days.

AUDIT COMMITTEE

During the Financial Year 2021-22, One (1) Meeting of Audit Committee of Board was held, the particulars of which is as under:

Sl. No.	Date of Board Meeting	Directors Present
1	28th May, 2021	Dr. Tapan Kumar Mukhopadhyay Mr. Man Mohan Agrawal Mr. Jaideep Bhattacharya

The Board of Directors, at its Meeting held on 24th November, 2021, decided to dissolve the Audit Committee of the Board in order to reduce the workload of the Directors of the Company.

NOMINATION AND REMUNERATION COMMITTEE (NRC)

The Board of Directors, at its Meeting held on 24th November, 2021, decided to dissolve the Nomination and Remuneration Committee of the Board in order to reduce the workload of the Directors of the Company.

Hence, there were no meetings held for the Nomination & Remuneration Committee of Board during the Financial Year 2021-22.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

Your Company is not required to establish vigil mechanism for directors and employees pursuant to provisions of the Companies Act, 2013.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Your Company is not required to constitute Corporate Social Responsibility Committee pursuant to the provisions of the Companies Act, 2013.

EXTRACT OF THE ANNUAL RETURN

The Ministry of Corporate Affairs (MCA) vide Notification no. G.S.R.159 (E) dated 5th March, 2021 has amended the Companies (Management and Administration) Rules, 2014. According to the amended provisions of Rule 12 of the said rule, requirement of the extract of Annual Return in Form No. MGT-9 has been dispensed with effect from the financial year ended 31st March, 2021.

PARTICULARS OF EMPLOYEES

The Company, being an unlisted company, is not required to make the disclosure under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTFLOW

Your Company has no activities relating to conservation of energy and technology absorption as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014. However, your Company uses information technology extensively in its operations and also continues its endeavor to improve energy conservation and utilization, safety and environment.

Your Company has not utilized or earned any foreign exchange during the year ended 31st March, 2022 (Previous Year – Nil).

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the Financial Year 2021-22, the Company has not given any loan or guarantees or made any investment in securities of other body corporates, except Inter Corporate Deposit of Rs. 1100 Lakhs (outstanding as on 31.03.2022), placed with Trinity Alternative Investment Managers Limited and of Rs. 0.75 Lakhs (outstanding as on 31.03.2022), placed with Srei Mutual Fund Trust Private Limited and Rs. 24.98 Lakhs (Fair Market Value as on 31.03.2022), placed with ICICI Prudential Mutual Fund in the scheme - Money Market Fund (Direct Growth).

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Since all Related Party transactions entered into by your Company during the financial year 2021-22 were in the ordinary course of business and were on an arm's length basis, Form AOC-2 is not applicable to your Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

SREI

SIGNIFICANT AND MATERIAL ORDER PASSED BY REGULATORS OR COURTS OR TRIBUNALS

During the Financial Year 2021-22, the Reserve Bank of India (RBI) in exercise of the powers conferred under Section 45-IE (1) of the RBI Act, 1934 had vide a Press Release 2021-2022/981 dated 4th October, 2021, superseded the Board of Directors of Srei Infrastructure Finance Limited, our Holding Company which holds 100% of our paid up share capital, with immediate effect.

Also, pursuant to the Order, dated 8th October, 2021, of the National Company Law Tribunal, Kolkata Bench (**"NCLT"**), Corporate Insolvency Resolution Process has been initiated against Srei Infrastructure Finance Limited, our Holding Company as per the provisions of the Insolvency and Bankruptcy Code, 2016.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, is not applicable to your Company.

SHARE CAPITAL

The Paid up Equity Share Capital as on 31st March, 2022 was Rs. 18,50,00,000/- divided into 1,85,00,000 Equity Shares of Rs. 10/- each. There were no changes in the Share Capital of the Company during the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 134(5) of the Companies Act, 2013 (Act), your Directors confirm that:

(i) in the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(ii) they 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 your Company at the end of the financial year and of the profit of your Company for that period;

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

(iv) they have prepared the annual accounts for the financial year ended March 31, 2022 on a going concern basis; and

Srei Mutual Fund Asset Management Private Limited
CIN: U65990WB2009PTC139801
Regd. Office: 'Vishwakarma', 86C Topsia Road (South), Kolkata-700 046
Tel: +91 33 2285 0112/0115, Fax No. +91 33 2285 8501/7542
Email Id: mfcompliance@srei.com

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

Further, your Directors confirm that your Company has adequate internal systems and controls in place to ensure compliance of laws applicable to your Company.

COMPLIANCE WITH THE SECRETARIAL STANDARDS

Your Company has complied with all applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) on Board Meetings and General Meetings.

MAINTENANCE OF COST RECORDS

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 during the financial year ended on 31st March, 2022.

INTERNAL FINANCIAL CONTROL

The Company has an Internal Financial Control and System, commensurate with the nature of its business and the size and complexity of its operations. The Company's system of Internal Financial Control has been designed to provide a reasonable assurance with regard to system and process and internal procedures for ensuring the orderly and efficient conduct of business, maintaining of proper accounting controls, protecting and safeguarding assets from unauthorised use or losses, prevention and detection of frauds and errors, compliance with regulations and for ensuring timely preparation of reliable financial information.

RISK MANAGEMENT

There is no risk which threatens the existence of the Company.

AUDITORS AND AUDITORS' REPORT

M/s. H. K. Agrawal & Co., Chartered Accountants, having Registration No. 308090E allotted by the Institute of Chartered Accountants of India (ICAI), was appointed as the Statutory Auditors of the Company at the 10th Annual General Meeting held on 28th August, 2020 for a term of five years, who shall hold office from the conclusion of 10th Annual General Meeting till the conclusion of the 15th Annual General Meeting of the Company.

As regards observations contained in the Auditors' Report, the respective notes to the accounts are self-explanatory and, therefore, do not call for further comments.

SREI

FRAUDS REPORTED BY THE AUDITORS

No fraud has been reported by the Auditors in their report for the year ended on 31st March, 2022.

SECRETARIAL AUDIT REPORT

The provisions with regard to Secretarial Audit Report is not applicable to your company.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the sustained support and co-operation received from the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), Bankers and Holding Company viz. Srei Infrastructure Finance Limited. Your Directors also wish to place on record their appreciation to the employee(s) for their dedicated services and look forward to their continued support in the future as well.

On behalf of the Board of Directors
For **Srei Mutual Fund Asset Management Private Limited**

	Sd/-	Sd/-
Place : Kolkata	**Venkateswarlu Kakkera**	**Manoj Kumar**
Date : 29.04.2022	**Director**	**Director**
	DIN: 06931804	**DIN: 06397089**

H. K. AGRAWAL & CO.
Chartered Accountants

125, Netaji Subhas Road,
5th Floor, Kolkata – 700001
Ph: 98360 67278 / 98301 10867
E-mail: niraj@execonservices.com
cahkagrawal@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Members of SREI Mutual Fund Asset Management Private Limited
Report on the Audit of the standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **SREI Mutual Fund Asset Management Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at March 31, 2022, its Profit, including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs),as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the standalone 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 financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Emphasis of Matter

We draw attention to Note No 26 of the financial statements in respect of unsecured Inter Corporate Deposits (ICD) made to fellow subsidiary, M/s Trinity Alternative Investment Managers Limited, which has become overdue for re-payment during the year but continues as ICD and Note No. 27 relating to requirement of change of name of the company and alteration of its Memorandum and Articles of Association as directed by SEBI on surrendering the SREI Mutual Fund (IDF) registration certificate by the company.

We are unable to comment on their consequential impact, if any.

Our opinion is not modified in respect of the same.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report ,but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone 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.

Responsibility of Management for the standalone 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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.

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

Auditor's Responsibilities for the Audit of the standalone Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone 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 Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) The company did not pay any managerial remuneration during the year ; 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigations which would impact its financial position in its 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of it's knowledge and belief, other than as disclosed in notes to the accounts, 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, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented that, to the best of it's knowledge and belief, as disclosed in notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on our audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clauses (i) and (ii) of Rule 11(e) as provided under above paragraphs contain any material mis-statement.

v. The company has not declared or paid any dividend during the year.

For H. K. AGRAWAL & CO.
Chartered Accountants
Firm's Registration No. 308090E

Sd/-
Niraj Agrawal
Partner
Membership No. 060313
UDIN :

Place : Kolkata
Date : 29.04.2022

H. K. AGRAWAL & CO.
Chartered Accountants

125, Netaji Subhas Road,
5th Floor, Kolkata – 700001
Ph: 98360 67278 / 98301 10867
E-mail: niraj@execonservices.com
cahkagrawal@gmail.com

SREI MUTUAL FUND ASSET MANAGEMENT PRIVATE LIMITED

"Annexure A" to the Independent Auditor's Report

With reference to the Annexure referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31 March 2022, we report the following:

i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.

(B) The Company does not have any intangible assets; hence, relevant clause is not applicable.

(b) According to the information and explanation given to us, all the Property, Plant and Equipment have been physically verified by the management during the year. In our opinion the frequency of such verification is reasonable having regard to the size of the Company and nature of assets. As informed to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records, the Company does not own any immovable properties and hence the provisions of clause 3(i)(c) of the Order are not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not re-valued its property, plant and equipment (including right of use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. (a) As explained to us, the Company does not have any physical inventory and consequently the provisions of clause 3(ii)(a) of the Order are not applicable.

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

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in or provided any guarantee or security to companies, firms, limited liability partnerships or any other parties during the year. The Company has, granted loans and advances in the nature of loans during the year to a subsidiary company details of which are stated below. The Company has not provided guarantees or granted loans or advances in the nature of loans during the year to firms or limited liability partnerships.

(a) (A) Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has granted during the year loans (ICD) to a subsidiary company as below:

Particulars	ICD (Rs. in Lacs)
Aggregate amount of ICD during the year	0.75
Balance outstanding as at the balance sheet date (including interest accrued)	0.78

(B) Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has not provided any guarantee and granted advances in the nature of loans to other parties.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the grant of loans and advances in the nature of loans during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, in the case of loans and advances in the nature of loans (ICD) given earlier to a fellow subsidiary company, the repayment of principal and payment of interest has been stipulated but repayments or receipts are not regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records, the following amount of ICD mentioned in (c) above is overdue for more than 90 days:

Particulars	Principal amount of ICD (Rs. in Lacs)
Principal amount and interest due from a fellow subsidiary company is overdue for more than 90 days during the year	1100.00

*During the year request of the borrower company to convert the loan amount into Convertible Preference shares was rejected by the Company. Now this matter is pending and the ICD amount is continuing as it is in the books of account along with accrued interest of Rs. 120.13 lacs.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is Inter corporate deposit (ICD), falling due during the year, which has been renewed or extended (*):

Particulars	ICD (Rs. In Lacs)
Aggregate amount of ICD (Including accrued interest Rs. 120.13 lacs (Net of TDS at year end) renewed / allowed to continue in case of a fellow subsidiary.	1220.13

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

v. According to information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year. Therefore, the provisions of clause 3(v) of the Order are not applicable to Company.

vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the activities of the Company. Accordingly, clause 3(vi) of the Order is not applicable.

vii. a) According to the information and explanations given to us and on the basis of our examination of the books of account and the records, the Company has been generally regular in depositing undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, cess and any other statutory dues to the appropriate authorities and there are no arrears of outstanding statutory dues at the year end, which are outstanding for more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute with the appropriate authorities.

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or any lender.

(c) In our opinion and according to the information and explanations given to us by the management, the Company has not taken any term loans during the year.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

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

xi. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) The Company has not received any whistle blower complaints during the year. Accordingly, clause 3(xi)(c) of the Order is not applicable.

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

xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an group internal audit system commensurate with the size and nature of its business.

(b) No internal audit reports of the Company as such were available. Accordingly, clause 3(xiv)(b) of the Order is not applicable.

xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act are not applicable to the Company.

xvi. (a) According to the information and explanations given to us , the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us during the course of audit, the Group does not have any CICs.

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

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order not applicable.

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

xx. 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 Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For H. K. AGRAWAL & CO.
Chartered Accountants
Firm's Registration No. 308090E

Sd/-
Niraj Agrawal
Partner
Membership No. 060313
UDIN:

Place : Kolkata
Date : 29.04.2022

SREI MUTUAL FUND ASSET MANAGEMENT PVT LTD
CIN: U65990WB2009PTC139801

BALANCE SHEET AS AT MARCH 31, 2022

(Rs.in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non Current Assets			
(a) Property, Plant and Equipment	2	0.01	0.03
(b) Other Non Current Tax Assets (Net)	3	4.36	3.59
Total Non - Current Assets		4.37	3.62
Current Assets			
(a) Financial Assets			
(i) Investments	4	24.98	29.10
(ii) Cash and Cash Equivalents	5	0.77	4.27
(iii) Loans	6	1,220.91	1,143.91
(b) Other Current Assets	7	7.63	6.87
Total Current Assets		1,254.29	1,184.15
TOTAL ASSETS (I+II)		**1,258.66**	**1,187.77**
EQUITY AND LIABILITY			
EQUITY			
(a) Equity Share Capital	8	1,850.00	1,850.00
(b) Other Equity	9	(591.60)	(670.25)
Total Equity		1,258.40	1,179.75
LIABILITIES			
Non Current Liabilities			
(a) Provisions	10	-	6.03
Total Non - Current Liabilities		-	6.03
Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	11		-
1. Due to Micro and Small Enterprises		-	-
2. Due to Others		-	-
(ii) Other Financial Liabilities	12	0.23	1.17
(b) Other Current Liabilities	13	0.03	0.55
(c) Provisions	10	-	0.27
Total Current Liabilities		0.26	1.99
TOTAL EQUITY AND LIABILITIES		**1,258.66**	**1,187.77**

The Accompanying Notes are an integral part of the Financial Statements
As per our report of even date Annexed

For H K Agrawal & Co.
Chartered Accountants
Firm Registration No. 308090E

For and on behalf of the Board of Directors

Sd/-
Niraj Agrawal
Partner
Membership No. 060313

Sd/-
Venkateswarlu Kakkera
Director
Din No.06931804

Sd/-
Manoj Kumar
Director
Din No.06397089

Place : Kolkata
Date 29th April, 2022

SREI MUTUAL FUND ASSET MANAGEMENT PVT LTD
CIN: U65990WB2009PTC139801

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31,2022

(Rs.in Lakhs)

	Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
I.	Revenue From Operations		-	-
II.	Other Income	14	86.10	82.03
III.	**Total income (I)**		86.10	82.03
IV.	**Expenses:**			
	Employee Benefits Expense	15	4.28	25.40
	Depreciation and Amortisation Expense	16	0.02	0.14
	Other Expenses	17	3.15	10.23
V	**Total Expenses (II)**		7.45	35.77
VI	**Profit Before Exceptional Items and Tax (III-V)**		78.65	46.26
VII	Exceptional Items		-	-
VIII	**Profit Before Tax (VI-VII)**		78.65	46.26
IX	Tax Expense	18		
	Current Tax		-	-
	Deferred Tax		-	-
X	**Profit For The Period/Year (VIII-IX)**		78.65	46.26
XI	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to Profit or Loss:			
	- Remeasurement of the defined benefit plans			0.44
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss		-	-
	Total Other Comprehensive Income		-	0.44
XII	**Total Comprehensive Income For The Period/Year (X + XI)**		78.65	46.70
XIII	**Earnings Per Equity Share (of Rs. 10/- each)**	24		
	Basic (Rs.)		0.43	0.25
	Diluted (Rs.)		0.43	0.25

The Accompanying Notes are an integral part of the Financial Statements
As per our report of even date Annexed

For H K Agrawal & Co.
Chartered Accountants
Firm Registration No. 308090E

For and on behalf of the Board of Directors

Sd/-
Niraj Agrawal
Partner
Membership No. 060313

Sd/-
Venkateswarlu Kakkera
Director
Din No.06931804

Sd/-
Manoj Kumar
Director
Din No.06397089

Place : Kt Kolkata
Date : 29th April, 2022

CIN: U65990WB2009PTC139801

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31,2022

(Rs.in Lakhs)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A.	**Cash Flow from Operating Activities**		
	Net Profit Before Tax	78.65	46.26
	Adjustments for:		
	Depreciation and Amortisation Expense	0.02	0.14
	Interest on Inter Corporate Deposit	(77.03)	(78.00)
	Profit on Investment in Mutual Fund scheme	(1.54)	(3.80)
	Interest on income tax refund	-	(0.23)
	Operating Profit before Working Capital Changes	(6.78)	(35.63)
	Increase/(Decrease) in Trade Payables, other liabilities and provisions	(0.88)	(1.71)
	Decrease/(Increase) in trade receivables, loans, advances and other assets	0.02	1.16
	Cash generated from/(used in) Operating activities	(7.64)	(36.18)
	Direct Taxes paid (Net of refunds)	(0.77)	0.45
	Net Cash flow from/(used in) Operating Activities	**(8.41)**	**(35.73)**
B.	**Cash Flow from Investing Activities**		
	Inter Corporate Deposits refunded/(given) (net)	(0.75)	(3.00)
	Investment in Scheme of Mutual Fund	5.66	(25.30)
	Interest received	-	66.31
	Net Cash flow from/(used in) Investing activities	**4.91**	**38.01**
C.	**Cash Flow from Financing Activities**		
		-	-
	Net Cash Flow from/(used in) Financing Activities	-	-
	Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(3.50)	2.28
	Opening Cash and Cash Equivalents	4.27	1.99
	Closing Cash and Cash Equivalents	**0.77**	**4.27**

Note:

1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statements of Cash Flow".

2) Components of Cash and Cash Equivalents:

	Particulars	As at March 31, 2022	As at March 31, 2021
	Cash on hand	0.02	0.02
	In Current Account	0.75	4.25
		0.77	4.27

The Accompanying Notes are an integral part of the Financial Statements
As per our report of even date Annexed

For H K Agrawal & Co.
Chartered Accountants
Firm Registration No. 308090E

On behalf of the Board of Directors

Sd/-
Niraj Agrawal
Partner
Membership No. 060313

Sd/-
Venkateswarlu Kakkera
Director
Din No.06931804

Sd/-
Manoj Kumar
Director
Din No.06397089

Place : Kolkata
Date : 29th April, 2022

SREI MUTUAL FUND ASSET MANAGEMENT PVT LTD
CIN: U65990WB2009PTC139801

Statement of Changes in Equity as on March 31, 2022

A. Equity Share Capital

(Rs.in Lakhs)

Particulars	As at March 31, 2020	Issue/ (reduction) during the year	As at March 31, 2021	Issue/ (reduction) during the period	As at March 31, 2022
Equity Share Capital	1,850.00	-	1,850.00	-	1,850.00

B. Other equity

(Rs.in Lakhs)

Particulars	Reserves and Surplus		Total
	Other Comprehensive Income	Retained Earnings	
Balance as at March 31, 2020	8.94	(725.89)	(716.95)
Profit for the year ended March 31, 2021	0.44	46.26	46.70
Balance as at March 31, 2021	9.38	(679.63)	(670.25)
Profit for the period ended March 31, 2022	-	78.65	78.65
Balance as at March 31, 2022	9.38	(600.98)	(591.60)

Retained Earnings:

This reserve represents the cumulative profits of the Company. This can be utilised in accordance with the provisions of the Companies Act,2013.

The Accompanying Notes are an integral part of the Financial Statements.
As per our report of even date Annexed

For H K Agrawal & Co.
Chartered Accountants
Firm Registration No. 308090E

For and on behalf of the Board of Directors

Sd/-
Niraj Agrawal
Partner
Membership No. 060313

Sd/-
Venkateswarlu Kakkera
Director
Din No.06931804

Sd/-
Manoj Kumar
Director
Din No.06397089

Place : Kolkata
Date : 29th April, 2022

SREI MUTUAL FUND ASSET MANAGEMENT PRIVATE LIMITED

1. Company Overview and Significant Accounting Policies

(A) Corporate Information

Srei Mutual Fund Asset Management Private Limited (the"Company") is domiciled and incorporated in India. The Registered Office of the Company is at 'Vishwakarma Building', 86C, Topsia Road (South), Kolkata - 700 046.

Srei Infrastructure Finance Limited (SIFL), the Holding Company, had sought approval from Securities and Exchange Board of India (SEBI) for commencement of mutual fund business in India under the SEBI (Mutual Funds) Regulations, 1996. Srei Mutual Fund Asset Management Private Limited was incorporated as wholly owned subsidiary of SIFL on 27th November 2009.The company had received the approval from SEBI to act as Asset Management Company of Srei Mutual Fund (IDF) on 15th November 2012. However, in view of Covid 19 pandemic and in the light of present economic condition the Company has voluntarily surrendered the IDF license to SEBI.

(B)Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

(C) Significant Accounting Policies

1.1. Basis of Preparation

The financial statements are prepared in accordance withthe historical cost convention, except for certain items thatare measured at fair values, as explained in the accountingpolicies.

Fair Value is the price that would be received to sell anasset or paid to transfer a liability in an orderly transactionbetween market participants at the measurement date,regardless of whether that price is directly observable orestimated using another valuation technique. In estimatingthe fair value of an asset or a liability, the Company takesinto account the characteristics of the asset or liability ifmarket participants would take those characteristics intoaccount when pricing the asset or liability at themeasurement date. Fair value for measurement and/ordisclosure purposes in these financial statements is determined on such a basis.

The preparation of financial statements require the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosed amount of contingent liabilities.

Areas involving a higher degree of judgement or complexity or areas where assumptions are significant to the Company are discussed in Note 1.16- Critical accounting judgements and key sources of estimation uncertainty.

The management believes that the estimates used in preparation of financial statements are prudent and reasonable. Actual results could differ from those estimates and the differences between the actual results and the estimates would be recognised in the periods in which the results are known / materialised.

Comparative information has been restated to accord with changes in presentations made in the current year, except where otherwise stated.

These Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

1.2. Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements. For the company, there is generally no clearly identifiable normal operating cycle and hence the normal operating for the company is assumed to have duration of 12 months.

1.3. Revenue

Income from asset management services is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Interest Income is recognised on the time proportion basis taking into account the amount outstanding and the rate applicable.

1.4. Leasing

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed or the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

1.5. Foreign Currency Transactions

The financial statements are presented in Indian Rupee (INR) in lakhs, the functional currency of the Company. Functional currency is the currency of the primary economic environment in which the Company operates.

