



Srei Infrastructure Finance Limited
Annual Report 2023-24

Corporate Information Page

(Annual Report 2023-24)

Board		

Mr. N. Sivaraman Chairman

Mr. Hardayal Prasad Managing Director & CEO

Mr. Sunil Srivastav

Ms. Anuradha Mitra

Mr. Avinash Kulkarni

Mr. P. Santhosh

Company Secretary & CCO

Mr. Manoj Kumar

Chief Financial Officer

Mr. Vishnu Gopal Agarwal

Auditors

M/s S. K. Agrawal and Co Chartered Accountants LLP

Audit Committee

Mr. N. Sivaraman Chairman

Mr. Sunil Srivastav

Mr. Avinash Kulkarni

Ms. Anuradha Mitra

Mr. Manoj Kumar (Non Member)

Secretary

Nomination and Remuneration Committee

Mr. Sunil Srivastav

Chairman

Mr. N. Sivaraman

Mr. P. Santhosh

Mr. Avinash Kulkarni

Secretary

Corporate Social Responsibility Committee

Ms. Anuradha Mitra

Mr. Sunil Srivastav

Mr. Avinash Kulkarni

Mr. Hardayal Prasad

Mr. Manoj Kumar (Non Member)

Mr. Manoj Kumar (Non Member)

Secretary

Chairperson

IT Strategy Committee of the Board

Ms. Anuradha Mitra

Chairperson

Mr. P. Santhosh

Mr. Hardayal Prasad

Mr. Manoj Kumar (Non Member)

Secretary

Corporate Identification Number

U29219WB1985PLC055352

Registered Office

"Vishwakarma", 86C, Topsia Road (South)

Kolkata - 700 046

Telephone: 91-33-6160-7734

Facsimile no: 91-33-2285-7542/8501

Email: corporate@srei.com Website: www.srei.com

Corporate Office

Plot No. Y-10, Block-EP, Sector-V, Salt Lake City, Kolkata - 700 091

Registrar and Share Transfer Agents (RTA)

Kfin Technologies Limited

Plot no. 31 & 32, Financial District

Nanakramguda, Gachibowli, Hyderabad - 500 032

Toll Free No.: 1800 309 4001 Whatsapp: (91) 910 009 4099 E-mail: einward.ris@karvy.com

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39th Annual General Meeting on September 26, 2024 at 11:30 A.M. (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM)







NCLT approval of the Resolution Plan, submitted by National Asset Restructuring Company Limited (NARCL), vide an order dated August 11, 2023, your Company constituted a professionally managed Board in February 2024. The Board also appointed Mr. Hardayal Prasad as its new Managing Director & CEO. The Board entrusted the new endeavour to Mr. Prasad given his wide experience in State Bank of India as its DMD and other significant experiences as MD & CEO of SBI Cards & Payment Services Limited and as MD & CEO of PNB Housing Finance Limited.

Your Company is strategically positioned to re-enter the Construction & Mining Equipment (CME) financing space given its inherent competence in the segment. The tailwinds in the sector are being propelled by significant budgetary allocations in the infrastructure space, with notable emphasis on Roads & Highways, Housing & Urban Development, Irrigation, Railways etc. As per industry reports the Indian CME industry grew by 26% in FY24 while important sub segments like Earth Moving Equipment, Material Handling Equipment and Road Construction Equipment grew by 21%, 61% and 40% respectively. Interestingly, the Earth Moving segment contributed 69% of the overall equipment sales. We also believe that financing in this segment will keep growing at equal or more pace in the next 5 years given Government's accelerated Infrastructure goal and a thumb rule that 15 to 20% of the budgetary allocation in most sub sectors go towards equipment buying.

While we take small but decisive steps towards the future, our efforts would be towards achieving profitable & sustainable growth through a culture of absolute transparency, high governance standards and effective customer delivery. Progressively we will aim to be the best-in-class asset finance company, with innovative products leading towards overall stakeholder satisfaction. Your Company envisages being a people friendly organisation with clear people strategies of reskilling and upskilling talent in this VUCA world. We will aspire to promote excellence through defined processes and policies.

We believe that in the medium and long term, our imprints would be an outcome of co-creation and continued stakeholder partnerships. Looking forward to being in the financing space soon.

Best Regards,

N. Sivaraman Chairman





Message from the Desk of the Managing Director & CEO's

Dear Stakeholders,

It is indeed invigorating to be given an opportunity to ignite the potential of your Company while we envision building a 'Great Place to Work'. As a team, our primary focus in the short and medium term is towards execution and speed to market. Since April 2024, the Senior Management Team at Srei Infrastructure Finance Limited has set upon building a strong Team of Professionals along with defining & designing a prudent Risk Management Framework, compliant Processes & Policies and a Digital Architecture to make business operations seamless. We would look towards creating scalable models that would stand the test of time and ever-evolving business cycles.

Your Company is engaged in scripting more than 150 systems and processes in the field of Accounts & Treasury, Products & Policies, Customer Loan Documentation & Communication, Regulatory & Statutory Compliances, Vendor Management, Human Resource Management, Information Technology Architecture & Systems and Business Development. In this arduous yet stimulating journey, the team has already accomplished more than half the tasks and remains well poised in concluding within timelines. This is becoming more and more possible owing to our collective enthusiasm to launch the business.

While we intend to enter the financing space through the Construction & Mining Equipment (CME) sector, we would also evaluate financing other operating assets in the B2B segment in the near future given the need to de-risk industry concentration. Our NBFC license coupled with profound banking expertise of The Apex Management motivates us to look at diverse and profitable ventures.

Our future desired profitability and business progression would be on a foundation of Credit Quality and unquestionable compliance. We will as a group practice a culture of innovation and will always be raising the bar without compromising in any of our core values as previously elaborated by our Chairman.

We believe that this is the start of creating stakeholder value by aligning the Company's goals to that of servicing the needs of the customers and the exponential infrastructure growth story of the country at large. The Senior Management Team of your Company remains committed to expeditious execution and delivery, along with crafting a momentous strategic intent. Looking forward to serving the customers soon.

Warm Regards,

Hardayal Prasad Managing Director & CEO



Directors' Report

DEAR MEMBERS,

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) had superseded the Board of Directors of your Company on October 4, 2021 and appointed Mr. Rajneesh Sharma, as the Administrator of your Company under Section 45-IE (2) of the RBI Act.

On October 8, 2021, vide order of the Hon'ble National Company Law Tribunal, Kolkata Bench (Hon'ble NCLT/Adjudicating Authority) Corporate Insolvency Resolution Process (CIRP) was initiated against your Company as per the Insolvency and Bankruptcy Code, 2016 (IBC/IBC Code/Code) and the appointment of the Administrator was confirmed to perform the functions of an interim resolution professional/resolution professional and to complete the CIRP of your Company as required under the provisions of the Code.

Thereafter, RBI vide its Press Release dated October 11, 2021, in exercise of the powers conferred under Section 45-IE 5(a) 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).

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

All the resolution plans were duly presented by the Administrator to the CoC at its 33rd meeting held on January 21, 2023 for CoC's consideration. All the plans submitted by the PRA's were duly given consideration to and the plan submitted by National Asset Reconstruction Company Limited (NARCL) in respect of your Company was approved by 89.2% votes and was chosen as a successful resolution plan under Section 30(4) of the Code (Resolution Plan).

The Administrator had filed an application under Section 30(6) of the Code before the Hon'ble National Company Law Tribunal (NCLT), Kolkata on February 18, 2023 for its approval of the Resolution Plan.

The Hon'ble NCLT vide the Order passed on August 11, 2023, approved the Resolution Plan submitted by NARCL under Section 31 of the Code.

In accordance with the terms of the Approved Resolution Plan, an Implementation and Monitoring Committee (IMC) was constituted for conducting the affairs of your Company and supervising the implementation of the Resolution Plan until all the steps and actions contemplated therein have been completed.

As per the Approved Resolution Plan, the Implementation and Monitoring Committee stands dissolved with the re-constitution of the Board on February 26, 2024.

Accordingly, your Directors are pleased to present the Thirty Ninth Annual Report together with the Audited Accounts of your Company for the Financial Year ended March 31, 2024.

COMPANY OVERVIEW

Your Company is registered with the Reserve Bank of India as a Non-Banking Financial Company - Investment and Credit Company (NBFC-ICC). Further, as per the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023, the Company is categorised as a Middle Layer NBFC. Your Company have not availed any public funds and does not have any customer interface. More details about the Company and its operations are available in the Management Discussion and Analysis Report.

The summarised consolidated and standalone financial performance of your Company is as follows:

KEY FINANCIALS

INANCIAL SUMMARY & STATE OF AFFAIRS (₹ in Lacs)							
	Cons	olidated	Stan	dalone			
Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023			
Total Income	73,961	1,56.289	1,347	2,143			
Total Expenses (including impairment on financial instruments, depreciation etc.)	8,52,765	2,51,554	3,201	2,419			
Profit/(Loss) Before Exceptional Items & Tax	(7,78,804)	(95,265)	(1,854)	(276)			
Exceptional Items	-	(10,15,593)	50,000	-			
Profit/(Loss) Before Tax	(7,78,804)	(11,10,858)	48,416	(276)			
Current Tax	-	49	-	5			
Income Tax in respect of earlier year	19	6	20	-			
Deferred Tax	(88)	(14)					
Profit/(Loss) After Tax before adjusting Minority Interest	(7,78,735)	(11,10,899)	48,126	(281)			
Non-Controlling Interest	(1)	1	-	-			
Profit/(Loss) After Tax after adjusting Minority Interest	(11,10,734)	(11,10,900)	48,126	(281)			
Surplus brought forward from previous year (Retained Earnings)	(27,52,019)	(15,95,424)	(2,56,374)	(2,56,117)			
Other Comprehensive Income (net of tax)		14,722	(8,850)	15,626			
Profit Available for Appropriation (Retained Earnings)	(10,91,239)	$\overline{(27,52,019)}$	82,886	(2,56,374)			
Paid up Equity Share Capital	100	50,309	100	50,309			
Other Equity excluding Revaluation Reserves	(10,74,756)	(17,52,324)	1,01,724	(62,376)			
Earnings Per Share (₹)	(216.07)	(220.82)	13.35	(0.06)			



OPERATIONAL REVIEW:

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

- Total Income is ₹ 1,347 Lacs as against ₹ 2,143 Lacs in the last year.
- Profit before taxation is ₹ 48,146 Lacs as against loss before taxation ₹ 276 Lacs in the last year.
- Net profit after taxation is ₹ 48,126 Lacs as against Net loss of ₹ 281 Lacs in the last year.

The Capital to Risk Assets Ratio (CRAR) of your Company stood at 159.41 per cent (entire being Tier I) as on March 31, 2024, well above the regulatory minimum level of 15 per cent prescribed by the Reserve Bank of India.

Standalone

During the Financial Year under review, the standalone and consolidated financial statements for the year ended March 31, 2024 have been prepared as per the Ind AS. For the Financial Year under review, your Company has a Profit Before Taxes of ₹ 48,146 Lacs as against ₹ (276) Lacs in the previous Financial Year and Profit/Loss After Tax for the year under review is ₹ 48,126 Lacs as against a Profit/Loss of ₹ (281) Lacs in the previous Financial Year.

Consolidated

During the Financial Year under review, your Company's total revenue on consolidated basis stood at ₹ 73,961 Lacs as compared to ₹ 1,56,289 Lacs in the previous Financial Year. The overall operational expenses for the Financial Year under review were ₹ 8,52,765 Lacs, as against ₹ 2,51,554 Lacs in the previous Financial Year. Operating Loss Before Tax for the year under review stood at ₹ 7,78,804 Lacs as compared to ₹ 95,265 Lacs in the previous Financial Year. The Loss After Tax for year under review stood at ₹ 7,78,735 Lacs as against ₹ 11,10,899 Lacs in the previous Financial Year.

The Financial Statements of your Company have been prepared in accordance with Ind AS and the relevant provisions of the Companies Act, 2013 and rules made therein, as applicable.

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 on-going basis.

Your Company has been complying with all the norms prescribed by the Reserve Bank of India (RBI) including the Fair Practices, Anti Money Laundering and Know Your Customer (KYC).

DELISTING

The Securities of your Company were listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE), however, in terms of the Approved Resolution Plan the Securities of your Company have been delisted from both BSE and NSE w.e.f. December 14, 2023.

TRANSFER TO RESERVES

Your Company has not transferred any amount to reserves during the Financial Year ended March 31, 2024.

CLASSIFICATION AS INVESTMENT AND CREDIT COMPANY (ICC) AND PUBLIC FINANCIAL INSTITUTION (PFI)

Your Company had been classified as an 'Infrastructure Finance Company' ('IFC'). However the Reserve Bank of India has re-designated your

Company as an 'Investment and Credit Company' ('ICC'). The Approved Resolution Plan also takes cognizance of the change in registration of your Company so that your Company can carry on business as an asset finance company. Your Company has taken the required steps with the Reserve Bank of India for obtaining the new Certificate of Registration ('CoR') reflecting your Company's modified classification as an ICC. Your Company is also notified as a Public Financial Institution (PFI) by the Ministry of Corporate Affairs (MCA), Government of India.

OPERATIONS

In terms of the Approved Resolution Plan, the Board of Directors of your Company has been re-constituted on February 26, 2024. Subsequent to the re-constitution of the Board of Directors of your Company on February 26, 2024, the Board has appointed the Managing Director & CEO who has assumed charge on April 15, 2024.

The present management of your Company under the guidance of the Managing Director & CEO is taking necessary steps to resume business of your Company as an asset finance company and has undertaken various efforts to strengthen the policies and processes, functioning of the IT System, legal, internal audit, internal financial controls and updating risk control matrixes, information security, operational and credit management risk and fraud risk management, through in-house resources and engagement of external professional experts/consultants. The management team has also initiated steps for compliance of various applicable rules and regulations within your Company.

DIVIDEND

In order to conserve capital, the Board of Directors of your Company have not recommended any dividend on Equity Shares of the Company for the Financial Year ended March 31, 2024.

PUBLIC DEPOSITS

Your Company being a Non-Banking Non Deposit taking Company, your Company has not accepted any deposits from the public/members under Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 during the year and within the meaning of the provisions of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 and on March 31, 2024 your Company does not have any unpaid/unclaimed deposits payable to the depositors.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC REVIEW

Global Outlook

The global economy is facing heightened risks from elevated public debt, longer stance of monetary policy, bouts of volatility unsettling financial markets on incoming data & the slow progress in the last mile of disinflation. Prolonged geopolitical tensions & potential shocks to logistics & supply chains remain a clear & present threat with spillovers to commodity prices, the ongoing disinflation & eventually to the global economic outlook. However, the balance of risks for global financial stability has improved.

The goal of bringing inflation down to targets remains the key focus of monetary policy authorities the world over, although headwinds are being encountered from sticky services inflation, elections across half the world's population, & the recent firming up of commodity prices, besides persisting geopolitical tensions. Despite these challenges & as market expectations about the future course of monetary policy re-aligned with policy guidance, financial conditions have stabilized & risks of a hard landing have receded. The global headline inflation is expected to fall to 4.4% in FY25 from 5.8% in FY24.

The need is for global cooperation to safeguard trade, support green & digital transitions, provide debt relief, & enhancing food security. Growth in major advanced economies is also becoming more aligned as output gaps are closing. The USA shows increasing signs of cooling, especially in the labor market. The Euro area, meanwhile, is poised to pick up after a nearly flat performance last year. Real GDP growth is on a rising trajectory, supported by macroeconomic & financial stability. The domestic financial system is well buffered with strong capital & liquidity ratios, declining levels of asset impairment & rising profitability. World trade volume is also expected to recover as per the IMF's assessment, potentially easing the constraint from net exports. Against this backdrop, the International Monetary Fund (IMF) has projected the global growth to remain steady at 3.3% in FY25 from 3.2% in FY24.

Indian Scenario

The Indian economy remains robust & resilient, anchored by macroeconomic & financial stability. With improved balance sheets, banks & financial institutions are supporting economic activity through sustained credit expansion. Real GDP rose to 8.2% in FY24 up from 7% in FY23, despite muted private & government final consumption & external demand as a drag. With monsoons expected to be above normal, RBI has projected real GDP at 7.2% during FY25 & kept the repo rate at 6.50%, noting domestic economic resilience.

There are several positives for the Indian economic outlook viz., favorable demographic dynamics, strengthening of domestic demand conditions, highest business optimism, government's sustained focus on capital expenditure, firms utilising high profits to augment investible resources while bringing down leverage, gathering pace of real estate activity which, alongside public investment on infrastructure, is driving a construction activity cycle, rising of services exports, fiscal consolidation as per Budget estimates in FY25, fiscal deficit is estimated to be 5.1% in FY25 against 5.8% of GDP in FY24, with buoyant tax collections & deepening of credit growth. Downside risks to this outlook stem from global slowdown & spillovers, geopolitical risks & their impact on supply conditions & commodity prices, slack in the rural economy & uncertainties related to weather conditions.

In an uncertain global economic & financial environment, India remains an attractive investment destination. In FY24, net inflows of foreign portfolio investments into India, recorded a sharp turnaround, reaching its 2nd highest level ever at USD 44.6 billion. Overall, capital flows are expected to remain strong, supported by macroeconomic stability.

Non-Banking Financial Companies (NBFCs) in India

As per the Regulatory Structure under Scale Based Regulation - Master Direction-RBI (Non-Banking Financial Company – Scale Based Regulation) Directions - updated as on 21st Mar'24 for NBFCs shall comprise of four layers based on their size, activity & perceived riskiness.

Indian NBFCs help to fill the credit gap by providing loans & other services to the corporate houses, unincorporated retail traders, MSMEs, small traders & local small businesses in addition to the structured credit market thereby helping in the generation of wealth, extension of credit, improvement of business capacity & creation of employment opportunities. NBFCs have undergone remarkable growth within the country's financial landscape & the sector has reached an impressive size of USD 326 billion, underscoring its expanding influence in the financial domain.

Credit growth in respect of the investment & credit companies (NBFC-ICCs) & infrastructure finance companies (NBFC-IFCs) have multiplied many folds. NBFCs were the largest net borrowers of funds from the financial system, with gross payables of INR 16.58 Lac Crores & gross receivables of INR 1.61 Lac Crores as at end-Mar 24. A breakup of their

gross payables reveals that the bulk of funds were sourced from SCBs, followed by AMC-MFs & insurance companies.

Budgetary Push by the Government and Project Outlays

The Union Budget FY24 proposed a steep increase in capital investment outlay envisioning that it would be the driver of growth & jobs. The proposal was to increase it for the 3rd year in a row, by 33% to INR 10 Lac Crores, which would be 3.3% of GDP & almost three times the outlay in 2019-20. Going by the trend the infrastructure outlay for the year FY25 will augur well for the Construction Equipment Industry & will aid India's growth trajectory. The outlay is INR 2.78 Lac Crores for Roads & Highways, INR 2,134 Crores for Mining & Quarrying, INR 77,524 Crores for Housing & Urban Affairs, INR 2,346 Crores for Ports & Waterways, INR 2,300 Crores for Airports & INR 2.55 Lac Crores for Railways. Further, to spur investment in infrastructure & to incentivize States for complementary policy actions, it is proposed to continue the 50-year interest free loan to State Governments for one more year with the outlay in this regard being enhanced significantly to INR 1.3 Lac Crores.

The National Infrastructure Pipeline (NIP) projected investment of INR 111 Lac Crores for FY20-25 will include infrastructure projects of more than INR 100 Crore covering Greenfield & brownfield investments. The NIP currently has 8,964 projects with a total investment of more than INR 108 Lac Crores under different stages of implementation. Given the quantum of funding involved, a creative financing option such as asset monetisation was also envisaged through the INR 5 Lac Crores National Monetisation Pipeline.

Industry Structure and Development

India has to enhance its infrastructure to reach its 2025 economic growth target of US\$ 5 trillion. India's population growth & economic development require improved transport infrastructure, including investments in roads, railways, and aviation, shipping & inland waterways. As per RBI, in the past 4 years until Mar'24, Real Estate Investment Trusts (REITs) & Infrastructure Investment Trusts (InvITs) have amassed USD 15.60 billion (INR 1.3 Lac Crores). In Mar'24, multiple connectivity projects have been inaugurated in Kolkata totaling USD 1.8 billion and the Civil Aviation has announced inauguration of 15 airport projects worth USD 12.1 billion by 2028.

The Indian government's Budget for FY25 has seen a significant uplift in allocation for the infrastructure sector, with a pronounced focus on Energy Transition. This will imply higher deal activity as a significant part of this infra will be built on PPP model (Public-Private Partnership) & it will need equity from sponsors and investors & project finance from lending institutions. This will also be a big boost for all in the value chain from EPC players to equipment suppliers. The current budget outlines an ambitious capital expenditure target of USD 133 billion, representing 3.4 percent of the GDP as infra spend.

The Indian Construction Equipment (CE) industry recorded 26% growth in sales volume over FY24 with a record breaking annual sales of 1.35 Lac units. The industry is projected to triple in size by 2030. This landmark sales growth comprises a positive performance by all 5 equipment segments, especially the 21% increase in sales of Earthmoving Equipment comprising a large share of 70% in total CE sales, followed by Material Handling Equipment with a growth of 61%. To implement the long-term target of renewable energy installation capacity i.e. 500 GW by 2030, additional 300 GW needs to be commissioned & this would entail capex of USD 160 Billion over next 5 years with an equity outlay of USD 40 Billion. Infrastructure development will need active participation of the states, especially for urban infrastructure & last mile connectivity & to accelerate that, the budget has allocated USD 18 Billion financing for states.



Business Outlook and Future Plans

India's investment cycle should be on a medium-term uptrend supported by rising government investment in infrastructure & recovery in the real estate cycle. Higher private investments in renewable energy & related supply chains, localization of higher-end technology components, & India becoming a more meaningful part of global supply chains to support faster growth.

After a healthy GST collection of INR 20.02 Lac Crores in FY24, the amount collected in the 4 months from Apr'24 to July'24 is INR 7.25 Crores giving a boost to the government's expected GST collection of INR 24 to 27 Crores in FY25, which would pave way for higher spending by the central & state governments. Liquidity, which remained negative for most of the month, has turned positive on the back of on-going Government spending & G-Sec maturities. Both RBI & the Government have given soft signals on improving liquidity conditions & it should remain a key theme going forward.

The USD 1.3 trillion, national master plan for infrastructure, Gati Shakti, has been a forerunner to bring about systemic & effective reforms in the sector, & has already shown a significant headway. Infrastructure support to the nation's manufacturers also remains one of the top agendas as it will significantly transform goods & exports movement making freight delivery effective & economical. The "Smart Cities Mission" & "Housing for All" programmes have benefited from these initiatives.

The Construction Equipment verticals in FY24 viz., YoY Earthmoving – grew up 21%, Material handling – grew up 61%, Road construction, Material processing & Concrete equipment grew up 19% & are poised to grow in line with the many projects announced by the government in FY25. To meet India's aim of reaching a USD 5 trillion economy by 2025, infrastructure development is the need of the hour. The government has launched the National Infrastructure Pipeline (NIP) combined with other initiatives such as 'Make in India' & the production-linked incentives (PLI) scheme to augment the growth of the infrastructure sector.

The management of your Company is closely tracking these developments in order to source new business opportunities and make the business verticals ready to start concentrating on the construction & mining equipment business. The above strategic initiatives position SIFL amid India's promising economic space. SIFL remains committed to focussing on innovative financing solutions in order to generate long term value for the shareholders and stakeholders alike through good governance and adhering to policy compliance.

BUSINESS REVIEW

A. Asset Finance Company

Your Company is registered with the Reserve Bank of India (RBI) as a NBFC-Middle Layer. Your Company had discontinued the NBFC activities due to establishment of TRA Account and initiation of CIRP. The Approved Resolution Plan states that your Company shall resume business as an asset finance company. The management of your Company under the guidance of the Managing Director & CEO is taking steps to resume business in your Company during the current financial year.

B. Infrastructure Project Advisory

About the Division

The Infrastructure Project Advisory Division of your Company continues to play a pivotal role in the infrastructure spectrum as strategic advisors to Central/State Governments, Statutory Bodies, PSUs and Urban Local Bodies in India and abroad. Your Company has been offering advisory, consultancy and other allied value added services from concept to commissioning in different domains

of Infrastructure – majorly Urban and Industrial precincts. Some of the significant projects undertaken are given hereunder:

■ Multilateral Funded Projects/Assignments

Your Company has been a part of the Asian Development Bank (ADB) funded project for development and preparation of a comprehensive strategy for integrated urban infrastructure development in 7 (seven) District Headquarter (DHQ) towns and 13-Urban Local Bodies (ULBs) in Tripura.

Smart City Mission Programme

Your Company has been working as Project Management and Development Consultant for Smart City projects under Smart City Mission at Bareilly in Uttar Pradesh.

Atal Mission for Rejuvenation and Urban Transformation (AMRUT):

- As Independent Review and Monitoring Agency (IRMA), your Company has successfully completed periodic review and monitoring of projects under AMRUT for Rajasthan cluster during the year;
- Your Company has been engaged for (i) Creation of Base Maps for 25 towns and Formulation of GIS based Master Plan for 8 towns under 2 (two) clusters in West Bengal and (ii) Creation of Base Maps and Preparation of GIS based Master plan for 14 towns under 2 (two) clusters in Odisha.

Jal Jeevan Mission (JJM)

As part of the Central Government's ambitious mission programme "Jal Jeevan Mission", your Company has been working as Third Party Inspection Agency in Kargil District with the objective to cover maximum possible households under tap water supply.

■ Food Processing

For the Ministry of Food Processing Industries, Government of India, your Company has been working as Programme Management Agency (PMA) for:

- Mega Food Park Scheme to facilitate establishment of Mega Food Parks in "Cluster" approach for creation of state-of-theart support infrastructure in a well-defined agri/horticultural zone for setting up of modern food processing units;
- The Scheme for creation of infrastructure for Agro Processing Clusters under the Central Sector Scheme – Kisan Sampada Yojana which aims at development of modern infrastructure and common facilities to encourage group of entrepreneurs to set up food processing units based on cluster approach;
- The Scheme of Creation/Expansion of Food Processing/ Preservative Capacities (CEFPPC) under the Central Sector Scheme – Scheme for Agro-Marine Produce Processing and Development of Agro Clusters (SAMPADA).

Tourism

Your Company has been successfully providing Project Management Consultancy Services for development of Manipur Mega Ecotourism Project' in Manipur.

Other Infrastructure Engagements

Your Company continues to work for the following projects in the Urban Infrastructure domain:

- Project Management Consultant (PMC) for implementation of 3 (three) specific Sewerage Schemes in Goa;
- Independent Engineer & Auditor for Food Corporation of India to oversee/supervise setting up of Silos on Design, Build,

Finance, Own & Operate (DBFOO) basis for storage of food grains at Sangrur in Punjab and Kannauj in Uttar Pradesh.

International Engagements

During the year under review, your Company has successfully provided Comprehensive Training Services on PPP in Bangladesh sponsored by the PPP Authority, Govt. of Bangladesh with the aim of institutionalizing the PPP capacity building program in the country.

Ushering into a new era of growth and value creation

This FY 2023-24 has been a challenging one for the business owing to finalization of the Company's resolution plan wherein the main focus had been on astute consolidation and focussed cash flow management - through effective operational management, cost rationalization. Your Company has since adopted the principle of maintaining positive bottom-line through "doing more with less". As a result, your Company has been able to register robust profit highlighting operational efficiency. Compared to last fiscal, the business registered a growth of 46% in its contribution and has stabilized the business module in the CIRP period. It was able to secure fresh mandates worth registering a growth of 153% on this parameter vis-à-vis the earlier fiscal. Under the new leadership and management, this Division of your Company is pursuing the consolidation process. Now, with the resolution plan adopted and new management team taking over, the Division has been able to retain its self-sustainability model. Further, based on this strategic approach, this business registered a growth of more than 150% in new business procurement which has been the essence of creation of a platform for future growth. Coupled with right mix of professionals, this business is now geared up to look ahead with stronger business fundamentals and operational efficacy.

In this fiscal also, your Company continued on its strategic path that it embarked upon since the initiation of CIRP process which has led to:

- Effective use of resources with multi-tasking in terms of delivery and business procurement.
- Initiation of process of treating each project as SBUs in terms of its P&L.
- More focus on acquiring new mandates.

Looking Forward

The Advisory & Government consulting space appears to be thriving with opportunities owing to the policies and mission programmes as adopted/launched by Goyt, of India. In recognition of "Cities" being the "Growth Engines" of India (3% of aggregate land area of cities contributes to 60% of GDP with rate of Urbanization being 38%), renewed focus on Urban Infrastructure through Smart City Mission 2.0, AMRUT 2.0, Rental Housing Scheme for Urban Poor etc. been launched. Further, Government spending in Consultancy & Advisory domain has been registering robust year on year growth and it is envisaged that future spending in sectors like Urban Development, Transport, Highways, Logistics, Railways etc. will have a direct positive growth & sustainability of this business domain. Your Company has its strength in its 2 decades of operational experience, handling of major assignments successfully, having right mix of professionals to kick start growth along with a network of partners & associates who are now energized owing to the Company coming out of CIRP. With future outlook being positive and cross mapping the business's strength areas, it is evident that through right mix of optics, future growth can be obtained through focusing on: Urban Planning, Urban Development,

Tourism, Urban Transport, Logistics, Food Processing, Railways, Civil Aviation, etc.