Non-Financial Instruments - foreign currency translation policy:

Initially foreign currency transactions arerecorded at the rates of exchange prevailing at the dates of the respective transactions.Foreign currency monetary items are restated using the exchange rate prevailing at the reporting date.Non-monetary items (carried at fair value) as on reporting date are restated using the exchange rate prevailing at the date when the fair value was determined. Translation differences on such items are reported as part of the fair value gain or loss on such items.For non-monetary items (carried at historical cost) as on reporting date restatement is not required

Financial Assets - foreign Exchange Gains and Losses:

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated using the exchange rate prevailing at the reporting date.For monetary financial assets measured at amortised cost, FVTOCI or FVTPL and non-monetary financial assets measured at amortised cost or FVTPL, the exchange differences are recognised in the statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.Foreign currency changes for non-monetary financial assets measured at FVTOCI are recognised in other comprehensive income.

Financial Liabilities - Foreign Exchange Gains and Losses:

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated using the exchange rate prevailing at the reporting date.For monetary financial liabilities measured at amortised cost, FVTOCI or FVTPL and non-monetary financial liabilities measured at amortised cost or FVTPL, the exchange differences are recognised in the statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.Foreign currency changes for non-monetary financial liabilities measured at FVTOCI are recognised in other comprehensive income

1.6. Borrowing Cost

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Other income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

1.7. Employee Benefits

Defined Contribution Plans

Company's contributions towards Regional Provident Fund with respect to employees, paid/payable during the period to the Provident Fund Authority, are charged to the Statement of Profit and Loss. Contributions to Employees State Insurance Corporation are charged to the Statement of Profit and Loss.

Defined Benefit Plans:

Company's liabilities towards Gratuity and Leave benefits are defined benefit plans. The cost of providing benefits under the defined benefit obligation is calculated by independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of re-measurements are recognised immediately through other comprehensive income in the period in which they occur.

The employees of the Company are entitled to compensated leave for which the Company records the liability based on actuarial valuation computed using projected unit credit method. These benefits are unfunded.

Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period in which related service is rendered.Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

1.8. Property, Plant and Equipment – Tangible Assets

Property, plant and equipment are initially recognised at cost together with borrowing cost capitalized for qualifying assets. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

Subsequent to initial recognition, property, plant and equipment are measured at cost less accumulated depreciation and impairment, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

Depreciation
Depreciation of these assets commences when the assets are ready for their intended use. It is recognised so as to amortise the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Estimated useful life of the assets determined is as under:

- Plant and machinery- 15 years
- Furniture and Fixtures- 10 years
- Computers- 3 to 6 years
- Office equipment- 5 years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Leasehold assets including improvements are amortised over the period of the lease. Freehold Land is not depreciated.

Depreciation on assets purchased / sold during the period is recognized on a pro-rata basis.

1.9. Intangible Assets
Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives of 2-6 years.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit and loss when the asset is de-recognised.

1.10. Impairment of Assets
Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

1.11. Financial instruments, Financial assets, Financial liabilities and Equity Instruments

Recognition of Financial Instruments:
Financial assets and financial liabilities are recognised when entity becomes a party to the contractual provisions of the instruments. Loans & advances and all other regular way purchases or sales of financial assets are recognised and derecognised on the trade date basis.

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

Subsequent Measurement:

(i) Financial Assets
Financial Assets carried at Amortised Cost (AC):
A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI):
A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investment in equity instruments that are not held for trading are measured at FVTOCI, where an irrevocable election has been made by management on an instrument-by-instrument basis. These investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to the statement of profit and loss on disposal of the investments. Dividends on such investments are recognised in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Debt investments measured at FVTOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Other net gains and losses are recognised in Other Comprehensive Income (OCI). On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.

Financial Assets at Fair Value through Profit or Loss (FVTPL):
A financial asset which is not classified in any of the above categories are measured at FVTPL. A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the statement of profit and loss.

Impairment of Financial Assets:
Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and FVTOCI at each reporting date based on evidence or information that is available without undue cost or effort.

The Company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for that financial asset at an amount equal to 12-month expected credit losses.

In case of debt instruments measured at FVTOCI, the loss allowance shall be recognised in other comprehensive income with a corresponding effect to the profit or loss and not reduced from the carrying amount of the financial asset in the balance sheet. In case of such instrument, amount recognized in the statement of profit and loss are the same as the amount would have been recognized in case the debt instrument is measured at amortised cost.

No Expected credit losses is recognised on equity investments.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company measures the loss allowance at an amount equal to lifetime expected credit losses taking into account historical credit loss experience and adjusted for forward-looking information.

Derecognition of Financial Assets:
The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset accounted under Ind AS 109 in its entirety:
a) for financial assets measured at amortised cost, the gain or loss is recognized in the statement of profit and loss.

b) for financial assets measured at fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

(ii) Financial Liabilities and Equity Instruments:

Classification as debt or equity:
Financial liabilities and equity instruments issued are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments
An Equity Instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial Liabilities
Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest rate method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial liabilities
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

Off-setting of financial instruments
Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously backed by past practice.

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

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

The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - Other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - Unobservable inputs for the asset or liability.

Expected Credit Loss
Expected credit loss (ECL) is the probability-weighted estimate of credit losses (i.e., the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between scheduled or contractual cash flows and actual expected cash flows. Consequently, ECL subsumes both the amount and timing of payments – a credit loss would arise even when a receivable was realised in full but later than when contractually due.

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

Current tax
Current Tax is determined at the amount of tax payable in respect of taxable profit for the year as per the Income-tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or

deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rate that has been enacted by the end of the reporting period.

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Deferred tax

The Company's deferred tax is calculated using tax rate that are substantially enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Current and deferred tax for the year

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

1.13. Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

1.14. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

In case of litigations, provision is recognised once it has been established that the Company has a present obligation based on information available up to the date on which the Company's financial statements are finalised and may in some cases entail seeking expert advice in making the determination on whether there is a present obligation.

Contingent Liabilities

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. Company does not recognize contingent liability but discloses its existence in the financial statements.

Contingent Assets

Contingent assets are not recognized in the financial statement, but are disclosed where an inflow of economic benefits is probable.

1.15. Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Corporate Management Committee. Based on such the Company operates in one operating segment, viz. Composite Insurance Broking Services.

1.16. Use of Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

A. Judgements in applying accounting policies

The judgements, apart from those involving estimations (see note below), that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of intangible assets.

B. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

i) **Useful lives of property, plant and equipment and intangible assets:**

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

ii) **Fair value measurements and valuation processes:**

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

iii) **Actuarial Valuation:**
The determination of Company's liability towardsdefined benefit obligation to employees is madethrough independent actuarial valuation includingdetermination of amounts to be recognised in theStatement of Profit and Loss and in othercomprehensive income. Such valuation depend uponassumptions determined after taking into accountinflation, seniority, promotion and other relevantfactors such as supply and demand factors in theemployment market. Information about such valuation is provided in notes to the financial statements.

iv) **Claims, Provisions and Contingent Liabilities:**
Any litigation where anoutflow of funds is believed to be probable and areliable estimate of the outcome of the dispute canbe made based on management's assessment ofspecific circumstances of each dispute and relevantexternal advice, management provides for its bestestimate of the liability. Such accruals are by naturecomplex and can take number of years to resolveand can involve estimation uncertainty. Informationabout such litigations is provided in notes to the financial statements.

v) **Impairment of Financial Assets:**
The Company assesses impairment based on expected credit losses (ECL) model on trade receivables.The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable. At every reporting date, the historically observed default rates are updated.

1.17. 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. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

1.18. Cash Flow Statement
Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2 **Property, Plant and Equipment**

(Rs.in Lakhs)

Particulars	Gross block				Depreciation/amortisation/ impairment				Net book value
	As at April 01, 2021	Additions	Disposals and other adjustments	As at March 31, 2022	As at April 01, 2021	Depreciation/ amortisation Charge	Disposals and other adjustments	As at March 31, 2022	As at March 31, 2022
Office Equipment	0.29	-	-	0.29	0.29	-	-	0.29	-
Computer	0.43	-	-	0.43	0.40	0.02	-	0.42	0.01
Total Tangible assets	**0.72**	-	-	**0.72**	**0.69**	**0.02**	-	**0.71**	**0.01**

(Rs.in Lakhs)

Particulars	Gross block				Depreciation/amortisation/ impairment				Net book value
	As at April 01, 2020	Additions	Disposals and other adjustments	As at March 31, 2021	As at April 01, 2020	Depreciation/ amortisation Charge	Disposals and other adjustments	As at March 31, 2021	As at March 31, 2021
Office Equipment	0.29	-	-	0.29	0.29	-	-	0.29	-
Computer	0.43	-	-	0.43	0.26	0.14	-	0.40	0.03
Total Tangible assets	**0.72**	-	-	**0.72**	**0.55**	**0.14**	-	**0.69**	**0.03**

3 Other Non Current Tax Assets (Net)

(Rs.in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance Tax & Tax Deducted At Source	4.36	3.59
Less: Provision for taxation	-	-
Total	4.36	3.59

4 Investment-Current

(Rs.in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Investments Investments in Scheme of Mutual Funds - Current Investments (Money Market Fund) - 8141.215 units @ 306.8943 (previous year - 9854.085 units @ 295.2785)	24.98	29.10
Total	24.98	29.10

5 Cash and Cash Equivalents:

(Rs.in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	0.02	0.02
Balances with Banks In Current Account	0.75	4.25
Total	0.77	4.27

6 Loans

(Rs.in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured considered good unless otherwise stated) Inter corporate deposits - Others (at amortised cost)	1,100.75	1,100.00
Interest accrued on ICD	120.16	43.91
Total	1,220.91	1,143.91

7 Other Current Assets

(Rs.in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with Statutory Authorities	7.63	6.87
Total	7.63	6.87

8 Equity Share Capital

(Rs.in Lakhs)

	As at March 31, 2022		As at March 31, 2021	
	Number	Amount	Number	Amount
Authorised Share Capital				
Equity Shares of Rs. 10/- each	20,000,000	2,000.00	20,000,000	2,000.00
Preference Shares of Rs. 10/- each	45,000,000	4,500.00	45,000,000	4,500.00
Issued, Subscribed and Paid up Capital				
Equity Shares of Rs 10/- each fully paid up	18,500,000	1,850.00	18,500,000	1,850.00
		1,850.00		1,850.00

8.1 The reconciliation of the number of shares outstanding at the beginning and at the end of year has been shown in the table below:

(Rs.in Lakhs)

	As at March 31, 2022		As at March 31, 2021	
	Shares	Amount	Shares	Amount
Shares outstanding at the beginning of year	18,500,000	1,850.00	18,500,000	1,850.00
Shares issued during the period	-	-	-	-
Shares outstanding at the end of period	18,500,000	1,850.00	18,500,000	1,850.00

Terms and rights attached to equity shares:

The Company has only one class of shares referred to as equity shares having a par value of Rs.10/-. 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 any of the remaining assets of the company, after distribution of all preferential amounts in proportion to the number of equity shares held by the shareholders.

8.2 **Details of shares held by each shareholder holding more than 5%**

	As at March 31, 2022		As at March 31, 2021	
	Shares	% holding	Shares	% holding
Fully paid equity shares				
Srei Infrastructure Finance Limited *	18,500,000	100.00	18,500,000	100.00

* Includes 600 Equity Shares held by nominees on behalf of Srei Infrastructure Finance Limited

8.3 **Shares held by Holding/Ultimate Holding and/or their Subsidiaries/Associates**

(Rs.in Lakhs)

	As at March 31, 2022		As at March 31, 2021	
	Shares	Amount	Shares	Amount
Srei Infrastructure Finance Limited	18,500,000	1,850.00	18,500,000	1,850.00

8.4 The Company during the preceding 5 years:
- i Has not alloted shares pursuant to contracts without payment received in cash.
- ii Has not issued shares by the way of bonus shares.
- iii Has not bought back any shares.

8.5 Shareholding of promoters as at March 31, 2022 :

Shares held by promoters at the end of the year				% Change during the year
Sl.No.	Promoter name	No. of shares	% of total shares	
(i)	SREI Infrastructure Finance Limited *	18,500,000	100%	NA
	Total			

Shareholding of promoters as at March 31, 2021 :

Shares held by promoters at the end of the year				% Change during the year
Sl.No.	Promoter name	No. of shares	% of total shares	
(i)	SREI Infrastructure Finance Limited *	18,500,000	100%	NA
	Total			

*Includes Equity Shares held by nominees on behalf of Srei Infrastructure Finance Limited

9 Other Equity

(Rs.in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Retained Earnings		
Balance as per last accounts	(679.63)	(725.89)
Net Profit/(Loss) for the period/ year	78.65	46.26
Closing Balance (a)	(600.98)	(679.63)
b)Other comprehensive income		
Balance as per last accounts	9.38	8.94
Add. Other comprehensive income for the period/ year	-	0.44
Closing Balance (b)	9.38	9.38
Total (a+b)	(591.60)	(670.25)

10 Provisions

(A) Non-Current

(Rs.in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits		
Gratuity	-	4.07
Provision for Compensated absence	-	1.96
Total	-	6.03

(B) Current

(Rs.in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits		
Gratuity	-	0.07
Provision for Compensated absence	-	0.20
Total	-	0.27

11 Trade Payables

(A) Due to Micro and Small Enterprises

(Rs.in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a) The principal amount and interest due thereon remaining unpaid to any supplier	-	-
b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day.	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d) The amount of interest accrued and remaining unpaid	-	-
e) The amount of further interest remaining due and payable even in the succeeding year until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Total	-	-

SREI MUTUAL FUND ASSET MANAGEMENT PVT LTD
Notes to the financial statement for the year ended March 31,2022

(B) Due to Others

(Rs.in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade Payables - other than Acceptances	-	-
Total	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

12 Other Financial Liabilities

(Rs.in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Liability for expenses	0.23	0.36
Salaries and other payroll dues	-	0.81
Total	**0.23**	**1.17**

13 Other Current Liabilities

(Rs.in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory Liabilities	0.03	0.55
Total	**0.03**	**0.55**

Notes to the financial statement for the year ended March 31,2022

14 Other Income

(Rs.in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest on Inter Corporate Deposit	77.03	78.00
Profit on Investment in Mutual Fund scheme	0.20	3.04
Net gain on fair valuation of investments - measured at FVTPL	1.34	0.76
Interest on Income Tax refund	-	0.23
Miscellaneous Income	0.65	-
Liability no longer required written back	6.88	-
Total	86.10	82.03

15 Employee Benefits Expense

(Rs.in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries & allowances	4.13	23.88
Contribution to Provident & Other funds	0.09	1.15
Staff welfare expenses	0.06	0.37
Total	4.28	25.40

16 Depreciation and Amortisation Expense

(Rs.in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on Tangible Assets	0.02	0.14
Amortisation on Other Intangible Assets	-	-
Total	0.02	0.14

17 Other Expenses

(Rs.in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Legal & Professional Fees	0.32	1.64
Travelling and Conveyance	0.01	0.16
Rates & Taxes	0.05	2.55
Filing Fees	0.18	0.07
Communication Expenses	0.08	0.36
Advertisement & Publicity	0.23	-
Payment to Auditors :		
-Fees for Statutory Audit	0.25	0.25
-Other Services (Certification etc.)	-	-
Director's Sitting Fees	2.00	5.10
Printing & Stationery	-	0.02
Miscellaneous Expenses	0.03	0.08
Total	3.15	10.23

18 Income Tax Expenses

(Rs.in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Tax for earlier year	-	-
Total	-	-

19 CAPITAL MANAGEMENT

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains a strong capital base by maximizing shareholders' wealth, safeguarding business continuity and augmenting its internal generations with a judicious use to fund working capital that arise from time to time as well as requirements to finance business growth.

The Company determines the amount of capital required on the basis of annual business plan. The funding needs are met through cash generated from operations and money raised through issue of equity share to the shareholders.

The capital structure of the Company consists of total equity. The Company does not have any borrowing.

20 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of

each class of Financial asset, Financial liability and equity instrument are disclosed in Note 1 to the financial statements.

20.1 Categories of Financial Instruments

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

(Rs. in lakhs)

	As at March 31, 2022		As at March 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
a) Measured at amortised cost				
i) Cash and cash equivalents	0.77	0.77	4.27	4.27
ii) Loan	1,220.91	1,220.91	1,143.91	1,143.91
Total financial assets	1,221.68	1,221.68	1,148.18	1,148.18
Financial liabilities				
a) Measured at amortised cost				
ii) Other financial liabilities	0.23	0.23	1.17	1.17
Total financial liabilities	0.23	0.23	1.17	1.17

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

Other financial assets measured at amortised cost

For other financial assets that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include cash, cash equivalents, Loans, Trade and other receivables.

20.2 Financial risk management objectives

The Company's activities expose it to financial risks, including market risk, credit risk and liquidity risk. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. The current Risk Management System rests on process of regular reviews / audits to set appropriate risk limits and controls, monitoring of such risks and compliance confirmation for the same.

a) Market risk

The Company's Financial Instruments are exposed to market changes. The Company is exposed to the following significant market risk:

Interest rate risk

The Company is exposed to interest rate risk as the Company deploys surplus cash in interest earning assets.The Company manages the risk by investing funds in Inter Corporate Deposit, fixed deposits with banks earning fixed rate of interest. The objectives of the Company's interest rate risk management processes are to lessen the impact of adverse interest rate movements on its earnings and cash flows.

Interest Rate Exposure

(Rs. in lakhs)

Particulars	31-03-2022	31-03-2021
Financial Assets		
Inter corporate deposits given to Fellow Subsidiary (including accrued interest)	1,220.91	-
Inter corporate deposits given to Holding Company (including accrued interest)	-	1,143.91
Total	1,220.91	1,143.91

The Company is not exposed to interst risk in respect of ICD given since the ICD is for short term and carries fixed rate of return.

b) Liquidity risk

Liquidity risk is the risk that the Company does not have sufficient financial resources to meet its obligations as they fall due, or will have to do so at an excessive cost. This risk arises from mismatches in the timing of cash flows which is inherent in all finance driven organisations and can be affected by a range of Company-specific and market-wide events. The objectives of the Company's liquidity risk management processes are to lessen the impact of liquidity risk by minimizing mismatch in timing of cash flow.

The company has adequate liquidity as its networth is primarily invested in interest earning short term ICD, which is repayable on demand. The table below provides details regarding financial assets and financial liabilities at the reporting date

(Rs. in lakhs)

	As at March 31, 2022		As at March 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
a) Measured at amortised cost				
i) Cash and cash equivalents	0.77	0.77	4.27	4.27
ii) Loan	1,220.91	1,220.91	1,143.91	1,143.91
Total financial assets	1,221.68	1,221.68	1,148.18	1,148.18
Financial liabilities				
a) Measured at amortised cost				
ii) Other financial liabilities	0.23	0.23	1.17	1.17
Total financial liabilities	0.23	0.23	1.17	1.17

c) Credit risk

Credit risk is the risk that the Company will incur a loss because counterparties fail to discharge their contractual obligations.The Company manages the risk by investing funds in ICD with fellow subsidiaries.

21 Employee Benefits

The Company has recognised, in Statement of Profit and Loss for the year ended 31.03.2022 an amount of Rs.0.09 Lakhs (Previous Year: Rs.1.10 Lakhs) as expenses under defined contribution plans.

Defined benefit plans

The Employees' Gratuity scheme, Leave benefit scheme, and Sick Leave availment scheme are the Company's defined benefit plans.The liabilities arising in the Defined Benefit Schemes are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method.

All employees who have rendered service for specified period as per the Payment of Gratuity Act, 1972 are entitled for gratuity. The gratuity amount is determined based on the last drawn salary and period of service with the company.

The defined benefit obligations are unfunded and thus the disclosure requirements of plan assets have not been made.

Risk Management

The Defined Benefit Plans expose the Company to risk of actuarial deficit arising out of interest rate risk, salary inflation risk and demographic risk

(a) Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined beneift obligation will tend to increase.

(b) Salary Inflation risk: Higher than expected increase in salary will increase the defined benefit obligation.

(c) Demographic Risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these on the defined benefit obligation is not straight forward and depends upon the combination of salary increase , discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of short career employee typically costs less per year as compared to long service employee.

The actuarial valuation of plan assets and the present value of the defined benefit obligation was not carried out as at 31st March 2022 since there is no employee of the Company as on 31st March 2022.

SREI MUTUAL FUND ASSET MANAGEMENT PRIVATE LIMITED
Notes to the financial statement for the year ended March 31, 2022

22 Related Party Disclosures

a) Related Parties

Sl.No	Name of the Company	Country of Origin
A	**Ultimate Holding Company**	
1	Adisri Commercial Private Limited	India
B	**Subsidiary of Ultimate Holding Company**	
2	Srei Factors Private Limited	India
C	**Holding Company**	
3	Srei Infrastructure Finance Limited (SIFL)	India
D	**Fellow Subsidiaries:**	
4	Srei Capital Markets Limited	India
5	Trinity Alternative Investment Managers Limited (Formerly Srei Alternative Investment Managers Limited)	India
6	Srei Mutual Fund Trust Private Limited	India
7	Srei Asset Leasing Limited (Formerly Srei Finance Limited)	India
8	Bengal Srei Infrastructure Development Limited	India
9	Srei Insurance Broking Private Limited	India
10	Controlla Electrotech Private Limited	India
11	Hyderabad Information Technology Venture Enterprises Limited (Subsidiary of Trinity Alternative Investment Managers Ltd.)	India
12	Cyberabad Trustee Company Private Ltd. (Subsidiary of Trinity Alternative Investment Managers Ltd.)	India
13	Srei Equipment Finance Limited	India
E	**Fellow Associates**	
14	IIS International Infrastructure Services GmbH, Germany (Formerly Srei International Infrastructure Services GmbH, Germany) liquidated on 29.07.2020	Germany
15	AO International Infrastructure Services, Russia (Formerly AO Srei Leasing) (Subsidiary of IIS International Infrastructure Services GmbH, Germany) upto 29.07.2020	Russia
F	**TRUSTS**	
16	Srei Mutual Fund Trust	India
G	**OTHERS**	
17	Srei Infrastructure Finance Limited Employees Gratuity Trust	India
H	**Key Management Personnel (KMP)/Directors:**	**Designation**
18	Mr. Hari Shanker Sharma	Non Executive Director
19	Mr. Manoj Kumar	Non Executive Director
20	Mr. Venkateswarlu Kakkera	Non Executive Director
I	**Holding Company - Key Management Personnel (KMP)/Directors:**	**Designation**
21	Mr. Hemant Kanoria *	Chairman
22	Mr. Sunil Kanoria *	Vice Chairman (Non Executive Director)
23	Mr. Shyamalendu Chatterjee *	Independent Director
24	Mr. Malay Mukherjee *	Independent Director
25	Dr. Punita Kumar Sinha *	Independent Director
26	Dr. Tamali Sengupta *	Independent Director
27	Dr. Deepali Pant Rajeev Joshi (w.e.f 30.06.2021) *	Additional Director
28	Mr. Ram Krishna Agarwal (ceased w.e.f 17.09.2021)	Independent Director
29	Mr. Srinivasachari Rajagopal (ceased w.e.f. 30.06.2021)	Independent Director
30	Mr. Rakesh Kumar Bhutoria (cease w.e.f 15.09.2021)	Chief Executive Officer
31	Mr. Sandeep Lakhotia (ceased w.e.f. 20.03.2021)	Company Secretary
32	Mr. Sandeep Kumar Sultania (ceased to be a KMP w.e.f. 07.12.2021)	Chief Financial Officer
33	Mr. Shashi Bhushan Tiwari (from 20.05.2019 to 30.06.2020)	Chief Risk Officer
34	Mr. Rajneesh Sharma (w.e.f 04-10-2021) **	Administrator
35	Mr. Souren Mokhopadhyay (w.e.f 30.06.2021)	Deputy Chief Executive Officer
36	Mr. Manoj Kumar (w.e.f. 01.04.2021)	Company Secretary & Chief Financial Officer
37	Mr Vishnu Gopal Agarwal (w.e.f. 21.03.2022)	Chief Compliance Officer & Financial Controller

* In exercise of the powers conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934, the Reserve Bank of India (RBI) had vide Press Release dated 4th October, 2021 superseded the Board of Directors of Srei Infrastructure Finance Limited (SIFL).

** The Reserve Bank of India has appointed Shri Rajneesh Sharma as the Administrator of SIFL under Section 45-IE (2) of the RBI Act.

22 Related Party Disclosures

b) Related Parties transaction

Transaction entered with related parties during the year ended March 31, 2022 and year ended March 31, 2021 are as under:

(Rs.in Lakhs)

Name of related party	Nature of Transactions	Year ended March 31, 2022	Year ended March 31, 2021
(A) Holding Company			
Srei Infrastructure Finance Limited	**Transactions:**		
	ICD Given during the period	-	997.00
	ICD Refund received during the period	-	2,094.00
	Interest Income on ICD	-	30.53
(B) Fellow Subsidiary			
Trinity Alternative Investment Managers Limited	**Transactions:**		
	ICD Given during the period	-	1,100.00
	Interest Income on ICD	77.00	47.47
(C) Fellow Subsidiary			
Srei Mutual Fund Trust Pvt Ltd	**Transactions:**		
	ICD Given during the period	0.75	-
	Interest Income on ICD	0.03	-
(D) Directors/ Key Management Personnel			
Mr. Tapan Kumar Mukhopadhyay (Ceased to be Director w.e.f. 09.08.2021)	Director's Sitting Fee	0.55	2.05
Mr. Man Mohan Agrawal (Ceased to be Director w.e.f. 02.08.2021)	Director's Sitting Fee	0.55	2.05
Mr. Jaideep Bhattacharya (Ceased to be Director w.e.f. 11.08.2021)	Director's Sitting Fee	0.40	1.00
Mr. Sourendranath Mukhopadhyay (Director w.e.f. 10.8.2021 & ceased to be Director w.e.f.21.12.2021)	Director's Sitting Fee	-	-
Mr. Vishnu Gopal Agarwal (Director w.e.f. 10.8.2021 & ceased to be Director w.e.f.21.12.2021)	Director's Sitting Fee	-	-
Mr. Ganesh Prasad Bagree (Director w.e.f. 11.8.2021 & ceased to be Director w.e.f.21.12.2021)	Director's Sitting Fee	-	-
Mr. Hari Shanker Sharma (Director w.e.f. 20.12.2021)	Director's Sitting Fee	0.25	-
Mr. Manoj Kumar (Director w.e.f. 20.12.2021)	Director's Sitting Fee	-	-
Mr. Venkateswarlu Kakkera (Director w.e.f. 20.12.2021)	Director's Sitting Fee	0.25	-
Mr. Rupesh Poddar (CFO - upto 15.08.2021)	Salary and Allowances	2.99	17.03
Ms. Shimpa Vyas (Company Secretary - upto 30.04.2021)	Salary and Allowances	0.80	6.35

Balance due with related parties as on March 31, 2022 and March 31, 2021 are as under:

(Rs.in Lakhs)

Name of related party	Outstanding balances	As at March 31, 2022	As at March 31, 2021
(A) Holding Company			
Srei Infrastructure Finance Limited	**Balance Outstanding :**		
	ICD Receivable	-	-
	Interest Receivable on ICD (net of TDS)	-	-
(B) Fellow Subsidiary			
Trinity Alternative Investment Managers Limited	**Balance Outstanding :**		
	ICD Receivable	1,100.00	1,100.00
	Interest accrued on ICD (net of TDS)	120.14	43.91
(C) Fellow Subsidiary			
Srei Mutual Fund Trust Pvt Ltd	**Balance Outstanding :**		
	ICD Receivable	0.75	-
	Interest Receivable on ICD - accrued but not due	0.03	-

c) **Compensation to Directors / Key Managerial Personnel**

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Short-term benefit	-	22.35
Other long-term employee benefit	-	-
Post-employment benefit	-	1.03
Director sitting fee	2.00	5.10

23 Deferred Tax Assets (net)

The Deferred Tax Asset arising out of timing difference is on account of the following:

(Rs.in Lakhs)

S.No	Particulars	As at March 31, 2022	As at March 31, 2021
	Components of Deferred Tax Asset/(Liability) :		
1	Carry forward losses	87.57	107.20
2	Unabsorbed Depreciation	3.93	3.11
3	Provision for Gratuity	0.99	1.04
4	Provision for Leave	-	-
5	Fair Valuation Gain	0.94	(0.18)
6	Depreciation	0.37	0.48
	Deferred Tax Asset	93.80	111.65

Note: On the basis of prudence, deferred tax asset has not been recognised in the books of Account.

24 **Earnings Per Share (EPS) - The numerators and denominators used to calculate Basic and Diluted EPS:**

S.No	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
1	Profit/ (Loss) after tax attributable to Equity Shareholders (in Rs. Lakhs)	78.65	46.26
2	Weighted average number of Equity Shares Basic (Nos.)	18,500,000	18,500,000
3	Weighted average number of Equity Shares Diluted (Nos.)	18,500,000	18,500,000
4	Nominal Value of Equity per share (Rs)	10	10
5	Basic Earnings per share (Rs)	0.43	0.25
6	Diluted Earnings per share (Rs)	0.43	0.25

25 **Contingencies & Commitments:**

Contingent Liabilities & Capital Commitment as on March 31, 2022 – Rs Nil (March 31, 2021 - Rs Nil).

26 **Inter Corporate Deposit to Trinity Alternative Investment Managers Limited**

Inter Corporate deposit of Rs.1100 lakh was given to Trinity Alternative Investment Managers Ltd (TAIML) on 13.08.2020 which was repayable within 365 days from date of deposit. TAIML requested the company to convert the same in Convertible Preference Shares which was refused by the Board of the company. The matter is still under discussion with TAIML and both the companies are continuing to show the same as Intercorporate Deposit in their books and accruing interest thereon.

27 **Surrender of Srei Mutual Fund (IDF) registration certificate**

The Company had made an application dated 29th January 2021 for surrender of Sreu Mutual Fund (IDF) registration certificate to SEBI . The Company has received concurrence from SEBI vide letter dated 22nd October, 2021. As directed by SEBI, the Company is in process of changing the name of the Company and objects in its Memorandum and Article of Association.

28 **Ratios to be disclosed:**

S.No	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Current Ratio*	4,918.80	595.05
(b)	Debt Equity Ratio	-	-
(c)	Debt Service Coverage Ratio	-	-
(d)	Return on Equity Ratio	0.06	0.04
(e)	Inventory Turnover Ratio	-	-
(f)	Trade Receivable Turnover Ratio	-	-
(g)	Trade Payable Turnover Ratio	-	-
(h)	Net Capital Turnover Ratio	0.07	0.07
(i)	Net Profit Ratio	0.91	0.56
(j)	Return on Capital Employed	0.06	0.04
(k)	Return on Investment	-	-

* Current ratio of 31st March 2022 have been increased w.r.t 31st March 2021 due to substantial growth in profitability in March 2022.

29 Figures pertaining to the previous year have been rearranged/regrouped, reclassified and restated wherever necessary, to make them comparable with those of current reporting period.

The Accompanying Notes are an integral part of the Financial Statements
As per our report of even date Annexed

For H K Agrawal & Co.
Chartered Accountants
Firm Registration No. 308090E

On behalf of the Board of Directors

Sd/-
Niraj Agrawal
Partner
Membership No. 060313

Sd/-
Venkateswarlu Kakkera
Director
Din No.06931804

Sd/-
Manoj Kumar
Director
Din No.06397089

Place : Kolkata
Date : 29th April, 2022

SREI

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 12th Annual Report on the business and operations of **Srei Mutual Fund Trust Private Limited** (the Company) together with the Audited Financial Statement for the financial year ended March 31, 2022.

FINANCIAL RESULTS AND OPERATIONS

(Amount in Rs. Lakhs)

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Total Income	0.01	0.02
Total Expenditure	2.89	7.14
Profit/Loss Before Depreciation	(2.88)	(7.12)
Depreciation	-	-
Bad Debts / Provisions etc.	-	-
Profit/ (Loss) Before Tax	**(2.88)**	**(7.12)**
Current/Deferred Tax	-	-
Profit/ (Loss) After Tax	**(2.88)**	**(7.12)**
Balance brought forward from previous year	(51.22)	(44.10)
Balance carried to Balance Sheet	(54.10)	(51.22)
Paid-up equity share capital (Face Value Rs.10/- each)	15.00	15.00
Amount transferred to Reserves	-	-

Your Company has made income of Rs. 0.01 Lakhs for the financial year ended March 31, 2022 as against the income of Rs. 0.02 Lakhs for the previous financial year ended March 31, 2021. The Company's Loss stands at Rs. 2.88 Lakhs as compared to a loss of Rs. 7.12 Lakhs incurred in the previous financial year ended March 31, 2022.

REVIEW OF OPERATIONS & FUTURE PROSPECTS

Srei Mutual Fund Asset Management Private Limited (AMC) has surrendered the SREI Mutual Fund (IDF) Licence with Securities and Exchange Board of India (SEBI).

Further, during the year under review, Srei Mutual Fund had no Schemes in operation, therefore, your Company had not rendered the services of Trusteeship.

DIVIDEND

The Board of Directors of your Company does not recommend any dividend for the financial year 2021-22.

TRANSFER TO RESERVES

The Company is not statutorily required to transfer any amount to the General Reserve, as no Dividend has been recommended for the financial year 2021-22.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year under review, no change took place in the nature of business of the Company.

SUBSIDIARY COMPANIES/JOINT VENTURES/ASSOCIATE COMPANIES

The Company does not have any Subsidiary Company, Joint Ventures and Associate Company. Hence, disclosure as required under the provisions of Section 134(3)(q) of the Companies Act, 2013 read with Rule 8(5) (iv) of the Companies (Accounts) Rules, 2014 is not applicable to your Company.

PUBLIC DEPOSITS

The Company has not invited or accepted any Deposits from Public in terms of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014, therefore, no disclosure was required to be made.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year under review, the provisions of the Companies Act, 2013 with regard to Corporate Social Responsibility were not applicable to your Company, therefore, your Company is not required to make the disclosures as per Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Directors

Presently, the Board of Directors of your Company comprises of Three (3) Directors (Category: Non-Executive), namely, Mr. Sourendranath Mukhopadhyay (DIN: 00960942), Mr. Shashi Bhushan Tiwari (DIN: 00190997) and Mr. Gajendra Kumar Singh (DIN: 09277024).

During the year under review, Mr. P. B. Nimbalkar (DIN: 00109947) and Mr. Arun L. Todarwal (DIN: 00020916) resigned as Directors of your Company w.e.f. 6th August, 2021. The Board wishes to place on record its sincere appreciation for the valuable contribution, advice and guidance extended by Mr. P. B. Nimbalkar and Mr. Arun L. Todarwal during their tenure as Directors of your Company.

Further, Mr. K. Sivaprakasam (DIN: 00140403) resigned as Directors of your Company w.e.f. 7th August, 2021. The Board wishes to place on record its sincere appreciation for the valuable contribution, advice and guidance extended by Mr. K. Sivaprakasam during his tenure as Directors of your Company.

During the year under review, Mr. Sourendranath Mukhopadhyay (DIN: 00960942) and Mr. Gajendra Kumar Singh (DIN: 09277024), were appointed as Directors of your Company at the Extra-Ordinary General Meeting of the members of your Company held on 10th August, 2021.

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and pursuant to the Articles of Association of your Company, Mr. Sourendranath Mukhopadhyay (DIN: 00960942), Director of your Company, retires by Rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Mr. Sourendranath Mukhopadhyay (DIN: 00960942) has submitted his Form DIR-8 with your Company, as required under Section 164(2) of the Companies Act, 2013 read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014. The Board, therefore, recommends re-appointment of Mr. Sourendranath Mukhopadhyay (DIN: 00960942), as a Director of your Company.

Key Managerial Personnel

As per the provisions of Section 203 of the Companies Act, 2013, (the Act) read with rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every Listed Company and every other Public Company, having a Paid-up Share Capital of Ten Crore Rupees, or more, shall have Whole-Time KMP's, namely; (i) Managing Director, or Chief Executive Officer, or Manager and in their absence, a Whole-time Director; (ii) Company Secretary and (iii) Chief Financial Officer.

Your Company is not required to appoint whole-time Key Managerial Personnel in terms of the provisions of Section 203 of the Companies Act 2013 read with Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

MEETINGS OF BOARD OF DIRECTORS

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by the Companies Act, 2013, which are confirmed/ noted in the subsequent Board meeting.

During the Financial Year 2021-22, Five (5) Meetings of Board of Directors of your Company were held, the particulars of which are as under:

Sl. No.	Date of Board Meeting	Directors Present
1	29th April, 2021	Mr. P.B Nimbalkar Mr. K. Sivaprakasam Mr. Arun L. Todarwal Mr. Shashi Bhushan Tiwari
2	30th June, 2021	Mr. P.B Nimbalkar Mr. K. Sivaprakasam Mr. Arun L. Todarwal
3	11th August, 2021	Mr. Gajendra Kumar Singh Mr. Sourendranath Mukhopadhyay
4	24th November, 2021	Mr. Shashi Bhushan Tiwari Mr. Gajendra Kumar Singh Mr. Sourendranath Mukhopadhyay
5	8th February, 2022	Mr. Shashi Bhushan Tiwari Mr. Gajendra Kumar Singh Mr. Sourendranath Mukhopadhyay

AUDIT COMMITTEE

During the Financial Year 2021-22, One (1) Meeting of Audit Committee of Board was held, the particulars of which is as under:

Sl. No.	Date of Audit Committee Meeting	Members Present
1	29th April, 2021	Mr. K. Sivaprakasam Mr. P. B. Nimbalkar Mr. Shashi Bhushan Tiwari

The Board of Directors, at its Meeting held on 24th November, 2021, decided to dissolve the Audit Committee of the Board in order to reduce the workload of the Directors of the Company.

NOMINATION AND REMUNERATION COMMITTEE

Your Company is not required to constitute Nomination and Remuneration Committee as per provisions of Section 178(1) of the Companies Act, 2013.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

Your Company is not required to establish vigil mechanism for directors and employees pursuant to provisions of the Companies Act, 2013.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Your Company is not required to constitute Corporate Social Responsibility Committee pursuant to provisions of the Companies Act, 2013.

EXTRACT OF THE ANNUAL RETURN

The Ministry of Corporate Affairs (MCA) vide Notification no. G.S.R.159 (E) dated 5th March, 2021 has amended the Companies (Management and Administration) Rules, 2014. According to the amended provisions of Rule 12 of the said rule, requirement of the extract of Annual Return in Form No. MGT-9 has been dispensed with effect from the financial year ended 31st March, 2021.

PARTICULARS OF EMPLOYEES

Your Company do not have any employee during the financial year 2021-22. Hence, the information required under the provisions of Section 134(3)(q) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not applicable to your Company.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTFLOW

The disclosure with regard to conservation of energy and technology absorption, as required under the provisions of the Companies Act, 2013, is not applicable to your Company.

Your Company has not utilized or earned any foreign exchange during the year under review (Previous Year - Nil).

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES

During the Financial Year 2021-22, your Company has not given any loan or guarantees or made any investments, hence disclosure, as prescribed in Section 186 of the Companies Act, 2013 is not applicable.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Since all Related Party transactions entered into by your Company during the financial year 2021-22 were in the ordinary course of business and were on an arm's length basis, Form AOC-2 is not applicable to your Company.

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MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

During the Financial Year 2021-22, the Reserve Bank of India (RBI) in exercise of the powers conferred under Section 45-IE (1) of the RBI Act, 1934 had vide a Press Release 2021-2022/981 dated 4th October, 2021, superseded the Board of Directors of Srei Infrastructure Finance Limited, our Holding Company which holds 100% of our paid up share capital, with immediate effect.

Also, pursuant to the Order, dated 8th October, 2021, of the National Company Law Tribunal, Kolkata Bench (**"NCLT"**), Corporate Insolvency Resolution Process has been initiated against Srei Infrastructure Finance Limited, our Holding Company as per the provisions of the Insolvency and Bankruptcy Code, 2016.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The provisions relating to the constitution of Internal Complaints Committee underthe Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is not applicable to your Company.

SHARE CAPITAL

During the year under review, the issued and paid up share capital of your Company remain unchanged, therefore, your Company is not required to disclose the particulars with regard to issue of equity shares with differential rights, issue of sweat equity shares, issue of employees stock options, provision of money by company for purchase of its own shares by employees or by trustees for the benefits of employees, as required under the provisions of the Companies Act, 2013 read with relevant Rules framed thereunder.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 134(5) of the Companies Act, 2013 (Act), your Directors confirm that:

(i) in the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(ii) they 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 your Company at the end of the financial year and of the profit of your Company for that period;

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

(iv) they have prepared the annual accounts for the financial year ended March 31, 2022 on a going concern basis; and

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

Further, your Directors confirm that your Company has adequate internal systems and controls in place to ensure compliance of laws applicable to your Company.

COMPLIANCE WITH THE SECRETARIAL STANDARDS

Your Company has complied with all applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) on Board Meetings and General Meetings.

MAINTENANCE OF COST RECORDS

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 during the financial year ended on 31st March, 2022.

INTERNAL FINANCIAL CONTROL

The Company has an Internal Financial Control and System, commensurate with the nature of its business and the size and complexity of its operations. The Company's system of Internal Financial Control has been designed to provide a reasonable assurance with regard to system and process and internal procedures for ensuring the orderly and efficient conduct of business, maintaining of proper accounting controls, protecting and safeguarding assets from unauthorised use or losses, prevention and detection of frauds and errors, compliance with regulations and for ensuring timely preparation of reliable financial information.

RISK MANAGEMENT

There is no risk which threatens the existence of the Company.

AUDITORS AND AUDITORS' REPORT

M/s. Singhi & Co., Chartered Accountants, Kolkata, having Registration No. 302049E allotted by The Institute of Chartered Accountants of India (ICAI), was re-appointed as the Statutory Auditors of the Company at the 9th Annual General Meeting had on 22nd July, 2019 for a further period of 5 years to hold office from the conclusion of 9th Annual General Meeting till the conclusion of 14th Annual General Meeting, in accordance with Section 139(1) and other applicable provisions, if any, of the Companies Act, 2013.

As regards observations contained in the Auditors' Report, the respective notes to the accounts are self-explanatory and, therefore, do not call for further comments.

FRAUDS REPORTED BY THE AUDITORS

No fraud has been reported by the Auditor in its report for the year ended on 31st March, 2022.

SECRETARIAL AUDIT REPORT

The provisions with regard to Secretarial Audit Report is not applicable to your company.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the sustained support and co-operation received from the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), Bankers, Business Associates and Holding Company viz. Srei Infrastructure Finance Limited.

On behalf of the Board of Directors
For **Srei Mutual Fund Trust Private Limited**

	Sd/-	Sd/-
Date: 29.04.2022	**Sourendranath Mukhopadhyay**	**Gajendra Kumar Singh**
Place: Kolkata	**Director**	**Director**
	DIN: 00960942	**DIN: 09277024**

Singhi & Co.
Chartered Accountants

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T +91(0)33-2419 6000/01/02
E kolkata@singhico.com
www.singhico.com

INDEPENDENT AUDITOR'S REPORT

To the Members of SREI Mutual Fund Trust Private Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **SREI Mutual Fund Trust Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and Notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss, including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Other Information

The Company's Management and Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether 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 and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of state of affairs, the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

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

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

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

(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2022;

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

i. The Company does not have any pending litigations which would impact its financial position in its financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The management has represented to us that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b)The management has represented, to us that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, and

(c) Based on our audit procedures conducted that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under paragraph (2)(h)(iv)(a) & (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

For Singhi & Co.
Chartered Accountants
Firm's Registration No. 302049E

Sd/-
Jogesh Kr. Madhogaria
Partner
Membership No. 301959
UDIN: 22301959AJCEBF6267

Place: Kolkata
Date: 29th April, 2022

ANNEXURE "1" TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i. Matters specified in clauses (i), (ii), (iii), (iv), (v), (vi), (x), (xii), (xiv), (xvi), (xx) of paragraph 3 of the CARO, 2020 as amended do not apply to the company.

ii. Clause (vii) of Paragraph 3 of the Order

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, Goods and Service Tax, duty of customs, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities and there are no undisputed dues which is outstanding for more than six months from the balance sheet date.