SREI EQUIPMENT FINANCE LIMITED

Srei Equipment Finance Limited (SEFL), a wholly owned subsidiary of your Company, the gross profit/(loss) before depreciation, amortization, impairment, Net loss on derecognition of financial instruments under amortized cost category, Impairment on financial instruments (Net), Loss/write-off on Repossessed Assets and Assets acquired in satisfaction of debt and exceptional items, net tax expenses for the year was ₹ (51,836) Lacs as against ₹ (9,06,360) Lacs last year.

Profit/(loss) before taxation for the year was ₹ (7,64,729) Lacs as against ₹ (11,21,928) Lacs in the last year.

Net profit/(loss) after taxation for the year was ₹ (7,64,729) Lacs as against ₹ (11,21,928) Lacs in the last year.

RESOURCES

Private Placement of Equity Shares

In terms of the Approved Resolution Plan, National Asset Reconstruction Company Limited (NARCL), India Debt Resolution Company Limited (IDRCL) Approving Financial Creditors (as defined in the Approved Resolution Plan) and Kairos ESOP Welfare Trust (as defined in the Approved Resolution Plan) have subscribed to 4,60,000 equity shares having a face value of INR 10/- each, 2,40,000 equity shares having a face value of INR 10/- each, 2,00,000 equity shares having a face value of ₹ 10/- each and 1,00,000 equity shares having a face value of INR 10/- each respectively.

The members of the Company have at the Extra Ordinary General Meeting held on May 7, 2024 approved the restructuring of the Share Capital of the Company by sub-dividing the existing equity shares into face value of ₹ 1/- (Rupee One only) per share in place of ₹ 10/- (Rupees Ten only) per share in terms of the Approved Resolution Plan.

Further, in terms of the Approved Resolution Plan, an amount equivalent to total outstanding constituting perpetual debt of the Company, and other liabilities less any recovery pursuant to the Resolution Plan had been converted into 49,00,06,197 (Forty Nine Crores Six Thousand One Hundred and Ninety Seven) equity shares having a face value of ₹ 10/- (Rupees Ten) each, aggregating to ₹ 490,00,61,970/- (Rupees Four Hundred and Ninety Crores Sixty One Thousand Nine Hundred and Seventy only) equity shares of the Company and thereafter, cancelled by way of Capital Reduction.

Moreover in terms of the Approved Resolution Plan, the issued equity share capital of the Company held by the shareholders of the Company and any right to subscribe to, or be allocated such equity shares, including any employee stock options, pre-emptive subscription rights or convertible instruments held by any person other than the equity shares held by NARCL, IDRCL, Approving Financial Creditors ("AFCs") (as defined in the Approved Resolution Plan) and Kairos ESOP Welfare Trust (as defined in the Approved Resolution Plan) has been entirely cancelled and extinguished by way of capital reduction, without payment of any price to the erstwhile shareholders.

Accordingly, your Company's present shareholding is of 1,00,00,000 equity shares at ₹ 1/- each amounting to ₹ 1,00,00,000/- (Rupees One Crore Only) in terms of the Approved Resolution Plan.

Public Issue of Secured and Unsecured Subordinated Redeemable Non-Convertible Debentures (NCDs)

During the year under review, your Company has not mobilised any additional resources through non-convertible debentures ('NCDs'), External Commercial Borrowings, Masala Bonds, Subordinate Debt, Perpetual Debt Instruments (PDI), Bank Borrowings, etc.



As regards to NCDs issued earlier, as intimated earlier all creditors shall be paid as per the Approved Resolution Plan.

ESOP TRUST

The Approved Resolution Plan envisaged the creation of SIFL ESOP Trust and issuance of Equity Shares to SIFL ESOP Trust. Accordingly a registered trust in the name of Kairos ESOP Welfare Trust has been established for the benefit of the employees of your Company and its subsidiaries with Mr. Vishnu Gopal Agarwal, Ms. Romita Singh and M/s. KP Corporate Solutions Limited as Trustees. 1,00,000 (One Lac) equity shares of the Company having a face value of INR 1/- each, aggregating to INR 10,00,000/- (Indian Rupees Ten Lacs) is being held by Kairos ESOP Welfare Trust in accordance with the Approved Resolution Plan.

RISK MANAGEMENT

The risk policies and procedures of your Company are derived from the guidance and relevant directives provided from time to time by the Reserve Bank of India (RBI) applicable for designated classifications of Non-Banking Finance Companies (NBFCs) that your Company is included in and other regulatory authorities and continuously bench marked with industries best practices.

Your Company's risk management strategies are well defined to identify, measure and mitigate various risks associated with the operating business module, adherence assessment procedures followed with continuous monitoring.

Risk management continues to be an important area of your Company's operations especially in an environment which is characterized by increasing uncertainties like pandemic, changes in operational procedures owing to market alignment, etc.

The risk strategy of your Company is enunciated and overseen by the Risk Management Committee, an independent 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 Risk Management Committee in consultation with other Committees, viz. the Asset Liability Management Committee (ALCO), constitutes the governing framework for various types of risk and business activities undertaken within this policy framework.

Your Company is striving to manage its risks in a proactive manner and has put in place a Risk Management Policy for comprehensive coverage of Risks and adopted structured approach to risk management by developing and implementing risk management framework. While the earlier policies have been continued to be in effect, Board is in the process of reviewing & approving all the Policies including Credit Risk, Operational Risk, Market Risk, Liquidity Risk, IT Risk etc.

In addition, to managing 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.

Your Company's has its Data Center (DC) on AWS (Amazon Web Services) Cloud. As part of the implemented policies in AWS, automated AMI (Amazon Machine Image) backups are performed for all application and database servers. Such backups are periodically restored to check their usability. Servers can be restored from the AMIs in case of a disaster.

Information/Cyber Security risks include the risks arising from unauthorized access, use, disclosure, disruption, modification or destruction of information or information systems, including the probability of exposure or loss resulting from a cyber-attack or data breach on the Company. Your Company has put in place an Information Security & Cyber Security Policy to establish a robust Information Security Risk Management Framework.

Your Company has implemented endpoint, email & web security solutions to detect & prevent security threats at various levels.

Your Company's Cyber Security Operations Centre (C-SOC) 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 also conducts periodic training to increase user awareness about different facets of information/cyber security.

HUMAN RESOURCES ACTIVITIES

The completion of the Corporate Insolvency Resolution Process (CIRP) was a milestone achievement, bolstering our commitment to financial stability and fostering avenues for future growth. The Financial Year 2023-24 witnessed the infusion of new investment which revitalized company operations, introduced innovative working methodologies, and substantially elevated morale and motivation throughout the organization.

The strategic reorganization has resulted in a more streamlined, dynamic, and agile operational structure, proving to be exceedingly beneficial in navigating the contemporary business climate. Regular town hall meetings played a critical role in maintaining an informed, reassured, and confident internal stakeholder base, managed with the utmost professionalism. The leadership's flexibility and the collaborative efforts led by the C-suite team instilled a constant sense of positivity, revival, and rejuvenation across all levels and grades, reinforcing faith in the potential for a turnaround and a bright future focused on recovery and new business development.

During the year, new initiatives such as the introduction of a Quarterly Staff Welfare Fund and revisions in conveyance claims for Feet on Street staff were implemented. These were complemented by role enrichment opportunities and the introduction of flexible working hours and workfrom-home options for those with dire need of support on medical grounds, further supported our staff during these times. The organization also took care of financial incentives; even during the CIRP, increments and incentives were awarded, highlighting our commitment to employee welfare. Other benefits included the bearing of Group Mediclaim premiums by the organization, the provision of a holiday home facility for staff at subsidized rates, and the establishment of an Emergency Medical Corpus for staff

The philosophy of our Company this year was encapsulated by the principle, "Empower and Connect: Building a Unified Workforce." A diverse array of staff engagement activities were rolled out, significantly boosting employee morale and fostering a collaborative spirit across departments. These initiatives extended beyond professional spheres, involving employees in philanthropic efforts and creating a stress-free workplace where individuals felt valued and engaged.

A resolute commitment to diversity and inclusion remained a guiding principle of our HR strategy. International Women's Day was prominently celebrated, acknowledging and appreciating the contributions of our women employees at all levels of the organization. The health of our employees and their families was prioritized as the greatest asset. Comprehensive health check-ups and wellness workshops were conducted throughout the year, reflecting our commitment to the holistic well-being of our workforce.

A thorough reassessment of internal policies was undertaken to enhance compliance and risk mitigation. Management meet-ups underscored our on-going commitment to operational sustainability. A renewed focus was placed on building in-house capabilities to adapt to new business models and operational enhancements. Although the Learning and Development (L&D) initiatives last year were limited, the Company remains committed to leveraging technology to expand reach, speed,

and scope, significantly contributing to operational efficiencies. The team ensured and achieved full compliance with all mandatory regulatory training requirements through our robust e-learning platforms.

Throughout the year, the HR team emphasized providing timely and effective support to each employee, fostering a culture of resilience and wellness. The HR Business Partner team played a crucial role in maintaining open lines of communication, ensuring that the workforce was connected, supported, and heard.

Further, pursuant to the Approved Resolution Plan, since the Company would be spearheading the new business activities, it was proposed to transfer specific employees from Srei Equipment Finance Limited ('SEFL'), wholly owned subsidiary of the Company to the Company in a phased manner.

Based on the recommendations of the Nomination and Remuneration Committee, the Board has approved the transfer of specific employees from Srei Equipment Finance Limited (SEFL) to the Company and the revised Organisation Structure of the Company. Accordingly, certain specific employees have been transferred from SEFL to your Company.

In this moment of reflecting on the past year, it is clear that the focus on human capital has not only sustained but also enriched the corporate ecosystem, instilling a profound sense of pride and belonging among the employees. The HR team's dedication to excellence and strategic initiatives has been central to the organization's achievements and will continue to drive success in the upcoming years.

INFORMATION TECHNOLOGY

Information Technology plays a pivotal role in your Company's journey. Your Company continues to leverage its technology to implement a resilient and secure infrastructure.

Your Company manages a variety of risks that can significantly affect its performance and ability to meet the expectations of its customers, regulators and other stakeholders. In the past year, your Company's focus has primarily been on maintaining & optimizing the existing IT infrastructure. While significant new developments have been limited, it has been ensured that the IT systems continue to support the operations effectively & securely.

The primary objective of your Company has been to ensure the stability & reliability of its IT systems. Regular maintenance & support activities, including routine updates, patch management and system performance monitoring have been carried out to ensure that the IT systems remain operational & efficient. Your Company has continued to prioritize data security & compliance with regulatory standards.

Your Company runs regular awareness campaigns to educate its employees regarding the various aspects of Information Security, through various modes like periodic advisories 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 control side, your Company has a proper reporting structure, oversight Committees and rigorous performance appraisal system to ensure checks and balances. On the financial control 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 Audit Committee of the Board. The purpose, scope, authority and responsibility of the Internal Audit Department are delineated in the Risk Based Internal Audit Policy approved by the Board/Audit Committee of the Board. 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/Board. Status of compliances of audit observations and follow up actions taken thereon are reported to the Audit Committee of the Board. The Audit 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 information technology (IT) systems and processes is conducted at least once in a year to assess IT 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.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

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 which, inter-alia lays down the guidelines and mechanisms for undertaking socially useful projects for welfare and sustainable development of the Community at large. The said policy is available at the website of the Company at https://www.srei.com/sifl_corporate policies/Corporate_Social_Responsibility_CSR_Policy.pdf.

During the Financial Year 2020-21, your Company had sanctioned contribution of ₹ 78,15,000/- (Rupees Seventy Eight Lacs and Fifteen Thousand only) for disbursement to various entities. However, as on March 31, 2021, your Company could disburse an amount of ₹ 24,95,000/- (Rupees Twenty Four Lacs and Ninety Five Thousand only), being 0.66 per cent of the average net profits of last 3 (three) immediate Financial Years preceding Financial Year 2020-21, towards CSR activities pursuant to CSR Policy of your Company. The balance sanctioned amount of ₹ 53,20,000/- (Rupees Fifty Three Lacs and Twenty Thousand only) could not be disbursed till March 31, 2021 due to the establishment of Trust and Retention Account (TRA) whereby all the business payments of your Company were being controlled by the Bankers and your Company had no control on the cash flows. Several requests were made to the Bankers to disburse the aforesaid amount as committed to the concerned entities. However, the Bankers did not disburse the entire sanctioned amount. Thereafter, the Corporate Insolvency Resolution Process (CIRP) of your Company commenced from October 8, 2021 pursuant to which your Company was further unable to disburse the balance sanctioned amount of ₹ 53,20,000/-(Rupees Fifty Three Lacs and Twenty Thousand only). Furthermore, due to the on-going CIRP, your Company did not sanction any further contribution towards CSR activities. Your Company is however committed



to remain a socially responsible organization supporting the national aspirations and missions.

Further, in terms of the Approved Resolution Plan, the aforesaid payment has been waived off. Accordingly, your Company does not have to make any payment arising of the aforesaid obligations.

SREI 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 regulatory disclosures, 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. The customers can also download essential documents directly from the website.

SUBSIDIARY COMPANIES

The Statement in Form AOC-1 containing the salient features of the

financial statement of your Company's subsidiaries pursuant to first proviso to Section 129(3) of the Companies Act, 2013 (Act) read with Rule 5 of the Companies (Accounts) Rules, 2014, forms part of the Annual Report. Further, in line with Section 129(3) of the Act read with the aforesaid Rules, and in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS Rules) read with Schedule III to the Companies Act, 2013, Consolidated Financial Statements prepared by your Company includes the financial information of its subsidiary companies.

A Report on the performance and financial position of each of the subsidiaries included in the Consolidated Financial Statements prepared by your Company as per Rule 8(1) of the Companies (Accounts) Rules, 2014, forms part of the annual accounts of each of the subsidiary companies and also forms part of Form AOC-1. The said Report is not repeated here for the sake of brevity. Members interested in obtaining a copy of the annual accounts of the subsidiaries may write to the Company Secretary at the email id investor.relations@srei.com.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of your Company and audited accounts of each of its subsidiaries, are available on your Company's website www.srei.com.

Highlights of the performance of subsidiaries and their contribution to the overall performance of your Company during the period under report are given below:

Name of the Subsidiary/Associate	Turnover/Total Income for the Financial Year ended 31.03.2024 (₹ in Lacs)	Profit After Tax (PAT) for the Financial Year ended 31.03.2024 (₹ in Lacs)	% Contribution on Turnover/ Total Income for the Financial Year ended 31.03.2024	% Contribution on PAT for the Financial Year ended 31.03.2024
Srei Capital Markets Limited	8.12	(21.19)	0.01	(0.00)
Srei Asset Leasing Limited				
(Formerly Srei Finance Limited)	8.18	6.94	0.01	0.00
Bengal Srei Infrastructure Development Limited	5.46	(0.81)	0.01	0.00
Controlla Electrotech Private Limited	436.15	(44.37)	0.59	0.00
Srei Mutual Fund Trust Private Limited	0.27	(0.22)	0.00	0.00
Srei Mutual Fund Asset Management Private Limited	78.63	1.20	0.11	0.00
Srei Insurance Broking Private Limited	222.54	(247.64)	0.30	0.00
Srei Equipment Finance Limited (SEFL)	72,750.00	(7,64,729.00)	98.36	0.00

^{*}The Company has not received the Board approved Financial Statements from Trinity Alternative Investment Managers Limited (TAIML) and its two step down subsidiaries viz., Hyderabad Information Technology Ventures Enterprises Limited and Cyberabad Trustee Company Private Limited for the Financial Year ended March 31, 2024 and accordingly the Financial Statement of these three Companies has not been considered for consolidation as on March 31, 2024.

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

During the Year under review the following material changes affecting the Financial Position of your Company had taken place in terms of the Approved Resolution Plan:

- Delisting of Securities of your Company;
- Extinguishment of Liabilities and Reduction of Share Capital of your Company;
- Reconstitution of the Board of your Company;
- Transfer of 122 employees to the Company; and
- > Application for conversion of your Company from IFC to ICC.

Each of the abovementioned points have been covered in detail in this report hence, the same is not repeated here for the sake of brevity.

KEY MANAGERIAL PERSONNEL (KMPs)

The following executives of your Company are whole-time Key Managerial

Personnel (KMPs) in accordance with the provisions of Section 2(51) read with Section 203 of the Companies Act, 2013 as on the date of this report:

Name	Designation
Mr. Hardayal Prasad*	Managing Director & CEO
Mr. Manoj Kumar**	Company Secretary & CCO
Mr. Vishnu Gopal Agarwal#	Chief Financial Officer

*Mr. Hardayal Prasad has been appointed as the Managing Director & CEO of the Company w.e.f. April 15, 2024.

**Mr. Manoj Kumar was appointed as the Company Secretary w.e.f. April 1, 2021 and was later appointed as the Chief Financial Officer (CFO) of the Company w.e.f. December 8, 2021. Further, Mr. Kumar was appointed as the CCO of the Company w.e.f. December 01, 2023 accordingly, ceased be a CFO w.e.f. December 01, 2023.

#Mr. Vishnu Gopal Agarwal was appointed as the CFO of the Company w.e.f. December 01, 2023.

Mr. Syed Faisal Aquil was appointed as the Manager of the Company w.e.f. November 30, 2023. Further, Mr. Aquil ceased to be the Manager of the Company w.e.f. April 15, 2024.

NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of your Company have constituted a Nomination and Remuneration Committee in accordance with the provisions of Section 178 of the Companies Act, 2013 at its meeting held on February 26, 2024. The Committee was further re-constituted on May 28, 2024. The Committee presently comprises of Mr. Sunil Srivastav as the Chairman and Mr. N. Sivaraman, Mr. P Santhosh and Mr. Avinash Kulkarni as its members. Mr. Manoj Kumar, Company Secretary & CCO of your Company acts as the Secretary to the Nomination and Remuneration Committee. The Terms of Reference of the Committee has been provided in the Corporate Governance Section forming part of this Report.

1 (one) meeting of the Nomination and Remuneration Committee of your Company was held during the year 2023-24 on March 27, 2024. Another meeting of the Nomination and Remuneration Committee was held on June 05, 2024.

The Committee has formulated the Nomination and Remuneration Policy ('Nomination and Remuneration Policy') which broadly laid down the various principles of remuneration being well-balanced and performance-related compensation package taking into account shareholder interests, industry standards and relevant Indian corporate regulations, to ensure that the interests of executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the Company and consistent with the "pay-for-performance" principle and to ensure that remuneration to executives of the Company involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The said Policy was last revised by the Board of Directors of your Company at its meeting held on June 5, 2024 and is available on your Company's website at www. srei.com.

WHISTLE BLOWER POLICY (VIGIL MECHANISM)

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 the Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs' dated October 22, 2021 issued by the Reserve Bank of India ('SBR'), to formulate a whistle

blower mechanism for directors and employees to report genuine concerns 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 victimization, for whistle blowing in good faith.

The said Policy as approved by the Board is available on your Company's website at https://www.srei.com/sifl-corporate-policies/Whistle_Blower_Policy.pdf.

A Whistle blower committee is in place that reviews all matters and guides the management to implement the relevant guidelines in true spirit and keep a vigil.

Further, no complaints were reported under the Vigil Mechanism during the Financial Year 2023-24.

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 endeavour 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 Complaints Committee constituted for this purpose. The said Policy is available on your Company's website at https://www.srei.com/sifl-corporate-policies/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 the 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 on sexual harassment from any of the employees of your Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Your Company is exempted from the applicability of the provisions of Section 186 of the Companies Act, 2013 read with Rule 11 of the Companies (Meetings of Board and its Powers) Rules, 2014 as your Company is engaged in the business of financing of companies or of providing infrastructural facilities.

Details of the investments made by your Company are given in Note No. 5 in the Notes to accounts forming part of the audited (standalone) financial statements for the Financial Year ended March 31, 2024.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return of your Company is available at www.srei.com.



PARTICULARS OF CONTRACTS/ARRANGEMENTS WITH RELATED PARTIES

All the related party transactions of your Company are entered in the ordinary course of business and are on arm's length basis 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. Your Company has not entered into any material related party transactions with any of its related parties during the Financial Year 2023-24. Members may refer to the notes to the financial statements for details of related party transactions.

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. The related party transactions are entered into based on considerations of various business exigencies, such as synergy in operations, sectorial specialisation and your Company's long-term strategy for sectorial investments, optimisation of market share, profitability, legal requirements, liquidity and capital resources of subsidiaries.

In terms of Section 177 of the Companies Act, 2013 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 is presented before the Audit Committee on a quarterly basis, specifying the nature, value, terms and conditions of the transactions.

A Related Party Policy has been formulated by your Company for determining the materiality of transactions with related parties and dealings with them. The said Policy is available on your Company's website at https://www.srei.com/sifl-corporatepolicies/Related_Party_Transactions_(RPTs)_Policy.pdf.

PARTICULARS OF EMPLOYEES

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 Company Secretary at the Registered Office of your 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 Companies (Accounts) Rules, 2014. However, your Company uses information technology extensively in its operations and also continues its endeavour to improve energy conservation and utilisation, safety and environment.

During the year under review, the total foreign exchange earnings and expenditure of your Company was \mathcal{T} Nil and \mathcal{T} Nil, respectively (previous year \mathcal{T} Nil and \mathcal{T} Nil, respectively).

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 Brickwork Ratings India Pvt. Ltd. has reaffirmed the rating assigned to Perpetual Debt Instrument (PDI) of your Company to "BWR D Reaffirmed Issuer not cooperating" on June 13, 2022.

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

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 the Investor Education Protection Fund ("IEPF"). However, pursuant to the Order dated October 8, 2021 passed by the Hon'ble NCLT, Kolkata, CIRP had been initiated for your Company and in adherance with the General Circular No. 08/2020 issued by the Ministry of Corporate Affairs (MCA) dated March 6, 2020 captioned "Filing of forms in the Registry (MCA-21) by the Insolvency Professional (Interim Resolution Professional (IRP) or Resolution Professional (RP) or Liquidator) appointed under Insolvency Bankruptcy Code, 2016 (IBC, 2016)" which states that in respect of companies which are marked under CIRP in the Registry, Annual Return (e-form No.MGT-7) and Financial Statement (e-form AOC-4) and other documents under the provisions of the Act, in accordance with directions issued by the NCLT/NCLAT/Courts, shall be filed as attachments with e-form GNL-2 against the payment of one time normal fee only, till such time the Company remains under CIRP, the Company had filed IEPF-1, IEPF-2 and IEPF-4, as an attachment of eform GNL-2. However, since the GNL-2 form is not linked with IEPF-1, IEPF-2 and IEPF-4, the Company was unable to generate the individual SRN's for payment to IEPF authorities. Due to said technical difficulty the Company was unable to transfer the unpaid and unclaimed dividend amount pertaining to the Financial Year 2014-15 and 2015-16 under the provisions of Section 125 & other applicable provisions of the Act. The Company had approached the Registrar of Companies and IEPF for their guidance.

Further, the Hon'ble NCLT vide its Order dated August 11, 2023 had approved the Resolution Plan submitted by National Asset Reconstruction Company Limited (NARCL) with respect to the Corporate Insolvency Resolution Process of the Company under Section 31 of the Code, upon the approval of the Order the CIRP against the Company ended. The Company once again re-initiated the filing of the independent IEPF eforms and amounts pertaining to the Financial Year 2014-15 i.e. ₹ 4,84,877/- and 2015-16 i.e. ₹ 4,88,973.50/- respectively, were transferred to the designated bank account of IEPF authorities. A total 1,15,350 number of shares pertaning to the Financial Year 2014-15 were also transferred to the IEPF.

Please note that the Company was unable to transfer the shares pertaining to the Financial Year 2015-16, as on the date of the transfer of the said shares to IEPF, the shares were cancelled/extinguished, i.e. the shares of the existing shareholders were nullified pursuant to the implementation of the Approved Resolution Plan. Post which the shares were allotted to the Resolution Applicants, AFC's and ESOP Trust.

AUDIT COMMITTEE

The Audit Committee of your Company has been constituted in line with the provisions of Section 177 of the Companies Act, 2013. The Committee was re-constituted by the Board of Directors of your Company at their meeting held on February 26, 2024 and was further re-constituted on May 28, 2024. The Audit Committee presently comprises of Mr. N. Sivaraman as the Chairman and Mr. Sunil Srivastav, Ms. Anuradha Mitra and Mr. Avinash Kulkarni as its members.

Mr. Manoj Kumar, Company Secretary & CCO of your Company acts as the Secretary to the Audit Committee. The Terms of Reference of the Audit Committee has been provided in the Corporate Governance Section forming part of this Report.

1 (one) meeting of the Audit Committee was held on June 5, 2024.

Further, in case of exigencies or urgency of matters, resolutions are passed by circulation.

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

AUDITORS

At the 38th AGM held on September 30, 2023, S. K. Agrawal and Co., Chartered Accountants LLP, having firm Registration No. 306033E/E300272 allotted by the Institute of Chartered Accountants of India (ICAI), were appointed as Statutory Auditors of your Company to hold office for a term of 1 (One) year from the conclusion of 38th AGM till the conclusion of the 39th AGM of your Company.

Hence, the current Statutory Auditors S. K. Agrawal and Co., Chartered Accountants LLP, having firm Registration No. 306033E/E300272 shall cease to hold office with the conclusion of the ensuing AGM. However, since S. K. Agrawal and Co., Chartered Accountants LLP are eligible they are being recommended for appointment as the Statutory Auditors of your Company from the conclusion of 39th AGM till the conclusion of 41st AGM.

Members are requested to consider their appointment as Statutory Auditors of your Company to hold office from the conclusion of 39th AGM until the conclusion of 41st AGM of the Company by way of passing of an ordinary resolution.

S. K. Agrawal and Co., Chartered Accountants LLP have confirmed their 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. Your Company has received a confirmation from S. K. Agrawal and Co., Chartered Accountants LLP 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. The proposed Statutory Auditors hold a valid peer review certificate.

AUDITORS REPORT

The Board of Directors of the Company, at its meeting held on June 05, 2024 thereafter adjourned and held on June 06, 2024 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, 2024, in compliance with Section 129 of the Companies Act, 2013 and the Ind AS as per the provisions of the Companies (Indian Accounting Standards) Rules, 2015.

The Report of the Statutory Auditors to the Members for the Financial Year under review contains Qualified opinion Report on the Audited Consolidated Financial Statements and unmodified Report on Standalone Financial Statements of the Company for the Financial Year ended March 31, 2024. Further, the Statutory Auditors have drawn attention to few matters in their Auditors' Report on the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2024. The same forms a part of the Statutory Auditors' Report and are given in the notes to accounts which are self-explanatory, the same is not repeated here for the sake of brevity.

CORPORATE POLICIES

The details of Policies adopted by your Company along with salient features are provided as annexure to this Report and forms part of this Annual Report.

MEETINGS OF THE BOARD

The Board meets at regular intervals to discuss and decide on 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 law, which are confirmed in the subsequent Board meeting.

The Board of the Company was reconstituted on February 26, 2024 and held its first meeting after its re-constitution on February 26, 2024. The maximum time gap between any two consecutive meetings did not exceed 120 (one hundred twenty) days. Further, two Board Meetings were held on April 05, 2024 and June 05 2024, which was adjourned and held on June 06, 2024.

DIRECTORS

During the year under review, the Board of your Company was reconstituted in terms of the approved resolution plan by appointment of Mr. Avinash Kulkarni (DIN: 02982164) and Mr. P. Santhosh (DIN: 08515964) as Nominee Directors and Mr. N. Sivaraman (DIN: 00001747), Independent Director.

Mr. Sunil Srivastav (DIN: 00237561) and Ms. Anuradha Mitra (DIN: 00123320) were appointed as Independent Director(s) of your Company to hold office for a period of 5 (five) consecutive years from the date of the Extra-ordinary General Meeting (EGM) of your Company held on May 07, 2024. In this regard, your Company issued formal letter(s) of appointment to the said Directors stating inter alia the terms and conditions of their appointment.

Based on recommendation of the Nomination and Remuneration Committee, the Board of Directors of your Company further appointed Mr. Hardayal Prasad (DIN: 08024303) as a Non-Executive and Non-Independent Director of your Company liable to retire by rotation to hold office as such upto the date of 39th (Thirty Ninth) Annual General Meeting (AGM) of your Company.

In accordance with the provisions of Sections 152, 196, 197, 198, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the relevant Rules and your Company's Articles of Association, Mr. Hardayal Prasad (DIN: 08024303) has been appointed as the Managing Director & CEO of your Company for a period of 3 (Three) years with effect from 15th April, 2024 at the Extra Ordinary General Meeting of your Company held on May 7, 2024.

Mr. Hardayal Prasad (DIN: 08024303) retires by rotation at the ensuing AGM and being eligible, offers himself for re-appointment. The Board of Directors of your Company recommends his re-appointment as Director of your Company.

Your Company has received declaration from each of the Independent Directors under Section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and that he/she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/her duties with an objective independent judgment and without any external influence. All requisite declarations were placed before the Board.