(b) According to the information and explanations given to us, there are no material dues of income tax, sales tax, Goods and Service tax, duty of customs, duty of excise, and value added tax which have not been deposited with the appropriate authorities on account of any dispute.

iii. Clause (viii) of Paragraph 3 of the Order

According to the information and explanation given to us, Company has not surrendered or disclosed any transaction, previously unrecorded in books of accounts, in the tax assessment under the Income Tax Act 1961, as income during the year.

iv. Clause (ix) of Paragraph 3 of the Order

a) According to the information and explanations given to us and as per the books and records examined by us, in our opinion, the Company has not defaulted in repayment of loan or other borrowings or in the repayment interest thereon to any lender including the loans and interest which are repayable on demand.

b) According to the information and explanations given to us and as per the books and records examined by us including representation received from the management, the Company has not been declared wilful defaulter by any bank, financial institution or other lenders or government or any government authotity.

c) The Company did not have any outstanding term loan as on 31st March, 2022. Accordingly, clause 3(ix)(c) of the Order is not applicable.

d) On an overall examination of the financial statements of the Company, prima facie, no funds raised on short-term basis have been used for long-term purposed by the Company.

e) The Company does not have any subsidiary, associate or joint venture. Accordingly, clause 3(ix)(e) of the Order is not applicable to the Company.

f) The Company does not any subsidiary, associate or joint venture. Accordingly, clause 3(ix)(f) of the Order is not applicable to the Company.

v. Clause (xi) of Paragraph 3 of the Order

a) To the best of our knowledge and information and explanation given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year.

b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) According to the information and explanation & representation made by the management, no whistle-blower complaint has been received during the year by the Company.

vi. Clause (xiii) of Paragraph 3 of the Order

In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

vii. Clause (xv) of Paragraph 3 of the Order

In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence, provisions of section 192 of the Companies Act, 2013 are not applicable to the Company

viii. Clause (xvii) of Paragraph 3 of the Order

In our opinion and according to the information and explanations provided to us, the Company has incurred cash losses of Rs.2.88 Lakhs in the current financial year and Rs. 7.12 Lakhs in the immediately preceding financial year.

ix. Clause (xviii) of Paragraph 3 of the Order

There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order are not applicable to the Company.

x. Clause (xix) of Paragraph 3 of the Order

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

For Singhi & Co.
Chartered Accountants
Firm's Registration No. 302049E

Sd/-
Jogesh Kr. Madhogaria
Partner
Membership No. 301959
UDIN: 22301959AJCEBF6267

Place: Kolkata
Date: 29th April, 2022

ANNEXURE "2" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with Reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls with reference to financial statements of **SREI Mutual Fund Trust Private Limited** ("the Company") as of 31st March, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2022, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls With Reference To Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

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

For Singhi & Co.
Chartered Accountants
Firm's Registration No. 302049E

Sd/-
Jogesh Kr. Madhogaria
Partner
Membership No. 301959
UDIN: 22301959AJCEBF6267

Place: Kolkata
Date: 29th April, 2022

SREI MUTUAL FUND TRUST PRIVATE LIMITED
CIN:U65990WB2009PTC139790
BALANCE SHEET AS AT MARCH 31, 2022

(Rs. In Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non Current Assets			
(a) Other Non Current Assets	2	6.98	6.49
Current Assets			
(a) Financial Assets			
(i) Cash and Cash Equivalents	3	0.04	1.74
(ii) Other Bank Balances	4	-	1.00
Total Current Assets		0.04	2.74
TOTAL ASSETS		**7.02**	**9.23**
EQUITY AND LIABILITY			
EQUITY			
(a) Equity Share Capital	5	15.00	15.00
(b) Other Equity	6	(9.10)	(6.22)
Total Equity		5.90	8.78
LIABILITIES			
Current Liabilities			
(a) Financial Liabilities			
(i) Short Term Borrowings	7	0.75	-
(ii) Trade Payable	8		
-Due to Micro and Small Enterprises		-	-
-Due to Others		0.31	0.32
(iii) Other Financial Liabilities	9	-	0.10
(b) Other Current Liabilities	10	0.06	0.03
Total Current Liabilities		1.12	0.45
TOTAL EQUITY AND LIABILITIES		**7.02**	**9.23**

Summary of Significant Accounting Policies 1

The Accompanying Notes are an integral part of the Financial Statements.

As per our report of even date Annexed.

For Singhi & Co.
Chartered Accountants
(Firm Registration No.302049E)

Sd/-
Jogesh Kr. Madhogaria
(Partner)
(Membership No. 301959)

For and on behalf of the Board of Directors

Sd/-
Sourendranath Mukhopadhyay
Director
Din No.00960942
Place: Kolkata
Date: 29th April, 2022

Sd/-
Gajendra Kr. Singh
Director
Din No.09277024
Place: Kolkata
Date: 29th April, 2022

Place : Kolkata
Date : 29th April, 2022

SREI MUTUAL FUND TRUST PRIVATE LIMITED
CIN:U65990WB2009PTC139790
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. In Lakhs)

	Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
I.	Revenue From Operations		-	-
II.	Other Income	11	0.01	0.02
III.	Total income (I+II)		0.01	0.02
IV.	Expenses:			
	Interest Expenses	12	0.03	0.33
	Other Expenses	13	2.86	6.81
	Total Expenses (IV)		2.89	7.14
V.	Profit Before Exceptional Items and Tax (III-IV)		(2.88)	(7.12)
VI.	Exceptional Items		-	-
VII.	Profit Before Tax (V-VI)		(2.88)	(7.12)
VIII.	Tax Expense			
	Current Tax		-	-
	Deferred Tax		-	-
IX.	Profit For The Period/Year (VII-VIII)		(2.88)	(7.12)
X.	Other Comprehensive Income			
	(i) Items that will not be reclassified to Profit or Loss		-	-
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss		-	-
	Total Other Comprehensive Income		-	-
XI.	Total Comprehensive Income For TheeYear (IX + X)		(2.88)	(7.12)
XII.	Earnings Per Equity Share (of Rs. 10/- each)	17		
	Basic (Rs.)		(1.92)	(4.75)
	Diluted (Rs.)		(0.48)	(1.35)

Summary of Significant Accounting Policies 1

The Accompanying Notes are an integral part of the Financial Statements.

As per our report of even date Annexed.

For Singhi & Co.
Chartered Accountants
(Firm Registration No.302049E)

Sd/-
Jogesh Kr. Madhogaria
(Partner)
(Membership No. 301959)

Place : Kolkata
Date : 29th April, 2022

For and on behalf of the Board of Directors

Sd/-
Sourendranath Mukhopadhyay
Director
Din No.00960942
Place: Kolkata
Date: 29th April, 2022

Sd/-
Gajendra Kr. Singh
Director
Din No.09277024
Place: Kolkata
Date: 29th April, 2022

SREI MUTUAL FUND TRUST PRIVATE LIMITED
CIN:U65990WB2009PTC139790
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
		(Rs. In Lakhs)	(Rs. In Lakhs)
A.	Cash Flow from Operating Activities		
	Net Profit Before Tax	(2.88)	(7.12)
	Adjustments for:		
	Interest Income on FD	(0.01)	(0.02)
	Interest on Short Term Borrowing (ICD)	0.03	0.33
	Operating Profit before Working Capital Changes	(2.86)	(6.81)
	Increase/(Decrease) in Trade Payables, other liabilities and provisions	(0.11)	(0.33)
	Decrease/(Increase) in trade receivables, loans, advances and other assets	(0.49)	(1.13)
	Cash generated from/(used in) Operating activities	(3.46)	(8.27)
	Direct Taxes paid (Net of refunds)	-	-
	Net Cash flow from/(used in) Operating Activities	(3.46)	(8.27)
B.	Cash Flow from Investing Activities		
	(Investment in)/Redemption of Fixed Deposit	1.00	(1.00)
	Interest received	0.03	-
	Net Cash flow from/(used in) Investing activities	1.03	(1.00)
C.	Cash Flow from Financing Activities		
	Proceeds from Issue of Share Warrants	-	15.00
	Proceeds from Short Term Borrowings (ICD)	0.75	5.00
	Refund of Short Term Borrowings (ICD)	-	(9.00)
	Interest paid on Short Term Borrowings (ICD)	-	(0.39)
	Net Cash Flow from/(used in) Financing Activities	0.75	10.61
	Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(1.68)	1.34
	Opening Cash and Cash Equivalents	1.72	0.38
	Closing Cash and Cash Equivalents	0.04	1.72

1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statements of Cash Flow ".

2) Components of Cash and Cash Equivalents:

(Rs. In Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
	Cash on hand	0.01	0.01
	In Current Account	0.03	0.01
	Fixed Deposits with original maturity period less than three months	-	1.70
		0.04	1.72

The Accompanying Notes are an integral part of the Financial Statements.

As per our report of even date Annexed.

For Singhi & Co.
Chartered Accountants
(Firm Registration No.302049E)

For and on behalf of the Board of Directors

Sd/-
Jogesh Kr. Madhogaria
(Partner)
(Membership No. 301959)

Sd/-
Sourendranath Mukhopadhyay
Director
Din No.00960942
Place: Kolkata
Date: 29th April, 2022

Sd/-
Gajendra Kr. Singh
Director
Din No.09277024
Place: Kolkata
Date: 29th April, 2022

Place : Kolkata
Date : 29th April, 2022

SREI MUTUAL FUND TRUST PRIVATE LIMITED
CIN:U65990WB2009PTC139790
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

A. Equity Share Capital

(Rs. In Lakhs)

Particulars	As at April 1, 2020	Issue/ (reduction) during the year	As at March 31, 2021	Issue/ (reduction) during year	As at March 31, 2022
Equity Share Capital	15.00	-	15.00	-	15.00

B. Other equity

(Rs. In Lakhs)

Particulars	Share Warrants	Reserves and Surplus		Total
		Other Comprehensive Income	Retained Earnings	
Balance as at April 01, 2020	30.00	-	(44.10)	(14.10)
Issue of Share Warrants	15.00	-	-	15.00
Profit for the year ended March 31, 2021	-	-	(7.12)	(7.12)
Balance as at March 31, 2021	45.00	-	(51.22)	(6.22)
Issue of Share Warrants	-	-	-	-
Profit for the year ended March 31, 2022	-	-	(2.88)	(2.88)
Balance as at MARCH 31, 2022	45.00	-	(54.10)	(9.10)

Retained Earnings
It represents the cumulative losses of the Company.

The Accompanying Notes are an integral part of the Financial Statements.

As per our report of even date Annexed.

For Singhi & Co.
Chartered Accountants
(Firm Registration No.302049E)

For and on behalf of the Board of Directors

Sd/-
Jogesh Kr. Madhogaria
(Partner)
(Membership No. 301959)

Place : Kolkata
Date : 29th April, 2022

Sd/-
Sourendranath Mukhopadhyay
Director
Din No.00960942
Place: Kolkata
Date: 29th April, 2022

Sd/-
Gajendra Kr. Singh
Director
Din No.09277024
Place: Kolkata
Date: 29th April, 2022

SREI MUTUAL FUND TRUST PRIVATE LIMITED

1. Company Overview and Significant Accounting Policies

(A) Corporate Information

Srei Mutual Fund Trust Private Limited (the "Company") is domiciled and incorporated in India. The Registered Office of the Company is at 'Vishwakarma Building', 86C, Topsia Road (South), Kolkata - 700 046.

The Company was incorporated as wholly owned subsidiary of Srei Infrastructure Finance Limited (SIFL) on 27th November, 2009. The Company has executed a Trust Deed with SIFL (Sponsor) to act as the Trustee of Srei Mutual Fund Trust, being established by the Sponsor. The final approval from SEBI for commencement of mutual fund (IDF) business was received vide Registration No. MF/070/12/02 dated 15th November, 2012.

(B)Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

(C) Significant Accounting Policies

1.1. Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

The preparation of financial statements require the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosed amount of contingent liabilities.

The management believes that the estimates used in preparation of financial statements are prudent and reasonable. Actual results could differ from those estimates and the differences between the actual results and the estimates would be recognised in the periods in which the results are known / materialised.

Comparative information has been restated to accord with changes in presentations made in the current year, except where otherwise stated.

These Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

1.2. Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements. For the company, there is generally no clearly identifiable normal operating cycle and hence the normal operating for the company is assumed to have duration of 12 months.

1.3. Revenue

Income from Trusteeship Serviceis recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Interest Income is recognised on the time proportion basis taking into account the amount outstanding and the rate applicable.

1.4. Borrowing Cost

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Other income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

1.5. Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

1.6. Financial instruments, Financial assets, Financial liabilities and Equity Instruments

Recognition of Financial Instruments:

Financial assets and financial liabilities are recognised when entity becomes a party to the contractual provisions of the instruments. Loans & advances and all other regular way purchases or sales of financial assets are recognised and derecognised on the trade date basis.

Initial Measurement of Financial Instruments:

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

Subsequent Measurement:

(i) Financial Assets

Financial Assets carried at Amortised Cost (AC):

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

Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI):
A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investment in equity instruments that are not held for trading are measured at FVTOCI, where an irrevocable election has been made by management on an instrument-by-instrument basis. These investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to the statement of profit and loss on disposal of the investments. Dividends on such investments are recognised in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Debt investments measured at FVTOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Other net gains and losses are recognised in Other Comprehensive Income (OCI). On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.

Financial Assets at Fair Value through Profit or Loss (FVTPL):
A financial asset which is not classified in any of the above categories are measured at FVTPL. A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the statement of profit and loss.

Impairment of Financial Assets:
Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and FVTOCI at each reporting date based on evidence or information that is available without undue cost or effort.

The Company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for that financial asset at an amount equal to 12-month expected credit losses.

In case of debt instruments measured at FVTOCI, the loss allowance shall be recognised in other comprehensive income with a corresponding effect to the profit or loss and not reduced from the carrying amount of the financial asset in the balance sheet. In case of such instrument, amount recognized in the statement of profit and loss are the same as the amount would have been recognized in case the debt instrument is measured at amortised cost.

No Expected credit losses is recognised on equity investments.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company measures the loss allowance at an amount equal to lifetime expected credit losses taking into account historical credit loss experience and adjusted for forward-looking information.

Derecognition of Financial Assets:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset accounted under Ind AS 109 in its entirety:
a) for financial assets measured at amortised cost, the gain or loss is recognized in the statement of profit and loss.

b) for financial assets measured at fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

(ii) Financial Liabilities and Equity Instruments:

Classification as debt or equity:
Financial liabilities and equity instruments issued are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments
An Equity Instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial Liabilities
Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest rate method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial liabilities
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

Off-setting of financial instruments
Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously backed by past practice.

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

a) In the principal market for the asset or liability, or

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

The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - Other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - Unobservable inputs for the asset or liability.

Expected Credit Loss
Expected credit loss (ECL) is the probability-weighted estimate of credit losses (i.e., the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between scheduled or contractual cash flows and actual expected cash flows. Consequently, ECL subsumes both the amount and timing of payments – a credit loss would arise even when a receivable was realised in full but later than when contractually due.

1.7. Taxes on Income

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

Current tax
Current Tax is determined at the amount of tax payable in respect of taxable profit for the year as per the Income-tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rate that has been enacted by the end of the reporting period.

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Deferred tax
The Company's deferred tax is calculated using tax rate that are substantially enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

1.8. Claims
Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

1.9. Provisions
Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

In case of litigations, provision is recognised once it has been established that the Company has a present obligation based on information available up to the date on which the Company's financial statements are finalised and may in some cases entail seeking expert advice in making the determination on whether there is a present obligation.

Contingent Liabilities
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. Company does not recognize contingent liability but discloses its existence in the financial statements.

Contingent Assets
Contingent assets are not recognized in the financial statement, but are disclosed where an inflow of economic benefits is probable.

1.10. Operating Segments
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Corporate Management Committee. Based on such the Company operates in one operating segment, viz. Composite Insurance Broking Services.

1.11. Use of Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

1.12. 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. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

1.13. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2 Other Non Current Assets

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with Statutory Authorities	6.98	6.49
Total	**6.98**	**6.49**

3 **Cash and cash equivalents:**

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	0.01	0.01
Balances with Banks	0.03	0.01
In Fixed Deposit with Original Maturity Less than 3 months	-	1.70
Total	**0.04**	**1.74**

4 **Other Bank Balances (Current)**

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Bank deposits with maturity upto 12 months	-	1.00
Total	-	**1.00**

5 Equity Share Capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	(Rs. In Lakhs)	Number	(Rs. In Lakhs)
Authorised Share Capital Equity Shares of Rs. 10/- each	250,000	25.00	250,000	25.00
Issued, Subscribed and Paid up Capital Equity Shares of Rs 10/- each fully paid up	150,000	15.00	150,000	15.00
	150,000	**15.00**	**150,000**	**15.00**

5.1 The reconciliation of the number of shares outstanding at the beginning and at the end of year has been shown in the table below

Particulars	As at March 31, 2022		As at March 31, 2021	
	Shares	(Rs. In Lakhs)	Shares	(Rs. In Lakhs)
Shares outstanding at the beginning of the Period	150,000	15.00	150,000	15.00
Shares issued during the period	-	-	-	-
Shares outstanding at the end of the period	150,000	15.00	150,000	15.00

Terms and rights attached to equity shares:

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/-. 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 any of the remaining assets of the Company, after distribution of all preferential amounts in proportion to the number of equity shares held by the shareholders

5.2 **Details of shares held by each shareholder holding more than 5%**

Particulars	As at March 31, 2022		As at March 31, 2021	
	Shares	% holding	Shares	% holding
Fully paid equity shares Srei Infrastructure Finance Limited 1	150,000	100.00	150,000	100.00

1 Incudes 600 Equity Shares held by nominees on behalf of Srei Infrastructure Finance Limited

5.3 **Shares held by Holding/Ultimate Holding and/or their Subsidiaries/Associates**

Particulars	As at March 31, 2022		As at March 31, 2021	
	Shares	(Rs. In Lakhs)	Shares	(Rs. In Lakhs)
Srei Infrastructure Finance Limited	150,000	15.00	150,000	15.00

5.4 The Company during the preceding 5 years

i Has not alloted shares pursuant to contracts without payment received in cash.
ii Has not issued shares by the way of bonus shares
iii Has not bought back any shares

5.5 Shareholding of promoters as at March 31, 2022

Shares held by promoters at the end of the year				% Change during the year
Sl.No.	Promoter name	No. of shares	% of total shares	
(i)	SREI Infrastructure Finance Limited *	150,000	100%	NA
	Total			

Shareholding of promoters as at March 31, 2021

Shares held by promoters at the end of the year				% Change during the year
Sl.No.	Promoter name	No. of shares	% of total shares	
(i)	SREI Infrastructure Finance Limited *	150,000	100%	NA
	Total			

*Includes Equity Shares held by nominees on behalf of Srei Infrastructure Finance Limited

6 Other Equity

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a)		
Balance as per last accounts	(51.22)	(44.10)
Net Profit/(Loss) for the Year	(2.88)	(7.12)
Closing Balance (a)	(54.10)	(51.22)
b) Share Warrants, fully paid		
Share Warrants 100,000 of Rs 10 each (Matured on 02-06-2020, Extended upto 24-09-2023) - Refer Note 6.1	10.00	10.00
Share Warrants 200,000 of Rs 10 each (Maturity date 24-09-2023) - Refer Note 6.2	20.00	20.00
Share Warrants 150,000 of Rs 10 each (Maturity date 24-09-2023) - Refer Note 6.3	15.00	15.00
Closing Balance (b)	45.00	45.00
Total (a+b)	(9.10)	(6.22)

Terms of Share Warrants issued:

6.1 The maturity of the Share Warrants has been exteded from 02.06.2020 to 24.09.2023 and accordingly the Warrant Holder may exercise the warrants at any time on or before 24.09.2023 into equity shares of the Company carrying differential voting rights.

Share Warrants which when excercised are entitled for 100,000 (One Lakh only) equity shares in the Capital of the Company of Rs. 10 (Ten only). The share warrants after the specified term shall be converted into Equity Shares of the Company carrying differential voting rights to the shareholders.

Upon conversion, the non-voting equity shares are entitled to dividend at an additional rate of 5% above the dividend rate for voting shares, subject to a minimum dividend of 5% and subject to adequate profits.

The issuer at its sole discretion has right to call share warrants and redeem the money thereof at any time before the conversion into any class of equity shares.

6.2 The Warrant holder may exercise the warrants any time on or before 36 months from the date of issue of warrants into equity shares of the Company carrying differential voting rights.

Share Warrants which when excercised are entitled for 200,000 (Two Lakh only) equity shares in the Capital of the Company of Rs. 10 (Ten only). The share warrants after the specified term shall be converted into Equity Shares of the Company carrying differential voting rights to the shareholders.

Upon conversion, the non -voting equity shares are entitled to dividend at an additional rate of 5% above the dividend rate for voting shares, subject to a minimum dividend of 5% and subject to adequate profits.

The issuer at its sole discretion has right to call share warrants and redeem the money thereof at any time before the conversion into any class of equity shares.

6.3 The Warrant holder may exercise the warrants any time on or before 36 months from the date of issue of warrants into equity shares of the Company carrying differential voting rights.

Share Warrants which when excercised are entitled for 150,000 (One Lakh FiFty Thousand Only) equity shares in the Capital of the Company of Rs. 10 (Ten only). The share warrants after the specified term shall be converted into Equity Shares of the Company carrying differential voting rights to the shareholders.

Upon conversion, the non -voting equity shares are entitled to dividend at an additional rate of 5% above the dividend rate for voting shares, subject to a minimum dividend of 5% and subject to adequate profits.

The issuer at its sole discretion has right to call share warrants and redeem the money thereof at any time before the conversion into any class of equity shares.

7 **Short Term Borrowings**

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, From Related Party		
Intercorporate Deposit	0.75	-
Total	0.75	-

7.1 i)The interest on ICD is payable on maturity date or at the time of repayment of principal.

ii)The principal is repayable for a period of 3 years from the date of last deposit. The Company has the option to prepay the ICD in full or any part thereof at any point of time by informing depositor without any prepayment premium.

8 Trade Payables

Trade Payables ageing schedule as at March 31, 2022 (₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 year	2-3 year	More than 3	Total
Trade Payables	-	-	-	-	-
(i) MSME	-	-	-	-	-
(ii) Others	0.31	-	-	-	0.31
(iii) Disputed dues (MSMEs) and	-	-	-	-	-
(iv) Disputed dues (Others)	-	-	-	-	-
	0.31	-	-	-	0.31
Unbilled dues	-	-	-	-	-
Total	0.31	-	-	-	0.31

Trade Payables ageing schedule as at March 31, 2021 (₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 year	2-3 year	More than 3	Total
Trade Payables	-	-	-	-	-
(i) MSME	-	-	-	-	-
(ii) Others	0.32	-	-	-	0.32
(iii) Disputed dues (MSMEs) and	-	-	-	-	-
(iv) Disputed dues (Others)	-	-	-	-	-
	0.32	-	-	-	0.32
Unbilled dues	-	-	-	-	-
Total	0.32	-	-	-	0.32

A) Due to Micro and Small Enterprises (Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a) The principal amount and interest due thereon remaining unpaid to any supplier	-	-
b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day.	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	
d) The amount of interest accrued and remaining unpaid	-	-
e) The amount of further interest remaining due and payable even in the succeeding year until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Total	-	-

B) Due to Others (Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade Payables	0.31	0.32
Total	0.31	0.32

The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31st March, 2022 as micro, small or medium enterprises. Consequently the amount paid / payable to these parties during the year is Rs. Nil.

9 Other Financial Liabilities

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Liability for expenses	-	0.10
Total	-	0.10

10 Other Current Liabilities

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory Liabilities	0.03	0.03
Interest Accrued But Not Due on ICD Taken	0.03	-
Total	0.06	0.03

11 Other Income

(Rs. In Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest on Fixed Deposits	0.01	0.02
Total	**0.01**	**0.02**

12 Interest Expenses

(Rs. In Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest on ICD Taken	0.03	0.33
Total	**0.03**	0.33

13 Other Expenses

(Rs. In Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Legal & Professional Fees	0.16	0.22
Travelling and Conveyance	-	0.01
Rates & Taxes	0.02	0.05
Filing Fees	0.08	0.03
Payment to Auditors :		
-Fees for Statutory Audit	0.35	0.35
Director's Sitting Fees	2.25	6.15
Total	**2.86**	**6.81**

14 CAPITAL MANAGEMENT

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains adequate capital base to safeguard business continuity and a judicious use of share warrant money to fund working capital that arise from time to time as well as requirements to finance business growth.

The Company determines the amount of capital required on the basis of annual business plan. The funding needs are met through interest generated on surplus fund deloyed in interest earning assets and money raised through issue of share warrants to the shareholders.

The capital structure of the Company consists of total equity. The Company does not have any borrowing.

15 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of Financial asset, Financial liability and equity instrument are disclosed in Note 1 to the financial statements.

15.1 Categories of Financial Instruments

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

(₹ in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
a) Measured at amortised cost				
i) Cash and cash equivalents	0.04	0.04	1.74	1.74
ii) Bank deposits with maturity upto 12 months	-	-	1.00	1.00
Total financial assets	**0.04**	**0.04**	**2.74**	**2.74**
Financial liabilities				
a) Measured at amortised cost				
i) Trade Payables	0.31	0.31	0.32	0.32
ii) Other financial liabilities	-	-	0.10	0.10
Total financial liabilities	**0.31**	**0.31**	**0.42**	**0.42**

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

Other financial assets measured at amortised cost
For other financial assets that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include cash, cash equivalents and interest accrued thereon.

Trade Payables
Trade payables that have a short-term maturity (less than twelve months), the carrying amounts are a reasonable approximation of their fair value.

Other financial liabilities measured at amortised cost
For other financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts are a reasonable approximation of their fair value. Such instruments include Trade & Other payables.

15.2 Financial risk management objectives

The Company's activities expose it to financial risks, including market risk, credit risk and liquidity risk. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. The current Risk Management System rests on process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

a) Market risk

The Company's Financial Instruments are exposed to market changes. The Company is exposed to the following significant market risk:

Interest rate risk

The Company is exposed to interest rate risk as the Company deploys surplus cash in interest earning assets.The Company manages the risk by investing funds in short term fixed deposits with banks earning fixed rate of interest. The objectives of the Company's interest rate risk management processes are to lessen the impact of adverse interest rate movements on its earnings and cash flows.

b) Liquidity risk

Liquidity risk is the risk that the Company does not have sufficient financial resources to meet its obligations as they fall due, or will have to do so at an excessive cost. This risk arises from mismatches in the timing of cash flows which is inherent in all finance driven organisations and can be affected by a range of Company-specific and market-wide events.

Revenue stream of the Company has not started yet as no mutual fund scheme is operational. The Company mitigates its liquidity risks by raising necessary funds from the holding company / associate company. The table below provides details regarding financial liabilities at the reporting date.

Particulars	As at March 31, 2022		As at March 31, 2021	
	Current	Non-Current	Current	Non-Current
A: Financial assets				
i) Cash and cash equivalents	0.04	-	1.74	-
ii) Bank deposits with maturity upto 12 months	-	-	-	-
Total	**0.04**	-	**1.74**	-
B: Financial liabilities				
i) Trade payables	0.31	-	0.32	-
ii) Other financial liabilities	-	-	0.10	-
Total	**0.31**	-	**0.42**	-

c) Credit risk

Credit risk is the risk that the Company will incur a loss because counterparties fail to discharge their contractual obligations.The Company manages the risk by investing funds in fixed deposits with scheduled banks earning fixed rate of interest.

16 Related Party Disclosures

a) Related Parties

Sl.No	Name of the Company	Country of Origin
A	**Ultimate Holding Company**	
1	Adisri Commercial Private Limited	India
B	**Subsidiary of Ultimate Holding Company**	
2	Srei Factors Private Limited	India
C	**Holding Company**	
3	Srei Infrastructure Finance Limited (SIFL)	India
D	**Fellow Subsidiaries:**	
4	Srei Capital Markets Limited	India
5	Trinity Alternative Investment Managers Limited (Formerly Srei Alternative Investment Managers	India
6	Srei Insurance Broking Private Limited	India
7	Bengal Srei Infrastructure Development Limited	India
8	Srei Mutual Fund Asset Management Private Limited	India
9	Srei Assets Leasing Ltd.(Formerly Srei Finance Limited)	
10	Controlla Electrotech Private Limited	India
11	Hyderabad Information Technology Venture Enterprises Limited (Subsidiary of Trinity Alternative	India
12	Cyberabad Trustee Company Private Ltd. (Subsidiary of Trinity Alternative Investment Managers Ltd.)	India
13	Srei Equipment Finance Limited	India
E	**Fellow Associates**	
14	IIS International Infrastructure Services GmbH, Germany (Officially liquidated w.e.f. 29.07.2020)	Germany
15	AO International Infrastructure Services, Russia, (Subsidiary of IIS International Infrastructure Services GmbH, Germany) ceased to be related party on liquidation of IIS International Infrastructure Services GmbH, Germany.	Russia
F	**TRUSTS**	
16	Srei Mutual Fund Trust	India
G	**OTHERS**	
17	Srei Infrastructure Finance Limited Employees Gratuity Trust	India
H	**Key Management Personnel (KMP)/Directors:**	**Designation**
18	Mr. P. B. Nimbalkar (ceased w.e.f. 06.08.2021)	Independent Director
19	Mr. K. Sivaprakasam (ceased w.e.f. 07.08.2021)	Independent Director
20	Mr. Arun L. Todarwal (ceased w.e.f. 06.08.2021)	Independent Director
21	Mr. Gajendra Kumar Singh (w.e.f. 10.08.2021)	Non Executive Director
22	Mr. Sourendranath Mukhopadhyay (w.e.f. 10.08.2021)	Non Executive Director
23	Mr. Shashi Bhushan Tiwari (Director w.e.f. 27.11.2009)	Non Executive Director
I	**Holding Company - Key Management Personnel (KMP)/Directors:**	**Designation**
24	Mr. Hemant Kanoria *	Chairman
25	Mr. Sunil Kanoria *	Vice Chairman (Non Executive Director)
26	Mr. Shyamalendu Chatterjee *	Independent Director
27	Mr. Malay Mukherjee *	Independent Director
28	Dr. Punita Kumar Sinha *	Independent Director
29	Dr. Tamali Sengupta *	Independent Director
30	Dr. Deepali Pant Rajeev Joshi (w.e.f 30.06.2021) *	Additional Director
31	Mr. Ram Krishna Agarwal (ceased w.e.f. 17.09.2021)	Independent Director
32	Mr. Srinivasachari Rajagopal (ceased w.e.f. 30.06.2021)	Independent Director
33	Mr. Rakesh Kumar Bhutoria (cease w.e.f. 15.09.2021)	Chief Executive Officer
34	Mr. Sandeep Lakhotia (ceased w.e.f. 20.03.2021)	Company Secretary
35	Mr. Sandeep Kumar Sultania (ceased to be a KMP w.e.f. 07.12.2021)	Chief Financial Officer
36	Mr. Shashi Bhushan Tiwari (from 20.05.2019 to 30.06.2020)	Chief Risk Officer
37	Mr. Rajneesh Sharma (w.e.f 04-10-2021) **	Administrator
38	Mr. Souren Mokhopadhyay (w.e.f 30.06.2021)	Deputy Chief Executive Officer
39	Mr. Manoj Kumar (w.e.f. 01.04.2021)	Company Secretary & Chief Financial Officer
40	Mr. Vishnu Gopal Agarwal (w.e.f. 21.03.2022)	Chief Compliance Officer & Financial Controller

* In exercise of the powers conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934, the Reserve Bank of India (RBI) had vide Press Release dated 4th October, 2021 superseded the Board of Directors of Srei Infrastructure Finance Limited (SIFL).

** The Reserve Bank of India has appointed Shri Rajneesh Sharma as the Administrator of SIFL under Section 45-IE (2) of the RBI Act.

16 Related Party Disclosures

b) Related Parties transaction

Transactions entered with related parties during the year ended March 31, 2022 and March 31, 2021 are as under:

(Rs. In Lakhs)

Name of related party	Nature of Transactions	Year ended March 31, 2022	Year ended March 31, 2021
(A) Holding Company			
Srei Infrastructure Finance Limited	Transactions:		
	Inter Corporate Deposit Received	-	5.00
	Inter Corporate Deposit Refunded	-	9.00
	Interest Expense on Inter Corporate	-	0.33
	Share Warrant Subscribed	-	15.00
(B) Fellow Subsidiary			
Srei Mutual Fund Asset Management Pvt Ltd	Inter Corporate Deposit Received	0.75	-
	Interest Expenses on Inter Corporate Deposit	0.03	-
(C) Key Management Personnel (KMP)/Directors:			
	Transactions:		
Mr. P. B. Nimbalkar (Ceased to be Director w.e.f. 06.08.2021)	Director sitting fee	0.80	2.25
Mr. K. Sivaprakasam (Ceased to be Director w.e.f. 07.08.2021)	Director sitting fee	0.80	2.25
Mr. Arun L. Todarwal (Ceased to be Director w.e.f. 06.08.2021)	Director sitting fee	0.65	1.65
Mr. Gajendra Kumar Singh (Director w.e.f. 10.08.2021)	Director sitting fee	-	-
Mr. Sourendranath Mukhopadhyay (Director w.e.f. 10.08.2021)	Director sitting fee	-	-
Mr. Shashi Bhushan Tiwari (Director w.e.f. 27.11.2009)	Director sitting fee	-	-

Balance due with related parties as on March 31, 2022 and March 31, 2021 are as under:

Name of related party	Outstanding balances	As at March 31, 2022	As At March 31, 2021
(A) Holding Company			
Srei Infrastructure Finance Limited	Balance Outstanding :		
	Balance Payable - Inter Corporate Deposit Received	-	-
	Interest Accrued & not due - Inter Corporate Deposit (net of TDS)	-	-
(B) Fellow Subsidiary			
Srei Mutual Fund Asset Management Pvt Ltd	Balance Outstanding :		
	Balance Payable - Inter Corporate Deposit Received	0.75	-
	Interest Accrued & not due - Inter Corporate Deposit (net of TDS)	0.03	-

17 Deferred Tax Assets

The Deferred Tax Asset arising out of timing difference is on account of the following:

(Rs. In Lakhs)

S.No	Particulars	As at March 31, 2022	As At March 31, 2021
	Components of Deferred Tax Asset/(Liability) :		
1	Carry forward losses	12.45	11.70
	Deferred Tax Asset	12.45	11.70

Note: On the basis of prudence, deferred tax asset has not been recognised in the Books of Accounts.

18 Earnings Per Share (EPS) - The numerators and denominators used to calculate Basic and Diluted EPS:

S.No	Particulars	Year ended March 31, 2022	As At March 31, 2021
1	Profit/ (Loss) after tax attributable to Equity Shareholders (in Rs. lakhs)	(2.88)	(7.12)
2	Weighted average number of Equity Shares Basic (Nos.)	150,000	150,000
3	Weighted average number of Equity Shares Diluted (Nos.)	600,000	527,260
4	Nominal Value of Equity per share (Rs)	10.00	10.00
5	Basic Earnings per share (Rs)	(1.92)	(4.75)
6	Diluted Earnings per share (Rs)	(0.48)	(1.35)

19 Contingent Liabilities & Capital Commitment as on March 31, 2022 – Nil (March 31, 2021 - Nil).

20 Ratios to be disclosed:

S.No	Particulars	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	Variance (%)	Reason for Variance
(a)	Current Ratio	Current Assets (a) Cash & Cash Equivalents (b)Other Bank Balances	Current liabilities (a)Short Term Borrowings (b)Trade Payable (c)Other Financial Liabilities (d) Other Current Liabilities	0.04	6.09	-99%	Note 20.1
(b)	Debt Equity Ratio	Total Debt = Short Term Borrowings	Shareholder's Equity = Total Assets - Total Liabilities	0.13	-	100%	Note 20.1
(c)	Debt Service Coverage Ratio*			-	-		
(d)	Return on Equity Ratio*			-	-		
(e)	Inventory Turnover Ratio			-	-		
(f)	Trade Receivable Turnover Ratio			-	-		
(g)	Trade Payable Turnover Ratio			-	-		
(h)	Net Capital Turnover Ratio*			-	-		
(i)	Net Profit Ratio*			-	-		
(j)	Return on Capital Employed*			-	-		
(k)	Return on Investment*			-	-		

* As the Net worth/ Net Capital is negative. Hence the ratio are not applicable.

20.1 Since the net worth of the Company is negative and the operations are insignificiant, there is wide variation in ratio (more than 25%) compared to previous year.

21 Figures pertaining to the previous year have been rearranged/regrouped, reclassified and restated, wherever necessary, to make them comparable with those of current period.

As per our report of even date annexed.

For Singhi & Co.
Chartered Accountants
(Firm Registration No.302049E)

For and on behalf of the Board of Directors

Sd/-
Jogesh Kr. Madhogaria
(Partner)
(Membership No. 301959)

Place : Kolkata
Date : 29th April, 2022

Sd/-
Sourendranath Mukhopadhyay
Director
Din No.00960942
Place: Kolkata
Date: 29th April, 2022

Sd/-
Gajendra Kr. Singh
Director
Din No.09277024
Place: Kolkata
Date: 29th April, 2022

JHA YADAV & CO.
Chartered Accountants

64A, Hemanta Basu Sarani, 1st Floor
Room No. - 104, Kolkata - 700 001
Phone & Fax : (033) 40042653
E-mail : office@jhayadav.com

INDEPENDENT AUDITOR'S REPORT

Basis for Opinion

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

Material Uncertainty in relation to Going Concern

The holding company is presently under the Insolvency and Bankruptcy Code and is presently operating under the supervision of the Reserve Bank of India as given in Note 37. In spite of these events or conditions which may cast a doubt on the ability of the company to continue as a going concern, the management is of the opinion that going concern basis of accounting is appropriate in view of its' own networth and future profitability. Our opinion is not modified in respect of this matter.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standard (Ind AS) and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

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

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

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

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

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

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

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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

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

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

    d) In our opinion, the aforesaid financial statements comply with the 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 the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

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

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

According to the information and explanations given to us and as per records examined by us, the Company has not paid/provided for any managerial remuneration during the year.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared any dividend and accordingly compliance of section 123 of the Act is not applicable.

For Jha Yadav & Co.
Chartered Accountants
Firm ICAI Registration No: 327725E
UDIN No: 22055854AKGQXG3715

S/d

H S Jha
Partner
Membership No. 055854

Place: Kolkata
Date: 20th May 2022

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Trinity Alternative Investment Managers Limited of even date)

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

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

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

(B) The Company does not have any intangible assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment once every years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no discrepancies were noticed on such verification.

(c) The Company does not have any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) and hence reporting under clause 3(i)(c) of the order is not applicable.

(d) The Company has not revalued any of its Property, Plant and Equipment during the year.

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

ii. (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.

(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii. The Company has made investments in companies during the year. However no guarantee or security or loans or advances in the nature of loan have been granted during the year. Accordingly clause 3 (iii)(a),(c),(d),(e) and (f) is not applicable.

(b) In our opinion, the investments made during the year are, prima facie, not prejudicial to the Company's interest.

iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of investments. The company had not given any loan, guarantees and securities.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. The maintenance of cost records has not been specified by the Central Government under sub- section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

vii. In respect of statutory dues:

a. In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

b. Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Nature of the statute	Nature of dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount ₹
The Income Tax Act, 1961	Income Tax	CIT(A)	FY 2012-13 FY 2013-14 FY 2016-17	43,16,750 4,61,170 99,715
The Income Tax Act, 1961	Fringe Benefit Tax	*	FY 2005-06 to 2008-09	*

*The Company had challenged the constitutional validity of Fringe Benefit Tax (FBT) before the Hon'ble High Court at Calcutta which has been dismissed vide order dated 01-09-2017. The management of the Company has filed an appeal before the Divisional bench of Hon'ble High Court, Calcutta on 04-07-2018. However, the amount of FBT liability has not been determined by the department and hence could not be disclosed (Refer note 35 of the financial statement).

viii. There were no transactions relating to previously unrecorded income 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 taken loans from two companies, one of which is overdue for payment as given below:

Nature of borrowing including debt securities	Name of lender	Amount not paid on due date	Nature of Dues	No. of days delayed or unpaid	Remarks, if any
Inter Corporate Deposit	Srei Mutual Fund Asset Management Pvt Ltd	Rs. 1,220.14 lakhs	Principal and Interest	231	

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year. However, we have been confirmed that the outstanding term loan at the beginning of the year has been applied for the purpose for which the loan was obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the management, the company does not have a whistleblower policy, however we have been confirmed that there are no whistleblower complaints received by the company during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013.

(b) In view of the comment in clause 3(xiv)(a) no internal audit have been provided to us.

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been resignation of the statutory auditors of the Company during the year. No objections or issues have been raised by the outgoing auditors.

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

xx. The provisions of Section 135 of the Act are not applicable to the company. Accordingly, reporting under clause 3(xx)(a) and 3 (xx(b) of the Order is not applicable for the year.

For Jha Yadav & Co.
Chartered Accountants
Firm ICAI Registration No: 327725E
UDIN No: 22055854AKGQXG3715

S/d

H S Jha
Partner
Membership No. 055854

Place: Kolkata
Date: 20th May 2022

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Trinity Alternative Investment Managers Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub- section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls over financial reporting of **Trinity Alternative Investment Managers Limited** (the "Company") as of March 31, 2022 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 Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "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.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, 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 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Jha Yadav & Co.
Chartered Accountants
Firm ICAI Registration No: 327725E
UDIN No: 22055854AKGQXG3715

S/d

H S Jha
Partner
Membership No. 055854

Place: Kolkata
Date: 20th May 2022

TRINITY ALTERNATIVE INVESTMENT MANAGERS LIMITED
(FORMERLY SREI ALTERNATIVE INVESTMENT MANAGERS LIMITED)
CIN: U65999WB1994PLC065722

BALANCE SHEET AS AT MARCH 31, 2022

(Rs. In Lakhs)

	Particulars	Note No.	As at Mar 31, 2022	As at March 31, 2021
I.	ASSETS			
	Non Current Assets			
	(a) Property, Plant and Equipment	2	1.45	-
	(b) Financial Assets			
	(i) Investments	3	2,494.06	2,445.97
	(ii) Other Financial Assets	4(i)	22.95	23.88
	(c) Deferred Tax Assets (Net)	5	421.85	306.62
	Total Non - Current Assets		2,940.31	2,776.47
	Current Assets			
	(a) Financial Assets			
	(i) Investments	6	8.95	404.47
	(ii) Trade Receivables	7	1,109.85	411.67
	(iii) Cash and Cash Equivalents	8	40.79	62.19
	(iv) Other Financial Assets	4(ii)	44.48	284.59
	(b) Current Tax Assets (Net)	9	368.10	370.33
	(c) Other Current Assets	10	0.31	3.04
	Total Current Assets		1,572.49	1,536.29
	Total Assets		4,512.80	4,312.76
II.	EQUITY AND LIABILITY			
	EQUITY			
	(a) Equity Share Capital	11	25.00	25.00
	(b) Other Equity	12	45.77	279.20
	Total Equity		70.77	304.20
	LIABILITIES			
	Non Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	13	-	2,600.00
	(b) Provisions	14(i)	16.01	15.58
	Total Non - Current Liabilities		16.01	2,615.58
	Current Liabilities			
	(a) Financial Liabilities			
	(i) Short Term Borrowings	15	3,700.00	1,100.00
	(ii) Trade Payables	16		
	- Due to Micro and Small Enterprises	16.1	-	-
	- Due to creditors other than micro and small enterprises	16.2	20.00	4.88
	(iii) Other Financial Liablities	17	639.24	219.67
	(b) Other Current Liabilities	18	65.99	67.79
	(c) Provisions	14(ii)	0.79	0.64
	Total Current Liabilities		4,426.02	1,392.98
	TOTAL EQUITY AND LIABILITIES		4,512.80	4,312.76

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date annexed.