Further, pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2019 ("the Rules") effective from December 01, 2019, the Independent Directors of your Company have



registered themselves with the Databank maintained by the Indian Institute of Corporate Affairs (IICA) and their names presently stands included in the Databank of IICA. A declaration to this effect has been obtained from all the Independent Directors and the same was presented before the Board of Directors. Further, the Independent Directors of your Company have also furnished declarations w.r.t. Online Proficiency Self-Assessment Test for Independent Director's Databank conducted by the IICA. Based on the declarations received, it was noted that Ms. Anuradha Mitra and Mr. N. Sivaraman are exempted from undertaking the Online Proficiency Self-Assessment Test. Further, Mr. Sunil Srivastav has successfully qualified the test.

Further, based on the core skills/expertise/competencies of the present Board Members as reviewed by the Nomination and Remuneration Committee and the Board, the Board of Directors of your Company is of the opinion that the Independent Directors of your Company possess the requisite expertise and experience (including proficiency) and are the persons of high integrity and repute. They fulfil the conditions specified in the Companies Act, 2013 and the Rules made thereunder and are independent of the management.

SIGNIFICANT AND MATERIAL EVENTS AND ORDERS PASSED BY THE REGULATORS/COURTS/TRIBUNALS

- I. The Hon'ble NCLT vide its Order dated August 11, 2023 had approved the Resolution Plan submitted by National Asset Reconstruction Company Limited (NARCL) with respect to the Corporate Insolvency Resolution Process of the Companies under Section 31 of the Code. With the passing of the order by the Hon'ble NCLT, the Corporate Insolvency Resolution Process against your Company ended.
- Receipt of Notice for Inspection U/S 206 of the Companies Act, 2013.

The Company is in receipt of a Notice of MCA inspection u/s 206 of the Companies Act, 2013 vide letter Ref. No. File No. 1/60/2018/CL-II (ER) dated April 18, 2023.

The Company has submitted its reply.

III. The Company has received a letter dated June 15, 2023, from Serious Fraud Investigation officer (SFIO) w.r.t., investigation into the affairs of Gujarat NRE Coke Limited u/s 212 of the Companies Act, 2013 calling for information u/s 217(2).

The Company has submitted its reply.

INSTANCES OF FRAUD DETECTED IN THE MATERIAL WHOLLY OWNED SUBSIDIARY COMPANY

The Administrator had appointed BDO India LLP (BDO/Transaction Auditor) to review transactions of the Company and its wholly owned subsidiary, 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.

On the basis of the findings and observations of the Transaction Auditor necessary reports and intimation with the Reserve Bank of India and the Stock Exchanges were filed. Accordingly, applications have also been filed before the Hon'ble National Company Law Tribunal, Kolkata Bench in respect of the alleged fraud.

Re-statement of accounts of subsidiary

SIFL has not received Board approved financial results of 01 subsidiary,

viz. Trinity Alternative Investment Managers Limited and 02 subsidiaries of Trinity (step down subsidiaries of SIFL), viz. Hyderabad Information Technology Venture Enterprises Limited and Cyberabad Trustee Company Private Limited for the quarters ended June 30, 2022, September 30, 2022, December 31, 2022, March 31, 2023, year ended March 31, 2023 and for the Year ended March 31, 2024 despite written request and follow ups and accordingly, the financial statements of these companies have not been considered for consolidation as on March 31, 2023 and March 31, 2024. Accordingly, the consolidated financial statements for the year ended March 31, 2024 are not comparable with the consolidated financial statements for the year ended March 31, 2023. We are unable to comment on the possible impact of the same on the consolidated financial statements for the year ended March 31, 2024 or any other consequences arising out of such non-compliance on the Consolidated Financial Statements.

The audited consolidated financial statements of the Group for the year ended March 31, 2024 contain the unaudited financial statements of 1 subsidiary, viz. Trinity and two subsidiaries of Trinity (step down subsidiaries of SIFL), viz. Hyderabad Information Technology Venture Enterprises Limited and Cyberabad Trustee Company Private Limited since the report and audited accounts were not received within the annual account approval date of SIFL. The management of these subsidiaries had not provided audited financial statements of these aforesaid companies despite many reminders and accordingly, the financial statements of these subsidiaries were considered for consolidation based on the approved and certified financial statements provided by the management of the respective companies.

SECRETARIAL STANDARDS

The Company is in compliance with SS-1 i.e. Secretarial Standard on Meetings of the Board of Directors and SS-2 i.e. Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India

GREEN INITIATIVE

Section 136 of the Act and the Rules framed thereunder allows the Company to send its Financial Statements by electronic mode to such Members whose shareholding is in dematerialized format and whose email addresses are registered with the Depositories for communication purposes. Members who have not updated their email address with the Depositories are requested to register the updated email ID. In compliance with the circulars issued by the Ministry of Corporate Affairs in this regard, the Notice of the AGM including the Annual Report of the Company is being sent only through electronic mode to all the Members whose e-mail addresses are registered with the Depositories. A copy of this Annual Report is also available on the website of the Company, www.srei.com.

BOARD'S RESPONSIBILITY STATEMENT

In terms of provisions of Section 134(5) of the Companies Act, 2013 (Act), your Board of Directors to the best of their knowledge and ability confirm that:

- in the preparation of the annual accounts for the financial year ended March 31, 2024, 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 profit and loss of your Company for the year;

- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of 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, 2024 on a going concern basis;
- (v) they have devised proper systems to ensure compliance with the provisions of all applicable laws to your Company and the systems are adequate and operating effectively.

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.

GENERAL DISCLOSURES

Your Board 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 Board would like to express its grateful appreciation for the excellent support and co-operation received from the Financial Institutions, Banks, Central & State Government Authorities, RBI, SEBI, MCA, Stock Exchanges, Depositories, Credit Rating Agencies, Customers, Vendors, Suppliers, Business Associates, Members, Debenture holders, Debenture Trustees and other Stakeholders during the year under review.

Your Board also place on record its deep appreciation for the valuable contribution of the employees for the progress of your Company and look forward to their continued co-operation in realisation of the corporate goals in the years ahead.

On behalf of the Board of Directors

Mr. N. Sivaraman Chairman

Place: Kolkata Date: August 7, 2024 (DIN: 00001747)



Report On Corporate Governance

Good Corporate Governance is not simply a phrase but the hallmark of every global organisation that enthrals stakeholders and the likes. Combined with multi-disciplinary practices, efficient business functions, codes of ethics and compliance, an organisation's strengths grow from pillar to pillar owing to effective control and management ultimately leading to sustainable increased value and growth. Corporate Governance plays a very imperative role in assisting the differentiation between a good organisation and an extraordinary organisation because legal compliance is mandatory and stipulated whereas sound corporate governance is rare skillset.

At Srei, our focus remains in our incessant attempts to congregate our shareholders with their expectations through organisational goals. For more than three decades now, our trait continues to be transparency, compliance and governance. Srei is committed to the adherence of global standards of Corporate Governance practices year on year. We strongly believe that the management is merely the trustee of the shareholders' capital and not the owner and therefore, prime significance is given to shareholder interests in all our policies keeping in mind compliance and governance.

Corporate Governance is not a destination but a journey for constantly improving sustainable value creation along with legal compliance, which Srei firmly believes in. It is due to this rationale that in addition to complying with mandatory statutory requirements, Srei implements

effective governance practices, which are continuously helping improve transparency, disclosures, internal controls and promotion of ethics at work place.

The Company being a NBFC – Middle Layer (NBFC – ML) is in compliance with the Corporate Governance Requirements as provided in the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated 19th October, 2023 and updated from time to time ('Master Directions').

The Chairman of the Board is a non-executive Director. The Company currently has six non-executive Directors of which one is a Managing Director & CEO, two are nominee Directors and three are independent Directors, including one woman Director. The Company is compliant with the applicable provisions of the Master Directions pertaining to the composition of the Board and the committees thereof in addition to the applicable provisions of the Companies Act, 2013.

The Board functions either as a full board or through various committees constituted to oversee specific operational areas.

I. Composition of the Board*

The Board of your Company has been re-constituted w.e.f. February 26, 2024 accordingly, the details of composition of Board as on March 31, 2024 is given hereunder:

SI	Name of the	Director	Capacity	DIN	No. of Bo	oard Meeting	No. of other	Rer	No. of		
No.	Director	Since			since re	-constitution	Directorship	Salary and other	Sitting fees	Commission	shares and convertible
					Held	Attended		compensation for the FY 2023-24	for the FY 2023-24	for the FY 2023-24	instruments held in the Company
1.	Mr. N. Sivaraman	February 26, 2024	Independent Director	00001747	1	1	10	-	1,00,000/-	-	-
2.	Mr. Avinash Kulkarni	February 26, 2024	Nominee Director	02982164	1	1	2	-	-	-	-
3.	Mr. P. Santhosh	February 26, 2024	Nominee Director	08515964	1	1	2	1	1,00,000/-	-	-
4.	Mr. Sunil Srivastav	February 26, 2024	Independent Director	00237561	1	1	6	1	1,00,000/-	-	-

^{*}Ms. Anuradha Mitra was appointed as an Independent Director and Mr. Hardayal Prasad was appointed as Non-Executive and Non Independent Director w.e.f. April 05, 2024.

Details of change in composition of the Board during the current and previous financial year:

Since the Board of your Company was superseded by the RBI press release dated October 04, 2021, the Company did not have any Directors as on March 2023.

Further, the constitution of Board as on March 2024 is given hereunder:

SI. No.	Name of the Director	Capacity	Nature of Change	Effective Date
1.	Mr. Sivaram Narayanaswami	Independent Director	Appointment	26.02.2024
2.	Mr. Sunil Srivastav	Independent Director	Appointment	26.02.2024
3.	Mr. Avinash Kulkarni	Nominee Director	Appointment	26.02.2024
4.	Mr. P. Santhosh	Nominee Director	Appointment	26.02.2024

^{*}Ms. Anuradha Mitra was appointed as an Independent Director and Mr. Hardayal Prasad was appointed as Non-Executive and Non Independent Director w.e.f. April 05, 2024.

II. Committees of the Board and their composition

In terms of the Master Directions and the provisions of the Companies Act, 2013, the Company has re-constituted the following Board-level committees:

- 1. Audit Committee;
- 2. Nomination and Remuneration Committee;
- 3. IT Strategy Committee of the Board; and
- 4. Corporate Social Responsibility Committee.

1. Audit Committee:

The Audit Committee was re-constituted on February 26, 2024 and further re-constituted by the Board through resolution by circulation approved on May 28, 2024. The current constitution of the Audit Committee is as follows:

SI. No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee since 26.02.24 till 31.03.2024		No.of shares held in the Company
				Held	Attended	
1.	Mr. N. Sivaraman	February 26, 2024	Independent Director, Chairperson	-	NA	-
2.	Mr. Sunil Srivastav	February 26, 2024	Independent Director, Member	-	NA	-
3.	Mr. Avinash Kulkarni	February 26, 2024	Nominee Director, Member	-	NA	-
4.	Ms. Anuradha Mitra	May 28, 2024	Independent Director, Member	-	NA	-

The Company Secretary and CCO is the Secretary of the Audit Committee.

The scope and terms of reference of the Audit Committee in accordance with the requirements of Section 177 of the Companies Act, 2013 and the Master Directions are as follows:

- i. Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors of the Company and the fixation of audit fee;
- ii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- iv. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- v. Reviewing/examining, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Section 134(3)(c) of the Companies Act, 2013.
 - (b) Changes, if any, in accounting policies and practices and reasons for the same.
 - (c) Major accounting entries involving estimates based on the exercise of judgement by management.
 - (d) Significant adjustments made in the financial statements arising out of audit findings.
 - (e) Compliance with listing and other legal requirements relating to financial statements.
 - (f) Disclosure of any related party transactions.
 - (g) Modified opinions in the draft audit report.
- vi. Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed under law;
- vii. Scrutiny of inter-corporate loans and investments;
- viii. Valuation of undertakings or assets of the Company, wherever it is necessary;
- ix. Evaluation of internal financial controls and risk management systems;
- x. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xi. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xii. Discussion with internal auditors of any significant findings and follow up there on;



- xiii. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board:
- xiv. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xv. To review the functioning of the Whistle Blower mechanism established by the Company with the Chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
- xvi. Approval of appointment of Chief Financial Officer (CFO) (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- xvii. To mandatorily review the following information -
 - Management letters/letters of internal control weaknesses issued by the statutory auditors.
 - Internal audit reports relating to internal control weaknesses.
- xviii. Monitoring the end use of funds raised through public offers and related matters;
- xix. To ensure that Information System Audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the Company;
- xx. To be responsible for exercising oversight of Information System Audit of the Company;
- xxi. To review critical issues highlighted related to IT/information security/cyber security and provide appropriate direction and guidance;
- xxii. To approve the Information System Audit Policy and review the same at least annually;
- xxiii. To investigate any activity within its terms of reference;
- xxiv. To seek information from any employee;
- xxv. To obtain outside legal or other professional advice;
- xxvi. To secure attendance of outsiders with relevant expertise, if it considers necessary;
- xxvii. Undertake any other responsibility as laid down by RBI from time to time;
- xxviii. Performing such other activities as may be delegated/referred to by the Board of Directors and/or are statutorily prescribed under any law is to be attended to by the Audit Committee; and
- xxix. To delegate any of the above matters to any executive of the Company/sub-committee except those not allowed to be delegated under law.

2. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee was re-constituted on February 26, 2024 and further re-constituted by the Board through resolution by circulation approved on May 28, 2024. The current constitution of the Nomination and Remuneration Committee is as follows:

SI. No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee since 26.02.24 till 31.03.2024		No.of shares held in the Company
				Held	Attended	
1.	Mr. Sunil Srivastav	February 26, 2024	Independent Director, Chairperson	1	1	-
2.	Mr. N. Sivaraman	February 26, 2024	Independent Director, Member	1	1	-
3.	Mr. P. Santhosh	February 26, 2024	Nominee Director, Member	1	1	-
4.	Mr. Avinash Kulkarni	May 28, 2024	Nominee Director, Member	-	-	-

The Company Secretary and CCO is the Secretary of the Nomination and Remuneration Committee.

The scope and terms of reference of the Nomination and Remuneration Committee in accordance with the requirements of Section 178 of the Companies Act, 2013 and the Master Directions are as follows:

- Evaluate the current composition and organization of the Board and its committees in light of requirements established by any Regulatory
 Body or any other applicable statute, rule or regulation which the Committee deems relevant and to make recommendations to the Board in
 respect to the appointment, re-appointment and resignation of Independent, Executive and Non Executive Directors of the Company;
- b. Review the composition and size of the Board in order to ensure that the Board is comprised of members reflecting the proper expertise, skills, attributes, and personal and professional backgrounds for service as a Director of the Company, as determined by the Committee;
- c. Review and recommend to the Board an appropriate course of action upon the resignation of current Board members, or any planned expansion of the Board, and review the qualifications, experience and fitness for service on the Board of any potential new members of the Board;
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down;

- e. Specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
- f. Recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- g. Ensure that while formulating the policy that:
 - level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- h. Review all stakeholders' proposals submitted to the Company (including any proposal relating to the nomination of a member of the Board) and the timeliness of the submission thereof and recommend to the Board appropriate action on each such proposal;
- Ensure 'fit and proper' status of proposed/existing directors and that there is no conflict of interest in appointment of directors on Board of the Company, KMPs and SMPs;
- j. Formulate, administer and supervise the Company's Stock Option schemes, if any, in accordance with relevant laws;
- k. Ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- I. Ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- m. Ensure that remuneration to Directors, Key Managerial Personnel (KMPs) and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
- n. Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the directors, Key Managerial Personnel (KMPs) and other employees of the Company;
- o. Formulate the criteria for evaluation of Independent Directors and the Board;
- Devise a policy on Board diversity;
- q. Review/recommendation/approval of Succession Plan for the Key Managerial Personnel (KMPs) and SMPs of the Company;
- r. To work in close coordination with Risk Management Committee (RMC) of the Company to achieve effective alignment between compensation and risks;
- s. Ensure that compensation levels are supported by the need to retain earnings of the Company and the need to maintain adequate capital based on Internal Capital Adequacy Assessment Process (ICAAP);
- t. Undertake any other responsibility as laid down by RBI from time to time;
- Performing such other activities as may be delegated/referred to by the Board of Directors and/or are statutorily prescribed under any law
 is to be attended to by the Nomination and Remuneration Committee; and
- v. To delegate any of the above matters to any executive of the Company/sub-committee except those not allowed to be delegated under law.

3. IT Strategy Committee of the Board:

The IT Strategy Committee of the Board was re-constituted on February 26, 2024 and further re-constituted by the Board through resolution by circulation approved on May 28, 2024. The current constitution of the IT Strategy Committee of the Board is as follows:

SI. No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee since 26.02.24 till 31.03.2024		No.of shares held in the Company
				Held	Attended	
1.	Ms. Anuradha Mitra	May 28, 2024	Independent Director, Chairperson	-	NA	-
2.	Mr. P. Santhosh	February 26, 2024	Nominee Director, Member	-	NA	-
3.	Mr. Hardayal Prasad	May 28, 2024	Managing Director & CEO, Member	-	NA	-
4.	Mr. Rajneesh Sharma, Principal Advisor to the Board	February 26, 2024	Invitee	-	NA	-
5.	Chief Information Security Officer	February 26, 2024	Permanent Invitee	-	NA	-

The Company Secretary and CCO is the Secretary of the IT Strategy Committee of the Board.



The scope and terms of reference of the IT Strategy Committee of the Board in accordance with the requirements of Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated 7th November, 2023 issued by Reserve Bank of India are as follows:

- i. Ensure that the Company has put an effective IT strategic planning process in place;
- ii. Guide in preparation of IT Strategy and ensure that the IT Strategy aligns with the overall strategy of the Company towards accomplishment of its business objectives; however, business objectives should never overstep any regulatory/compliance requirements;
- iii. Satisfy itself that the IT Governance and Information Security Governance structure fosters accountability, is effective and efficient, has adequate skilled resources, well defined objectives and unambiguous responsibilities for each level in the organisation, and the same being periodically reviewed and/or approved by the Board;
- iv. Ensure that the Company has put in place processes for assessing and managing IT and cyber security risks;
- v. Ensure that the budgetary allocations for the IT function (including for IT security), cyber security are commensurate with the Company's IT maturity, digital depth, threat environment and industry standards and are utilised in a manner intended for meeting the stated objectives;
- vi. Review, at least on annual basis, the adequacy and effectiveness of the Business Continuity Planning and Disaster Recovery Management of the Company;
- vii. Review the assessment of IT capacity requirements and measures taken to address the issues;
- viii. Periodically review and update, at least on a yearly basis, the IT related risks, including the Cyber Security related risks in the Risk Management Policy of the Company in consultation with the Risk Management Committee;
- ix. Oversee the workings of the Information Security Committee ("ISC") formed inter alia for managing cyber/information security;
- x. Reviewing the Cyber security risks/arrangements/preparedness of the Company at least on a quarterly basis;
- xi. Undertake any other responsibility as laid down by RBI from time to time; and
- xii. Such other tasks as may be entrusted to it by the Board of Directors from time to time.

4. Corporate Social Responsibility Committee:

The Corporate Social Responsibility Committee was re-constituted on May 28, 2024. The current constitution of the Corporate Social Responsibility Committee is as follows:

SI. No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Committee since 26.02.24 till 31.03.2024		No.of shares held in the Company
				Held	Attended	
1.	Ms. Anuradha Mitra	May 28, 2024	Independent Director, Chairperson	-	NA	-
2.	Mr. Sunil Srivastav	May 28, 2024	Independent Director, Member	-	NA	-
3.	Mr. Avinash Kulkarni	May 28, 2024	Nominee Director, Member	-	NA	-
4.	Mr. Hardayal Prasad	May 28, 2024	Managing Director & CEO, Member	-	NA	-

The Company Secretary and CCO is the Secretary of the Corporate Social Responsibility Committee.

The scope and terms of reference of the Corporate Social Responsibility Committee in accordance with the requirements of Section 135 of the Companies Act, 2013 and Rule 5 of the Companies (Corporate Social Responsibility) Rules 2014 and any other applicable provisions of the Companies Act, 2013 are as follows:

- a) Formulate and recommend to the Board, Corporate Social Responsibility (CSR) Policy in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended which shall:
 - indicate list of activities that can be undertaken by the Company in areas or subjects as specified in Schedule VII of the Companies Act, 2013,
 - ii. guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan;
- b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a) above;
- c) Monitor the Corporate Social Responsibility Policy of the Company from time to time;
- d) Formulate and recommend to the Board, an annual action plan in pursuance of the CSR policy, which shall include the following:
 - the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act, 2013;
 - ii. the manner of execution of such projects or programmes in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014;

- iii. the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- iv. monitoring and reporting mechanism for the projects or programmes; and
- v. details of need and impact assessment, if any, for the projects undertaken by the Company.
- e) Reviewing the CSR expenditure and CSR Policy;
- f) In case of on-going project, reviewing and monitoring the implementation of the project with reference to the approved timelines and year-wise allocation and recommend to the Board to make modifications, if any, for smooth implementation of the project within the overall permissible time period;
- g) Performing such other activities as may be delegated/referred to by the Board of Directors and/or are statutorily prescribed under any law is to be attended to by the Companies Act, 2013; and
- h) To delegate any of the above matters to any executive of the Company/sub-committee except those not allowed to be delegated under law.

III. General Body Meeting:

Details of the date, place and special resolutions passed at the General Body Meetings for the FY 2023-24 and the Current FY till
date is given hereunder:

The date, time and venue of the last Annual General Meeting and details of special resolutions passed thereat is given as hereunder:

SI. No.	Type of Meeting	Date and Place	Special Resolutions Passed	
1.	Annual General Meeting	30.09.2023 through OAVM	Nil	

Further, your Company held its Extraordinary General Meeting on May 07, 2024 to transact the following business:

- 1. Approval for Adoption of new set of Articles of Association of the Company;
- 2. Appointment of Mr.Hardayal Prasad as a Managing Director and Chief Executive Officer (MD & CEO) of the Company for a period of 3 (Three) years with effect from 15th April, 2024 and fixation of his Remuneration; and
- 3. Appointment of Mr. Syed Faisal Aquil as the Manager of the Company for the period from 30th November, 2023 till 15th April, 2024 and fixation of his Remuneration.

All the resolution(s) set out in the respective Notice(s) were passed by the Shareholders with requisite majority.

IV. Details of non-compliance with the Requirements of Companies Act, 2013

During the Financial Year 2020-21, the Company had sanctioned contribution of ₹78,15,000/- (Rupees Seventy Eight Lacs and Fifteen Thousand only) for disbursement to various entities. However, as on March 31, 2021, the Company could disburse an amount of ₹24,95,000/- (Rupees Twenty Four Lacs and Ninety Five Thousand only), being 0.66 per cent of the average net profits of last 3 (three) immediate Financial Years preceding Financial Year 2020-21, towards CSR activities pursuant to CSR Policy of the Company. The balance sanctioned amount of ₹53,20,000/- (Rupees Fifty Three Lacs and Twenty Thousand only) could not be disbursed till March 31, 2021 due to the establishment of Trust and Retention Account (TRA) whereby all the business payments of your Company were being controlled by the Bankers and your Company had no control on the cash flows. Several requests were made to the Bankers to disburse the aforesaid amount as committed to the concerned entities. However, the Bankers did not disburse the entire sanctioned amount. Thereafter, the Corporate Insolvency Resolution Process (CIRP) of the Company commenced from October 8, 2021 pursuant to which the Company was further unable to disburse the balance sanctioned amount of ₹53,20,000/- (Rupees Fifty Three Lacs and Twenty Thousand only). Furthermore, due to the ongoing CIRP, the Company did not sanction any further contribution towards CSR activities.

Further, in terms of Section 3.16 of the Approved Resolution Plan, the aforesaid payment has been waived off. Accordingly, the Company does not have to make any payment arising of the aforesaid obligations.

Further, certain significant and material events and Orders passed by the Regulators/Courts/Tribunals are mentioned below:

- A. The Hon'ble NCLT vide its Order dated August 11, 2023 had approved the Resolution Plan submitted by National Asset Reconstruction Company Limited (NARCL) with respect to the Corporate Insolvency Resolution Process of the Companies under Section 31 of the Code. With the passing of the order by the Hon'ble NCLT, the Corporate Insolvency Resolution Process against your Company ended.
- B. The Ministry of Corporate Affairs (MCA) vide its letter dated April 18, 2023 has initiated inspection into the affairs of the Company and has sought information and documents under Section 206(5) of the Act. The Company provided the necessary documents/information as required by MCA.

The Company has submitted its reply.

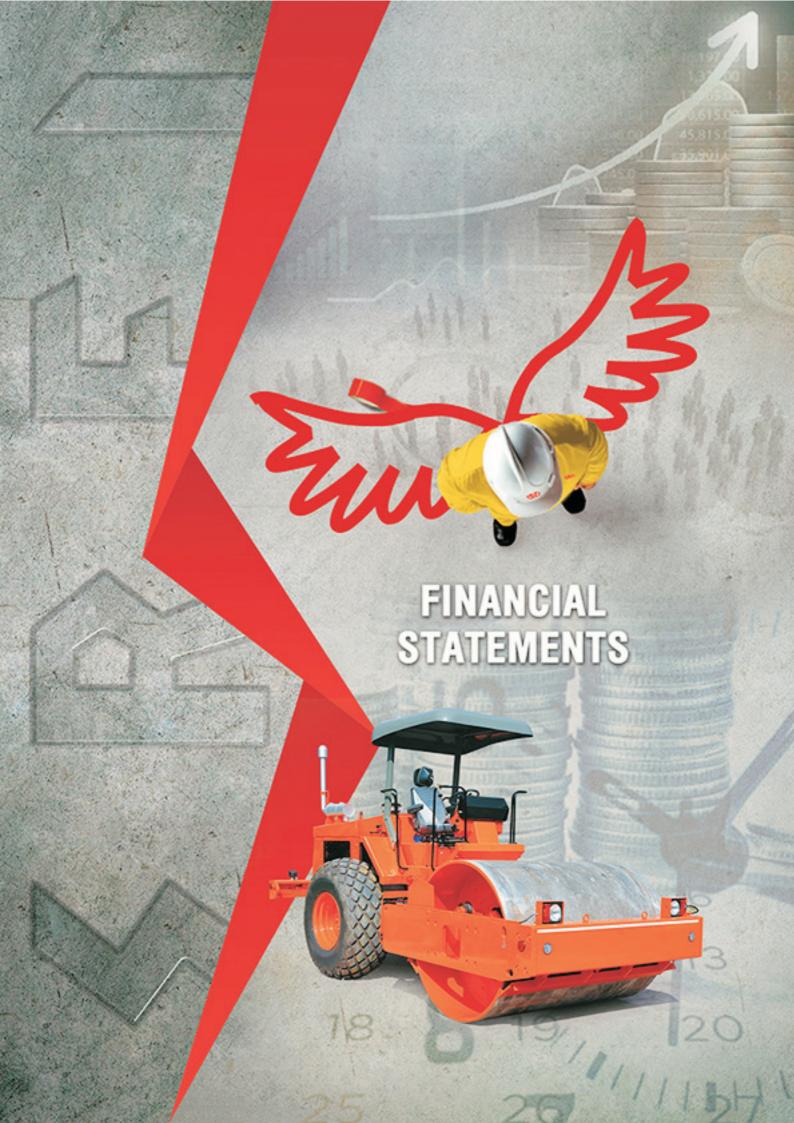


Srei Corporate Codes & Policies - FY 2023-24

The following are the Corporate Codes & Policies of the Company as on date. The Company has revised the said Corporate Codes & Policies during the FY 2023-24 in line with regulatory changes and changes necessitated by the approval of the Resolution Plan submitted by National Asset Reconstruction Company Limited (NARCL) by Hon'ble National Company Law Tribunal, vide order dated August 11, 2023. The Company has also subsequently during the current year revised some of the Codes and Policies further in line with regulatory requirements and has also adopted new Codes and Policies pursuant to Regulatory Requirements and Good Governance practices. Summary of Key Codes & Policies that have been adopted are as follows:

SI. No.	Name of the Code and Policy	Salient Features	Web Link
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.	-
2.	Whistle Blower Policy	The policy provides 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/sifl-corporate-policies
3.	Policy on Prevention of Sexual Harassment	The 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/sifl-corporate-policies
4.	Corporate Social Responsibility (CSR) Policy	The policy outlines the Company's strategy to taking Corporate Social Responsibility (CSR) as a sustainable social initiative with the aim to align and integrate its resources with society's developmental needs towards creating a better tomorrow.	https://www.srei.com/sifl-corporate-policies
5.	Nomination & 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/sifl-corporate-policies
6.	Risk Management Policy & Risk Appetite Framework	This policy puts in place a Risk Management Framework (RMF) to ensure comprehensive coverage of all Risks faced/to be faced by the Company commensurate with its size & scale for effective management and reporting of such risks to the Board of Directors (BoD) at regular intervals.	-
7.	Information Security & Cyber Security Policy	This Policy is pursuant to the Reserve Bank of India (Information Technology Governance, Risk, Controls and Assurance Practices) Directions, 2023, dated 7th November, 2023.	-
8.	Information Technology & IT Outsourcing Policy	This Policy is pursuant to the Reserve Bank of India (Information Technology Governance, Risk, Controls and Assurance Practices) Directions, 2023, dated 7th November, 2023.	-
9.	Policy for appointment of Statutory Auditors	This Policy is pursuant to Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated 27th April, 2021.	https://www.srei.com/sifl-corporate-policies
10.	Outsourcing Policy	This Policy is pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated 19th October, 2023 and incorporates, inter alia, criteria for selection of outsourced activities as well as service providers, delegation of authority depending on risks and materiality and systems to monitor and review the operations of the outsourced activities.	-
11.	Business Continuity & Disaster Recovery Policy	The purpose of this policy is to ensure that all Company business activities can be kept at normal or nearnormal performance following an incident that has the potential to disrupt the Company's operations.	-

SI. No.	Name of the Code and Policy	Salient Features	Web Link
12.	Risk Based Internal Audit Policy	This policy focuses on risk identification, prioritization of audit areas and allocation of audit resources in accordance with the risk assessment.	-
13.	Whistle Blower Policy	This policy provides a Vigil Mechanism and an opportunity for directors, employees all stake holders of the Company to blow Whistle against and to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.	-
14.	Information Systems (IS) Audit Policy	The major objectives of this Policy is safeguarding of Information System Assets/Resources and IT Processes and verification of data.	-
15.	Asset Liability Management Policy	The purpose of this policy is to establish guidelines to ensure prudent management of assets and liabilities for the Company and the policy guideline addresses the managing and reporting of capital, liquidity, currency and interest rate risk.	-
16.	Policy on Board Diversity	The policy sets out the approach to diversity on the Board of Directors of the Company and recognises and embraces the benefits of having a diverse Board appropriate to the requirements of the Company.	https://www.srei.com/sifl-corporate-policies
17.	Fair Practices Code & Ombudsman Scheme	The code provides the framework for dealings with the Customers and lays down mechanisms for redressal of Customer grievances.	https://www.srei.com/sifl-corporate-policies
18.	KYC and AML Policy	The key objective of this Policy is to prevent the Company from being used, intentionally or unintentionally, by any individual person or entity for money laundering activities.	-
19.	Code of conduct for Board of Directors and Senior Executives	The code provides the framework for promoting ethical conduct in the Company.	https://www.srei.com/sifl-corporate-policies
20.	Internal Guidelines on 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/sifl-corporate-policies
21.	Group Governance Policy	This policy lays down the governance and monitoring levels of the Company's subsidiaries and other constituents falling within Group Entities.	-
22.	Archival Policy & Policy of Preservation of Records Policy	This policy provides the procedure and manner for preservation and destruction of records which are required to be prepared or maintained under applicable regulations and the framework for the retention and archival of corporate records of the Company.	https://www.srei.com/sifl-corporate-policies
23.	Investment Policy	The Policy lays down, inter alia, the guidelines to be followed by the Investment Committee to approve investments.	-
24.	Policy on Fit and proper criteria for Directors	The purpose of this Policy is to set a framework for ascertaining the 'fit and proper' criteria of Directors at the time of appointment and on an on-going basis.	-
25.	Compliance Policy	This Policy is in compliance with Reserve Bank of India ('RBI') guidelines dated April 11, 2022 and reflects the commitment of the Company to conduct its business in accordance with the applicable rules, guidelines, regulations, codes etc both in letter and spirit as may be prescribed by RBI to regulate, monitor and report non-compliances if any to the applicable rules, guidelines, regulations, codes etc.	https://www.srei.com/sifl-corporate-policies



Independent Auditors' Report

To the Members of Srei Infrastructure Finance Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Srei Infrastructure Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31st, 2024, the Statement of Profit and Loss (including Other Comprehensive Income) for the year ended on that date, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and Notes to the Standalone Financial Statements, including a summary of Material accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

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 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, 2024, and profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone 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 Standalone 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 Standalone 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

Emphasis of Matter

We draw attention to the following matters in the notes to the Standalone Financial Statements:

- a. Note No. 1.2.3 to the Standalone Financial Statements which describes the significant changes during the year as a result of implementation of the approved resolution plan.
- b. Note No. 48 to the Standalone Financial Statements which describes the impact of various steps undertaken for implementation of the resolution plan approved by Hon'ble NCLT vide its order dated August 11, 2023 in the Standalone Financial Statements.