For : Jha Yadav and Co.
Chartered Accountants
Firm Registration No 327725E

S/d

CA. H S Jha
Partner
Membership No. 055854

Place : Kolkata
Date :

For and on behalf of the Board of Directors

S/d
C S Samal
Director
DIN: 00194376

S/d
S K Pal
Director
DIN: 00268547

S/d
Company Secretary

TRINITY ALTERNATIVE INVESTMENT MANAGERS LIMITED
(FORMERLY SREI ALTERNATIVE INVESTMENT MANAGERS LIMITED)
CIN: U65999WB1994PLC065722

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2022

(Rs. In Lakhs)

	Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
I.	Revenue From Operations	19	1,373.74	1,030.34
II.	Other Income	20	71.14	303.56
III.	Total income (I+II)		**1,444.88**	**1,333.90**
IV.	Expenses:			
	Purchases of stock-in-trade	21	-	1,099.68
	Changes in Inventories of stock-in-trade	22	-	(0.00)
	Employee Benefits Expense	23	171.16	167.01
	Finance Costs	24	389.00	263.89
	Depreciation and Amortisation Expense	2	0.10	-
	Other Expenses	25	717.62	330.18
	Total Expenses (IV)		**1,277.89**	**1,860.76**
V.	**Profit/(Loss) Before Exceptional Items and Tax (III-IV)**		**167.00**	**(526.86)**
VI.	Prior Period Items			-
	Exceptional Items		-	-
VII.	**Profit/(Loss) Before Tax (V-VI)**		**167.00**	**(526.86)**
VIII.	Tax Expense	26		
	Current Tax		60.00	-
	Tax expense in respect of Earlier Years		-	43.05
	Deferred Tax		(13.84)	(126.63)
			46.15	(83.58)
IX.	**Profit/(Loss) For The Year (VII-VIII)**		**120.84**	**(443.28)**
X.	Other Comprehensive Income			
	(i) Items that will not be reclassified to Profit or Loss:			
	- Remeasurement of the defined benefit plans		-	1.29
	- Equity instruments and units of Trust and Schemes measured through OCI		(455.65)	(38.03)
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss		101.38	3.85
	Total Other Comprehensive Income / (Loss)		(354.28)	(32.89)
XI.	**Total Comprehensive Income / (Loss) For The Year (IX + X)**		**(233.43)**	**(476.17)**
XII.	Earnings Per Equity Share (of Rs. 10/- each)	33		
	Basic (Rs.)		48.34	(177.31)
	Diluted (Rs.)		48.34	(177.31)

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date annexed.

For : Jha Yadav and Co.
Chartered Accountants
Firm Registration No.327725E

S/d
CA. H S Jha
Partner
Membership No. 055854

Place : Kolkata
Date :

For and on behalf of the Board of Directors

S/d
C S Samal
Director
DIN: 00194376

S/d
S K Pal
Director
DIN: 00268527

S/d
Company Secretary

TRINITY ALTERNATIVE INVESTMENT MANAGERS LIMITED
(FORMERLY SREI ALTERNATIVE INVESTMENT MANAGERS LIMITED)
CIN: U65999WB1994PLC065722

Cash Flow Statement for the period ended March 31, 2022

(Rs. in Lakhs)

	Particulars	Year Ended Mar 31, 2022	Year Ended March 31, 2021
A.	**Cash Flow from Operating Activities**		
	Net Profit/(Loss) before tax	167.00	(526.66)
	Adjustments for non cash & non-operating items:		
	Depreciation	0.10	-
	Fair valuation through profit and loss	-	-
	Interest expenses	389.00	263.69
	Impairment charge on investment in equity shares of subsidiaries	-	22.37
	Allowance for doubtful debts	195.00	-
	Interest on Fixed Deposits/Bonds	(21.57)	(0.16)
	Provision against Advance	23.13	-
	Income from Schemes	(40.82)	-
	Share of Profit on Venture Fund Investment	(2.27)	-
	Income from mutual funds investment	(6.27)	(2.47)
	Unrealised Gain on MF Units	(0.11)	-
	Liability no longer required written back	-	300.00
	Operating Profit before Working Capital Changes	709.08	56.77
	Changes in current assets and current liabilities:		
	Increase/(Decrease) in Trade Receivables, Loans, Advances and Other Assets	(472.55)	(77.28)
	Increase/(Decrease) in Trade Payables, Other Liabilities and Provisions	(146.64)	(684.37)
	Cash used (generated) from Operating activities	78.89	(654.88)
	Tax Paid (Net of refund and interest on refund)	(57.76)	(79.10)
	Net Cash flow from (used in) Operating Activities	21.13	(733.98)
B.	**Cash Flow from Investing Activities**		
	Purchase of Investment in units of trusts and schemes	-	(1,049.16)
	Purchase of Investments in equity shares of Subham Buildwell Private Limited	-	(1,533.60)
	Purchase of Investment in Mutual Fund	(170.00)	(890.00)
	Sales of Investments in equity shares of Subham Buildwell Private Limited	-	789.91
	Impairment of investment in equity shares of subsidiaries	-	(22.37)
	Proceeds from sale of Investment in Mutual Fund	572.00	488.00
	Proceeds from sale of Investment in units of trusts and schemes	-	31.56
	Purchase of Fixed Assets	(1.55)	
	Purchase of Investment in Bonds	(503.75)	-
	Income from Schemes	40.82	-
	Share of Profit on Venture Fund Investment	2.27	-
	Interest received on Fixed Deposit/Bonds	21.57	0.16
	Net Cash from (used in) Investing activities	(38.64)	(2,185.55)
C.	**Cash Flow from Financing Activities**		
	Proceeds from long term borrowings	-	2,600.00
	Repayment of long term borrowings	-	(800.00)
	Inter Corporate Deposit Received	-	1,100.00
	Interest Paid	(3.89)	(68.33)
	Net Cash Flow from Financing Activities	(3.89)	2,831.67
	Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(21.41)	(87.86)
	Opening Cash and Cash Equivalents	62.19	150.05
	Closing Cash and Cash Equivalents	40.79	62.19

Notes:

1. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 "Statement of Cash Flows".

2. Cash and cash equivalents do not include any amount which is not available to the Company for its use.

3. Cash and Cash equivalent at the end of the period consists of:

(Rs. in Lakhs)

Particulars	As at Mar 31, 2022	As at March 31, 2021
a) Cash in hand	0.07	6.30
b) Balance with Banks in Current Account	40.72	55.89
	40.79	62.19

4. Change in Liability arising from financing activities

(Rs. in Lakhs)

Particulars	As at April 1, 2021	Cash Flow	Non-Cash Flows	As at Mar 31, 2022
Long term borrowings (including current maturity) (Refer Note No. 15)	2,600.00	-	-	2,600.00
Inter corporate deposit received (Refer Note No. 15)	1,100.00	-	-	1,100.00
Interest accrued on borrowings (Refer Note No. 17)	213.46	(3.89)	389.00	598.56
	3,913.46	(3.89)	389.00	4,298.56

Particulars	As at April 1, 2020	Cash Flow	Non-Cash Flows	As at March 31, 2021
Long term borrowings (including current maturity) (Refer Note No. 13)	800.00	1,800.00	-	2,600.00
Inter-corporate deposits received (Refer Note No. 15)	-	1,100.00	-	1,100.00
Interest accrued on borrowings (Refer Note No. 17)	17.00	(68.33)	263.89	213.46
	817.00	2,831.67	263.80	3,913.46

The accompanying notes are an integral part of the Financial Statements

As per our report of even date annexed

For : Jha Yadav and Co.
Chartered Accountants
Firm Registration No.327225E

S/d

CA H S Jha
Partner
Membership No. 055654

Place : Kolkata
Date :

For and on behalf of the Board of Directors

S/d
CS Sanyal
Director
DIN: 00194376

S/d
S K Pal
Director
DIN: 00260527

S/d
Company Secretary

TRINITY ALTERNATIVE INVESTMENT MANAGERS LIMITED
(FORMERLY SREI ALTERNATIVE INVESTMENT MANAGERS LIMITED)
CIN: U65999WB1994PLC065722

Statement Of Changes In Equity For The Year Ended March 31, 2022

A. Equity Share Capital

(Rs. In Lakhs)

Particulars	As at April 1, 2021	Changes during the period	As at Mar 31, 2022
Equity Share Capital	25.00	-	25.00

B. Other Equity

(Rs. In Lakhs)

Particulars	Retained Earnings	Other Comprehensive Income		Total
		Equity instruments measured through OCI	Remeasurement of defined benefit plans	
Balance as at March 31, 2020	1,523.66	(768.29)	-	755.37
Profit/(Loss) for the year	(443.28)	-	-	(443.28)
Other Comprehensive Income	-	(34.18)	1.29	(32.89)
Total Comprehensive income	1,080.38	(802.47)	1.29	279.20
Transfer from other comprehensive income (remeasurement gain/loss, net of tax) to retained earnings	1.29	-	(1.29)	-
Balance as at March 31, 2021	1,081.67	(802.47)	-	279.20
Profit/(Loss) for the year	120.84	-	-	120.84
Other Comprehensive Income	-	(354.28)	-	(354.28)
Total Comprehensive income	1,202.51	(1,156.75)	-	45.77
Transfer from other comprehensive income (remeasurement gain/loss, net of tax) to retained earnings	-	-	-	-
Balance as at March 31, 2022	1,202.51	(1,156.75)	-	45.77

'he accompanying notes are an integral part of the Financial Statements.

ıs per our report of even date annexed.

For and on behalf of the Board of Directors

'or : Jha Yadav and Co.
:hartered Accountants
irm Registration No.327725E

S/d
:A. H S Jha
'artner
lembership No. 055854

S/d
C S Samal
Director
DIN: 00194376

S/d
SK Pal
Director
~~DIN: 00268527~~

'lace : Kolkata
'ate :

S/d
Company Secretary

TRINITY ALTERNATIVE INVESTMENT MANAGERS LIMITED
(FORMERLY SREI ALTERNATIVE INVESTMENT MANAGERS LIMITED)

1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

(A) Corporate Information

Trinity Alternative Investment Managers Limited (Formerly, Srei Alternative Investment Managers Limited) (the "Company") is domiciled and incorporated in India. The Registered Office of the Company is at Office 6, 4th Floor, Trinity Towers, 83, Topsia Road, Kolkata - 700046.

The Company is engaged in providing fund management services to Venture Capital and Alternative Investment Fund. As an ancillary activity to its principal business activity, the company is involved in the trading of securities out of the funds of the Company obtained either by subscription of capital or borrowings or by receipt of income from any trust.

(B)Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

(C) Significant Accounting Policies

1.1. Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

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

Areas involving a higher degree of judgement or complexity or areas where assumptions are significant to the Company are discussed in Note 1.16 Critical accounting judgements and key sources of estimation uncertainty.

The management believes that the estimates used in preparation of financial statements are prudent and reasonable. Actual results could differ from those estimates and the differences between the actual results and the estimates would be recognised in the periods in which the results are known / materialised.

Comparative information has been restated to accord with changes in presentations made in the current year, except where otherwise stated.

These Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

TRINITY ALTERNATIVE INVESTMENT MANAGERS LIMITED
(FORMERLY, SREI ALTERNATIVE INVESTMENT MANAGERS LIMITED)

NOTES TO FINANCIAL STATEMENTS (CONTD.)
Significant Accounting Policies (Contd.)

1.2. Operating Cycle
All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1:

Presentation of Financial Statements. For the company, there is generally no clearly identifiable normal operating cycle and hence the normal operating for the company is assumed to have duration of 12 months.

1.3. Investments in subsidiaries, associates and joint ventures
Investment in associates and joint ventures are accounted for at cost. Cost is arrived at on weighted average method for the purpose of valuation of investments.

Equity Investment in subsidiaries are carried at cost less accumulated impairment, if any.
When necessary, the entire carrying amount of the investment is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

1.4. Revenue
Income from management services to Venture Capital and Alternative Investment Fund is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Interest Income is recognised on the time proportion basis taking into account the amount outstanding and the rate applicable.

1.5. Leases

When the Company is a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (a) the contract involves the use ofan identified asset, (b) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (c) the Company has the right to direct the use of the asset.

At the date of the commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

1.6. Foreign Currency Transactions

The financial statements are presented in Indian Rupee (INR) in lakhs, the functional currency of the Company. Functional currency is the currency of the primary economic environment in which the Company operates.

Non-Financial Instruments - foreign currency translation policy:
Initially foreign currency transactions are recorded at the rates of exchange prevailing at the dates of the respective transactions. Foreign currency monetary items are restated using the exchange rate prevailing at

the reporting date. Non-monetary items (carried at fair value) as on reporting date are restated using the exchange rate prevailing at the date when the fair value was determined. Translation differences on such items are reported as part of the fair value gain or loss on such items. For non-monetary items (carried at historical cost) as on reporting date restatement is not required

Financial Assets - foreign Exchange Gains and Losses:
The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated using the exchange rate prevailing at the reporting date. For monetary financial assets measured at amortised cost, FVTOCI or FVTPL and non-monetary financial assets measured at amortised cost or FVTPL, the exchange differences are recognised in the statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship. Foreign currency changes for non-monetary financial assets measured at FVTOCI are recognised in other comprehensive income.

Financial Liabilities - Foreign Exchange Gains and Losses:
The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated using the exchange rate prevailing at the reporting date. For monetary financial liabilities measured at amortised cost, FVTOCI or FVTPL and non monetary financial liabilities measured at amortised cost or FVTPL, the exchange differences are recognised in the statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship. Foreign currency changes for non-monetary financial liabilities measured at FVTOCI are recognised in other comprehensive income.

1.7. Borrowing Cost
Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

1.8. Employee Benefits

Defined Contribution Plans
Company's contributions towards Regional Provident Fund with respect to employees, paid/payable during the period to the Provident Fund Authority, are charged to the Statement of Profit and Loss. Contributions to Employees State Insurance Corporation are charged to the Statement of Profit and Loss.

Defined Benefit Plans:
Company's liabilities towards Gratuity and Leave benefits are defined benefit plans. The cost of providing benefits under the defined benefit obligation is calculated by independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of re-measurements are recognised immediately through other comprehensive income in the period in which they occur.

The employees of the Company are entitled to compensated leave for which the Company records the liability based on actuarial valuation computed using projected unit credit method. These benefits are unfunded.

Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period in which related service is rendered. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

1.9. Property, Plant and Equipment – Tangible Assets

Property, plant and equipment are initially recognised at cost together with borrowing cost capitalized for qualifying assets. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

Subsequent to initial recognition, property, plant and equipment are measured at cost less accumulated depreciation and impairment, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

Depreciation

Depreciation of these assets commences when the assets are ready for their intended use. It is recognised so as to amortise the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Estimated useful life of the assets determined is as under:

- Furniture and Fixtures- 10 years
- Computers- 3 to 6 years
- Office equipment- 5 years

Depreciation on assets purchased / sold during the period is recognized on a pro-rata basis.

1.10. Inventory/Stock in Trade

Inventories are measured at the lower of cost and market/fair value.

recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the statement of profit and loss.

Impairment of Financial Assets:
Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and FVTOCI at each reporting date based on evidence or information that is available.

The Company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for that financial asset at an amount equal to 12-month expected credit losses.

In case of debt instruments measured at FVTOCI, the loss allowance shall be recognised in other comprehensive income with a corresponding effect to the profit or loss and not reduced from the carrying amount of the financial asset in the balance sheet. In case of such instrument, amount recognized in the statement of profit and loss are the same as the amount would have been recognized in case the debt instrument is measured at amortised cost.

No Expected credit losses is recognised on equity investments.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company measures the loss allowance at an amount equal to lifetime expected credit losses taking into account historical credit loss experience and adjusted for forward-looking information.

Derecognition of Financial Assets:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset accounted under Ind AS 109 in its entirety:
a) for financial assets measured at amortised cost, the gain or loss is recognized in the statement of profit and loss.

b) for financial assets measured at fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

(ii) Financial Liabilities and Equity Instruments:

Classification as debt or equity:
Financial liabilities and equity instruments issued are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

TRINITY ALTERNATIVE INVESTMENT MANAGERS LIMITED
(FORMERLY, SREI ALTERNATIVE INVESTMENT MANAGERS LIMITED)

NOTES TO FINANCIAL STATEMENTS (CONTD.)
Significant Accounting Policies (Contd.)

Equity Instruments
An Equity Instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial Liabilities
Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest rate method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial liabilities
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

Off-setting of financial instruments
Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously backed by past practice.

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

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

The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 - Other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 - Unobservable inputs for the asset or liability.

Expected Credit Loss

Expected credit loss (ECL) is the probability-weighted estimate of credit losses (i.e., the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between scheduled or contractual cash flows and actual expected cash flows. Consequently, ECL subsumes both the amount and timing of payments – a credit loss would arise even when a receivable was realised in full but later than when contractually due.

1.12. Taxes on Income

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

Current tax

Current Tax is determined at the amount of tax payable in respect of taxable profit for the year as per the Income-tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rate that has been enacted by the end of the reporting period.

Deferred tax

The Company's deferred tax is calculated using tax rate that are substantially enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Current and deferred tax for the year

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

1.13. Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

TRINITY ALTERNATIVE INVESTMENT MANAGERS LIMITED
(FORMERLY, SREI ALTERNATIVE INVESTMENT MANAGERS LIMITED)

NOTES TO FINANCIAL STATEMENTS (CONTD.)
Significant Accounting Policies (Contd.)

1.14. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

In case of litigations, provision is recognised once it has been established that the Company has a present obligation based on information available up to the date on which the Company's financial statements are finalised and may in some cases entail seeking expert advice in making the determination on whether there is a present obligation.

Contingent Liabilities

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. Company does not recognize contingent liability but discloses its' existence in the financial statements.

Contingent Assets

Contingent assets are not recognized in the financial statement, but are disclosed where an inflow of economic benefits is probable.

1.15. Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Corporate Management Committee. Based on same the Company operates in one operating segment, viz. providing fund management services to Venture Capital and Alternative Investment Fund.

Geographical Segment

The company operates only in India and has no other geographical segments.

1.16. Use of Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

NOTES TO FINANCIAL STATEMENTS (CONTD.)
Significant Accounting Policies (Contd.)

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

A. Judgements in applying accounting policies

The judgements, apart from those involving estimations (see note below), that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of assets.

B. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

i) Useful lives of property, plant and equipment and intangible assets:

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

ii) Fair value measurements and valuation processes:

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

iii) Actuarial Valuation:

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

iv) Claims, Provisions and Contingent Liabilities:

Any litigation where an outflow of funds is believed to be probable and are liable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

v) Impairment of Financial Assets:

The Company assesses impairment based on expected credit losses (ECL) model on trade receivables. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable. At every reporting date, the historically observed default rates are updated.

TRINITY ALTERNATIVE INVESTMENT MANAGERS LIMITED
(FORMERLY, SREI ALTERNATIVE INVESTMENT MANAGERS LIMITED)

NOTES TO FINANCIAL STATEMENTS (CONTD.)
Significant Accounting Policies (Contd.)

1.17. 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. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

1.18. Cash Flow Statement
Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

TRINITY ALTERNATIVE INVESTMENT MANAGERS LIMITED
(FORMERLY SREI ALTERNATIVE INVESTMENT MANAGERS LIMITED)

)TES TO FINANCIAL STATEMENTS (CONTD.)

Property, Plant and Equipment

As on 31st March, 2022

(Rs. In Lakhs)

Particulars	Gross block				Depreciation/ amortisation/ impairment				Net book value
	As at April 01, 2021	Additions	Disposals and other adjustments	As at Mar 31, 2022	As at April 01, 2021	Depreciation/ amortisation Charge	Disposals and other adjustments	As at Mar 31, 2022	As at Mar 31, 2022
Furniture & Fittings	0.06	-	-	0.06	0.06	-	-	0.06	-
Office Equipment	-	0.30	-	0.30	-	0.04	-	0.04	0.26
Computer	-	1.26	-	1.26	-	0.06	-	0.06	1.19
Total Tangible assets	**0.06**	**1.55**	-	**1.61**	**0.06**	**0.10**	-	**0.16**	**1.45**

As on 31st March, 2021

(Rs. In Lakhs)

Particulars	Gross block				Depreciation/ amortisation/ impairment				Net book value
	As at April 01, 2020	Additions	Disposals and other adjustments	As at March 31, 2021	As at April 01, 2020	Depreciation/ amortisation Charge	Disposals and other adjustments	As at March 31, 2021	As at March 31, 2021
Furniture & Fittings	0.06	-	-	0.06	0.06	-	-	0.06	-
Total Tangible assets	**0.06**	-	-	**0.06**	**0.06**	-	-	**0.06**	-

TRINITY ALTERNATIVE INVESTMENT MANAGERS LIMITED
(FORMERLY SREI ALTERNATIVE INVESTMENT MANAGERS LIMITED)

NOTES TO FINANCIAL STATEMENTS (CONTD.)

3 Investment - Non- Current

(Rs. In Lakhs)

Particulars	As at Mar 31, 2022		As at March 31, 2021	
	No. / Units	Amount	No. / Units	Amount
A) In Equity shares of Subsidiary Companies				
Unquoted, fully paid up (at cost)				
Hyderabad Information Technology Venture Enterprises Limited of Rs. 10/- each **(net of impairment)**	1,27,500	24.39	1,27,500	24.39
Cyberabad Trustee Company Private Limited of Rs. 10/- each	25,500	2.55	25,500	2.55
Total (A)		**26.94**		**26.94**
B) In Equity shares of other companies:				
Unquoted, partly paid up (at fair value through OCI)				
Subham Buildwell Private Limited of Rs 10/- each (issued at a premium of Rs. 122/- per share, Rs. 72 called up and paid (Rs. 60/- per share un-called)	10,32,900	743.69	10,32,900	743.69
Total (B)		**743.69**		**743.69**
C) In Units of Trust and Schemes				
Unquoted, fully paid (at fair value through OCI)				
Infrastructure Resurrection Fund of Rs. 100/-	4,99,045	80.95	4,99,045	459.12
Bharat Nirman Fund of Rs. 100/-	3,25,537	115.73	3,25,537	273.09
Infra Advantage Fund of Rs. 100/-	-	-	3	0.00
India Growth Opportunities Fund of Rs. 100/-	5,78,216	75.52	5,78,216	75.23
Vision India Fund of Rs. 100/-	5,00,000	328.25	5,00,000	254.40
Make in India Fund of Rs. 100/-	1,00,000	14.29	1,00,000	15.72
Strategic Opportunity Fund of Rs. 100/-	1,00,000	72.41	1,00,000	99.08
Capital Growth Fund - Series I of Rs. 100/-	5,00,000	532.55	5,00,000	498.70
Total (C)		**1,219.69**		**1,675.34**
(D) In Listed, Perpetual Bonds				
Quoted,(at fair value through OCI)				
7.72% SBI Perputual Bonds (Maturity : 3/9/2026)	5	503.75	-	-
		503.75		
Total Investment - Non - Current (A+B+C+D)		**2,494.06**		**2,445.97**
Aggregate amount of Quoted Investments		503.75		-
Aggregate amount of Unquoted Investments		1,990.31		2,445.97
Aggregate provision for impairment in value of investments		-		22.37

TRINITY ALTERNATIVE INVESTMENT MANAGERS LIMITED
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NOTES TO FINANCIAL STATEMENTS (CONTD.)