Our opinion on the Standalone Financial Statements is not modified in respect of the above stated matters.

Information Other than the Standalone Ind AS 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 Other Section of Annual Report, but does not include the 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 identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone 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 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.

The Administrator, after adopting proper procedure, had filed applications for consolidated resolution process before the Hon'ble National Company Law Tribunal-Kolkata Bench (Hon'ble NCLT) in the case of Srei Infrastructure Finance Limited and Srei Equipment Finance Limited (IA No. 1099 of 2021 under CP.294/KB/2021 and IA No. 1100 of 2021 under CP.295/KB/2021). The application in this matter was admitted and the final order was received on February 14, 2022 wherein the Hon'ble NCLT approved the consolidation of the corporate insolvency of Srei Infrastructure Finance Limited and Srei Equipment Finance Limited.

The Consolidated Committee of Creditors (CoC) took on record three Resolution Plans received from Prospective Resolution Applicants (PRAs) on January 18, 2023. The three Resolution Plans received by the Consolidated CoC were put to e-voting. The Consolidated CoC took on record the results of the e-voting in CoC meeting held on February 15, 2023, and the resolution plan submitted by National Asset Reconstruction Company Limited (NARCL) was duly approved by CoC by majority voting under Section 30(4) of the IBC read with Regulation 39(3) of CIRP Regulations, 2016, thereby, declaring NARCL as Successful Resolution Applicant (SRA). The resolution plan of NARCL approved by Consolidated Committee of Creditors (CoC) was filed before Adjudicating Authority on February 18, 2023 for its approval and the same was approved by Hon'ble NCLT vide its Order dated August 11, 2023



In terms of the resolution plan approved by Hon'ble NCLT order dated August 11, 2023, an Implementation and Monitoring Committee ("IMC") had been constituted which was empowered to supervise the implementation of the approved resolution plan and oversee the management of the affairs of the Company as per the terms of the approved resolution plan. The IMC in its meeting dated August 16, 2023 passed a resolution appointing the Administrator as Chairman of IMC and vide IMC resolution dated August 17, 2023 authorized him to continue to operate all the bank accounts and undertake various activities as are required to ensure the Company's status as a going concern during the implementation of the approved resolution plan. IMC stands dissolved and the Board of the Company was re-constitutedon February 26, 2024, to take charge of the affairs of the Company.

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 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 accounting principles generally accepted in India including the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ("the Act").

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone 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 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone 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 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 Standalone 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 controls 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 Standalone 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 Financial Statements, including the disclosures, and whether the Standalone 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 Standalone 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 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.

Other Matter

The audit of comparative financial information of the Company for the year ended 31st March, 2023 prepared in accordance with Indian Accounting Standards was carried out by the predecessor auditor. The predecessor auditor had given Disclaimer of Opinion Report for the said period vide their report dated May 16, 2023, whose reports have been furnished to us by the management and which have been relied upon by us for the purpose of our audit of the Financial Statements. Our audit report is not modified in respect of this matter.

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 Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

- ii. As required by Section 143(3) of the Act, we report that:
 - 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;
 - 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 except for the matters stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rule, 2014;
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statements of Cash Flows dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representations received from the directors as on March 31, 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:
 - In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The Company do not have any pending litigations on its financial position in its financial statements. Refer Note No. 27 to Standalone Financial Statement.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. a) As represented by the management, to the best of its knowledge and belief, as disclosed in the note no 35 to Standalone Financial Statementno 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) As represented by the management that, to the best of its knowledge and belief, as disclosed in the note no 35 to Standalone Financial Statement, 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/paid any dividend paid during the year. Hence, reporting the compliance with Section 123 of the Act is not applicable.
- vi. a) Based on our examination, which included test checks, except for the instances mentioned below, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which have a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the respective software:
 - The feature of recording audit trail (edit log) facility
 was not enabled at the data base level to log any
 direct data changes for the accounting software's
 i.e. Oracle, used for maintaining the books of
 account. Consequently, we were unable to verify
 the integrity of audit trail throughout the year.
 - b) Further, based on our examination, the Company has used accounting software which is operated by a third-party software service provider, for maintaining its books of account. In absence of 'Right to Audit' clause in the agreements entered with the third-party software service provider, we are unable to comment whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trial feature been tampered with.

For S K AGRAWAL AND CO

Chartered Accountants LLP Chartered Accountants Firm Registration No.- 306033E/E300272

> Sd/-Hemant Kumar Lakhotia (Partner)

Membership No. 068851 UDIN: 24068851BKCAZP2116

> Place: Kolkata Dated: June 5, 2024



Annexure - A to Independent Auditors' Report

Annexure A to the Independent Auditors' Report on the Standalone Financial Statements of Srei Infrastructure Finance Limited for the year ended 31 March, 2024

(Referred to in paragraph under 'Report on other legal and regulatory requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by Srei Infrastructure Finance Limited (Company) and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

 (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) According to information and explanations given to us, the management of the Company has physically verified its Property, Plant and Equipment and no material discrepancies were noticed on such verification.
- (c) The title deeds of the immovable properties (other than the properties where the Company is the lessee and the lease agreement are duly executed in favour of lessee), as disclosed in Note 10 on Property, plant and equipment to the standalone financial statements, are held in the name of the Company except for the details given below:

Description of property	Gross carrying value (₹ in Lacs)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
Building (Saket, New Delhi)	8,747.34	South Lake Properties Pvt Ltd / PushpVihar properties Pvt Ltd / Koshika Properties Pvt Ltd / Wales Properties Pvt Ltd	No	Since 29 September, 2010	Conveyance Deed is pending

- (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- (e) According to information and explanation given to us and basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. 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, 2024 for holding any benami property under the Benami Act.
- ii. (a) The Company does not have any inventory. Accordingly, reporting under Clause 3 (ii)(a) of the Order is not applicable to the Company.
 - (b) According to the information and explanations given to us and on the basis of our examination of our books of records of the Company, the Company has not been sanctioned any working capital limits from any banks or financial institutions during any point of time of the year under review. Accordingly, reporting under Clause 3(ii)(b) of the Order is not applicable to the Company.
- iii. According to the information and explanations given to us and based on the audit procedures conducted by us during the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, limited liability partnership firm, firms or other parties during the year. Accordingly, reporting under Clause 3(iii)[(a), (b), (c), (d), (e) and (f)] of the Order are not applicable to the Company.
- iv. According to the information and explanation given to us, the

- Company has not granted any loans, made investments or provided guarantees or securities in contravention of provisions of Section 185 of the Act. The Company has not made any loans or securities to the parties covered under Section 186 of the Act. The Company has complied with the provisions of Section 186(1) of the Act; the other provisions of Section 186 of the Act are not applicable.
- v. The Company being a Non-Banking Finance Company registered with the Reserve Bank of India, the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits are not applicable. Accordingly, reporting under Clause 3(v) of the Order is not applicable.
- vi. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) Section 148 of the Act for the Company. Therefore, the provision of clause 3(vi) of the order is not applicable on the Company.
- vii. According to the information and explanations given to us in respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Service Tax, Sales Tax, Value Added Tax, duty of Custom, duty of Excise, Cess, GST and other statutory dues with the appropriate authorities during the year.

Further, as mentioned in Note 1.2.3 and Note No. 48 of the Standalone Financial Statements, pursuant to the approved resolution plan, no amounts was payable to the statutory authorities against their dues and accordingly, all such dues were extinguished. Hence, undisputed amounts payable in respect of goods and service tax, Provident Fund, Employees State Insurance, Income Tax, Service Tax, Sales Tax, Value Added Tax, duty of Custom, duty of Excise, Cess, GST and other statutory dues in arrears as of 31 March, 2024, for a period of more than six months has been waived.

- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, goods and service tax, cess and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute. As mentioned inNote no. 1.2.3 and Note no.48 of the Standalone Financial Statements all of pending statutory dues pertaining to previous years has been waived, hence no amount is payable to the statutory authorities pertaining to any preceding periods pursuant to the approved resolution plan for the year ended March 31, 2024.
- viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Hence, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) As stated in Note No. 1.2.3 and Note no.48 to the Standalone Financial Statements, the Company was admitted to CIRP on 08 October, 2021 and accordingly no payments can be made thereafter to the lenders in respect of Intercorporate deposit and Non-convertible perpetual bond, until the resolution process is concluded.
 - On August 11,2023, the resolution plan was approved by the Hon'ble National Company Law Tribunal ("NCLT"), Kolkata bench. Pursuant to the approved resolution plan, no payments have been made to the lenders and remaining liabilities have been extinguished as provide in the approved resolution plan.
 - (b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
 - (c) The Company has not obtained any term loans. Hence, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.
 - (d) On an overall examination of the financial statements of the Company, no funds have been raised on short-term basis by the Company. Hence, the requirement to report on clause 3(ix)(d) of the Order is not applicable to 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 or associates. Hence, the requirement to report on clause (ix)(e) of the Order is not applicable to the Company.
 - (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
 - (b) During the year, the Company has made preferential allotment of equity shares. The issuance of new equity share has been made by the Company as per terms of the approved resolution plan approved by Hon'ble NCLT, Kolata Bench on August 11, 2023. However, Hon'ble NCLT vide its order dated 11.08.2023 granted relief that no further actions and requirements (including procedural requirement prescribed under the Companies Act, 2013), approval, application or consent shall be necessary on part of the Company for reconstitution of share capital and other actions set out in the approved resolution plan. Hence, all the conditions of Section 42 and 62 of the Companies Act,

- 2013 has been complied by the Company. Further, the Company has utilized funds raised by way of private placement of equity shares as specified in the approved resolution plan or for the purposes for which they were raised.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management. Refer Note no. 32 to the Standalone Financial Statements which states that based on the information available in the public domain, some of the 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-promoter before the Hon'ble High Court of Delhi, the Hon'ble Court has passed interim relief to the petitioner vide order dated April 22, 2022, restraining the said lender from taking any further steps or action prejudicial to the petitioner on the basis of the order declaring the bank account as fraud. Thereafter vide order dated May 15, 2023, the application was disposed of directing that the order declaring the account of the Company as fraud was set side. Further, liberty was granted to the banks to proceed ahead in accordance with the direction given in the aforesaid order.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT - 4, as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government, during the year and upto the date of this report. Further, as informed by the Company, the Secretarial Auditor of the Company has 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 and upto the date of this report. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.
 - (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the note no. 43 to the standalone financial statements, as required by the applicable accounting standards.
- xiv. (a) In our opinion and according to the information and explanation given to us, the internal audit system of the Company is commensurate with the size and nature of its business.
 - (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- xv. As stated in Note no. 1.2.3 and 48 of the Standalone Financial statement, 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, the RBI has also made an application for initiation of CIRP against the Company to Hon'ble NCLT, Kolkata bench for a consolidated CIRP process. The resolution plan has been approved by the Hon'ble NCLT, Kolkata bench on August 11, 2023. Pursuant to the approved resolution plan, the Company has been re-constituted its Board of the Director on February 26, 2024. Accordingly, provisions of Section 192 of the ACT are not applicable to Company for the period April 2023, to February 25, 2024.

Further, according to information and explanations given by the management during the period on and after reconstitution of the Board of the Director, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of Companies Act, 2013.

- xvi. (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration.
 - (b) The Company has not conducted any non-banking financial orhousing finance activities without having a valid Certificate of Registration from the Reserve Bank of India as per the RBI Act, 1934.
 - (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
 - (d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs as part of the Group. Accordingly, the reporting under Clause 3(xvi)(d) of the Order is not applicable.
- xvii. During the audited financial year 2023-2024, the Company did not incur any cash losses. However, we are unable to comment on clause (xvii) of paragraph 3 of the order pertaining to the immediately preceding financial year. This is due to the "Disclaimer of Opinion" issued by the predecessor auditor in their report dated May 16, 2023, concerning the Standalone Financial Statements for the year ending March 31, 2023.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios, 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. (a) As at March 31, 2021 the Company was having funds amounting to ₹ 53 Lacs in relation to the Corporate Social Responsibility ('CSR') which were unspent. These unspent amounts as per the requirements of Section 135 of the Act were to be transferred to funds specified under Schedule VII to the Act within a period of 6 months. The Company was not able to transfer the aforesaid unspent CSR amount as per the requirements of Section 135 of the Act.

Subsequently, as per the approved resolution plan, no amount was payable to the statutory authorities against their dues and hence all such dues were extinguished.

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

For S K AGRAWAL AND CO

Chartered Accountants LLP
Chartered Accountants
Firm Registration No.- 306033E/E300272

Hemant Kumar Lakhotia (Partner) Membership No. 068851

UDIN: 24068851BKCAZP2116

Place: Kolkata Dated: June 5, 2024

Sd/-

Annexure - B to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Srei Infrastructure Finance Limited ("the Company") as of March 31, 2024 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 ('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 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, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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.

Opinio

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, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S K AGRAWAL AND CO

Chartered Accountants LLP
Chartered Accountants
Firm Registration No.- 306033E/E300272

Sd/-Hemant Kumar Lakhotia

(Partner) Membership No. 068851

UDIN: 24068851BKCAZP2116

Place: Kolkata Dated: June 5, 2024



Balance Sheet

as at 31st March, 2024

(₹ in Lacs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
(1) Financial Assets			
(a) Cash and Cash Equivalents	2	33,028	3,719
(b) Bank Balance other than (a) above	3	90	265
(c) Receivables			
- Trade Receivables	4	649	663
(d) Investments	5	33,918	44,048
(e) Other Financial Assets	6	20,153	144
(2) Non-Financial Assets			
(a) Current Tax Assets (Net)	8	5,379	5,332
(b) Deferred Tax Assets (Net)	9	-	-
(c) Property, Plant and Equipment	10	8,957	9,187
(d) Right-of-use Assets		1	1
(e) Intangible Assets	11	1	1
(f) Other Non-Financial Assets	7	136	45
TOTAL ASSETS		1,02,312	63,405
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) Trade Payables	12		
(i) Total outstanding dues of micro enterprises and small enterprises		6	40
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		140	641
(b) Borrowings (Other than Debt Securities)	13	-	25,671
(c) Subordinated Liabilities	14	-	33,000
(d) Lease Liabilities		1	2
(e) Other Financial Liabilities	15	268	16,044
(2) Non-Financial Liabilities			
(a) Provisions	16	6	6
(b) Deferred Tax Liabilities (Net)	9	-	-
(c) Other Non-Financial Liabilities	17	67	68
(3) Equity			
(a) Equity Share Capital	18	100	50,309
(b) Other Equity	19	101,724	(62,376)
TOTAL LIABILITIES AND EQUITY		1,02,312	63,405

Material Accounting Policies and Notes to Financial Statements.

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 S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

ICAI Firm Registration No. 306033E/E300272

Sd/-

Hemant Kumar Lakhotia

Partner

Membership No. 068851

Place: Kolkata Date: June 5, 2024

1 to 57

For and on behalf of Board of Directors

Sd/-**Hardayal Prasad**

Managing Director & CEO DIN: 08024303

Sd/-

Vishnu Gopal Agarwal

Chief Financial Officer

Sd/-Avinash Kulkarni

Director DIN: 02982164

Sd/-

Manoj Kumar

Company Secretary & CCO

Statement of Profit and Loss

for the year ended 31st March, 2024

(₹ in Lacs)

			(\ III Lacs
Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Revenue from Operations			, , , , , ,
(i) Interest Income	20	220	139
(ii) Dividend Income*		-	100
(iii) Rental Income		355	403
(iv) Fees and Commission Income		769	1,290
(I) Total Revenue from Operations		1,344	1,932
(II) Other Income	21	3	211
(III) Total Income (I+II)		1,347	2,143
Expenses			
(I) Finance Costs	22	3	19
(ii) Fees and Commission Expense		425	764
(iii) Bad Debt/Impairment of Financial Instruments (Net)	23	1,355	194
(iv) Employee Benefits Expenses	24	226	276
(vi) Depreciation, Amortisation and Impairment Expense	10,11	234	235
(vi) Administrative and Other Expenses	25	958	931
(IV) Total Expenses (IV)		3,201	2,419
(V) Profit/(Loss) Before Exceptional items and Tax (III-IV)		(1,854)	(276)
(VI) Exceptional items - Profit on cancellation of investment		50,000	-
(VII) Profit/(Loss) Before Tax (V-VI)		48,146	(276)
(VIII) Tax:			
(a) Current Tax		-	-
(b) Income Tax in respect of earlier year		20	5
(c) Deferred Tax		-	-
(IX) Profit/(Loss) after Tax (VII-VIII)		48,126	(281)
(X) Other Comprehensive Income/(Expense)			
(i) Items that will not be reclassified to Profit or Loss			
(a) Remeasurement Gains/(Losses) on Defined Benefit Plan		1	24
(b) Gains/(Losses) on Equity Instruments through Other Comprehensive Income		(8,851)	15,602
(ii) Tax related to above		-	-
Total Other Comprehensive Income/(Expense) (X)		(8,850)	15,626
(XI) Total Comprehensive Income/(Expense) (IX + X)		39,276	15,345
(XII) Earnings per Equity Share (Face value of ₹ 10/- each)	26		
- Basic and Diluted Earnings per Equity share		13.35	(0.06)

^{*}Amount mentioned as '0' is below rounding off threshold adopted by the Company.

Material Accounting Policies and Notes to Financial Statements.

1 to 57

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 S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

ICAI Firm Registration No. 306033E/E300272

Sd/-

Hemant Kumar Lakhotia

Partner

Membership No. 068851

Place: Kolkata Date: June 5, 2024 For and on behalf of Board of Directors

Sd/- Sd/-

Hardayal Prasad Managing Director & CEO

DIN: 08024303

Sd/-Vishnu Gopal Agarwal Chief Financial Officer Avinash Kulkarni

Director DIN: 02982164

Sd/-Manoj Kumar

Company Secretary & CCO



Statement of Cash Flows

for the year ended 31st March, 2024

(₹ in Lacs)

P	articulars	As at March 31, 2024	As at March 31, 2023
A.	Cash Flows from Operating Activities		
	Profit/(Loss) Before Tax	48,146	(276)
	Adjustments for:		
	Interest on Income Tax Refund	-	(149)
	Liabilities No Longer Required written back	(2)	(58)
	Impairment on Financial Instruments (Net)	1,355	194
	Foreign exchange (Gain)/Loss	-	(2)
	Profit cancellation of investment	(50,000)	-
	Depreciation, Amortisation and Impairment	234	235
	Operating profit/(loss) before working capital changes	(267)	(56)
	Changes in Working Capital		
	Adjustments for:		
	(Increase)/Decrease in Trade Receivables and Others Assets	29,740	755
	Increase/(Decrease) in Trade Payables and Others Liabilities	(340)	(790)
	Increase/(Decrease) in Other Bank Balances	175	(12)
	Cash generated/(used) in operations	29,308	(103)
	Direct Taxes Refund/(Paid)	(67)	2,774
	Net Cash (used in)/generated from Operating Activities	29,241	2,671
В.	Cash Flows from Investing Activities		
	Purchase of Property, Plant and Equipment, and Intangible Assets	(2)	-
	Net Cash (used in)/generated from Investing Activities	(2)	
C.	Cash Flows from Financing Activities		
	Increase/(Decrease) in Equity Share Capital	70	-
	(Repayment of)/Proceeds from intercorporate deposit		(52)
	Net Cash (used in)/generated from Financing Activities	70	(52)
	Net Increase/(Decrease) in Cash and Cash Equivalents	29,309	2,619
	Cash and Cash Equivalents at the beginning of the year	3,719	1,100
_	Cash and Cash Equivalents at the end of the year	33,028	3,719

Cash and Cash Equivalents at the end of the year comprises of:

(₹ in Lace)

T		(\ III Laus)
Particulars	As at March 31, 2024	As at March 31, 2023
Cash and Cash Equivalents at the end of the year		
(a) Cash on hand	-	-
(b) Balances with Banks - in Current Account	259	106
(c) Fixed Deposits with original maturity period less than three months	32,769	3,613
	33.028	3.719

Explanations:

- 1. 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'.
- 2. Previous year figures have been rearranged/regrouped wherever necessary to conform to the current year's classification.

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

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

ICAI Firm Registration No. 306033E/E300272

Sd/-**Hemant Kumar Lakhotia** Partner

Membership No. 068851

Place: Kolkata Date: June 5, 2024

For and on behalf of Board of Directors

Sd/-Sd/-**Hardayal Prasad** Avinash Kulkarni Managing Director & CEO Director

DIN: 08024303 DIN: 02982164

Sd/-Sd/-

Vishnu Gopal Agarwal Manoj Kumar

Chief Financial Officer Company Secretary & CCO

Company Secretary & CCO

Chief Financial Officer

Statement of Changes in Equity

for the year ended 31st March, 2024

A. Equity Share Capital

A. Equity Share Capital										(₹ in Lacs)
Balance as at 1st April, 2023	Changes in Equity Share Capital due to prior period errors	hare Capital od errors	Restated balance at 1st April, 2023	oalance at I, 2023		Changes in during	Changes in equity share capital during the current year	oital	Balance as at 31st March, 2024	at 2024
50,309		ì		20	50,309			(50,209)		100
Balance as at 1st April, 2022	Changes in Equity Share Capital due to prior period errors	hare Capital od errors	Restated balance at 1st April, 2022	valance at 1, 2022		Changes in during	Changes in equity share capital during the current year	ital	Balance as at 31st March, 2023	at 2023
50,309		ł		20	50,309			ı		50,309
B. Other Equity										(₹ in Lacs)
				Reserves	Reserves and Surplus				Items of other comprehensive Income	
Particulars	Treasury Shares	Special Reserve (pursuant to Section 45-IC of the Reserve Bank of India Act, 1934)	Income Tax Special reserve (pursuant to Section 36(1)(viii) of the Income Tax Act, 1961)	Capital Reserve	Securities Premium	General Reserve	Restructuring Reserve#	Retained Earnings	Equity Instruments through Other Comprehensive Income	Total
Balance as at the 1st April, 2022		27,512	14,606	1,960	19,754	1,39,604		(2,56,117)	(25,040)	(77,721)
Profit/(Loss) for the year Other Comprehensive Income (net of tax) *			1 1	1 1	1 1	1 1		(281) 24	15,602	(281) 15,626

(62,376) (62,376) 48,126

(9,438) (9,438)

(2,56,374) (2,56,374) 48,126

1,39,604 1,39,604

19,754 19,754

1,960 1,960

14,606 14,606

27,512 27,512

(10)

Shares issued to Kairos ESOP Welfare Trust#

Profit/(Loss) for the year

Other Comprehensive Income (net of tax)

Security premium on new capital issue# Transfer to Restructuring Reserve#

Fransfer from/to retained earnings Balance as at 31st March, 2023 Balance as at the 1st April, 2023 (10) (8,850) 25,651

(8,851)

99,309

1,01,724

(18.289)

2,91,133

2,01,575 99,309 (126) (3,00,758)

(1,39,604)

25,651 (45,405)

(1,960)

(14,606)

9

Refer Note 48.

Payment to AFC towards Bank Guarantee#

Sapital Reduction#

ransfer from/to retained earnings#

3alance as at 31st March, 2024

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

As per our report of even date

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

CAI Firm Registration No. 306033E/E300272

Hemant Kumar Lakhotia

Membership No. 068851

Date: June 5, 2024 Place: Kolkata

Avinash Kulkarni Director DIN: 02982164 Manoj Kumar Managing Director & CEO Vishnu Gopal Agarwal Hardayal Prasad DIN: 08024303

For and on behalf of Board of Directors

Includes gain for ₹ 1 Lac (Previous year: ₹ 24 Lacs) on account of remeasurement of defined benefit plans.



NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

1.1 Background and General Information

Srei Infrastructure Finance Limited (the 'Company') is a public limited Company domiciled in India under the Companies Act, 2013 and is a Public Financial Institution (PFI). The Company is holding RBI's Certificate of Registration to carry on the business of non-banking financial institutions-Infrastructure Finance Company – Non Deposit Taking. The Company has received communication from RBI, to reclassify it as Investment and Credit Company which is under consideration.

Pursuant to Approved Resolution Plan, the Company's shares have been delisted from NSE Limited and BSE Limited w.e.f. December 14, 2023. The registration details are as follows:

RBI	B-05.02773/dt. 31 March, 2011
Corporate Identity Number (CIN)	U29219WB1985PLC055352

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

These financial statements of the Company for the year ended 31st March, 2024 have been taken on record by the Board of Directors on 5th June, 2024.

1.2. MATERIAL ACCOUNTING POLICIES

1.2.1 Basis of preparation and presentation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under 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, – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (the "Master Directions") vide circular no. RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023, as amended from time to time along with other instructions/regulations/guidelines 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. 1.2.23 '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 Lacs, 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').

1.2.2 Investments in Subsidiaries and Associates

A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity.

Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The Company has accounted for its equity instruments in Subsidiaries and Associates at cost, less accumulated impairment, if any. The cost comprises price paid to acquire investment and directly attributable cost

1.2.3 Significant changes during the year

In terms of the resolution plan approved by Hon'ble NCLT order dated August 11, 2023, an Implementation and Monitoring Committee ("IMC") has been constituted which is empowered to supervise the implementation of the approved resolution plan and oversee the management of the affairs of the Company as per the terms of the approved resolution plan till the closing date. The IMC in its meeting dated August 16, 2023 passed a resolution appointing the Administrator as Chairman of IMC and vide IMC resolution dated August 17, 2023 authorised him to continue to operate all the bank accounts and undertake various activities as are required to ensure the Company's status as a going concern during the implementation of the approved resolution plan.

The financial position and performance of the Company was particularly affected as a result of implementation of the approved resolution plan in the following items during the year ended to March 31, 2024:

- (i) All the existing reserves of the Company (other than retained earnings) has been transferred to restructuring reserves. (Refer Note no. 19)
- (ii) Reduction in equity share Capital and the net consideration payable on capital reduction has been transferred to restructuring reserve. (Refer Note no. 18 and 48)
- (iii) All identifiable assets and liabilities of the Company has been recorded at their respective fair value and difference, if any, between the fair value of identifiable assets and liabilities has been transferred to restructuring reserves. (Refer Note no. 10 and 48)
- (iv) After considering the above adjustment, the balance in restructuring reserve account has been transferred/adjusted to the retained earnings of the Company (Refer note no. 19)
- (v) Balance in retained earnings of the Company has been construed as free reserve for the purpose of the Companies Act 2013 and prescribed RBI guidelines. (Refer note no. 19)
- (vi) Any transaction cost incurred in relation to the implementation of the resolution plan has been recognized as expense in profit and loss account. (Refer note no. 25)
- (vii) There is an increase in impairment on financial instruments post reversal of impairment reserve as per RBI approval to give the effect to the resolution plan. (Refer note no 23)
- (viii) The Company, on instructions of the IMC, has taken all necessary steps including making payments, to various stakeholders in terms

of the approved resolution plan. (Refer Note no. 13, 14, 15 and 48)

 (ix) All contingent liabilities on account of implementation of the resolution plan has been permanently extinguished, discharged and settled in term of approved resolution plan. (Refer note no. 27)

1.2.4 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 from financial assets is recognized applying the Effective Interest Rate ('EIR') to the gross carrying amount of financial assets, other than credit-impaired assets and those classified as measured at Fair Value through Profit or Loss (FVTPL) or Fair Value through Other Comprehensive Income (FVTOCI). The basis of computation of EIR is discussed in Note No. 1.2.16.

Any subsequent changes in the estimation of the future cash flows having impact on EIR are recognised as interest income with the corresponding adjustment to the carrying amount of the assets.

Interest income on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

- (b) Income or net gain on fair value changes for financial assets classified as measured at FVTPL and FVTOCI is recognised as discussed in Note No. 1.2.16.
- (c) Interest Income on credit impaired financial assets is recognized by applying the effective interest rate to the net amortised cost (net of provision) of the financial asset.
- (d) 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.
- (e) Rental income arising from non-cancellable operating leases is recognised on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the users benefit. In cases where the increase is in line with expected general inflation rental income is recognised as per the contractual terms.
- (f) Revenue from Contract with Customers:

Fees and Commission Income are recognized when transfer of control of promised services to customers in an amount that reflects that the consideration the Company expects to receive in exchange for those services. Revenue is recognised from management and consultancy services as and when related services are rendered and performance obligation is satisfied which is based on a five-step model as set out below, unless included in the effective interest calculation:

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

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

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

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

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

Satisfaction of performance obligation in some cases require acknowledgement/acceptance of service by the Customer.

Revenues in excess of invoicing are classified as contract assets (which we refer to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

1.2.5 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.

(i) 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. Initial direct costs are included in the initial measurement of the net investment in the lease and reduce the amount of income recognised over the lease term based on interest rate implicit in the lease.

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. 1.2.4 (e).

(ii) The Company as lessee

The Company's 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 contract 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 recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with low-value assets and short-term leases (i.e., leases with a lease term of 12 months or less). For these short term and low value leases, the Company recognizes the lease payments as an operating expense over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability i.e. the present value of future lease payment, adjusted for any lease payment made at or prior to the commencement date of lease plus any initial direct costs, an estimate of costs to be incurred in dismantling and removing or restoring the underlying asset less any lease incentive received. They are subsequently measured at cost less accumulated depreciation and impairment losses.



Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using interest rate implicit in the lease or if not readily determinable using the incremental borrowing rate. Lease liabilities are re-measured 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 payments are apportioned between finance expenses and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Contingent rentals are recognised as expenses in the periods in which they are incurred. In the event that lease incentives are received to enter into lease, such incentives are adjusted towards right-of-use-asset.

Lease liability and right-of-use asset have been separately presented in the Balance Sheet.

1.2.6 Foreign currency translation

(i) Functional and presentational currency

The financial statements are presented in Indian Rupee (INR) in Lacs, the functional currency of the Company. Functional currency is the currency of the primary economic environment in which the Company operates.

(ii) Transactions and balances

Initial recognition:

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Conversion:

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the reporting date, are translated at the reporting date at the closing exchange rate and the resultant exchange differences are recognised in the statement of Profit and Loss except for those which are designated as hedging instruments in a hedging relationship.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition. Foreign currency changes for non-monetary items measured at FVTOCI are recognised in other comprehensive income.

1.2.7 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.

Interest expense includes origination costs that are initially recognised as part of the carrying value of the financial liability and amortized over the expected life using the EIR. It also includes expenses related to borrowing which are not part of effective interest as not directly related to loan origination.

1.2.8 Employee Benefits

(i) Retirement benefit costs and other employee benefits

(A) Defined Contribution Plans:

Contributions to Provident Fund, Pension Fund and Employee State Insurance are considered as defined contribution plans and are recognized as expenditure as they fall due based on the amount of contribution required to be made and when an employee renders related services.

(B) Defined Benefit Plans:

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

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

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognized in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss when the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. the Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(C) Short-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries, including non-monetary benefits, annual leave and sick leave in the period in which related service is rendered.

Liabilities recognised in respect of short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

(D) Other long-term employee benefits (unfunded):

The cost of providing other long term employee benefits is calculated using the Projected Unit Credit Method, and spread over the period during which the benefit is expected to be derived from employees' services. Re-measurement actuarial gains and losses and past service cost are recognised immediately in the statement of profit and loss for the period in which they occur. Other long term employee benefit obligation recognised in the balance sheet represents the present value of related obligation.

1.2.9 Taxation

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

(i) 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 current tax is calculated using tax rates that have been enacted or substantially enacted at the reporting period.

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

(ii) Deferred tax

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.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities.

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.

(iii) 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.

1.2.10 Property, Plant and Equipment

Property, plant and equipment shown in the balance sheet consists of assets used in the provision of services or for administrative purposes, and include assets leased by the Company as lessor under operating leases.

Initial and subsequent recognition

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

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

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.

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 sales proceeds and the carrying amount of the asset and is recognised in the statement of Profit and Loss. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

Depreciation

Depreciation commences when the assets are ready for their intended use. It is recognised to write down the cost of assets less their residual values over their useful lives, using the straight-line basis. 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.

The Company has adopted the useful life as specified in Schedule II to the Companies Act, 2013.

Leasehold assets including improvements are amortised over the shorter of lease period and their useful life on the same basis as owned assets.

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

1.2.11 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 2-6 years, which reflects the managements estimate.

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.

1.2.12 Impairment of Non-Financial Assets

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 on a shorter period 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.

Investment in Subsidiaries and Associates

The 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 recognised impairment loss is adjusted in 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.

1.2.13 Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of 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. Company does not recognised contingent liability but discloses its existence in the financial statements.

Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised in the financial statements, but are disclosed where an inflow of economic benefits is probable.

1.2.14 Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, 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 amounts of cash and which are subject to an insignificant risk of changes in value.

1.2.15 Segment Reporting

The Company's operating segments are established on the basis of those components of the Company that are evaluated regularly by the 'Chief Operating Decision Making Group' (CODMG) as defined in Ind AS 108-'Operating Segments', in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. CODMG examines the Company's performance both from business and geographical perspective and has considered business segment as primary segment for disclosure.

1.2.16 Financial Instruments

(i) Classification of financial instruments

The Company classifies its financial assets into the following measurement categories:

- 1. Financial assets to be measured at amortised cost;
- Financial assets to be measured at fair value through other comprehensive income;
- 3. Financial assets to be measured at fair value through profit or loss account.

The 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 fair value through profit or loss.

The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the statement of Profit and Loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

(ii) 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.

(iii) 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.

(iv) Subsequent Measurement:

(A) Financial Assets

Financial Assets carried at Amortised Cost (AC):

These financial assets comprise bank balances, Loans, Trade receivables, Other receivables, investments and other financial assets.

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.

Effective Interest Rate (EIR) Method:

The EIR is a method of calculating the amortized cost of a debt instrument and of allocating interest income or expense over the relevant period. The EIR 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.

The EIR for financial assets or financial liability is computed

- a. By considering all the contractual terms of the financial instrument in estimating the cash flows.
- b. Including fees and transaction costs that are integral part of EIR.

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 neither held for trading nor contingent consideration recognised by the Company in a business combination to which Ind AS 103 'Business Combination' 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 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 as AC 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 as at FVTPL.

Any differences between the fair values of financial assets classified as FVTPL and held by the Company on the balance sheet date is recognised in the statement of Profit and Loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of Profit and Loss.

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 recognised in the statement of Profit and Loss are the same as the amount would have been recognised in case the debt instrument is measured at amortised cost.

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 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.

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 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 may be 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.

(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 fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. 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 Instruments".

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 guarantees are recognised initially as a liability at fair value, adjusted for transactions costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

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.

(v) 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.

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

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

(vii) Overview of the Expected Credit Loss (ECL) principles

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. It also incorporates available information which is relevant to the assessment, including information about past events, current conditions and reasonable and supportable information about future events and economic conditions at the reporting date.

The Company uses the Expected Credit Loss (ECL) Methodology to assess the impairment on funded credit exposures. The application of the model was derived from the combination of the probability of default and loss given default being applied to the exposure at default (EAD) to compute ECL based on historical data on an unsegmented basis due to limitation of count in the past. Owing to transfer of the business, empirical data for the newly constituted business of the Company was not available and hence ECL for non-funded credit exposures is being computed by calculating the difference between the EAD and Net Present Value of the future cash flows and/or expected realisable value of security/collateral. Additionally, the Company carries out reviews for specifically identified exposures as meriting special focus in calculation of ECL for fulfilling the objective of greater prudence.

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 at FVTOCI, the loss allowance measured in accordance with the above requirements is recognised in other comprehensive income 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.

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 lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. 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.

1.2.17 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 note 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.



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.

1.2.18 Hedge Accounting

The Company complies with the principles of hedge accounting where derivative contracts are designated as hedging instruments. At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with the risk management objectives and its strategy for undertaking hedge transaction, which can be a fair value hedge or a cash flow hedge. Furthermore, on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

(i) Fair Value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in the statement of Profit or Loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in fair value of the hedged item attributable to the hedged risk are recognised in statement of Profit and Loss in the line item relating to the 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. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

(ii) 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 other comprehensive income and accumulated as 'Cash Flow Hedge Reserve'. The gain or loss relating to the ineffective portion is recognised immediately in the statement of Profit and Loss.

Amounts previously recognised and accumulated in other comprehensive income are reclassified to the statement of Profit and Loss in the periods when the hedged item affects the statement of Profit and Loss.

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 other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the underlying transaction is ultimately recognised in the statement of Profit and Loss. When an underlying transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the statement of Profit and Loss.

1.2.19 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included 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 asset and settle the liability simultaneously.

1.2.20 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss before other comprehensive income for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit

or loss before other comprehensive income for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.2.21 Dividend

Dividends paid is recognized in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders. The amount is recognised directly in equity.

1.2.22 Treasury Shares

Shares issued to Kairos ESOP Welfare Trust has been classified as Treasury Shares. This has been classified as deduction from other equity.

1.2.23 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:

(i) Impairment charges on loans and advances

The measurement of impairment losses requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These are based on the assumptions which are driven by a number of factors resulting in future changes to the impairment allowance.

The impairment loss on loans and advances is disclosed in more detail in Note No. 1.3.15 (vii) Overview of ECL principles.

(ii) 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 fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

(iii) Provisions other than loan impairment

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.

(iv) 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.

(v) Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

(vi) EIR method

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

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

(vii) Other estimates

These include contingent liabilities, useful lives of tangible and intangible assets etc.

1.2.24 Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



for the year ended 31st March, 2024

2. Cash and Cash Equivalents

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand *	-	-
Balances with Banks - in Current Account	259	106
Fixed Deposits with banks having maturity of 3 months or less (including accured interest)	32,769	3,613
Total	33,028	3,719

^{*}Amount mentioned as '0' is below rounding off threshold adopted by the Company.

(i) Changes in Cash Flow from financing activities

(₹ in Lacs)

Posticulos:	As at _	Mo	vement	As at
Particulars	31st Mar, 2023	Cash	Non-Cash	March 31, 2024
Borrowings (Other than Debt Securities)	25,671	-	(25,671)	_
Subordinated Liabilities	33,000	-	(33,000)	_
Total	58,671	-	(58,671)	_

(₹ in Lacs)

Doublestone	As at	Move		As at
Particulars	31st Mar, 2022	Cash	Non-Cash	March 31, 2023
Borrowings (Other than Debt Securities)	25,723	(52)	-	25,671
Subordinated Liabilities	33,000	-	-	33,000
Total	58,723	(52)	-	58,671

3. Bank Balance other than Note No. 2 above

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Unclaimed Dividend Accounts	14	24
Fixed Deposits with banks having original maturity of more than 3 months (Including accrued interest for fixed deposits)*	76	241
Total	90	265

* Includes

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Under Lien:		
- Bank Guarantees	45	145

4.1 Trade Receivables:

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Considered good - Secured;	-	-
Less : Allowance for impairment loss allowance	-	-
	-	-
(a) Considered good - Unsecured;	995	834
Less : Allowance for impairment loss allowance	346	171
	649	663
(c) Significant increase in credit risk	-	
Less : Allowance for impairment loss allowance	-	
•	-	
(d) Credit impaired	1,994	2,486
Less : Allowance for impairment loss allowance	1,994	2,486
	-	-
Total (a+b+c+d)	649	663

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 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.

for the year ended 31st March, 2024 (Contd.)

ii. Movements in Expected Credit Losses Allowance is as below:

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	2,657	2,467
Charge in Statement of Profit and Loss	(365)	190
Utilized during the year	-	-
Balance at the end of the year	2,290	2,657

iii. Ageing of Trade Receivables and Credit Risk arising therefrom is as below:

(₹ in Lacs)

	As :	at 31st March, 2	024
Particulars	Gross carrying amount	Allowance for credit loss	Net carrying amount
Due till three months	323	-	323
Due between three to six months	181	6	175
Due between six months to one year	78	29	49
Due between one year to two year	413	311	102
More than 2 year due	1,944	1,944	-
	2,939	2,290	649

(₹ in Lacs)

	As	at 31st March, 2	2023
Particulars	Gross carrying amount	Allowance for credit loss	Net carrying amount
Due till three months	416	-	416
Due between three to six months	85	9	76
Due between six months to one year	38	4	34
Due between one year to two year	295	158	137
More than 2 year due	2,486	2,486	-
	3,320	2,657	663

4.2 Trade Receivables:

Trade Receivables agein schedule as at 31st March, 2024*

(₹ in Lacs)

	Outstanding for fol	n due date of payme	ent	
Particulars	Less than 6 months	6 months 1 year	1-2 year	Total
(i) Undisputed Trade receivables - considered good	498	49	102	649
(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	498	49	102	649

Trade Receivables agein schedule as at 31st March, 2023*

(₹ in Lacs)

	Outstanding for following periods from due date of payment			
Particulars	Less than 6 months	6 months 1 year	1-2 year	Total
(i) Undisputed Trade receivables - considered good	492	34	137	663
(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	492	34	137	663

^{*} Figures in the schedules are net of allowance for impairment loss.



Notes to the Financial Statements for the year ended 31st March, 2024 (Contd.)

J. IIIVESIIIIEIII												(< In Lacs)
			As at 31st	As at 31st March, 2024					As at 31	As at 31st March, 2023		
			At Fair Value						At Fair Value			
Particular	Amortised cost	Through other comprehensive income	Through profit or loss	Subtotal	Others	Total	Amortised cost	Through other comprehensive income	Through profit or loss	Subtotal	Others	Total
Investments												
Equity instruments *	•	27,621	•	27,621	•	27,621	•	16,323	1	16,323	•	16,323
Subsidiaries	'	1	1	•	3,855	3,855	1	•	1	1	3,14,210	3,14,210
Associates	'	1	1	1	,	•	'	1	1	1	•	•
In Units of Trusts and Schemes												
of Venture Funds	'	4,558	-	4,559	1	4,559	1	24,707	_	24,708	•	24,708
Total – Gross A	•	32,179	-	32,180	3,855	36,035		41,030	-	41,031	3,14,210	3,55,241
(i) Investments outside India	•	1	-	-	1	•	ı	1	ı	1	-	1
(ii) Investments in India	'	32,179	-	32,180	3,855	36,035	1	41,030	_	41,031	3,14,210	3,55,241
Total – B	•	32,179	1	32,180	3,855	36,035	•	41,030	-	41,031	3,14,210	3,55,241
Less: Impairment loss allowance (C)	1	•	1	•	(2,117)	(2,117)	1	•		•	(3,11,193)	(3,11,193)
Total – Net $D = (A)-(C)$	•	32,179	1	32,180	1,738	33,918	•	41,030	-	41,031	3,017	44,048

Total – Net D = (A)-(C) - 32,179 1 32,

*During the year ended 31st March, 2024 the Company has not sold any of its investment.

for the year ended 31st March, 2024 (Contd.)

5. Investments (Contd...)

Particulars	Qua	ntity	(₹ in	Lacs)
r atticulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Investments Carried at Cost				
Investments in Subsidiary Companies				
In Equity Instruments (Unquoted)				
Srei Capital Markets Limited	5050000	5050000	505	505
Srei Insurance Broking Private Limited	5000000	5000000	412	412
Trinity Alternative Investment Managers Limited	127500	127500	13	13
Controlla Electrotech Private Limited (Refer note (ii) below)	35305	35305	708	708
Srei Mutual Fund Asset Management Private Limited	18500000	18500000	_	1,279
Srei Mutual Fund Trust Private Limited	150000	150000	_	_
Srei Asset Leasing Limited	1000000	1000000	100	100
Srei Equipment Finance Limited	1000000	79016415	_	_
Bengal Srei Infrastructure Development Limited	25500	25500	_	_
In Warrants (Unquoted)				
Srei Mutual Fund Trust Private Limited	450000	450000	_	_
			1,738	3,017
Investments in Mutual Funds				
In Mutual Funds (Quoted) Unit Trust of India	400	400	1	1
- One Huse of India	400	400	1	1
Investments Carried at Fair Value through Other Comprehensive Income				
In Equity Instruments (Quoted)				
Kotak Mahindra Bank Limited	500	500	9	9
Bharat Road Network Limited	16630000	16630000	9,280	4,365
Orient Green Power Company Limited	10924302	10924302	2,043	989
India Power Corporation Limited (Refer note (iii) below)	105524100	105524100	16,251	10,922
			27,583	16,285
In Equity Instruments (Unquoted)				
TN (DK) Expressways Limited (Pledged with Bank)	13000	13000	_	-
Madurai Tuticorin Expressways Limited (Pledged with Bank)	19500	19500	-	_
Suratgarh Bikaner Toll Road Company Private Limited	17750	17750	-	_
Starlift Services Private Limited	1200	1200	-	1
Kamala Tea Company Limited	25000	25000	38	37
Mahakaleshwar Tollways Private Limited	13270376	13270376	-	_
In Warrants (Unquoted)				
Samsara Energy Limited	23540	23540	_	_
Viom Infra Ventures Limited	99620	99620	-	_
			38	38
In Units of Trusts and Schemes of Venture Funds (Unquoted)	40400:	10100:	16-	
India Advantage Fund III (Refer note (iv) below)	164981	164981	185	185
Infrastructure Project Development Capital	661654	661654	1,336	1,130
Infra Construction Fund (Refer note (iv) below)	1880333	1880333	_	19,335
India Growth Opportunities Fund	3526949	3526949	456	458
Make In India Fund	1000000	1000000	180	157
Vision India Fund	5100000	5100000	2,401	3,442
			4,558	24,707
Total All quoted and unquoted investments mentioned above are fully paid-up			33,918	44,048

All quoted and unquoted investments mentioned above are fully paid-up.



for the year ended 31st March, 2024 (Contd.)

5. Investments (Contd...)

Note:

- (i) During the year, dividend income has been recognised for ₹ 0.03 Lacs (Previous year ₹ 0.02 Lacs) on equity instruments categorised as measured at fair value through other comprehensive income and ₹ Nil (Previous year ₹ 100 Lacs) on equity instruments categorised at deemed cost from its subsidiary.
- (ii) The fair value of equity shares of Controlla Electrotech Private Limited is estimated to be higher than its carrying amount as on 31st March, 2024. Accordingly, no impairment provision is considered necessary.
- (iii) The Company has investments in units of Alternative Investments Funds which is managed by Trinity Alternative Investment Managers Limited (Trinity), subsidiary of the Company. As per Clause 23 (1) of AIF Regulations, 2012, Investment Managers are mandated to provide NAV at least once in every six months. The Company determines the fair valuation of units in the funds based on the NAV provided by Trinity. As of March 31, 2024, Trinity has supplied NAV for funds as of September 30, 2023, forming the basis for the recognition of fair valuation.
- (iv) The Company has investments in units India Advantage Fund III which is managed by ICICI Venture Funds Management Company Limited. The fair value has been recognised basis on the of last received NAV as on 31 March, 2023 by the Company.
- (v) Pursuant to amalgamation of DPSC Ltd with erstwhile India Power Corporation Limited (IPCL), the Company is entitled to an allotment of 10,55,24,100 equity shares of IPCL. However, the allotment of the Company's holdings has been pending since 2013 due to IPCL's noncompliance with SEBI Regulations. The fair value of IPCL shares, as quoted on March 31, 2024, has been recognized in the books of account of the Company.
 - Similarly, as a consequence of the amalgamation, the Infra Construction Fund (ICF) is entitled to an allotment of 31,35,00,000 equity shares of IPCL. However, the allotment of the Fund's holdings has been pending since 2013 due to IPCL's non-compliance with SEBI Regulations. The valuation report submitted by Trinity as of September 30, 2023, has assessed the value of IPCL shares as Nil, reflecting the ongoing delay in the allotment process.
- (vi) The Company's investment in its material subsidiary, Srei Equipment Finance Limited ("SEFL") was fully impaired during the financials year ended 31st March, 2021 amounting to ₹ 3,10,455 Lacs. In terms of Approved Resolution Plan, a part of existing issued equity share capital of SEFL, amounting to ₹ 7,802 Lacs has been cancelled and extinguished by way of Capital Reduction in December, 2023. As part of capital reduction arrangement, SEFL is liable to pay cash payment of ₹ 50,000 Lacs to SIFL out of which ₹ 30,000 Lacs already paid before March 31, 2024. Since, the book value of these investment was ₹ Nil, the entire consideration of ₹ 50,000 Lacs has been recognised in the Statement of Profit & Loss as an Exceptional Item and categorized as Profit on Cancellation of Investment.
- (vii) 950 nos. NCD's (face value ₹ 10,00,000 each) issued by Fortis Healthcare Holdings Private Ltd were transferred to SEFL under Slump exchange w.e.f. 01 Oct, 2019. Being matured ISIN, the depository has rejected the transfer request given by the Company in favor of SEFL. Therefore, these NCD's are being held by the Company on behal of SEFL and are not considered as investments of the Company.

6. Other Financial Assets (₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Income accrued	-	43
Loans to employees	-	2
Security deposits		
To Others	131	75
Less - Impairment allowance on security deposits	(10)	(10)
Excess Corpus in Gratuity assets (Refer Note. 42)	27	29
Receivables from SEFL against cancellation of Investment	20,000	-
Recoverable from Subsidiary Company*	5	5
Others	4	4
Less - Impairment allowance	(4)	(4)
Total	20,153	144

^{*}It includes ₹ 0.21 Lacs receivable from SEFL (Previous Year ₹ Nil) & ₹ 5.02 Lacs fom TAIML (Previous Year ₹ 5.02 Lacs).

7. Other Non-Financial Assets (₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Employee Advances	1	4
Advance to Vendors for Operating Expenses	12	30
Less - Impairment allowance on advances	(-)	(8)
Balances with Government Authorities	96	12
Prepaid expenses	27	7
Total	136	45

for the year ended 31st March, 2024 (Contd.)

8. Current Tax Assets (Net)

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance Tax [(net of provision for tax ₹ Nil Lacs 31st March, 2023: ₹ Nil Lacs)]	5,379	5,332
Total	5,379	5,332

The Reconciliation of estimated income tax to income tax expense is as below:

(₹ in Lacs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Profit before tax	48,146	(276)
Statutory Income Tax Rate	25.17%	25.17%
Expected income tax expense at statutory income tax rate	12,117	(69)
(i) Income exempt from tax/Items not deductible (net)	-	(42)
(ii) Effect of indexation benefit/different tax rate on certain items	-	-
(iii) Net Deferred tax assets/(liabilities) charged/not recognised to Statement of Profit & Loss	(37,930)	111
(iv) Other time difference	25,813	-
(v) Income Tax for earlier years	20	5
Total Tax Expense recognised in profit and loss account	20	5
Total Tax Expense recognised in Other Comprehensive Income	-	-

9. Deferred Tax Assets/(Deferred Tax Liability) (Net)

The Reconciliation of estimated income tax to income tax expense is as below:

(₹ in Lacs)

Particulars	As at 1st April, 2023	Recognised / (reversed) in Statement of Profit & Loss	Recognised / (reversed) in Other Comprehensive Income	As at 31st March, 2024
Receivables, Financial Assets and Liabilities at Amortised Cost	27,849	(26,827)	-	1,022
Unrealised gain on Investment carried at Fair Value	1,547		2,257	3,804
Carried Forward of Losses & Unabsorbed Depreciation	17,314	(11,086)		6,228
Property, Plant and Equipment and Intangible Assets	(173)	(13)		(186)
Other Temporary Differences	5	(4)		1
Net Deferred Tax Assets/(Liabilities)	46,542	(37,930)	2,257	10,869
Net Deferred tax assets not recognised	46,542	(37,930)	2,257	10,869

(₹ in Lacs)

Particulars	As at 1st April, 2022	Recognised / (reversed) in Statement of Profit & Loss	Recognised / (reversed) in Other Comprehensive Income	As at 31st March, 2023
Receivables, Financial Assets and Liabilities at Amortised Cost	27,800	49	-	27,849
Unrealised gain on Investment carried at Fair Value	4,792	-	3,245)	1,547
Carried Forward of Losses & Unabsorbed Depreciation	18,178	28	(892)	17,314
Property, Plant and Equipment and Intangible Assets	(158)	(15)	-	(173)
Other Temporary Differences	184	(173)	(6)	5
Net Deferred Tax Assets/(Liabilities)	50,796	(111)	(4,143)	46,542
Net Deferred tax assets not recognised	50,796	(111)	(4,143)	46,542
	_	_	-	_

The Company has incurred profit for the year ended 31st March, 2024 however has accumulated losses till 31st March, 2023 which resulted in carry forward business losses on which deferred tax assets can be created to the extent it is probable that in future taxable profits will be available against which carry forward business losses can be utilized. Considering the uncertainty that future taxable profits will be available for set off against which carry forward losses can be utilized, the Company has decided not to create deferred tax assets on net basis during the year ended 31st March, 2024 in accordance to Ind AS 12, which will be reviewed in future period.



(₹ in Lacs)

Notes to the Financial Statements

ior the year ended 31st March, 2024 (Contd.)

10. Property, Plant and Equipment

		Gross Ca	Gross Carrying Amount			Depreciation /A	Depreciation /Amortisation and Impairment	Impairment		Net Carrying Amount
Particulars	As at 1st April, 2023	Additions	Disposals and other adjustments	As at 31st March, 2024	As at 1st April, 2023	Depreciation / amortisation Charge	Impairment Charge	Disposals and other adjustments	As at 31st March, 2024	As at 31st March, 2024
Assets for Own use										
Buildings ¹	10,542		ı	10,542	1,371	229	1	1	1,600	8,942
Plant and Machinery	20	ı	ı	20	8	2	ı	1	10	10
Furniture and Fixtures	35		ı	35	31	2	1	1	33	2
Computers	21	2	0	23	21	0	ı	0	21	2
Office Equipments	7	ı	ı	7	9	1	ı	1	9	-
-easehold Improvements	-	1	ı	-	-	1	ı	1	_	1
Total	10,626	2	0	10,628	1,438	234		0	1,671	8,957

		Gross Ca	Gross Carrying Amount			Depreciation/A	Depreciation/Amortisation and Impairment	npairment	V	Net Carrying Amount
Particulars	As at 1st April, 2023	Additions	Disposals and other adjustments	As at 31st March, 2024	As at As at 1st April, As at 1st April, 2024	Depreciation / amortisation Charge	Impairment Charge	Disposals and other adjustments	As at 31st March, 2024	As at 31st March, 2024
Assets for Own use										
Software	157	1	12	145	156	0	1	12	145	-
Total	157		12	145	156	0	•	12	145	1

11. Intangible Assets

(₹ in Lacs)

Building includes Gross carrying amount of ₹ 8,747.34 Lacs in respect of property at Saket Place, New Delhi ('Property'), which was purchased by the Company from third party by execution of deed of declaration and for which purchase consideration was paid. The builder was supposed to get the required approval of Delhi Development Authority for conversion of Property from leasehold to freehold before conveyance, which is pending and the matter has been referred to the appropriate legal forum, where it is sub-judice (Refer Note - 28).