4(i) Other Financial assets - non current

(Rs. In Lakhs)

Particulars	As at Mar 31, 2022	As at March 31, 2021
Advance against investment	23.13	23.13
Less : Provision	(23.13)	-
	-	23.13
Accrued Interest on Bonds	22.10	-
Contribution to Trust Fund	0.85	0.75
Total	22.95	23.88

4(ii) Other Financial assets - current

(Rs. In Lakhs)

Particulars	As at Mar 31, 2022	As at March 31, 2021
Reimbursements Recoverable	226.61	184.49
Less : Provision	(184.49)	-
	42.12	184.49
Security Deposits	2.36	100.10
Total	44.48	284.59

5 Deferred Tax Assets / (Liabilities) (net)

(Rs. In Lakhs)

Particulars	As at Mar 31, 2022	As at March 31, 2021
Deferred tax assets / (liabilities) in relation to:		
Property, Plant and Equipment	0.85	0.99
Provision for Gratuity	2.83	2.32
Investments at FVTPL	(0.28)	(0.23)
Unabsorbed depreciation	-	0.11
Carry forward losses	-	129.82
Expenses Disallowed	143.43	-
Investments at FVTOCI	275.02	173.61
Total	421.85	306.62

The Company expects to generate sufficient future taxable profits to utilize the deferred tax assets.

6 Investment - Current

(Rs. In Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. / Units	Amount	No. / Units	Amount
Investments carried at fair value through profit or loss :				
ICICI Prudential Ultra Short Term Fund-Direct Plan Growth	23,006.872	5.50	1,36,908.588	404.47
ICICI Prudential Money Market Fund-Direct Plan-Growth	1,124.395	3.45		-
Total		8.95		404.47

TRINITY ALTERNATIVE INVESTMENT MANAGERS LIMITED
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NOTES TO FINANCIAL STATEMENTS (CONTD.)

7 Trade Receivables

(Rs. In Lakhs)

Particulars	As at Mar 31, 2022	As at March 31, 2021
(a) Unsecured, considered good	1,304.85	411.67
Less: Allowance for expected credit loss	(195.00)	-
	1,109.85	411.67
(b) Significant increase in credit risk	-	-
Less: Allowance for expected credit loss	-	-
	-	-
(c) Credit impaired	-	-
Less: Allowance for expected credit loss	-	-
	-	-
Total (a+b+c)	1,109.85	411.67

In determining the allowances for credit losses of trade receivables, 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. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

Ageing for trade receivables - billed – current outstanding as at March 31, 2022 is as follows

Particulars	Outstanding for following period from due date of payment					
	Less than 6 months	6 months-1 year	1-2 Years	2-3 years	More than 3 Years	Total
(i) Undisputed Trade Receivables-considered good	799.32	505.34	0.19	-	-	1,304.85
(ii) Undisputed Trade Receivables-considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered doubtful	-	-	-	-	-	-
	799.32	505.34	0.19	-	-	1,304.85

Ageing for trade receivables - billed – current outstanding as at March 31, 2021 is as follows

Particulars	Outstanding for following period from due date of payment					
	Less than 6 months	6 months-1 year	1-2 Years	2-3 years	More than 3 Years	Total
(i) Undisputed Trade Receivables-considered good	411.48	0.19	-	-	-	411.67
(ii) Undisputed Trade Receivables-considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered doubtful	-	-	-	-	-	-
	411.48	0.19	-	-	-	411.67

TRINITY ALTERNATIVE INVESTMENT MANAGERS LIMITED
(FORMERLY SREI ALTERNATIVE INVESTMENT MANAGERS LIMITED)

NOTES TO FINANCIAL STATEMENTS (CONTD.)

8 Cash and cash equivalents:

(Rs. In Lakhs)

Particulars	As at Mar 31, 2022	As at March 31, 2021
Cash on hand	0.07	0.30
Balances with Banks in current account	40.72	61.89
Total	40.79	62.19

9 Current Tax Asset (Net)

(Rs. In Lakhs)

Particulars	As at Mar 31, 2022	As at March 31, 2021
Advance Tax & Tax Deducted At Source	585.06	527.30
Less: Provision for taxation	(216.97)	(156.97)
Total	368.10	370.33

10 Other Current Assets

(Rs. In Lakhs)

Particulars	As at Mar 31, 2022	As at March 31, 2021
Advance to Staff	-	0.46
Advance to Vendor	0.31	2.58
Total	0.31	3.04

TRINITY ALTERNATIVE INVESTMENT MANAGERS LIMITED
(FORMERLY SREI ALTERNATIVE INVESTMENT MANAGERS LIMITED)

NOTES TO FINANCIAL STATEMENTS (CONTD.)

11 Equity Share Capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	-	Number	(Rs. In Lakhs)
Authorised Share Capital				
Equity Shares of Rs. 10/- each	50,00,000	500.00	50,00,000	500.00
Preference Shares of Rs. 100/- each	50,00,000	5,000.00	50,00,000	5,000.00
		5,500.00		**5,500.00**
Issued, Subscribed and Paid up Capital				
Equity Shares of Rs. 10 each fully paid up	2,50,000	25.00	2,50,000	25.00
		25.00		25.00

11.1 Reconciliation of equity shares

	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	(Rs. In Lakhs)	No. of Shares	(Rs. In Lakhs)
Shares outstanding at the beginning of the year/period	2,50,000	25.00	2,50,000	25.00
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	2,50,000	25.00	2,50,000	25.00

Terms and rights attached to equity shares:
The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. Dividend, if declared by the Company, is paid in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

11.2 **Details of shares held by each shareholder holding more than 5% shares**

Name of the Company	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% holding	No. of Shares	% holding
Fully paid equity shares				
Payaash Capital (Singapore) Pte. Limited	1,22,500	49%	1,22,500	49%
Srei Infrastructure Finance Limited *	1,27,500	51%	1,27,500	51%

* Includes 600 Equity Shares held by nominees on behalf of Srei Infrastructure Finance Limited

11.3 **Shares held by Holding/Ultimate Holding and/or their Subsidiaries/Associates**

Name of the Company (Relationship)	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% holding	No. of Shares	% holding
Srei Infrastructure Finance Limited (holding Company)	1,27,500	51%	1,27,500	51%

11.4 **The Company during the preceding 5 years:**

i Has not alloted shares pursuant to contracts without payment received in cash.
ii Has not issued shares by the way of bonus shares.
iii Has not bought back any shares.

TRINITY ALTERNATIVE INVESTMENT MANAGERS LIMITED
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NOTES TO FINANCIAL STATEMENTS (CONTD.)

11.5 Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at March 31, 2022 is as follows:

Shares held by promoters					
Promoter Name	As at March 31, 2022		As at March 31, 2021		% change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Srei Infrastructure Finance Limited	1,27,500	51%	1,27,500	51%	0%

12 Other Equity

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Retained Earnings		
Balance as at the beginning of the year	1,081.67	1,523.66
Net Profit/(Loss) for the year	120.84	(443.28)
Transfer from Other Comprehensive Income - Remeasurement of defined benefir plan (net of tax)	-	1.29
Balance as at the end of the year	**1,202.52**	**1,081.67**
b) Other Comprehensive Income		
i) Equity Instruments through Other		
Balance as at the beginning of the year	(802.47)	(768.29)
Add: Change in fair value	(455.65)	(38.03)
Less: Deferred tax on above	101.38	3.85
Balance as at the end of the year	**(1,156.75)**	**(802.47)**
ii) Remeasurement of defined benefit		
Balance as at the beginning of the year	-	-
Add: Remeasurement gain / (loss)	-	1.29
Less: Deferred tax on above	-	-
Less: Transferred to retained earnings	-	1.29
Balance as at the end of the year	-	-
Total Other Comprehensive Income (i + ii)	(1,156.75)	(802.47)
Total Other Equity (a+b)	45.77	279.20

Nature and Purpose of each reserve:

1. Retained Earnings represents the cumulative profits of the Company. This can be utilised in accordance with the provisions of the Companies Act, 2013.

2. Equity Instruments through other comprehensive income represents the cumulative gains and losses arising on fair valuation of equity instruments measured at fair value through other comprehensive income net of tax.

3. Remeasurement of defined benefit plans comprises actuarial gains and losses which are recognised in other comprehensive income and then immediately transferred to retained earnings.

TRINITY ALTERNATIVE INVESTMENT MANAGERS LIMITED
(FORMERLY SREI ALTERNATIVE INVESTMENT MANAGERS LIMITED)

NOTES TO FINANCIAL STATEMENTS (CONTD.)

13 Borrowings - non current

(Rs. In Lakhs)

Particulars	As at Mar 31, 2022	As at March 31, 2021
Secured, measured at amortised cost		
Term Loan (From Related Party)	-	2,600.00
Total	-	2,600.00

Terms of repayment for Secured Borrowings:

Rupee Term Loan of Rs. 2600 Lakhs (previous year Rs. 2600 Lakhs) which is secured by way of charge on Investments of the Company (to the extent such investments are able to cover the borrowings amount). The loan will be repaid after 24 months from the initial drawdown date i.e. 28th August, 2020 along with 12% interest payable at the time of maturity on bullet payment basis. The Loan has been reclassified to Current Borrowings during the current year

*The Board of Directors of the Srei Infrastructure Finance Limited ("SIFL") and Srei Equipment Finance Limited ("SEFL") at their respective meetings held on July 4, 2019 approved the transfer of Lending Business, Interest Earning Business & Lease Business of SIFL together with associated employees, assets & liabilities (including liabilities towards issued & outstanding non - convertible debentures) (the "Transferred Undertaking"), as a going concern by way of slump exchange to SEFL through a Business Transfer Agreement ("BTA") signed on August 16, 2019 along with an amendment to the same on November 14, 2019 effective October 1, 2019, in exchange of fully paid up equity shares to be issued and allotted by SEFL, subject to all necessary approvals.

As a result of aforesaid arrangement, Term Loan from SIFL was transferred to SEFL w.e.f. October 1, 2019.

14(i) Provisions - non-current

(Rs. In Lakhs)

Particulars	As at Mar 31, 2022	As at March 31, 2021
Provision for Employee Benefits (Refer Note 29):		
Gratuity	12.94	10.94
Leave Encashment	1.03	3.24
Sick Leave Availment	2.05	1.40
Total	16.01	15.58

TRINITY ALTERNATIVE INVESTMENT MANAGERS LIMITED
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NOTES TO FINANCIAL STATEMENTS (CONTD.)

14(ii) Provisions -current

(Rs. In Lakhs)

Particulars	As at Mar 31, 2022	As at March 31, 2021
Provision for Employee Benefits (Refer Note 28):		
Gratuity	0.23	0.20
Leave Encashment	0.02	0.08
Sick Leave Availment	0.54	0.36
Total	0.79	0.64

15 Short Term Borrowings - current

(Rs. In Lakhs)

Particulars	As at Mar 31, 2022	As at March 31, 2021
Inter Corporate Deposits - Unsecured # *(from related party)*	1,100.00	1,100.00
Term Loan (From Related Party)	2,600.00	-
Total	3,700.00	1,100.00

In respect of Short term borrowing these have already been recalled but the Company is pursuing the lender for extension of repayment date in this respect.

In respect of borrowings no amortization has been considered over the remaining life since these are repayable within one year as per the existing contractual terms and the balances outstanding approximates the liability in this respect.

16 Trade Payables - Current

16.1 Due to Micro and Small Enterprises (Rs. In Lakhs)

Particulars	As at Mar 31, 2022	As at March 31, 2021
a) The principal amount and interest due thereon remaining unpaid to any supplier	-	-
b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day.	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d) The amount of interest accrued and remaining unpaid	-	-
e) The amount of further interest remaining due and payable even in the succeeding year until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Total	-	-

TRINITY ALTERNATIVE INVESTMENT MANAGERS LIMITED
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NOTES TO FINANCIAL STATEMENTS (CONTD.)

16.2 Due to creditors other than micro and small enterprises

(Rs. In Lakhs)

Particulars	As at Mar 31, 2022	As at March 31, 2021
For Services	20.00	4.88
Total	20.00	4.88

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management

16.3 Ageing for trade payables outstanding as at March 31, 2022 is as follows (Rs. In Lakhs)

Particulars	Outstanding for following period from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(ii) Others	18.37	1.63			20.00
(iii) Disputed dues-MSME					-
(iv) Disputed dues-Others					-
	18.37	1.63	-	-	20.00

Ageing for trade payables outstanding as at March 31, 2021 is as follows (Rs. In Lakhs)

Particulars	Outstanding for following period from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(ii) Others	4.85	0.03	-	-	4.88
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-
	4.85	0.03	-	-	4.88

17 Other Financial Liabilities - Current

(Rs. In Lakhs)

Particulars	As at Mar 31, 2022	As at March 31, 2021
Interest :		
accrued and due on short term borrowings	120.14	43.91
accrued but not due on long-term borrowings	478.43	169.55
Liability for expenses	30.00	1.11
Salary and other payroll dues	10.67	5.10
Total	639.24	219.67

18 Other Current Liabilities

(Rs. In Lakhs)

Particulars	As at Mar 31, 2022	As at March 31, 2021
Statutory liabilities	65.99	67.79
Total	65.99	67.79

TRINITY ALTERNATIVE INVESTMENT MANAGERS LIMITED
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NOTES TO FINANCIAL STATEMENTS (CONTD.)

19 Revenue From Operations (Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Sale of services		
Management Fees (Gross)	1,373.74	1,030.34
Total	1,373.74	1,030.34

20 Other Income (Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest on Fixed Deposits - carried at amortised cost	-	0.16
Interest Income on Bonds	21.57	-
Share of Profit on Venture Fund Investments	2.27	-
Income from Investment in Mutual Fund Schemes	6.27	2.47
Income from Schemes	40.82	-
Other non-operating income:		
Net gain on investment measured at FVTPL	0.21	0.93
Liability no longer required now written back	-	300.00
Total	**71.14**	**303.56**

21 Purchases of stock-in-trade (Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Equity shares - Quoted, fully paid up (Nil (Previous year : 54,33,000) equity shares of Lakshmi Vilas Bank Limited *	-	1,099.68
Total	-	1,099.68

*The purchase figure as stated is inclusive of Brokerage and other transaction charges.

22 Change in inventories of stock-in-trade (Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening stock-in-trade		
Equity shares	-	-
Less: Closing stock-in-trade		
Equity shares*	-	0.00
Total	-	(0.00)

*As per the Notification of the Ministry of Finance dated 25-11-2020 [F. No. 7/114/ 2020-BOA.I], during the year, all the assets and liabilities of the Lakshmi Vilas Bank Limited (the Transferor Bank) had been transferred to the DBS India Bank Limited (the Transferee Bank) effective as on 27-11-2020.

On and from the appointed date, the entire amount of the paid-up share capital and reserves and surplus, including the balances in the shares or securities premium account of the Transferor bank (Laxmi Villas Bank), shall stand written off. The transferor bank shall cease to exist by operation of this Scheme, and its shares or debentures listed in any stock exchange shall stand delisted without any further action from the Transferor bank, transferee bank or order from any authority.

Hence, due to the delisting of shares and writing off of share capital by Lakshmi Vilas Bank Limited pursuant to the aforesaid order of Minitry of Finance, it may be inferred that rights of shares holders on account of their investment have extinguished. However, as on 31-03-2021, the DEMAT statement of the Company shows the shares held in the name of the Company due to a writ filed by the shareholders of the Transferor Bank. Therefore, value of inventory has been carried at nominal amount of Re. 1/- . However, due to rounding off, the same appears as '00'.

TRINITY ALTERNATIVE INVESTMENT MANAGERS LIMITED
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NOTES TO FINANCIAL STATEMENTS (CONTD.)

23 Employee Benefits Expense

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Salaries, wages, bonus and allowances	161.56	155.96
Contribution to Provident & Other funds	8.40	8.20
Staff welfare expenses	1.20	2.85
Total	171.16	167.01

24 Finance Cost

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest expense - Rupee Term Loan	312.00	216.42
Interest expense - Inter Corporate Deposit	77.00	47.47
Total	389.00	263.89

25 Other Expenses

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Legal & Professional Fees	245.69	245.25
Travelling and Conveyance	36.92	18.53
Rent	6.66	-
Rates & Taxes	0.06	0.13
Interest on Delayed Payment of TDS	0.92	-
Filing Fees	0.18	0.23
Net Loss on investment measured at FVTPL	-	-
Communication Expenses	0.63	0.61
Printing & Stationery	1.44	0.65
Directors Fees	13.50	2.00
Provision for Expected Credit Loss	195.00	-
Provision against Advances	207.62	-
Membership & Subscription	-	38.65
Payment to Auditors :		
-Fees for Statutory Audit	0.51	0.88
-Other Services (Certification etc.)	0.12	0.25
Bank Charges	0.00	0.01
Miscellaneous Expenses	8.36	0.62
Impairment charge on Investment in equity shares of subsidiaries	-	22.37
Total	717.62	330.18

26 Income Tax Expenses

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current tax		
-Tax for earlier year	-	43.05
-Current Tax	60.00	-
Total Current Tax	60.00	43.05
Deferred tax	(13.84)	(126.63)
Total Deferred Tax	(13.84)	(126.63)
Total	46.15	(83.58)

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NOTES TO FINANCIAL STATEMENTS (CONTD.)

The reconciliation of estimated Income tax to income tax expense is as below:

Particulars	As at March 31, 2022	As at March 31, 2021
Profit before tax	167.00	(526.86)
Statutory Income Tax Rate	25.17%	25.17%
Expected income tax expense at statutory income tax rate	42.03	(132.60)
(i) Income exempt from tax/Items not deductible	-	-
(ii) Others	4.12	49.02
Tax Expense recognised in profit and loss account	**46.15**	(83.58)

The Company has elected to exercise the option of lower tax rate of 25.17% (inclusive of surcharge and cess) under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019.

NOTES TO FINANCIAL STATEMENTS (CONTD.)

27 CAPITAL MANAGEMENT

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains a strong capital base by maximizing shareholders' wealth, safeguarding business continuity and augmenting its internal generations with a judicious use to fund working capital that arise from time to time as well as requirements to finance business growth.

The Company determines the amount of capital required on the basis of annual business plan. The funding needs are met through cash generated from operations, long term and short term borrowings from financial institutions.

The capital structure of the Company consists of net debt (borrowings as detailed in notes 13 offset by cash and cash equivalents in note 8) and total equity of the Company.

Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances (including non-current earmarked balances).

The table below summarises the capital, net debt and net debt to equity ratio of the Company.

(Rs. In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Equity Share Capital	25.00	25.00
Other Equity	45.77	279.20
Total Equity (A)	70.77	304.20
Non Current Borrowings	-	2,600.00
Current Borrowings	3,700.00	1,100.00
Gross Debts (B)	3,700.00	3,700.00
Total Capital (A+B)	3,770.77	4,004.20
Gross Debt as above	3,700.00	3,700.00
Less: Cash and Cash Equivalents	40.79	62.19
Net Debt (C)	3,659.21	3,637.81
Net Debt to Equity	51.71	11.96

28 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of Financial asset, Financial liability and equity instrument are disclosed in Note 1 to the financial statements.

NOTES TO FINANCIAL STATEMENTS (CONTD.)

28 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES (Contd..)

A) Categories of Financial Instruments

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments

(Rs. in Lakhs)

	As at March 31, 2022		As at March 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
a) Measured at amortised cost				
(i) Trade Receivables	1,109.85	1,109.85	411.67	411.67
(ii) Cash and Cash Equivalents	40.79	40.79	62.19	62.19
(iii) Other Financial Assets	67.43	67.43	308.47	308.47
Sub-total	1,218.09	1,218.09	782.33	782.33
b) Measured at Fair value through OCI				
i) Investments	1,219.69	1,219.69	1,675.34	1,675.34
(ii) Cash and Cash Equivalents				
Sub-total	1,219.69	1,219.69	1,675.34	1,675.34
c) Measured at Fair value through P&L				
i) Cash and Cash Equivalents	40.79	40.79	62.19	62.19
Sub-total	40.79	40.79	62.19	62.19
Total financial assets	2,478.57	2,478.57	2,519.87	2,519.87
Financial liabilities				
a) Measured at amortised cost				
i) Borrowings	-	-	2,600.00	2,600.00
ii) Trade Payables	20.00	20.00	4.88	4.88
iii) Other financial liabilities	639.24	639.24	219.67	219.67
Total financial liabilities	659.23	659.23	2,824.54	2,824.54

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

Financial assets measured at amortised cost

For other financial assets that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include cash, cash equivalents, Other Bank Balance, Loans, Trade and other receivables.

Trade and Other Payables

Trade payables that have a short-term maturity (less than twelve months), the carrying amounts are a reasonable approximation of their fair value. Such instruments includes Trade & Other payables.

B) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments 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.

Valuation techniques with observable inputs (Level 2): The fair value of financial instruments that are not traded in an active market (for example over the counter derivatives) is determined using valuation techniques which maximise use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Valuation techniques with significant unobservable inputs (Level 3): If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and investment in Alternate Investment Funds included in level 3.