The Property is in the possession of the Company and being used for its business purposes. Further, the Company is depositing related corporation taxes in its name. Therefore, in accordance to IndAS 16, the said Property (pending its conveyance) is continued to be shown as aforesaid.

(₹ in Lacs)

Breakup of Depreciation/Amortisation and Impairment for the year ended 31st March, 2024 is as below:

Particulars	Total
Assets for Own use - Tangible	234
Assets for Own use - Intangible	0
Right to use assets*	•
Total	234

^{*}Net carrying amount of Right to use assets is ₹ 1 Lac as on 31st March, 2024 (Previous year: ₹ 1 Lac) / Refer Note No. 44).

for the year ended 31st March, 2024 (Contd.)

10. Property. Plant and Equipment

		Gross Ca	Gross Carrying Amount			Depreciation/	Depreciation/Amortisation and Impairment	mpairment		Net Carrying Amount
Particulars	As at 1st April, 2022	Additions	Disposals and other adjustments	As at 31st March, 2023	As at 1st April, 2022	Depreciation / amortisation Charge	Impairment Charge	Disposals and other adjustments	As at 31st March, 2023	As at 31st March, 2023
Assets for Own use										
Buildings ¹	10,542		•	10,542	1,142	229		ı	1,371	9,171
Plant and Machinery	20	ı	•	20	9	2	1	ı	8	12
Furniture and Fixtures	36	ı	-	35	30	-	1		31	က
Computers	26		2	21	26			2	21	0
Office Equipments	7	ı	•	7	9		ı	ı	9	-
Leasehold Improvements	-	ı	•	-	1	-		1	-	
Total	10,632		9	10,626	1,210	233		S	1,438	9,187

11. Intangible Assets										(₹ in Lacs)
		Gross Ca	Gross Carrying Amount			Depreciation/A	Depreciation/Amortisation and Impairment	npairment		Net Carrying Amount
Particulars	As at 1st April, 2022	Additions	Disposals and other adjustments	As at 31st March, 2023	As at 1st April, 2022	Depreciation / amortisation Charge	Impairment Charge	Disposals and other adjustments	As at 31st March, 2023	As at 31st March, 2023
Assets for Own use										
Software	157		1	157	154	2		•	126	_
Total	157	-	•	157	154	2	•	•	156	1

Building includes Gross carrying amount of ₹8,747.34 Lacs in respect of property at Saket Place, New Delhi ('Property'), which was purchased by the Company from third party by execution of deed of declaration and for which purchase consideration was paid. The builder was supposed to get the required approval of Delhi Development Authority for conversion of Property from leasehold to freehold before conveyance, which is pending and the matter has been referred to the appropriate legal forum, where it is sub-judice.

The Property is in the possession of the Company and being used for its business purposes. Further, the Company is depositing related corporation taxes in its name. Therefore, in accordance to Ind AS 16, the said Property pending its conveyance) is continued to be shown as aforesaid.

(₹ in Lacs)

Breakup of Depreciation/Amortisation and Impairment for the year ended 31st March, 2023 is as below:

Particulars	Total
Assets for Own use - Tangible	233
Assets for Own use - Intangible	2
Right to use assets*	
Total	236

^{*}Net carrying amount of Right to use assets is ₹ 1 Lac as on 31st March, 2023 (Previous year: ₹ 1 Lac)



for the year ended 31st March, 2024 (Contd.)

12. Trade Payables

(a) Total outstanding dues of micro enterprises and small enterprises

(₹ in Lacs)

Pa	rticulars	As at 31st March, 2024	As at 31st March, 2023
a)	The principal amount and interest due thereon remaining unpaid to any supplier*	6	40
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	-	-
To	tal	6	40

^{*}The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

Trade Payables include ₹ Nil Lacs (Previous year - ₹ Nil Lacs) due to the related parties.

(b) Total outstanding dues of creditors other than micro enterprises and small enterprises

(₹ in Lacs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
For Services	140	641
Total	140	641

(c) Trade Payables ageing schedule as at 31st March, 2024

(₹ in Lacs)

Particulars	Outstanding for t	following per	riods from due	e date of payment	
Tartiourars	Less than 1 year	1-2 year	2-3 year	More than 3 year	Total
Trade Payables					
(i) MSME	6	-	-	-	6
(ii) Others	26	108	6	-	140
(iii) Disputed dues (MSMEs) and	-	-	-	-	-
(iii) Disputed dues (Others)	-	-	-	-	-
	32	108	6	-	146
Unbilled dues	-	-	-	-	-
Total	32	108	6	-	146

(d) Trade Payables ageing schedule as at 31st March, 2023

(₹ in Lacs)

Particulars	Outstanding for	following per	iods from due	e date of payment	
Tattoulais	Less than 1 year	1-2 year	2-3 year	More than 3 year	Total
Trade Payables					
(i) MSME	9	30	-	1	40
(ii) Others	248	122	76	195	641
(iii) Disputed dues (MSMEs) and	-	-	-	-	-
(iii) Disputed dues (Others)	-	-	-	-	-
	257	152	76	196	681
Unbilled dues	-	-	-	-	-
Total	257	152	76	196	681

for the year ended 31st March, 2024 (Contd.)

13. Borrowings (Other than Debt Securities)

(₹ in Lacs)

		As at 31st Marc	h, 2024			As at 31st March	, 2023	
Paticulars	At Amortised Cost	At Fair Value Through profit and loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At Fair Value Through profit and Loss	Designated at fair value through profit or loss	Total
Unsecured								
Inter Corporate Deposits	-	-	-	-	25,671	-	-	25,671
Total	-	-	-	-	25,671	-	-	25,671
Borrowings in India	-	-	-	-	25,671	-	-	25,671
Total	-	-	-	-	25,671	-	-	25,671

As of 31st March, 2023, an Inter Corporate Deposit (ICD) of ₹ 25,671 Lacs was outstanding from SEFL, a wholly owned subsidiary of the Company. The ICD bears interest at a rate of 10% per annum.

As per the Approved Resolution Plan, an amount of ₹ 25,671 Lacs representing the debt of the Approving Financial Creditors (AFC) of SEFL has been assigned to SIFL against repayment of Inter Corporate Deposit owed to SEFL. This debt is an integral component of the Approved Resolution Plan. In consideration of this assignment, AFC is entitled to hold 20% (Twenty Percent) equity share capital in SIFL.

Accordingly, SIFL has issued 2,00,000 (Two Lacs) equity shares with a face value of \ref{total} 10/- (Rupees Ten) each. The issue price per share is \ref{total} 12,836, inclusive of a premium of \ref{total} 12,826 per share. This issuance has been executed to settle the assigned debt of \ref{total} 25,671 Lacs, resulting in AFC holding 20% stake in the Company.

Pursuant to the admission of the Company under the CIRP, SIFL had not provided for interest amount ₹ 1,838 Lacs for year ended 31st March, 2024 and ₹ 2,567 Lacs for the year ended 31st March, 2023 in respect of SIFL's obligation for interest on Inter Corporate Deposit. After initiation of CIRP, the interest on ICD is not payable from the date of initiation of CIRP.

14. Subordinated Liabilities

(₹ in Lacs)

		As at 31st March, 2024				As at 31st March, 2023				
Paticulars	At Amortised Cost	At Fair Value Through profit and loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At Fair Value Through profit and Loss	Designated at fair value through profit or loss	Total		
Subordinated Perpetual bonds / debentures (Tier I Capital) (Refer Note No. 14.1)	-	-	-	-	33,000	-	-	33,000		
Total	-	-	-	-	33,000	-	-	33,000		
Subordinated Liabilities in India	-	-	-	-	33,000	-	-	33,000		
Total	-	-	-	-	33,000	-	-	33,000		

14.1 Subordinated Perpetual bonds/debentures (Tier I Capital)

During the period, the Company has not raised Unsecured subordinated perpetual debentures (Previous Year: ₹ Nil Lacs). As at 31st March, 2024, the amount outstanding is ₹ Nil (31st March, 2023: ₹ 33,000 Lacs). These debentures had call option which was exercisable with prior approval of RBI. Call Option could be exercised by the Company on 1st April, 2029 for ₹ 32,000 Lacs and 22nd April, 2029 for ₹ 1,000 Lacs.

(₹ in Lacs)

Rate of Interest	As at 31st March, 2024		2024 As at 31st March, 2023	
	Maturity Profile Total		Maturity Profile	Total
	2029 - 30		2029 - 30	
10%	-	-	33,000	33,000
Total	-	-	33,000	33,000

In terms of the Approved Resolution Plan, the debt of Subordinated Perpetual Debentures amounting to ₹ 33,000 Lacs have been converted into equity shares and such equity shares have been cancelled and extinguished by way of capital reduction.

Pursuant to the admission of the Company under the CIRP, SIFL had not provided for interest amount ₹ 2,362 Lacs for the year ended 31st March, 2024 and ₹ 3,300 Lacs for the year ended 31st March, 2023 in respect of SIFL's obligation for interest on Non-convertible Perpetual Bond. After initiation of CIRP, the interest on ICD is not payable from the date of initiation of CIRP.

14.2 Subordinated bonds/debentures (Tier II Capital)

The Company has not raised any fund from subordinated bonds/debentures qualifying for Tier II capital during the year ended 31st March, 2024 and 31st March, 2023.

14.3 Subordinated Loan & Deposits

The Company has not raised any fund from subordinated loans & deposits qualifying for Tier II capital during the year ended 31st March, 2024 and year ended 31st March, 2023.



for the year ended 31st March, 2024 (Contd.)

15. Other Financial Liabilities

(₹ in Lacs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unpaid Dividends	14	24
Security Deposits & Retentions	37	15,507
Payable to Employees	11	35
Liability for Operating Expenses	206	371
Payable to subsidiary company*	-	107
Total	268	16,044

^{*}As of 31st March, 2023, SEFL had made payments totaling ₹ 107 Lacs on behalf of the Company. These payments were related to a bank guarantee invoked by a customer of the Company and related charges.

16. Provisions

(₹ in Lacs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for Unavailed Leave (Refer Note No. 42)	6	6
Total	6	6

17. Other Non-financial liabilities

(₹ in Lacs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance from Customers	8	4
Statutory Liabilities	59	64
Total	67	68

18. Equity Share Capital

(₹ in Lacs)

Particulars	As at 31st Ma	rch, 2024	As at 31st March, 2023	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
Authorised				
Equity Shares, ₹ 10/- par value per share	1000000000	1,00,000	1000000,000	1,00,000
Preference Shares, ₹ 100/- par value per share	50000000	50,000	50000000	50,000
		1,50,000		1,50,000
Issued and subscribed				
Equity Shares, ₹ 10/- par value per share	1000000	100	503086333	50,309
Fully Paid-up				
Equity Shares, ₹ 10/- par value per share	1000000	100	503086333	50,309
		100		50,309

18.1 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:

(₹ in Lacs)

Particulars	As at 31st M	larch, 2024	As at 31st March, 2023		
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs	
At the beginning of the year	503086333	50,309	503086333	50,309	
Add: Issued during the year (Refer note 48)	491006197	49,101	-	-	
Less: Reduction during the year (Refer note 48)	993092530	99,309	-	-	
At the end of the year	1000000	100	503086333	50,309	

18.2 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 par value of ₹ 10/- and ₹ 100/- each respectively. As per Approved Resolution Plan, the par value of Equity Shares have been sub-divided into par value of Re 1 each with effect from May 7th, 2024. Each holder of equity shares is entitled to one vote per share. Preference Shareholder has a preferential right over equity share holders, in respect of repayment of capital and payment of dividend. However, no such preference shares have been issued by the Company during the year ended 31st March, 2024 and 31st March, 2023.

The Company declares and pays dividend in Indian rupees. The dividend, if any, 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 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.

18.3 Shares allotted as fully paid-up without payment being received in cash/by way of bonus shares (during 5 years preceding 31st March, 2024)

During the year ended 31st March, 2024, the Company had issued 200000 shares to Approving Financial Creditors (AFC) on assignment of Debt of AFCs in exchange of Intercorporate Deposit from SEFL (*Refer note 13*). The Company has also issued 100000 equity shares to ESOP Trust during this period without payment being received in cash. Apart from afroresaid, the Company had not issued any shares without payment being received in cash/by way of bonus shares during preceding 5 years.

18.4 Details of Shareholders holding more than 5% of the equity shares each, are set out below:

SI.No. Name of the Shareholders		As at 31st	March, 2024	As at 31st March, 2023		
		No. of Shares	% of Shareholding	No. of Shares	% of Shareholding	
1	Adisri Commercial Private Limited	-	-	30,36,75,845	60.36%	
2	National Asset Reconstruction Company Limited	4,60,000	46.00%	-	-	
3	India Debt Resolution Company Limited	2,40,000	24.00%	-	-	
4	Kairos ESOP Welfare Trust	1,00,000	10.00%	-	-	

18.5 Shareholding of promoters as at March 31, 2024:

Shares held by promoters at the end of the year

SI.No	. Promoter name	No. of shares	% of total shares	% Change during the year
(i)	Adisri Commercial Private Limited	-	0.00%	-60.36%
(ii)	Sunil Kanoria	-	0.00%	-0.36%
iii)	Hemant Kanoria	-	0.00%	-0.08%
	Total		0.00%	

Shareholding of promoters as at March 31, 2023:

Shares held by promoters at the end of the year

SI.No	. Promoter name	No. of shares	% of total shares	% Change during the year
(i)	Adisri Commercial Private Limited (Holding Company)	30,36,75,845	60.36%	-
(ii)	Sunil Kanoria	18,02,714	0.36%	-
(ili)	Hemant Kanoria	3,80,000	0.08%	-
	Total	30,58,58,559	60.80%	

Note: Promoter here means promoter as defined in the Companies Act, 2013.



for the year ended 31st March, 2024 (Contd.)

19. Other Equity (₹ in Lacs)

	A 1	(₹ IN Lacs
Particulars	As at 31st March, 2024	As at 31st March, 2023
Treasury Stock		
Shares issued to Kairos ESOP Welfare Trust	(10)	-
Closing balance	(10)	-
Special Reserve (pursuant to Section 45-IC of the Reserve Bank of India Act, 1934)	, ,	
Opening balance	27,512	27,512
Add: Transfer from retained earnings	9,625	-
Closing balance	37,137	27,512
Income Tax Special Reserve (created pursuant to Section 36(1)(viii) of the Income Tax Act, 1961		•
Opening balance	14,606	14,606
Less: Transfer to Restructuring Reserve	(14,606)	-
Closing balance	-	14,606
Capital Reserve		,
Opening balance	1,960	1,960
Less: Transfer to Restructuring Reserve	(1,960)	-
Closing balance	(1,111)	1,960
Securities Premium Reserve		-,,,,,
Opening balance	19,754	19,754
Security premium on new capital issue	25,651	10,701
Less: Transfer to Restructuring Reserve	(45,405)	
Closing balance	(10,100)	19,754
General Reserve		10,104
Opening balance	1,39,604	1,39,604
Less: Transfer to Restructuring Reserve	(1,39,604)	1,00,004
Closing balance	(1,00,001)	1,39,604
Equity Instruments through Other Comprehensive Income		1,00,004
Opening balance	(9,438)	(25,040)
Add: Addition during the year	(8,851)	15,602
Less: Reclassification to retained earnings (net of tax)	(0,001)	10,002
Closing balance	(18,289)	(9,438)
Restructuring Reserve (Refer note 48)	(10,203)	(3,400)
Transfer From		
Capital Reserve	1,960	_
Securities Premium Reserve	45,405	_
General Reserve	1,39,604	
Capital Reduction	99,309	
Income Tax Special Reserve (created pursuant to Section 36(1)(viii) of the Income Tax Act, 1961)	14,606	
Payment to AFC towards Bank Guarantee	(126)	
Transfer to Retained Earnings	(3,00,758)	
Closing balance	(3,00,730)	
Retained Earnings (Refer note 48)		
Opening balance	(2,56,374)	(2,56,117)
Add: Profit for the year		
	48,126	(281)
Add: Other Comprehensive Income (net of tax)	0.04.400	24
Add: Transfer From Restructuring Reserve	2,91,133	/O EC 074\
Closing balance	82,885	(2,56,374)
<u>Total</u>	1,01,724	(62,376)

(i) Treasury Shares

Treasury shares represents Company's own equity shares held by Kairos ESOP Trust, which is created for the purpose of issuing equity shares to employees under Company's stock option plan.

(ii) Special Reserve:

Every year the Company transfers a sum of not less than twenty percent of net profit after tax, if any, of that year 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.

(iii) Income Tax Special Reserve:

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.

(iv) Capital Reserve:

This reserve represents capital investment subsidy received, amount forfeited towards warrant subscription and amount on cancellation of forfeited equity shares. As per Approved Resolution Plan, existing Capital Reserve has been transferred to Restructuring Reserve during the year ended 31st March, 2024.

(v) 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. As per Approved Resolution Plan, all Securities Premium have been transferred to Restructuring Reserve during the year ended 31st March, 2024.

(vi) General Reserve:

This reserve include amount transferred from net profit as per provisions of erstwhile Companies Act, 1956 and Reserves created on Amalgamation. As per Approved Resolution Plan, existing General Reserve has been transferred to Restructuring Reserve during the year ended 31st March, 2024.

(vii) Equity Instruments through Other Comprehensive Income:

This Reserve represents the cumulative gains (net of losses) arising on the changes in Fair Value of Equity Instruments measured at Fair Value through Other Comprehensive Income, net of amounts reclassified, if any, to Retained Earnings when those instruments are disposed off.

(viii) Restructuring Reserve:

As per Approved Resolution Plan, Capital Reserve, Securities Premium, General Reserve and amount generated our of Capital Reduction have been transferred to Restructuring Reserve during the year ended 31st March, 2024. The entire Restructuring Reserve have been transferred to Retained Earnings as Free Reserve. (Refer note 48)

(ix) Retained Earnings:

This reserve represents the cumulative profits/(loss) of the Company and amounts transferred from Restructuring Reserve as mentioned above. This can be utilised in accordance with the provisions of the Companies Act, 2013.

20. Interest Income

(₹ in Lacs)

	Year Ended 31st March, 2024			Year Ended 31st March, 2023		
Particulars	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss
Interest on deposits with Banks	-	220	-	-	79	-
Other interest Income	-	-	-	-	60	-
Total	-	220	-	-	139	-

21. Other Income

(₹ in Lacs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Liability no longer required written back	2	-
Interest on Income Tax Refund	-	149
Others*	1	62
Total	3	211

^{*}It includes income from Guest House ₹ 0.52 Lacs.

22. Finance Costs

(₹ in Lacs)

	Year Ended 3	1st March, 2024	Year Ended 31st March, 2023		
Particulars	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	
Other interest expense	-	3	-	19	
Total	-	3	-	19	



for the year ended 31st March, 2024 (Contd.)

23. Impairment on Financial Instruments (net)

(₹ in Lacs)

	Year Ended 3 ⁻	1st March, 2024	Year Ended 31st March, 2023	
Particulars	On Financial Instruments measured at fair value through OCI	On Financial Instruments measured at Amortised Cost	On Financial Instruments measured at fair value through OCI	On Financial Instrumentsmeasured at Amortised Cost
Investments	-	-	-	-
Bad Debt Written Off	-	441	-	-
Impairment Investment (Fellow Subsidiaries)	-	1,280	-	-
Other Financial Assets	-	-	-	194
Impairment provision on Trade Receivable	-	(366)	-	-
Total	-	1,355	-	194

24. Employee Benefits Expenses

(₹ in Lacs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Salaries and wages	209	256
Contribution to provident and other funds	10	15
Staff welfare expenses	7	5
Total	226	276

25. Administrative and Other Expenses

(₹ in Lacs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Rent, Taxes and Energy Costs	119	58
Repairs and Maintenance	67	72
Communication Costs	1	2
Printing and Stationery	4	1
Advertisement and Publicity	6	9
Auditor's Fees and Expenses (Refer Note No. 25.1)	34	43
Legal and Professional Charges	84	49
Insurance	26	14
Corporate Social Responsibility Expenses (Refer Note No. 25.2)	-	-
	-	
Travelling & Conveyance	59	57
CIRP Expenses (Refer Note No. 25.3)	462	514
Other Expenditure	93	112
Total	958	931

25.1 Payments to the Auditor

(₹ in Lacs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
As Auditor - Statutory Audit & Limited Reviews	31	40
For Other Services (Certification etc.)	2	2
For Reimbursement of Expenses	1	1
Total	34	43

25.2 Corporate Social Responsibility Expenses

(₹ in Lacs)

Par	iculars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
(a)	Gross amount required to be spent by the Company during the year	-	-
(b)	Amount of expenditure incurred (paid in cash)	-	-
(c)	Shortfall at the end of the year	-	-
(d)	Total of previous years shortfall	-	52
(e)	Reason for shortfall	Refer Note No. 49	Refer Note No. 49
(f)	Nature of CSR activities	Not Applicable	Not Applicable
(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

for the year ended 31st March, 2024 (Contd.)

25.3 (₹ in Lacs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Fees to Resolution professional	41	54
Manpower Cost	26	72
Other Expenses	395	388
Total	462	514

26. Earnings Per Share (EPS) - The numerators and denominators used to calculate Basic and Diluted EPS

(₹ in Lacs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Profit/(Loss) for the year	48,126	(281)
Basic and Diluted		
Number of Equity Shares at the beginning of the year	50,30,86,333	50,30,86,333
Add: Number of Equity Shares issued during the year	49,10,06,197	-
Less: Capital Reduction	99,30,92,530	
Number of Equity Shares at the end of the year	10,00,000	50,30,86,333
Weighted average number of Equity Shares outstanding for calculation of EPS	36,04,16,992	50,30,86,333
Nominal Value of each Equity Share (₹)	10	10
Basic and Diluted Earnings per Equity share (₹)	13.35	(0.06)

There have been no transaction involving ordinary equity shares or potential equity shares between the reporting date and the date of completion of these standalone financial statements which would require the restatement of EPS.

27. Contingent Liabilities and Commitments (to the Extent not Provided for)

(₹ in Lacs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
A. Contingent Liabilities		
(a) Claims against the Company not acknowledged as debts:		
Income Tax*	-	-
Service Tax*	-	-
Central Sales Tax*	-	-
(b) Guarantees:		
Corporate Guarantees**	-	3,270
Bank Guarantees**	-	345
(c) Others ***	-	35
Total	-	3,650

^{*}Claims/Debts against the Company upto the effective date which are addressed under the NCLT approved resolution plan are not included in contingent liabilities though many of such claims/debts may be pending for disposal at various judicial forums. As per approved resolution plan, these liabilities stands extinguished. Accordingly, the management has assessed that the possibility of outflow of resources embodying economic benefits with respect to such claims/debts is remote.

All direct and indirect tax liabilities relating to assessments of earlier year from the effective date stand extinguished as per the NCLT approved resolution plan. Further, the implementation of the resolution plan does not have any effect over claims or receivables owed to the Company. Accordingly, the Company has assessed that any receivables due to the Company, evaluated based on merits of underlying litigations, from various governmental agencies continues to subsist.

- ** As per the Approved Resolution Plan, all liabilities towards the Corporate Guarantees isssued by the Company and Bank Guarantees have been extinguished from the effective date. This includes ₹ Nil (31st March, 2023: ₹ 345 Lacs) issued on Company's behalf by the Banker of SEFL out of banks credit line of SEFL.
- *** SEBI vide its Adjudication Order No. Order/DS/DK/2022-23/20903- 20964 dated 31st October, 2022 ('Order'), in the matter of Religare Enterprises Limited had imposed a penalty of ₹ 35 Lacs on the Company payable within 45 days from the date of receipt of the Order. However, vide its Corrigendum to Order dated 30th November, 2022, SEBI has clarified that the said period of 45 days shall not be applicable in respect of the Company due to the CIRP proceedings pending against it. The said penalty is payable subject to the provisions of IBC and outcome of the appeal filed by SEBI in the Dewan Housing Finance Limited case matter in the Hon'ble Supreme Court (Appeal No. 206 of 2020). As per Approved Resolution Plan, this liablity has been extinguished from the effective date.



for the year ended 31st March, 2024 (Contd.)

28. 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 Lacs)		Title deeds held in the name of	Whether title deed holder is promoter, director or relative of promoter /	Property held since which date	Reason for not being held in the name of the Company
		As at 31st March, 2024	As at 31st March, 2023		director or employee of promoter / director		
PPE	Building (Saket, New Delhi)	8,747.34	8,747.34	South Lake Properties Pvt Ltd / Pushp Vihar Properties Pvt Ltd / Koshika Properties Pvt Ltd / Wales Properties Pvt Ltd		29th Sept, 2010	**

^{**} In respect of property at Saket Place, New Delhi ('Property'), which was purchased by the Company from third party by execution of deed of declaration and for which purchase consideration was paid. The builder was supposed to get the required approval of Delhi Development Authority for conversion of Property from leasehold to freehold before conveyance, which is pending and the matter has been referred to the appropriate legal forum, where it is sub-judice.

29. 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 31st March, 2024 and year ended 31st March, 2023.

30. Relationship with Struck off Companies

The Company has not entered into any transaction with Companies struck-off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the year ended 31st March, 2024 and year ended 31st March, 2023.

31. Registration of charges or satisfaction with Registrar of Companies (ROC)

The Company does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period.

- **32.** The Company has received show cause notices from few banks for declaring the Company as wilful defaulter and suitable replies for the same has been submitted by the Company to the best of our knowledge and information available. In accordance with the Resolution Plan and Section 32A of the Code, the liability of the Corporate Debtors for any offences committed prior to the commencement of the CIRP shall cease. Consequently, neither the Corporate Debtors nor the Resolution Applicant shall be prosecuted for any such offences from the NCLT Approval Date onward. Therefore, the Company shall not be considered a wilful defaulter for the pre-CIRP period, and the erstwhile promoters of the Company are responsible for addressing the show cause notices related to wilful default for the pre-CIRP period (Also Refer Note No.53).
- **33.** The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

34. Undisclosed Income

There are no transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year ended 31st March, 2024 and 31st March, 2023 in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961) There are no previously unrecorded income and related assets have been properly recorded in the books of account during the year ended 31st March, 2024 and year ended 31st March, 2023.

35. Utilisation of Borrowed funds and share premium:

- (A) During the year ended 31st March, 2024 and year ended 31st March, 2023, 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 31st March, 2024 and yearended 31st March, 2023, 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.

36. Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended 31st March, 2024 and year ended 31st March, 2023.

for the year ended 31st March, 2024 (Contd.)

37. 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 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 detoriating asset quality and substantial increment in the provisions held and liquidity problems faced by the Company, the net worth of the Company was fully eroded. The Company was under CIRP with effect from 8th October, 2021. Post implementation of resolution plan as approved by NCLT vide order dated 11.08.2023, Net worth of the Company as at 31st March, 2024 has turned positive and continues to operate as a going concern.

38. Regulatory Capital (Capital Adequacy Ratio)

(₹ in Lacs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Tier I capital	101,797	(17,052)
Tier II capital	-	-
Total capital*	101,797	(17,052)
Risk Weighted Assets	63,858	54,843
Tier I Ratio (%)	159.41%	(31.09%)
Tier II Ratio (%)	-	-

^{*} 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. As at 31st March, 2023 subordinated debts (Tier II capital) have not been considered in Total capital as Tier I capital is negative.

Regulatory capital consists of Tier I capital, which comprises share capital, share premium, perpetual debt instrument, retained earnings including current year profit/(loss), statutory reserves and other free reserves less deferred revenue expenditure and intangible assets. The other component of regulatory capital is Tier II Capital Instruments, which includes subordinate bonds.

39. 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. 1.15 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:

(₹in Lacs)

Particulars		As at 31st N	As at 31st March, 2024		As at 31st March, 2023	
га:	r atticulats		Fair Value	Carrying Value	Fair Value	
Fin	ancial Assets					
a)	Measured at Amortised Cost					
	i) Cash and Cash Equivalents	33,028	33,028	3,719	3,719	
	ii) Bank Balance other than (i) above	90	90	265	265	
	iii) Trade Receivables	649	649	663	663	
	iv) Investment*	1,738	1,738	3,017	3,017	
v)	Other Financial Assets	20,153	20,153	144	144	
	Sub-total	55,658	55,658	7,808	7,808	
b)	Measured at Fair value through Profit or Loss					
	i) Investments	1	1	1	1	
	Sub-total	1	1	1	1	
c)	Measured at Fair value through Other Comprehensive Income					
	i) Investments	32,179	32,179	41,030	41,030	
	Sub-total	32,179	32,179	41,030	41,030	
	Total Financial Assets	87,838	87,838	48,839	48,839	



for the year ended 31st March, 2024 (Contd.)

(₹in Lacs)

Particulare		As at 31st March, 2024		As at 31st March, 2023	
Par	Particulars		Fair Value	Carrying Value	Fair Value
Fin	ancial Liabilities				
a)	Measured at Amortised Cost				
	i) Payables	146	146	681	681
	ii) Borrowings (Other than Debt Securities)	-	-	25,671	25,671
	iii) Subordinated Liabilities	-	-	33,000	33,000
	iv) Lease Liabilities	1	1	2	2
	v) Other Financial Liabilities	268	268	16,044	16,044
	Sub-total	415	415	75,398	75,398
	Sub-total	-	-	-	-
	Total financial liabilities	415	415	75,398	75,398

^{*}Investment in subsidiary companies are measured at deemed cost.

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 observable future cash flows based on terms, discounted at the average lending rate of the Company.

Other financial assets measured at amortised cost

Other financial assets have assets with short-term maturity (include ₹ 20,032 Lacs maturing in less than twelve months) as on balance sheet date and therefore, the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value.

Debt Securities, Subordinated Liabilities and Other Borrowings measured at amortised cost

The fair values of debts are estimated using a discounted cash flow model based on contractual future cash flows based on terms, discounted at the average borrowing rate of the company.

Other financial liabilities measured at amortised cost

Other financial liabilities have liability with short-term maturity (include ₹ 268 Lacs maturing in less than twelve months) as on balance sheet date and therefore, the carrying amounts are a reasonable approximation of their fair value.

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 and Loan Assets carried at FVTPL/FVTOCI included in level 3.

(₹in Lacs)

		As at 31st March, 2024				
Particulars	Level 1	Level 2	Level 3	Total		
Financial Assets						
Other financial assets	-	-	-	-		
Investments	27,584	-	4,596	32,180		
	27,584	-	4,596	32,180		

for the year ended 31st March, 2024 (Contd.)

(₹in Lacs)

	As at 31st March, 2023				
Particulars	Level 1	Level 2	Level 3	Total	
Financial Assets					
Other financial assets	-	-	-	-	
Investments	16,286	-	24,745	41,031	
	16,286	-	24.745	41.031	

Note 1: Fair value of the Company's assets and liabilities that are measured at fair value on a recurring basis.

Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis

(₹in Lacs)

	Fair Value				, , , , , , , , , , , , , , , , , , , ,
Particular	As at 31st March, 2024	As at 31st March, 2023	Fair Value Heirarchy	Valuation Technique and Key Input	Significant Unobservable Input
Financial Assets					
Other financial assets Investments Investments Financial liabilities	- 27,584 4,596	- 16,286 24,745	Level 3 Level 1 Level 3	Note (ii) Note (iii) Note (iv)	Note (v) Not Applicable Note (v) & (vi)
Derivative Financial Instruments	-	-	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 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) Other Inputs

- (a) Market Multiple Method: Relevant information from companies operating in similar economic environment and industry was used.
- (b) Discounted Cash Flow Method: Present value of the expected future benefits to be derived from the underlying Assets.
- (c) Net Asset Valuation Method: Value of the underlying net assets of the business.
- (v) Discount rate, determined using the average cost of borrowing of the Company + spread or contract yield rates or as considered by the Valuer.
- (vi) Estimated future cash flows.

Reconciliation of Level 3 fair value measurements

(₹ in Lacs)

Reconciliation	Investments		Other financial assets	
	23-24	22-23	23-24	22-23
Opening Balance	24,745	5,122	-	-
Addition	-	-	-	-
Sale/Repayment	-	-	-	-
Transfers from Level 3	-	-	-	-
Unrealised income/(loss)	(20,149)	19,623	-	-
Closing Balance	4,596	24,745	-	-

Sensitivity of fair value measurements to changes in unobservable market data (impact of change by 2%)

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%.



for the year ended 31st March, 2024 (Contd.)

(₹in Lacs)

Description	As at 31st March, 2024		As at 31st March, 2023	
Reconciliation		Unfavourable Changes	Favourable Changes	Unfavourable Changes
Investment	92	(92)	495	(495)
Other financial assets	-	-	-	-
Total	92	(92)	495	(495)

C) Financial risk management objectives

The Company's activities expose it to market risk, liquidity risk and credit risk.

The Company has reconstituted the Risk Management Committee including constitution of its sub committees viz Operational Risk Management Committee of Exectives and the Product & Process Approval Committee. The Asset Liability Management Committee has also been reconstituted. The Financial risk management framework would further undergo revision since new Board has been constituted.

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. Other 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 having any Foreign Curreny Exposure of USD 245,529 as on 31st March, 2024 (Nil-31 March 2023). Hence, the Company's profit and loss and equity is exposed to such foreign currency risk.

Foreign Currency Sensitivities

There is outstanding receivable of USD 245,529 in foreign currency as at 31st March, 2024 (Nil-31st March, 2023), which will have sensitivity impact.

ii. Interest rate risk

Post transfer of business under slump exchange, the Company is not having floating interest rate borrowings. The Company manages the risk by maintaining an appropriate mix between fixed and floating rate borrowings, and by use of interest rate swaps and cross currency interest rate swaps. Hedging activities are evaluated to align with interest rate views and defined risk appetite, to deploy the most cost effective hedging strategies.

Post transfer of business under slump exchange, the Company has not undertaken lending business.

The Company is not having any borrowing currently.

The sensitivity analysis is applicable on the exposure having floating interest rates for assets and liabilities at the end of the reporting period. As there is no exposure having floating interest rates, no separate disclosure is being done.

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 & Loss/fair value through Other Comprehensive Income as at 31st March, 2024 is ₹ 27,584/- Lacs (31st March, 2023 is ₹ 16,286 Lacs).

A 10% change in equity prices of such securities held as at 31st March, 2024 and 31st March, 2023, would result in an impact of ₹ 2,758 Lacs, and ₹ 1,629 Lacs respectively.

or the year ended 31st March, 2024 (Contd.)

b) Liquidity risk

he 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 he Company's treasury maintains flexibility in funding by maintaining sufficient cash and marketable securities to meet obligations when due and to close out market positions. 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 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. by monitoring of key liquidity ratios and conduct of liquidity stress tests periodically he Company was undergoing Corporate Insolvency Resolution Process ('CIRP') under the provisions of the Insolvency and Bankruptcy Code, 2016 ('Code'). Accordingly, a moratorium was 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 nanagement framework would further undergo revision since new Board has been constituted

(₹ in Lacs)

iquidity risk management (based on commercial terms):

265 3,320 44,048 16,044 75,398 144 51,496681 58,671 otal 44,048 33,000 44,192 33,001 months 99 >15 As at 31st March. 2023 45 35 198 4 3 to 12 months 3,613 976.9 43 269 285 554 3,320 Less than 3 months 24 24 106 24 130 On demand 33,918 268 2,939 20,153 90,128 90 146 **Total** 33,918 34,039 121 >12 months As at 31st March. 2024 20,032 20.108 42 43 3 to 12 months 2.939 32,769 35,708 212 146 358 Less than 3 months 273 7 7 On demand Bank Balance other than (i) above Cash and Cash Equivalents Trade & Other Receivables Other Financial Liabilities Other Financial Assets Trade Payables* Lease Liabilities Financial liabilities Borrowings* Investments Financial assets Loans Particulars 5 \equiv **=** $\widehat{\equiv}$ <u>≘</u> .≥ ≘ ≘ Total **Total** Ä Θ.

c) 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 also provides advisory 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 Post transfer of business under slump exchange, the Company is not undertaking lending business. The major part of the assets consists of Investments and Company is primarily focusing on its fee business. and approval process in compliance with regulatory guidelines.

The Company uses the Expected Credit Loss (ECL) Methodology to assess the impairment on 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. Any concentration breach as per prudential norms are reported as required by RBI



for the year ended 31st March, 2024 (Contd.)

d) Risk concentrations

The principal business of the Company was to provide financing in the form of loans to its clients for various infrastructure and allied purposes. Post the transfer of Lending Business, Interest Earning Business & Lease Business ("Transferred Undertaking") together with associated employees, assets and liabilities of Srei Infrastructure Finance Limited (SIFL) to Srei Equipment Finance Limited (SEFL) as a going concern basis by way of slump exchange w.e.f. from October 1, 2019, the new business of SIFL is largely predicated on Infrastructure Advisory, Financial Solutions Advisory and Fee Based Business.

Credit Risk is the risk of loss that occurs when a borrower or counterparty fails to meet its obligations in accordance with agreed terms, thus resulting in financial loss. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company's credit risk policies are approved by the Board from time to time which lays down the credit evaluation and approval process in compliance with regulatory guidelines.

The Company uses the Expected Credit Loss (ECL) Methodology to assess the impairment on funded credit exposures. The application of the model was derived from the combination of the probability of default and loss given default being applied to the exposure at default (EAD) to compute ECL based on historical data on an unsegmented basis due to limitation of count in the past. Owing to transfer of the business, empirical data for the newly constituted business of SIFL was not available and hence ECL for non-funded credit exposures is being computed by calculating the difference between the EAD and Net Present Value of the future cash flows and/or expected realisable value of security/collateral. Additionally, the Company may also carry out reviews for specifically identified exposures by the management as meriting special focus in calculation of ECL for fulfilling the objective of greater prudence.

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

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. 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.

Analysis of risk concentration

(₹ in Lacs)

	As at 31st March, 2024			As at 31st March, 2023			
Particulars	Subsidiary	Others	Total				
Investments	1,738	32,180	33,918	3,017	41,031	44,048	
Receivable	-	649	649	-	663	663	

40. Transfers of financial assets

Transfers of financial assets that are not derecognised in their entirety:

There was no such transaction during the year ended 31st March, 2024 and 31st March, 2023.

41. Assets obtained by taking possession of collateral

The Company has not obtained any non-financial assets during the current and previous year by taking possession of assets held as security against credit facility.

42. Disclosure pursuant to Ind AS 19 - Employee Benefits

Defined contribution plans

The Company has recognised, in Statement of Profit and Loss for the year ended 31st March, 2024 an amount of ₹ 9 Lacs (Previous year ₹ 12 Lacs) as expenses under defined contribution plans in respect of qualifying employees. The Company has no obligation other than Provident Fund, Employee State Insurance Scheme, National Pension Scheme and Labour Welfare Fund. The contributions are charged to profit and loss as they accrue.

The amount recognised as an expense towards employers contribution to the aforesaid funds are as below:

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Provident Fund	9	11
Employee State Insurance Scheme	*	*
National Pension Scheme	0	1

^{* ₹ 7000/- (}Previous year: ₹ 5,508/-).

for the year ended 31st March, 2024 (Contd.)

Defined benefit plans

(A) Gratuity Fund:

The Company makes contributions to Defined Benefit Plans for qualifying employees. The scheme is funded by way of separate irrevocable trust. The fund is managed internally by the Company. These Plans are administered through approved Trusts, which operate in accordance with the Trust Deeds, Rules and applicable Statutes. The concerned Trusts are managed by Trustees who provide strategic guidance with regard to the management of their investments and liabilities and also periodically review their performance. The Trustees of the gratuity scheme for the employees of the Company have interested the administration of the scheme to the Life Insurance Corporation of India (LIC).

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. The Company makes regular contributions to these Employee Benefit Plans. Additional contributions are made to these plans as and when required based on actuarial valuation. Some Group companies also participate in these Plans. These participating Group companies make contributions to the Plans for their respective employees on a uniform basis and each entity ascertains their obligation through actuarial valuation. The net Defined benefit cost is recognised by these companies in their respective Financial Statements.

Under the Gratuity plan, every employee is entitled to gratuity, being higher of the amount, calculated under the Company's plan (based on last monthly salary and number of years of service) or calculations as laid down under the Payment of Gratuity Act, 1972. Gratuity is payable on death/retirement/termination and the benefit vests after 5 year of continuous service.

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 31st March, 2024.

42.1 Particulars in respect of employee benefits of the Company are as follows:

	Gratuity	(Funded)	Leave (Un	unded)	
Description	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023	
Change in the defined benefit obligation					
Present Value of Obligation at the Beginning of the Year	28	60	2	6	
Current Service Cost	3	4	4	3	
Interest Cost*	2	4	0	0	
Past Service Cost - Plan Amendements	-	-	-	-	
Acquisitions Cost/credit	-	-	-	-	
Actuarial (gain)/loss	1	(25)	0	(3)	
Benefits paid	(4)	(15)	(4)	(4)	
Present Value of Obligation at the end of the Year	30	28	2	2	
Change in plan assets					
Fair value of Plan Assets at the Beginning of the Year	58	68	NA	NA	
Expected return on Plan Assets	3	4	NA	NA	
Acquisitions Cost/credit	-	-	NA	NA	
Contributions by the Employer	1	1	NA	NA	
Benefits paid	(4)	(15)	NA	NA	
Fair value of Plan Assets at the end of the Year	57	58	-	-	

^{*}Amount mentioned as '0' is below rounding off threshold adopted by the Company.



for the year ended 31st March, 2024 (Contd.)

Basis used to determine the Expected Rate of Return on Plan Assets

The expected return on plan assets is determined based on government bond rate.

(₹ in Lacs)

	Gratuity	(Funded)	Leave (Unfunded)		
Description	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023	
Amount recognised in Balance Sheet consists of:					
Fair value of Plan Assets at the end of the Year	57	58	-	-	
Present Value of Obligation at the end of the Year	30	28	2	2	
Net (Asset)/Liabilities recognised in the Balance Sheet in respect of defined benefits	(27)	(30)	2	2	

(₹ in Lacs)

	Gratuity	(Funded)	Leave (Uni	unded)	
Description	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023	
Expenses recognised in the statement of profit and loss consists of:					
Employee benefits expenses:					
Current Service cost	3	4	4	3	
Past Service Cost - Plan Amendements	-	-	-	-	
Net Interest cost*	(2)	(1)	0	0	
Net Actuarial (gain)/loss	-	-	0	(3)	
Total [A]	1	3	4	0	
Other Comprehensive Income					
Actuarial (Gain)/Loss from experience adjustments	1	(24)	-	-	
Actuarial (Gain)/Loss from financial assumptions	-	-	-	-	
Return on plan assets (excluding amounts included in net interest cost)	-	-	-	-	
Total [B]	1	(24)	-	-	
Expense recognised during the year [A+B]	2	(21)	4	0	

^{*}Amount mentioned as '0' is below rounding off threshold adopted by the Company.

Note: The figures for the year ending on March 31, 2024, have been proportionally adjusted based on the figures as of 31st March, 2023.

42.2 Particulars of Investment Details of Plan Assets are as follows:

Description		Gratı % Inve		Leave % Invested		
Description		As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023	
Investment Details of Plan Assets						
Schemes of insurance - conventional pr	roducts	100%	100%	Not Applicable	Not Applicable	
Total		100%	100%			
42.3 Principal Assumptions used are a	ns follows:					
Discount rate per annum	7.00%	7.20%	6	7.00%	7.20%	
Salary escalation rate per annum	7.50%	7.50%	0	7.50%	7.50%	
	Age 20-25 : 5.0%	Age 20-25	: 5.0% Age 2	0-25 : 5.0% A	ge 20-25 : 5.0%	
	Age 25-30: 3.0%	Age 25-30	: 3.0% Age 2	5-30 : 3.0%	Age 25-30 : 3.0%	
	Age 30-35 : 2.0%	Age 30-35	: 2.0% Age 3	0-35 : 2.0%	Age 30-35 : 2.0%	
	Age 35-50: 1.0%	Age 35-50	: 1.0% Age 3	5-50 : 1.0% A	Age 35-50 : 1.0%	
	Age 50-55 : 2.0%	Age 50-55	: 2.0% Age 5	0-55 : 2.0%	Age 50-55 : 2.0%	
	Above Age 55 : 3.0%	Above Age 5	5 : 3.0% Above A	Age 55 : 3.0% Ab	ove Age 55 : 3.0%	
Mortality Rate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Ass Lives Mor (2006-(Ultima	rtality Live 08) (2	an Assured s Mortality 2006-08) Jltimate	Indian Assured Lives Mortality (2006-08) Ultimate	

^{42.4} The estimate of future salary increase, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employee market.

^{42.5} Expected employers contribution towards gratuity fund for the year ended 31st March, 2024 is ₹ NIL Lacs as per actuarial report.

for the year ended 31st March, 2024 (Contd.)

42.6 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.

		As at 31st March, 2024				As at 31st March, 2023				
	Gra	Gratuity		Leave		Gratuity		ave		
	%	₹ (in Lacs)	%	₹ (in Lacs)	%	₹ (in Lacs)	%	₹ (in lacs)		
Discount Rate + 100 basis points	(10.2%)	(3)	(11.1%)	(0)	-10.6%	(3)	(11.0%)	(0)		
Discount Rate - 100 basis points	11.8%	4	13.1%	0	12.2%	3	12.8%	0		
Salary Increase Rate + 1%	7.6%	2	12.9%	0	7.9%	2	12.7%	0		
Salary Increase Rate – 1%	(6.7%)	(2)	(11.1%)	(0)	-7.0%	(2)	(11.1%)	(0)		

42.7 Maturity Analysis of The Benefit Payments

(₹ in Lacs)

	As at 31st M	arch, 2024	As at 31st March, 2023	
Expected payment for future years	Gratuity	Leave	Gratuity	Leave
Year 1	0	0	0	0
Year 2	1	0	1	0
Year 3	1	0	1	0
Year 4	1	0	1	0
Year 5	1	0	1	0
Next 5 Years	11	1	21	1

42.8 Weighted average duration of defined benefit obligations:Gratuity-12 years (31st March, 2023: 12 years). Leave-12 years (31st March, 2023:13 years).



for the year ended 31st March, 2024 (Contd.)

43. Disclosure pursuant to Indian Accounting Standard 24 - "Related Party Disclosures"

Related Parties:

SI.	Name of the Company	Country of Origin
No.	Holding Company:	
1	Adisri Commercial Private Limited (ceased w.e.f. 19.12.2023)	India
В	Subsidiaries:	mala
1	Srei Equipment Finance Limited	India
2	Srei Insurance Broking Private Limited	India
3	Srei Capital Markets Limited	India
4	Srei Mutual Fund Asset Management Private Limited	India
5	Srei Mutual Fund Trust Private Limited	India
6	Srei Asset Leasing Limited	India
7	Controlla Electrotech Private Limited	India
8	Bengal Srei Infrastructure Development Limited	India
9	Trinity Alternative Investment Managers Limited	India
10	Hyderabad Information Technology Venture Enterprises Limited (Subsidiary of Trinity Alternative Investment Managers	Ltd.) India
11	Cyberabad Trustee Company Private Ltd. (Subsidiary of Trinity Alternative Investment Managers Ltd.)	India
C	Shareholders as per Approved Resolution Plan having substantial shareholding:	
1	National Asset Reconstruction Company Limited (w.e.f. 19.12.2023)	India
2	India Debt Resolution Company Limited (w.e.f. 19.12.2023)	India
D	TRUSTS:	
1	Srei Mutual Fund Trust	India
E	OTHERS:	
1	Srei Infrastructure Finance Limited Employees Gratuity Trust	India
F	Director/Key Management Personnel of the Company:	Designation
1	Mr. Rajneesh Sharma (w.e.f 04.10.2021 till 26.02.2024)*	Administrator
2	Mr. N. Sivaraman (w.e.f. 26.02.2024)	hairman & Independent Directo
3	Mr. P. Santhosh (w.e.f. 26.02.2024)	Nominee Director
4	Mr. Avinash Kulkarni (w.e.f. 26.02.2024)	Nominee Director
5	Mr. Sunil Srivastav (w.e.f. 26.02.2024)	Independent Director
6	Ms. Anuradha Mitra (w.e.f. 05.04.2024)	Independent Director
7	Mr. Hardayal Prasad (w.e.f. 05.04.2024)	Managing Director & CEO
8	Mr. Manoj Kumar	Company Secretary & Chief Compliance Officer
9	Mr. Vishnu Gopal Agarwal	Chief Financial Officer
10	Mr. Syed Faisal Aquil (w.e.f 30.11.2023 till 15.04.2024)	Manager
11	Mr. Souren Mokhopadhyay (ceased w.e.f. 18.07.2022)	Deputy Chief Executive Officer
12	Mr. Sandeep Agarwal (w.e.f 14.08.2023 till 26.02.2024)	Member of Implementation & Monitoring Committee
13	Mr. Pavel Poddar (w.e.f 14.08.2023 till 26.02.2024)	Member of Implementation & Monitoring Committee
14	Mr. Manveet Vyas (w.e.f 14.08.2023 till 26.02.2024)	Member of Implementation & Monitoring Committee
15	Mr. Sudha Raina (w.e.f 14.08.2023 till 26.02.2024)	Member of Implementation & Monitoring Committee

^{*} 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 Mr. Rajneesh Sharma as the Administrator of SIFL under Section 45-IE (2) of the RBI Act w.e.f. 04.10.2021. Post implementation of resolution plan as approved by NCLT vide order dated 11.08.2023, the new Board has been re-constituted w.e.f. 26.02.2024 and Mr. Rajneesh Sharma has been appointed as Principal Advisor to Board.

for the year ended 31st March, 2024 (Contd.)

	1 41:51

Name of related party & Nature of relationship	Nature of Transactions	For the Year ended	Balance as at	For the Year ended	Balance as at
		31st Mar	ch, 2024	31st Marc	h, 2023
(A) Subsidiaries:					
Trinity Alternative Investment Managers Ltd	Advances (Unsecured) Reimbursement of professional fess paid Rental Received/Receivable		5.02 0.27	- 0.87	5.02 0.27
Srei Mutual Fund Asset Management Private Limited	Inter Corporate Deposits Received (Unsecured) Inter Corporate Deposits Refunded Interest Paid on Inter Corporate Deposits		- - -		- - -
Srei Mutual Fund Trust Private Limited	Subscription to Share Warrant Advance Given (Unsecured) Refund of Advance Given Interest on Advance Given	- - - -	- - - -	- - -	- - - -
Controlla Electrotech Private Limited	Inter Corporate Deposits Received (Unsecured) Inter Corporate Deposits Refunded Interest Paid on Inter Corporate Deposits	- - -	- - -	- - -	- - -
Srei Insurance Broking Private Limited	Inter Corporate Deposits Received (Unsecured) Inter Corporate Deposits Refunded Interest Paid on Inter Corporate Deposits Rental Received/Receivable	- - - 2.65	- - -	2.65	- - -
	Dividend Income Reimbursement of I.T Cost	-	-	100.00 1.04	-
Srei Equipment Finance Limited	Security Deposit Received * Rental Received/Receivable ** Rent Paid/Payable Reimbursement of I.T Cost (Receivable)	15,000.00 307.92 13.50	- - - -	79.36 13.50 19.78	15,000.00 228.56 - -
	Loan Received - Unsecured (transaction for the period on maximum outstanding basis)*** Refund of Loan Received	25,671.03	-	31.43 83.88	25,671.03
	Pre-CIRP claim payable**** Other Payable: Advance Paid**** Other Payable: Advance Received**** Compensation Receivable*****	106.63 3,935.11 3,934.90 50,000.00	0.21 - 20,000.00	106.63 208.00 208.00	106.63
	Closure of BG BG issued from SEFL limit ****** Corpus Refund_EY Restructuring-Advance Received Corpus Refund_EY Restructuring-Advance Paid	300.72 13.44 13.44		115.58 - - -	300.72

(₹ in Lacs)

Name of related party & Nature of relationship	Nature of Transactions	For the Year ended	Balance as at	For the Year ended	Balance as at
		31st March	, 2024	31st March	, 2023
(B) Remuneration to Director/Key Management Personnel including their	relatives:				
Mr. Rakesh Bhutoria (ceased w.e.f close of business hours of 15.09.2021)	Remuneration	69.86#	-	-	69.86#
Mr. Sandeep Kumar Sultania (ceased to be a KMP w.e.f. 07.12.2021)	Remuneration	7.13#	-	-	7.13#
Mr. Malay Mukherjee (ceased w.e.f 08.10.2021)	Sitting Fees	0.50*	-	-	0.50
Mr. Ram Krishna Agarwal (ceased w.e.f 17.09.2021)	Sitting Fees	0.50*	-	-	0.50
Mr. Rajneesh Sharma (w.e.f 04.10.2021)	Consultancy Fee	40.50	-	54.00	-
Mr. Souren Mukhopadhay (ceased w.e.f 18.07.2022)	Remuneration	-	-	38.38	-
Mr. Manoj Kumar (w.e.f. 01.04.2021)	Remuneration	66.95	-	44.74	-
Mr. Vishnu Gopal Agarwal (w.e.f. 01.12.2023)	Remuneration	46.45	-	39.41	-
Mr. Mr Syed Faisal Aquil (w.e.f. 30.11.2023)	Remuneration	2.96	-	-	-
Mr. Sivaraman Naravanaswami	Sitting Fees	1.60	-	-	-
Mr. Sunil Srivastav	Sitting Fees	1.60	-	-	-
Mrs. Mahua Mukherjee, relative of KMP (from 30.06.2021 to 18.07.2022)	Car Hire Charges	-	-	2.00	-

Balance as at 31st March, 2023 is due to the restrictions imposed by the Lenders wherein the salary of employee was capped to ₹ 50 Lacs p.a. during the period November, 2020 to March, 2021. The Company had made provision of arrear salary of those employees as the same is payable as per the contractual obligations. These employees had filed their claim under CIRP. The claim was finally admitted and approved by the Hon'ble NCLT vide order dated 11th August, 2023 and basis the Implemenation and Monitoring Committee held on 22nd September, 2023 the payment was released.

^{*} Extiguishment of claims as per approved resolution plan.



for the year ended 31st March, 2024 (Contd.)

44. Leases

a. In the capacity of Lessee

The following is the summary of practical expedients elected on initial application:

- 1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
- 2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
- 3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- 4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.
- (i) The Company has certain cancellable operating lease arrangements for office premises, which range between 11 months to 15 years and are usually renewable by mutual consent, on mutually agreeable terms. Some of these lease agreements have rent escalation upto 5% p.a. or 10% p.a. on renewals.
- (ii) The Company had no non-cancellable operating lease arrangements for office premises during current and previous year.
- (iii) Disclosure in accordance to Ind AS 116 is as below:

(₹ in Lacs)

No. Particulars	2023-24	2022-23
a Short term lease payment	-	-
b Expense relating to leases of low - value assets	-	-
c Variance lease payments not included in the measurement of lease liability	-	-
d Income from subleasing right of use assets	-	-
e Total Cash outflow for leases	1	2
f Interest expense on Lease liability	-	-

g The future lease payments considered for lease liability on an undiscounted basis are as follows:

(₹ in Lacs)

Particulars		As at	As at
	31	st March, 2024	31st March, 2023
Less than one year		-	1
One to five years		1	1
More than five years		-	-
Total		1	2

h Details of right of use assets and its movement is as below:

(₹ in Lacs)

Particulars	Opening As at April 1, 2023	Additions	Adjustment	Closing As at 31st March, 2024
Office Premises:				
Right of use Assets	2	-	-	2
Accumulated Depreciation/Amortisation	1	-	-	1
Net Carrying amount				1

(₹ in Lacs)

Particulars	Opening			Closing
	As at April 1, 2022	Additions	Adjustment	As at 31st March, 2023
Office Premises:				
Right of use Assets	2	-	-	2
Accumulated Depreciation/Amortisation	1	-	-	1
Net Carrying amount				1

The weighted average incremental borrowing rate applied to lease liability for the year ended 31st March, 2024 and 31st March, 2023 is considered as 11.50%.

b. In the capacity of Lessor

(i) The Company also has cancellable operating lease arrangements for office premises, which range between 1 to 3 years and are usually renewable by mutual consent on mutually agreeable terms.

for the year ended 31st March, 2024 (Contd.)

(ii) Details of rental income towards operating lease for assets and office premises including sublease are as follows:

(₹ in Lacs)

Particulars	2023-24	2022-23
Rental Income on the basis of earnings of the Lessee	-	-
Others	355	403
Total Rental Income	355	403

(iii) Details of fixed future lease receivable towards operating lease for assets and office premises are as follows:

(₹ in Lacs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Within 1 year	65	393
1-2 year	-	371
2-3 year	-	302
3-4 year	-	296
4-5 year	-	326
> 5 year	-	560
Total	 65	2,248

45. Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

	As at 3	31st March, 20	24	As at 31	Ist March, 202	;h, 2023	
Assets	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total	
Cash and Cash Equivalents	33,028	-	33,028	3,719	-	3,719	
Bank Balance other than above	90	-	90	187	78	265	
Trade Receivables	649	-	649	663	-	663	
Investments	-	33,918	33,918	-	44,048	44,048	
Other Financial Assets	20,032	121	20,153	78	66	144	
Current Tax Assets (Net)	-	5,379	5,379	-	5,332	5,332	
Property, Plant and Equipment	-	8,957	8,957	-	9,187	9,187	
Right to use assets	-	1	1	-	1	1	
Other Intangible Assets	-	1	1	-	1	1	
Other Non-Financial Assets	136	-	136	40	5	45	

	As at 31st March, 2024			As at 31st March, 2023			
Liabilities	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total	
Trade Payables	146	-	146	269	-	681	
Borrowings (Other than Debt Securities)	-	-	-	-	-	25,671	
Subordinated Liabilities	-	-	-	-	33,000	33,000	
Lease Liabilities	1	-	1	1	1	2	
Other Financial Liabilities	268	-	268	323	-	16,044	
Provisions	6	-	6	6	-	6	
Other Non-Financial Liabilities	67	-	67	68	-	68	



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46. Informations as required by Non-Banking Financial Company - Scale Based Regulation Directions , 2023 is furnished vide Annexure - 1 attached herewith. These disclosures are prepared under Ind AS issued by MCA.