(Rs. In Lakhs)

	As at 31.03.2022			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments measured at Fair value through OCI	503.75	-	1,219.69	1,723.44
Investments measured at Fair value through P&L	-	-	40.79	40.79
	503.75	-	1,260.48	1,764.23

(Rs. In Lakhs)

	As at 31.03.2021			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments measured Measured at Fair value through OCI	-	-	1,675.34	1,675.34
Investments measured Measured at Fair value through P&L		-	62.19	62.19
		-	1,737.53	1,737.53

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C) Financial risk management objectives

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. The current Risk Management System rests on policies and procedures issued by appropriate authorities, internal control systems, process of regular reviews / audits to set appropriate risk limits and controls, monitoring of such risks and compliance confirmation for the same.

a) Market risk

The Company's Financial Instruments are exposed to market changes. The Company is exposed to the following significant market risk:

i. Foreign currency risk

The Company undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and reinstatement risks arising from recognised assets and liabilities, which are not in the Company's functional currency (Indian Rupees).

However the company's exposure to foreign exchange rate fluctuation is not significant as the level of foreign currency transactions are limited. Therefore the company does not hedge its exposure in foreign currency. Unhedged exposure in foreign currency is as under:

(Rs. In Lakhs)

Particulars	Currency of exposure	As at 31-03-2022	As at 31-3-2021
Liability for expenses	USD	-	-

Foreign currency sensitivity

Foreign Currency Sensitivities for unhedged exposure (impact on increase in 0.5%) gain/(loss):

Particulars	Currency of exposure	As at 31-03-2022	As at 31-3-2021
Liability for expenses	USD	-	-

Note: If the rate is decreased by 0.5% expense of the Company will decrease by an equal amount.
Figures in brackets indicate decrease in profit.

ii. Interest rate risk

The Company is not exposed to interest rate risk as the Company borrows funds at fixed interest rates.

b) Liquidity risk

Liquidity risk is the risk that the Company does not have sufficient financial resources to meet its obligations as they fall due, or will have to do so at an excessive cost. This risk arises from mismatches in the timing of cash flows which is inherent in all finance driven organisations and can be affected by a range of Company-specific and market-wide events. The objectives of the Company's liquidity risk management processes are to lessen the impact of liquidity risk by minimizing mismatch in timing of cash flow.

The Company mitigates its liquidity risks by ensuring timely collections of its trade receivables and close monitoring of its credit cycle. The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

(Rs. In Lakhs)

	As at March 31, 2022		As at March 31, 2021	
	Current	Non-Current	Current	Non-Current
Financial assets				
(i) Investments	8.95	2,494.06	404.47	2,445.97
(ii) Trade Receivables	1,109.85	-	411.67	-
(iii) Cash and Cash Equivalents	40.79	-	62.19	-
(iv) Other Financial Assets	44.48	22.95	284.59	23.88
Total financial assets	1,204.09	2,517.02	1,162.93	2,469.84
Financial liabilities				
i) Borrowings	3,700.00	-	1,100.00	2,600.00
ii) Trade Payables	20.00	-	4.88	-
iii) Other financial liabilities	639.24	-	219.67	-
Total financial liabilities	4,359.23	-	1,324.54	2,600.00

c) Credit risk

Credit risk is the risk that the Company will incur a loss because counterparties fail to discharge their contractual obligations. The Company mitigates its credit risks by ensuring timely collections of its trade receivables and close monitoring of its credit cycle.

d) Price risk

Price risk is the risk that the fair value of financial instrument will fluctuate due to change in market traded price. The company has no such assets and it has not yet commenced operations. Therefore, the company is not subject to price risk.

NOTES TO FINANCIAL STATEMENTS (CONTD.)

29 **Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.**

The Company has recognised, in Statement of Profit and Loss for the year ended 31.03.2022 an amount of Rs.8.40 Lakh (Previous year Rs.8.20 Lakh) as expenses under defined contribution plans.

Defined benefit plans

(A) Gratuity Fund :-

The Employees' Gratuity scheme, Leave benefit scheme, and Sick Leave availment scheme are the Company's defined benefit plans. The liabilities arising in the Defined Benefit Schemes are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method.

All employees who have rendered service for specified period as per the Payment of Gratuity Act, 1972 are entitled for gratuity. The gratuity amount is determined based on the last drawn salary and period of service with the company.

The defined benefit obligations are unfunded and thus the disclosure requirements of plan assets have not been made.

Risk Management

The Defined Benefit Plans expose the Company to risk of actuarial deficit arising out of interest rate risk, salary inflation risk and demographic risk.

(a) Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

(b) Salary Inflation risk: Higher than expected increase in salary will increase the defined benefit obligation.

(c) Demographic Risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of short career employee typically costs less per year as compared to long service employee.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation was carried out as at 31.03.2022.

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29.1 Particulars in respect of post retirement defined benefit plans of the Company are as follows :-

(Rs. In Lakh)

Description	Gratuity Fund		Leave	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
1. Change in the defined benefit obligation				
Present Value of Obligation at the Beginning of the Year	11.13	22.88	3.30	5.73
Current Service Cost	1.60	3.01	1.33	1.68
Interest Cost	0.75	0.97	0.00	0.31
Past Service Cost - Plan Amendments	-	-		
Acquisitions Cost/credit	-	-		
Actuarial (gain)/loss	(0.30)	1.21	1.50	(2.17)
Benefits paid	-	(16.93)	(5.10)	(2.25)
Present Value of Obligation at the end of the Year	13.17	11.13	1.04	3.30
2. Amount recognised in Balance Sheet consists of:				
Fair value of Plan Assets at the end of the Year	-	-	-	-
Present Value of Obligation at the end of the Year	13.17	11.13	1.04	3.30
(Asset)/Liabilities as per the actuarial valuation	13.17	11.13	1.04	3.30
Net (Asset)/Liabilities recognised in the Balance Sheet in respect of defined benefits	**13.17**	**11.13**	**1.04**	**3.30**

(Rs. In Lakh)

3. Expenses recognised in the statement of profit and loss consists of:	Gratuity Fund		Leave	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Employee benefits expenses:				
Current Service cost	1.60	3.01	1.33	1.68
Net interest cost	0.75	0.97	0.00	0.31
Total (A)	2.34	3.97	1.33	1.99
Other Comprehensive Income				
Actuarial (Gain) / Loss from experience adjustments	(0.30)	1.21	1.50	(2.17)
Actuarial (Gain) / Loss from financial assumptions	-	-		-
Return on plan assets (excluding amounts included in net interest cost)	-	-	-	-
Total (B)	(0.30)	1.21	1.50	(2.17)
Expense recognised during the year (A+B)	2.05	5.18	2.83	(0.18)

The expense for the Defined Benefits (referred to in note 23) are included in the line item under 'Contribution to Provident and other Funds'

29.2 Particulars in respect of post retirement defined benefit plans of the Company are as follows :-

(Rs. in Lakh)

Description	Gratuity		Leave	
	% Invested		% Invested	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
4. Investment Details of Plan Assets	NA	NA	NA	NA
5. Assumptions				
Discount rate per annum	7.00%	6.70%	7.00%	6.70%
Salary escalation rate per annum	5.00%	5.00%	5.00%	5.00%
c Expected rate of return on Plan Assets per annum	NA	NA	NA	NA
Best Estimate of Employers' Expected Contributions for the next year Method used	Projected Unit Credit Method		Projected Unit Credit Method	

NOTES TO FINANCIAL STATEMENTS (CONTD.)

29.3 The estimate of future salary increases take into account inflation, seniority, promotion and other relevant reasons.

29.4 Sensitivity Analysis

The Sensitivity Analysis below has been determined based on reasonably possible change of the respective assumptions occuring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above. There was no change in the methods and assumptions used in the preparation of the Sensitivity Analysis from previous year.

	Year ended 31.03.2022				Year ended 31.03.2021			
	Gratuity Fund		Leave		Gratuity Fund		Leave	
	%	(Rs. In Lakh)	%	(Rs. in Lakh)	%	(Rs. in Lakh)	%	(Rs. in Lakh)
Discount Rate + 100 basis points	-9.6%	(1.26)	-12.9%	(0.14)	-10.3%	(1.14)	-11.3%	(3.73)
Discount Rate - 100 basis points	10.9%	1.43	15.5%	0.16	11.8%	1.30	13.2%	4.37
Salary Increase Rate + 1%	3.3%	0.44	15.7%	(0.17)	10.9%	1.22	13.3%	4.40
Salary Increase Rate - 1%	-7.1%	(0.93)	-13.2%	(0.14)	-10.5%	(1.17)	-11.5%	(3.82)

29.5 Maturity Analysis Of The Benefit Payments

(Rs. In Lakh)

	Year ended 31.03.2022		Year ended 31.03.2021	
	Gratuity Fund	Leave	Gratuity Fund	Leave
Year 1	0.24	0.02	0.19	0.08
Year 2	0.28	0.02	0.26	0.09
Year 3	0.53	0.03	0.49	0.10
Year 4	0.58	0.03	0.55	0.14
Year 5	0.72	0.03	0.67	0.15
Next 5 Years	4.93	0.20	4.66	0.93

29.6 Sick Leave Benefits

(Rs. In Lakh)

S.No	Particulars	Sick Leave Benefit (Unfunded)	
		As at 31.03.2022	As at 31.03.2021
	Assets/ Liabilities		
1	Projected Benefit Obligation	(2.59)	(1.76)
2	Fair Value of Plan Assets	-	-
3	Current Asset / (Liability)	(0.54)	(0.36)
4	Non Current Asset / (Liability)	(2.05)	(1.40)
	Actuarial Assumptions		
1	Discount Rate	7.00%	6.70%
2	Expected return on plan assets	NA	NA
3	Salary Escalation	5.00%	5.00%

:S TO FINANCIAL STATEMENTS (CONTD.)

dditional Regulatory Information

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(Rs. In Lakhs)

Ratio	Numerator Factor	Denominator Factor	2021-22			2020-21		
			Numerator	Denominator	Current Year	Numerator	Denominator	Previous Year
nt Ratio (in times)	Total current assets	Total current liabilities	1,572.49	4,426.02	0.36	1,536.29	1,392.98	1.10
Equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total Equity	3,700.00	70.77	52.28	3,700.00	304.20	12.16
Service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = interest and lease payments + Principal repayments	509.95	389.00	1.31	180.31	263.89	0.68
n on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	120.84	187.49	0.64	(443.28)	425.57	(1.04)
receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	1,373.74	760.76	1.81	1,030.34	376.71	2.74
payables turnover ratio (in times)	Net credit purchase	Average Trade Payable	717.62	12.44	57.68	330.18	9.54	34.61
apital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	1,373.74	(1,355.11)	(1.01)	1,030.34	415.65	2.48
rofit ratio (%)	Profit for the year	Revenue from operations	120.84	1,373.74	0.09	(443.28)	1,030.34	(0.43)
n on capital employed (%)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	556.00	70.77	7.86	(262.97)	304.20	(0.86)
n on investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	71.14	1,723.44	0.04	303.56	1,675.34	0.18

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NOTES TO FINANCIAL STATEMENTS (CONTD.)

31 Related Party Disclosures

a) Related Parties

Sl.No	Name of the Company	Country of Origin
A	Ultimate Holding Company	
1	Adisri Commercial Private Limited	India
B	**Subsidiary of Ultimate Holding Company**	
2	Srei Factors Private Limited (w.e.f. 02.01.2019)	India
C	**Holding Company**	
3	Srei Infrastructure Finance Limited (SIFL)	India
D	**Subsidiary Companies**	
4	Hyderabad Information Technology Venture Enterprises Limited	India
5	Cyberabad Trustee Company Private Ltd.	India
E	**Fellow Subsidiaries**	
6	Srei Capital Markets Limited	India
7	Bengal Srei Infrastructure Development Limited	India
8	Srei Insurance Broking Private Limited	India
9	Srei Mutual Fund Trust Private Limited	India
10	Srei Mutual Fund Asset Management Private Limited	India
11	Srei Assets Leasing Ltd.(Formerly Srei Finance Limited)	India
12	Controlla Electrotech Private Limited	India
13	Srei Equipment Finance Limited	India
F	**Fellow Associates**	
14	IIS International Infrastructure Services GmbH, Germany (Officially liquidated w.e.f. 29.07.2020)	Germany
15	AO International Infrastructure Services, Russia. (Subsidiary of IIS International Infrastructure Services GmbH, Germany) ceased to be related party on liquidation of IIS International Infrastructure Services GmbH, Germany.	Russia
G	Others	
16	Srei Mutual Fund Trust	India
17	Srei Infrastructure Finance Limited Employees Gratuity Trust	India
H	**Key Management Personnel (KMP)/Directors:**	Designation
18	Mr. Shashi Bhushan Tiwari (ceased w.e.f 15.03.2021)	Non Executive Director
19	Mr. Ratan Kumar Sarawagi (appointed w.e.f. 13.03.2021)	Non Executive Director
20	Mr. Chandra Shekhar Samal	Non Executive Director
21	Mr. Sushil Kumar Pal	Non Executive Director
22	Mr. Sudhir Kumar Agarwal (appointed w.e.f. 28.09.2021)	Non Executive Director
23	Mr. Uttam Prakash Agarwal (appointed as Nominee Director w.e.f. 13.11.2021 and as Chairman of	Nominee Director
24	Mr. Ashish Dhandhanya (Company Secretary w.e.f. 15.10.2020)	Company Secretary
I	**Holding Company - Key Management Personnel (KMP)/Directors:**	Designation
25	Mr. Hemant Kanoria *	Chairman
26	Mr. Sunil Kanoria *	Vice Chairman (Non Executive Director)
27	Mr. Shyamalendu Chatterjee *	Independent Director
28	Mr. Malay Mukherjee *	Independent Director
29	Dr. Punita Kumar Sinha *	Independent Director
30	Dr. Tamali Sengupta *	Independent Director
31	Dr. Deepali Pant Rajeev Joshi (w.e.f 30.06.2021) *	Additional Director (Category: Independent Director)
32	Mr. Ram Krishna Agarwal (ceased w.e.f 17.09.2021)	Independent Director
33	Mr. Srinivasachari Rajagopal (ceased w.e.f. 30.06.2021)	Independent Director
34	Mr. Rakesh Kumar Bhutoria (cease w.e.f. 15.09.2021)	Chief Executive Officer
35	Mr. Sandeep Lakhotia (ceased w.e.f. 20.03.2021)	Company Secretary
36	Mr. Sandeep Kumar Sultania (ceased to be a KMP w.e.f. 07.12.2021)	Chief Financial Officer
37	Mr. Shashi Bhushan Tiwari (from 20.05.2019 to 30.06.2020)	Chief Risk Officer
38	Mr. Rajneesh Sharma (w.e.f 04-10-2021) **	Administrator
39	Mr. Souren Mokhopadhyay (w.e.f 30.06.2021)	Deputy Chief Executive Officer
40	Mr. Manoj Kumar (w.e.f. 01.04.2021)	Company Secretary & Chief Financial Officer
41	Mr.Vishnu Gopal Agarwal (w.e.f. 21.03.2022)	Chief Compliance Officer & Financial Controller

* In exercise of the powers conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934, the Reserve Bank of India (RBI) had vide Press Release dated 4th October, 2021 superseded the Board of Directors of Srei Infrastructure Finance Limited (SIFL). Hence, ceased to be Director w.e.f 04.10.2021.

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32 Related Party Transaction

Summary of Transactions with Related Parties

Transactions entered with related parties during the period ended March 31, 2022 and year ended March 31, 2021 and outstanding balances are as under.

(Rs. In Lakhs)

Name of related party	Nature of Transactions & Outstanding Balances	March 31, 2022	March 31, 2021
Fellow Subsidiary			
Srei Equipment Finance Limited	Transactions during the period / year ended :		
	Loan Outstanding	2,600.00	2,600.00
	Loan Refunded	-	800.00
	Interest on Loan Outstanding	312.00	216.42
	Outstanding Balances as at:		
	Balance Loan Payable	2,600.00	2,600.00
	Interest accrued but not due - Outstanding	478.43	318.04

(Rs. In Lakhs)

Name of related party	Nature of Transactions & Outstanding Balances	March 31, 2022	March 31, 2021
Fellow Subsidiary			
Srei Mutual Fund Asset Management Pvt Ltd	Transactions during the period / year ended :		
	Loan (ICD) Outstanding	1,100.00	1,100.00
	Interest on Loan Outstanding	77.00	47.47
	Outstanding Balances as at:		
	Balance Loan (ICD) Payable	1,100.00	1,100.00
	Interest accrued and due - Outstanding	120.14	-
	Interest accrued but not due - Outstanding	-	43.91

(Rs. In Lakhs)

Name of related party	Nature of Transactions & Outstanding Balances	March 31, 2022	March 31, 2021
Holding Company			
Srei Infrastructure Finance Limited	Transactions during the period / year ended :		
	Advance Taken	-	200.00
	Advance Refunded	-	200.00
	Rent Paid	3.00	-
	Advance received against Director Appointment	5.02	-
	Outstanding Balances as at:		
	Rent Outstanding	-	-
	Advance received against Director Appointment	5.02	-

Key Management Personnel	Nature of Transactions & Outstanding Balances	March 31, 2022	March 31, 2021
Mr. Chandra Shekhar Samai	Director's Sitting Fee	3.30	1.00
Mr. Sushil Kumar Pal	Director's Sitting Fee	2.50	1.00
Mr. Ratan Kumar Saraogi	Director's Sitting Fee	3.05	-
Mr. Sudhir Kumar Agarwal	Director's Sitting Fee	2.80	-
Mr. Uttam Prakash Agarwal	Director's Sitting Fee	1.85	-
Mr. Ashish Dhandhanya (Company Secretary w.e.f. 15.10.2020)	Salary & Allowances	18.76	5.72

1) The transaction with related party has been entered at an amount which are not materallly different from those on normal commercial terms.

2) The amount outstanding are secured and will be settled in cash. No guarantee has been given or received . No expenses has been recognised in current year and previous year for Bad and Doubtful Debts in respect of amount owed by the related party.

NOTES TO FINANCIAL STATEMENTS (CONTD.)

33 Earnings per Share

Basic and Diluted Earnings per Share

(Rs. In Lakhs)

S.No	Particulars	March 31, 2022	March 31, 2021
1	Net Profit/ (Loss) after tax attributable to Equity Shareholders (Rs. In Lakhs)	120.84	(443.28)
2	Weighted average number of Equity Shares Basic (Nos.)	2,50,000	2,50,000
3	Weighted average number of Potential Equity Shares (Nos.)	-	-
4	Weighted average number of Equity Shares Diluted (Nos.)	2,50,000	2,50,000
5	Nominal Value of Equity per share (Rs)	10	10.00
6	Basic Earnings per share (Rs.) (1 / 2)	48.34	(177.31)
7	Diluted Earnings per share (Rs.) (1 / 4)	48.34	(177.31)

34 **Segment Reporting**

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the Chief Operating Decision Maker, in deciding how to allocate resources and assessing performance. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Based on the management approach as defined in Ind AS 108, the Chief Operating Decision Maker evaluates the Company's performance based on only one segment i.e. Management and Consultancy Fee.

35 Contingent Liabilities

(Rs. In Lakhs)

Particulars	March 31, 2022	March 31, 2021
Contingent Liability		
Claims against the company not acknowledged as debt:		
a) Income Tax related :		
-Income Tax (F.Y. 2012-13)	43.17	43.17
-Income Tax (F.Y. 2013-14)	4.61	4.61
-Income Tax (F.Y. 2016-17)	1.00	1.00
Total (a)	48.78	48.78
b) Uncalled money for paid up share capital:		
10,32,900 equity shares of Subham Buildwell Private Limited @ Rs. 10/- each at a premium of Rs. 122 per share; Rs. 72/- paid up (Rs. 60/- un called)	619.74	619.74
Total (b)	619.74	619.74
Total Contingent Liabilities	668.52	668.52

The amounts shown above represent the best possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

The Company had challenged the Constitutional validity of Fringe Benefit Tax (FBT) before the Hon'ble High Court at Calcutta and the Hon'ble court has dismissed the petition vide order dated 01.09.2017. However amount of FBT liability has not been determined by the department. The Company has filed Appeals before the Division Bench of Hon'ble Calcutta High Court against the Single Judge Bench. In view of this, the Company has not provided for any liability towards FBT till 31 March 2009. However, consequent upon abolition of FBT from accounting year 2009-10, no liability arises for the year.

36 A summon was received under section 131(1A) of the Income Tax Act'1961 requesting various information for the period from Financial Year 2014-15 to 2020-21. The Company is in the process of responding to the same and it does not expect any claim in this respect.

37 The holding company, Srei Infrastructure Finance Limited is under Insolvency and Bankruptcy Code, 2016 vide Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench Order dated 08th October 2021 and is presently operating under supervision of the Reserve Bank of India. In view of the Company, the business carried out by it is independent of the holding company and based on its' own assets and liabilities it is a going concern and will continue to remain same in near future as per its' estimates.

38 Disclosure pursuant to Section 186(4) of the Companies Act, 2013:Details of investment made by the Company is disclosed in Note 3 to the financial statements. Further, the Company has not provided any loans, guarantee or security.

TRINITY ALTERNATIVE INVESTMENT MANAGERS LIMITED
(FORMERLY, SREI ALTERNATIVE INVESTMENT MANAGERS LIMITED)

NOTES TO FINANCIAL STATEMENTS (CONTD.)

38 In respect of investment in Shubham Buildwell Private Limited, the book value has been considered as fair value since the full amount has not been paid for the same pending call against partly paid shares.

39 Balance with bank includes cheques in hand of Rs. 5.02 lakhs received from a related party, which has not yet been encashed.

40 Legal expenses includes Rs.24.59 Lakhs pertaining to prior period.

41 As per 4(a) of Ind AS 110, Consolidated Financial Statements, the Company is not required to prepare consolidated financial statements since it fulfils all the conditions mentioned therein. Accordingly, consolidated financial statements is being prepared by Srei Infrastructure Finance Limited (SIFL) having principal place of business in India.

42 Figures pertaining to the previous year have been rearranged/regrouped, reclassified and restated, wherever necessary, to make them comparable with those of current period.

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date annexed.

On behalf of the Board of Directors

For : Jha Yadav and Co.
Chartered Accountants
Firm Registration No.327725E

S/d
CA. H S Jha
Partner
Membership No. 055854

S/d
C S Samal
Director
DIN: 00194376

S/d
S K Pal
Director
DIN: 00268527

S/d
Company Secretary

Place : Kolkata
Date :