47. Business Transfer Agreement

During the year 2019-20, the Company and its subsidiary Company, Srei Equipment Finance Limited (EIFL) entered into an agreement dated August 16, 2019, as amended ('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 1, 2019 while allotment of shares by SEFL was made on December 31, 2019.

In terms of the resolution plan as approved by Hon'ble NCLT vide its order dated August 11, 2023, for the ease of continuation of the businesses of the Company as going concern and for the purposes of accounting, the slump exchange undertaken between the Company and SEFL shall be considered to be effective from the effective date as provided under the Business Transfer Agreement dated August 16, 2019 (as amended), entered into between SEFL and SIFL, except as provided expressly in the approved resolution plan. Given that the accounting treatment of the BTA has already been reflected in the audited financial statements ending March 31, 2020, no further accounting impact is deemed necessary in the books of accounts to give effect to the resolution plan. It is further clarified that this treatment would be without prejudice to the rights of the CoC to pursue any legal actions in respect of such slump exchange, against the erstwhile Promoters or the Promoter Group.

48. Implementation of Consolidated Resolution Plan

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 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.

The Administrator, after adopting proper procedure, had filed applications for consolidated resolution process before the Hon'ble National Company Law Tribunal-Kolkata Bench (Hon'ble NCLT) in the case of Srei Infrastructure Finance Limited and Srei Equipment Finance Limited (IA No. 1099 of 2021 under CP.294/KB/2021 and IA No. 1100 of 2021 under CP.295/KB/2021). The application in this matter was admitted and the final order was received on February 14, 2022 wherein the Hon'ble NCLT approved the consolidation of the corporate insolvency of Srei Infrastructure Finance Limited and Srei Equipment Finance Limited.

The Consolidated Committee of Creditors (CoC) took on record three Resolution Plans received from Prospective Resolution Applicants (PRAs) on January 18, 2023. The three Resolution Plans received by the Consolidated CoC were put to e-voting. The Consolidated CoC took on record the results of the e-voting in CoC meeting held on February 15, 2023, and the resolution plan submitted by National Asset Reconstruction Company Limited (NARCL) was duly approved by CoC by majority voting under Section 30(4) of the IBC read with Regulation 39(3) of CIRP Regulations, 2016, thereby, declaring NARCL as Successful Resolution Applicant (SRA). The resolution plan of NARCL approved by Consolidated Committee of Creditors (CoC) was filed before Adjudicating Authority on February 18, 2023 for its approval and the same was approved by Hon'ble NCLT vide its Order dated August 11, 2023.

In terms of the approved resolution plan, an Implementation and Monitoring Committee ("IMC") was constituted which was empowered to supervise the implementation of the approved resolution plan and oversee the management of the affairs of the Company as per the terms of the approved resolution plan till the closing date. The IMC in its meeting dated August 16, 2023 passed a resolution appointing the Administrator as Chairman of IMC and vide IMC resolution dated August 17, 2023 authorised him to continue to operate all the bank accounts and undertake various activities as are required to ensure the Company's status as a going concern during the implementation of the approved resolution plan.

Important provisions of approved resolution plan along with various steps undertaken for the implementation of approved resolution plan are given below:

- (i) The approved resolution plan shall be binding on the Company and other stakeholders involved in terms of Section 31 of the Code.
- (ii) The administrator shall stand discharged from his duties with effect from the order dated August 11, 2023, save and except the duties envisaged in the resolution plan.
- (iii) An Implementation and Monitoring Committee ("IMC") was constituted which was empowered to manage the affairs of the Company till the closing date. Thereafter implementation is carried out by IMC for implementation of the resolution plan.
- (iv) IMC received the Implementation Notice dated September 22, 2023 from NARCL in terms of the approved resolution plan and referring to the Reallocation Notice dated September 21, 2023 issued by the Committee of Creditors (CoC) (CoC Re-allocation Notice), notifying the Effective Date as September 22, 2023, being the date on which NARCL, as the Resolution Applicant proposed to commence the Steps set out in Section 4 (Steps of Implementation) of the approved resolution plan.
- (v) The Company, on instructions of the IM took necessary steps including making payments, to various stakeholders in terms of the approved Resolution Plan.
- (vi) The Company had filed the application for delisting of the Equity Shares and the Perpetual Debt instruments of the Company from the respective stock exchanges i.e. National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in terms of steps for the implementation as provided

for the year ended 31st March, 2024 (Contd.)

in the approved resolution plan. Accordingly, the record date for delisting of equity shares and perpetual debt instruments issued by the Company was fixed on Friday, October 6, 2023. Subsequently, these equity shares and Perpetual Debts were delisted by both the Stock Exchanges i.e. BSE and NSE with effect from December 14, 2023.

- (vii) The existing equity share capital of ₹ 50,309 Lacs has been cancelled/extinguished via capital reduction without payment of any compensation to the shareholders. The corresponding amount has been transferred to Restructuring Reserve.
- (viii) The Company has issued 4,60,000 equity shares with a face value of ₹ 10 each to the Resolution Applicant, NARCL, and 2,00,000 equity shares with a face value of ₹ 10 each to India Debt Resolution Company Limited (IDRCL). Additionally, the Company has allotted 2,00,000 equity shares, each with a face value of ₹ 10, totalling ₹ 20 Lacs, to Approving Financial Creditors (AFC) in exchange for the assignment of AFCs' Debt. Furthermore, 1,00,000 equity shares with a face value of ₹ 10 each were issued to Kairos ESOP Welfare Trust.
- (ix) The Company disbursed ₹ 7 Lacs to approved operational creditors and settled ₹ 111 Lacs for employees' claims related to the pre-CIRP (Corporate Insolvency Resolution Process) period.
- (x) The Company had paid ₹ 126 Lacs to AFC in relation to bank guarantees issued during the pre-CIRP period. The amount has been debited to Restructuring Reserve.
- (xi) The Company extinguished pre-CIRP liabilities towards outstanding operational creditors, Perpetual Debts, Government dues and payments to related parties totalling to ₹ 49,000 Lacs through capital reduction process and transferred the corresponding amount to Restructuring Reserve
- (xii) The Company has transferred both statutory and non-statutory reserves to Restructuring Reserve totalling to ₹ 2,01,575 Lacs.
- (xiii) The remaining balance of ₹ 3,00,758 Lacs in restructuring reserve has been transferred to retained earnings of the Company as per details given below:

Nature of the Items	Amount in Lacs
Equity Share Capital Reduction	50,309
Pre-CIRP liabilities towards Perpetual Debts	33,000
Pre-CIRP liabilities towards outstanding operational creditors, Government dues and payments to related parties	16,000
Payment to AFC against bank guarantees set aside by the Company	(126)
Transfer of Reserve (both statutory and non-statutory in nature)	2,01,575
Transfer to Retained Earnings	3,00,758

- (xiv) In terms of Approved Resolution Plan, a part of existing issued equity share capital of SEFL, amounting to ₹7,802 Lacs was cancelled and extinguished by SEFL by way of Capital Reduction on December 19, 2023. The subsidiary company is liable to make cash payment of ₹50,000 Lacs to SIFL as compensation which has been recognised in the Statement of Profit & Loss as an Exceptional Item and categorized as Profit on Cancellation of Investment. Out of afore said ₹50,000 Lacs, SEFL has made payment of ₹30,000 Lacs on 27th March, 2024 and balance ₹20,000 Lacs is outstanding as on 31st March, 2024.
 - IMC, vide its resolution dated 19th December 23 has declared that 31st December, 2023 is closing date of balance sheet for the purpose of audit and its handover to the new Board of Directors. The handover of the closing date balance sheet along with other necessary requirement including Reconstitution of the Board of Directors took place on 26th February, 2024. On completion of the handover activities by the IMC to Board of Directors, IMC got dissolved. Accordingly, effect of Resolution Plan has been given in the financial statements for the year ended on 31st March, 2024.
- **49.** As at March 31, 2021 the Company was having funds amounting to ₹ 53 Lacs in relation to the Corporate Social Responsibility ('CSR') which were unspent. These unspent amounts as per the requirements of Section 135 of the 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 TRA mechanism effective November 24, 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 provisions of Section 135(5) and Section 135(7) of the Act. The reply from MCA in this regard is still awaited.

Subsequently, as per the approved resolution plan, no amount was payable to the statutory authorities against their dues and hence all such dues were extinguished.

50. The Company is unable to transfer 66,215 Equity shares pertaining to the Financial Year 2014-15, due for transfer to the Investor Education and Protection Fund in accordance with the applicable provisions of Section 124 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 due to the technical reasons as stated in Note no. 15.1 above. The Company has requested for guidance from IEPF authorities and also requested them to file claim for pre CIRP amount. The authorities are yet to revert on the same.

After NCLT order dated August 11, 2023, approving the Resolution Plan submitted by National Asset Reconstruction Company Limited, the entire equity shares of all shareholders has been extinguished through capital reduction process. Hence, there is no need to transfer these equity shares to IEPF.

51. Going Concern

CIRP was initiated in respect of the Company w.e.f. October 8, 2021 and the resolution plan of NARCL was approved by Hon'ble NCLT vide order dated August 11, 2023. The Company has adhered to the implementation of resolution plan as per the indicative timelines. Accordingly, based on the implementation of the resolution plan, the successful resolution applicant is confident of improving the credit profile of the Company,



for the year ended 31st March, 2024 (Contd.)

including through time-bound monetisation of assets including arbitration awards, claims and other assets which would result in it being able to meet its obligations in due course of time. Accordingly, these financial statements have been prepared on a going concern basis.

52. 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 31, 2020 had identified 'certain borrowers' as probable connected/related companies. In the directions, the Company and SEFL havebeen 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 SEFL and also whether transactions with these connected parties are on arm's length basis.

It has been brought to the Administrator's notice that the superseded Board of Directors and the erstwhile management had taken legal view to determine whether such borrowers are related parties to the Company or SEFL. Based on the legal view, the erstwhile management was advised and had therefore come to the conclusion that the Company or SEFL 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 SEFL. The erstwhile management had also obtained an assessment report on the review and verification of the transactions with the aforesaid probable connected/related parties from an independent Chartered Accountant firm, which states that the transactions of the Company/SEFL 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/SEFL under the Act or Ind AS 24.

However, the Administrator was 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 got conducted transaction audits/reviews relating to the process and compliances of the Company and had also appointed professionals for conducting transaction audit as per Section 43, 45, 50 and 66 of the Code.

Out of Accounts referred by the RBI in the directions, the Administrator had received account wise transaction audit reports, which identified certain transactions as fraudulent in nature under Section 66 of the Code, including undervalued transactions. In respect of such accounts, the Administrator has filed applications under Section 60(5) and Section 66 of the Code before the Kolkata bench of the Hon'ble National Company Law Tribunal (NCLT) on various dates for adjudication. Since, the entire loan portfolio was transferred by SIFL to SEFL under BTA (referred in note 3 above), the afore-mentioned transactions are appearing in the books of SEFL currently. SEFL has also made 100 % impairment on such accounts. The transaction audit has been completed and the necessary impact of the same has been incorporated by SEFL in their financial results.

53. Based on the information available in the public domain, some of the 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-promoter before the Hon'ble High Court of Delhi, the Hon'ble Court has passed interim relief to the petitioner vide order dated April 22, 2022, restraining the said lender from taking any further steps or action prejudicial to the petitioner on the basis of the order declaring the bank account as fraud. Thereafter vide order dated May 15, 2023, the application was disposed of directing that the order declaring the account of the Company as fraud was set side. Further, liberty was granted to the banks to proceed ahead in accordance with the direction given in the aforesaid order.

During the year ended March 31, 2024, the Company has received Show Cause Notices (SCNs) from some of the Banks/Financial Institutions. The Resolution plan states as under:

"Notwithstanding anything contained in the Resolution Plan and in accordance with Section 32A of the Code, the liability of the Corporate Debtors for an offence committed prior to the commencement of the CIRP, if any, shall cease, and neither the Corporate Debtors nor the Resolution Applicant shall be prosecuted for any such offence on and from the NCLT Approval Date. If a prosecution has been instituted during the CIRP against the Corporate Debtors, the Corporate Debtors shall stand discharged from the NCLT Approval Date."

Based on the above clause of Resolution plan the Erstwhile promoter of the Company are liable to answer the said Show Cause Notice.

- 54. In accordance to Ind AS 108 "Operating Segments", the required disclosure is done in the Consolidated Financial Statement of the Company.
- **55.** The Ministry of Corporate Affairs (MCA) vide its letter dated April 18,2023 has initiated inspection into the affairs of the Company and has sought information and documents under Section 206(5) of the Act. The Company has provided necessary documents as required by MCA.
- **56.** The Enforcement Directorate (ED) on 31st January, 2023 conducted simultaneous investigation on office premises of the Company and its subsidiary, Srei Equipment Finance Ltd. The Company and its officials are co-operating and providing the required information/ documents as available.
- **57.** Figures pertaining to the previous year have been rearranged / regrouped, wherever necessary, to make them comparable with those of current year.

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants ICAI Firm Registration No. 306033E/E300272

Sd/- Hemant Kumar LakhotiaPartner
Membership No. 068851

Place: Kolkata Date: June 5, 2024

For and on behalf of Board of Directors

Sd/- Sd/-

Hardayal Prasad Avinash Kulkarni Managing Director & CEO DIN: 08024303 DIN: 02982164

Sd/-

Vishnu Gopal Agarwal Manoj Kumar

for the year ended 31st March, 2024 (Contd.)

ANNEXURE I TO NOTES TO FINANCIAL STATEMENTS (Refer Note No. 46)

Disclosure of details as required in terms of Annexure- II of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 as amended from time to time (the "Master Directions") - Notes to Accounts for NBFCs

 The following table provides reconciliation of expected credit loss provided by the Company in books under the provisions of Indian Accounting Standards with provisions required under norms prescribed by Reserve Bank of India.

As at 31st March, 2024:

(₹ in Lacs)

Assets Classification as per RBI Norms	Assets Classification as per Ind AS 109	Gross Carrying Amount as per Ind AS 109	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between provisions and IRACP norms
1	2	3	4	5=3-4	6	7=4-6
Performing Assets						
Standard	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
Non-Performing Assets (NPA)	· ·					
Substandard	Stage 3	-	-	-	-	-
Doubtful - up to 1 yearStage 3	-	-	-	-	-	
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA	· ·	-	-	-	-	-
Other items such as guarantees, loan	Stage 1	-	-	-	-	-
commitments, etc. which are in the	Stage 2	-	-	-	-	-
scope of Ind AS 109 but not covered under current IRACP norms*	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Total	-	-	-	-	-

As at	31st	March,	2023:
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(₹ in Lacs)

Assets Classification as per RBI Norms	Assets Classification as per Ind AS 109	Gross Carrying Amount as per Ind AS 109	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between provisions and IRACP norms
1	2	3	4	5=3-4	6	7=4-6
Performing Assets						
Standard	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
Non-Performing Assets (NPA)	-					
Substandard	Stage 3	-	-	-	-	-
Doubtful - up to 1 yearStage 3	-	-	-	-	-	
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan	Stage 1	-	-	-	-	-
commitments, etc. which are in the	Stage 2	-	-	-	-	-
scope of Ind AS 109 but not covered under current IRACP norms*	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Total	-	-	-	-	-

^{*}In accordance to IndAS 109, Financial guarantees are recognised initially as a liability at fair value. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per 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 AS115.

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 under simplified approach as specified in Ind AS 109, wherein staging is not required. Therefore, same is not considered in above disclosure.

- Disclosure on moratorium to borrowers in terms of RBI circular dated 17th April, 2020.
 The Company is not undertaking lending business. Therefore, there are no such case as on 31st March, 2024 and 31st March, 2023.
- 3. Disclosures on MSME Restructuring of Advances (RBI/2018-19/10 DBR.No.BP.BC.18/21.04.048/2018-19) dated 01.01.2019 and subsequent amendment thereto dated 11.02.2020 as required by RBI guidelines on Micro, Small and Medium Enterprises (MSME) sector Restructuring of Advances.

The Company is not undertaking lending business. Therefore, there are no such case for disclosure under above.



for the year ended 31st March, 2024 (Contd.)

ANNEXURE I TO NOTES TO FINANCIAL STATEMENTS (Refer Note No. 46)

Disclosure of details as required in terms of Appendix VI-A (Annexure VI) of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 as amended from time to time (the "Master Directions") - Notes to Accounts for NBFCs on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies

4. Public disclosure on liquidity risk as per RBI Circular DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies dated November 4, 2019.

As at 31st March, 2024:

(i) Funding Concentration based on significant counterparty (both deposits and borrowings)

No.	Number of Significant Counterparties	Amount (₹ in Lacs)	% of Total deposits	% of Total Liabilities
1	-	-	N.A.	N.A.

- (ii) Top 20 large deposits (Amount: Nil; and % of total deposits: NA)
- (iii) Top 10 borrowings (Amount: Nil; and % of total borrowings: NA)
- (iv) Funding Concentration based on significant instrument/product

No.	Name of the instrument/product	Amount (₹ in Lacs)	% of Total Liabilities
1		-	0%
2		-	0%

(v) Stock Ratios:

No.	Particulars	% of Total Public Funds	% of Total Liabilities	% of Total Assets
(a)	Commercial papers	0%	0%	0%
(b)	Non-convertible debentures (original maturity of less than one year)	0%	0%	0%
(c)	Other short-term liabilities	N.A.*	85%	0.4%

^{*} there is no Public Fund as on 31.03.2024

(vi) Institutional set-up for liquidity risk management:

Post superession of the Board of the Company by the Reserve Bank of India (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, Asset Liability Management Committee (ALMC) has been reconstitution w.r.f. 10th Dec 2021.

(vii) Guidelines of Liquidity Coverage Ratio (LCR) as per RBI Circular DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies dated November 4, 2019 is applicable to NBFC-NDSI's with an assets size of ₹ 5,000 Crores and above. As the assets size of the Company is below the prescribed limit, the disclosure requirement is not applicable to the Company.

As at 31st March, 2023:

(i) Funding Concentration based on significant counterparty (both deposits and borrowings)

No.	Number of Significant Counterparties	Amount (₹ in Lacs)	% of Total deposits	% of Total Liabilities
1	5	58,671	N.A.	77%

- (ii) Top 20 large deposits (Amount: Nil ; and % of total deposits: NA)
- (iii) Top 10 borrowings (Amount: ₹ 58,671 Lacs; and % of total borrowings: 100%)
- (iv) Funding Concentration based on significant instrument/product

No.	Name of the instrument/product	Amount (₹ in Lacs)	% of Total Liabilities
1	Commercial Paper	-	
2	Subordinated Perpetual debentures (Tier I Capital)	33,000	44%
3	Inter Corporate Deposits	25,671	34%
_			

(v) Stock Ratios

No.	Particulars	% of Total Public Funds	% of Total Liabilities	% of Total Assets
(a)	Commercial papers	0%	0%	0%
(b)	Non-convertible debentures (original maturity of less than one year)	0%	0%	0%
(c)	Other short-term liabilities	1%	0.8%	0.9%

(vi) Institutional set-up for liquidity risk management:

Post superession of the Board of the Company by the Reserve Bank of India (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, Asset Liability Management Committee (ALMC) has been reconstitution w.r.t 10th Dec, 2021.

for the year ended 31st March, 2024 (Contd.)

ANNEXURE I TO NOTES TO FINANCIAL STATEMENTS (Refer Note No. 46)

Disclosure of details as required in terms of Annexure- VII of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 as amended from time to time (the "Master Directions") - Notes to Accounts for NBFCs

5. Exposure to Real Estate Sector

(₹ in Lacs)

Ca	tegory	As at 31st March, 2024	As at 31st March, 2023
a)	Direct exposure		
	i) Residential Mortgages	-	-
	ii) Commercial Real Estate	-	-
	iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures	-	-
	iv) Infrastructure Real Estate (SEZ's, Industrial Parks, IT Parks, Hotels)	-	-
b)	Indirect exposure	185	185

6. Exposure to Capital Market

(₹ in Lacs)

SI.	Particulars	As at 31st March, 2024	As at 31st March, 2023
i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	29,360	19,341
ii)	advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
iii)	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
iv)	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds/convertible debentures/ units of equity oriented mutual funds does not fully cover the advances;	-	-
v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
vi)	loans sanctioned to corporates against the security of shares/bond/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)	4,558	24,707
Tot	al Exposure to Capital Market	33,918	44,048

7. Customer Complaints

SI.	Particulars	2023-24	2022-23
a)	No. of complaints pending at the beginning of the year	Nil	Nil
b)	No. of complaints received during the year	Nil	Ni
c)	No. of complaints redressed during the year	Nil	Nil
d)	No. of complaints pending at the end of the year	Nil	Nil



for the year ended 31st March, 2024 (Contd.)

ANNEXURE I TO NOTES TO FINANCIAL STATEMENTS (Refer Note No. 46)

Disclosure of details as required in terms of Annexure- VIII of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 as amended from time to time (the "Master Directions") - Notes to Accounts for NBFCs (₹ in Lacs)

Particulars	As at 31st Ma	arch, 2024	As at 31st Ma	rch, 2023
Liabilities Side	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
8. Loans and advances availed by the non-banking financial Company inclusive of interest accrued thereon but not paid:				
(a) Debentures/Bonds:				
Secured	-	-	-	-
Unsecured (Other than falling within the meaning of public deposit)	-	-	33,000	-
(b) Deferred Credits	-	-	-	-
(c) Term Loans	-	-	-	-
(d) Inter-corporate loans and borrowing	-	-	25,671	-
(e) Commercial Papers	-	-	-	-
(f) Public Deposit	-	-	-	-
(g) Other Loans:				
Working capital facility	-	-	-	-
Break-up of (f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid)				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits				

(₹ in Lacs) As at 31st As at 31st March, 2024 **Assets Side** March, 2023 **Amount Amount** Outstanding Outstanding 9. Break-up of Loans and Advances including bills receivables [other than those included in (6) below]: (a) Secured (b) Unsecured 10. Break-up of Leased Assets and Stock on Hire and other assets counting towards asset financing activities (i) Lease assets including lease rentals under sundry debtors: (a) Financial lease (b) Operating lease (ii) Stock on hire including hire charges under sundry debtors: (a) Assets on hire(b) Repossessed Assets (iii) Other loans counting towards AFC activities (a) Loans where assets have been repossessed(b) Loans other than (a) above 11. Break up of Investments \$ **Current Investments** Quoted: (i) Shares: Equity (b) Preference Debentures and bonds Units of mutual funds **Government Securities** Others Unquoted: Shares: (a) Equity (b) Preference (i) Debentures and bonds (iii) Units of mutual funds (iv) Government Securities (v) Others Long - Term investments Quoted: Equity 27,583 16,285 Shares: (b) Preference Debentures and bonds (iii) Units of mutual funds 1 1 (iv) Government Securities (v) Others

\$ The Company has not disclosed the breakup of investment into Long term investment and current investment as the classification is not required under Ind AS issued by MCA. All investment are considered as Long term investment for above disclosure.

for the year ended 31st March, 2024 (Contd.)

ANNEXURE I TO NOTES TO FINANCIAL STATEMENTS (Refer Note No. 46)

Disclosure of details as required in terms of Annexure- VIII of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 as amended from time to time (the "Master Directions") - Notes to Accounts for NBFCs

(₹ in Lacs)

Assets Side	As at 31st March, 2024 Amount Outstanding	As at 31st March, 2023 Amount Outstanding
2. Unquoted:		
(i) Shares: (a) Equity	1,776	3,055
(b) Preference	-	-
(ii) Debentures, bonds/ nits	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (Investment in Funds, Trust, Share Warrant & Deemed Investment)	4,558	24,707

12. Borrower group - wise classification of assets financed as in (5) and (6) above:

(₹ in Lacs)

Category		As at 31st March, 2024 Amount net of provisions			As at 31st March, 2023 Amount net of provisions		
		Unsecured	Total	Secured	Unsecured	Total	
Related Parties							
(a) Subsidiaries	-	-	-	-	-	-	
(b) Companies in the same group							
(c) Other related parties							
2. Other than related parties							
Total	-	-	-	-	-	-	

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

(₹ in Lacs)

	As at 31st	March, 2024	As at 31st March, 2023		
Category	Market Value / Break up or fair value or NAV*	Book Value (net of provisions)	Market Value / Break up or fair value or NAV*	Book Value (net of provisions)	
1. Related Parties**					
(a) Subsidiaries	1,738	1,738	3,017	3,017	
(b) Companies in the same group	-	-	-	-	
(c) Other related parties	-	-	-	-	
2. Other than related parties	32,180	32,180	41,031	41,031	
Total	33,918	33,918	44,048	44,048	

 $^{{}^{\}star\star}\text{All Indian Accounting Standards issued by MCA are applicable including for valuation of investments}.$

14. Other Information:

Particulars	As at 31st March, 2024 Amount	As at 31st March, 2023 Amount
i. Gross Non-Performing Assets		
(a) Related Parties	-	-
(b) Other than related Parties	-	-
ii. Net Non-Performing Assets		
(a) Related Parties	-	-
(b) Other than related Parties	-	-
iii. Assets acquired in satisfaction of debt	-	-

^{1.} As defined in point 5.1.32 of paragraph 5 of Chapter-II of Master Direction - Non-Banking Financial Company - Scale Based Regulation Directions 2023.

[@] The Company has not disclosed the breakup of investment into Long term investment and current investment as the classification is not required under Ind AS issued by MCA.

^{2.} Provisioning norms shall be applicable as prescribed in Ind AS issued by MCA.

All notified Indian Accounting Standards and Guidance Notes issued by MCA are applicable including for valuation of investments and other assets acquired in satisfaction of debt.



for the year ended 31st March, 2024 (Contd.)

ANNEXURE I TO NOTES TO FINANCIAL STATEMENTS (Refer Note No. 46)

Disclosure of details as required in terms of Annexure- XIV of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 as amended from time to time (the "Master Directions") - Notes to Accounts for NBFCs

15. Credit Default Swaps

(₹ in Lacs)

SI.	Particulars	As at 31st March, 2024	As at 31st March, 2023
1.	No of Transactions during the year	Nil	Nil
2.	Amount of protection bought during the year	Nil	Nil
3.	Nos of Transactions where credit event payment was received during the year		
	a) Pertaining to current year's transactions	Nil	Nil
	b) Pertaining to previous year's transactions	Nil	Nil
4.	Outsatnding transactions as on March 31st, 2024		
	a) No. of Transaction	Nil	Nil
	b) Amount of Protection	Nil	Nil
5.	Net Income/Profit (expenditure/loss) in respect of CDS tranaction during the year-to-date		
	a) Premium paid	Nil	Nil
	b) Credit event payments received (net of value deliverable obligation)	Nil	Nil

16. Capital to Risk Assets Ratio (CRAR)

(₹ in Lacs)

	As at 31st March, 2024	As at 31st March, 2023
i) CRAR (%)	159.41%	(31.09%)
ii) CRAR – Tier I Capital (%)	159.41%	(31.09%)
iii) CRAR – Tier II Capital (%)	0.00	0.00
iv) Amount of subordinated debt raised as Tier-II capital*	-	-
v) Amount raised by issue of Perpetual Debt Instruments*	-	-

^{*} During the year figure

17. Investments

	As at 31st March, 2024	As at 31st March, 2023
1) Value of Investments		
i) Gross Value of Investments		
a) In India	36,035	3,55,241
b) Outside India	-	-
ii) Provisions for Depreciation		
a) In India	2,117	3,11,193
b) Outside India	-	-
iii) Net Value of Investments		
a) In India	33,918	44,048
b) Outside India	-	-
2) Movement of provisions held towards depreciation on investments		
i) Opening Balance	3,11,193	3,11,193
ii) Add: Provisions made during the period/year	-	-
iii) Less: Write-off/write-back of excess provisions during the period/year	3,09,076	-
iv) Closing Balance	2,117	3,11,193

for the year ended 31st March, 2024 (Contd.)

ANNEXURE I TO NOTES TO FINANCIAL STATEMENTS (Refer Note No. 46)

Disclosure of details as required in terms of Annexure XXII of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 as amended from time to time (the "Master Directions") - Notes to Accounts for NBFCs

18. Forward Rate Agreement/Interest Rate Swap

(₹ in Lacs)

	As at 31st March, 2024	As at 31st March, 2023
i) The notional principle of swap agreements	Nil	Nil
ii) Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	Nil	Nil
iii) Collateral required by the NBFC upon entering into swaps	Nil	Nil
iv) Concentration of credit risk arising from the swaps	Nil	Nil
v) The fair value of the swap book	Nil	Nil

19. Exchange Traded Interest Rate (IR) Derivatives

(₹ in Lacs)

		As at 31st March, 2024	As at 31st March, 2023
i)	Notional Principal amount of exchange traded IR derivatives undertaken during the period/year (instrument-wise)	Nil	Nil
ii)	Notional Principal amount of exchange traded IR derivatives outstanding (instrument-wise)	Nil	Nil
iii)	Notional Principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	Nil	Nil
iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)		

20. Disclosures on Risk Exposure in Derivatives

(i) Qualitative Disclosure

The structure and organization for management of risk in derivatives trading, is not applicable since the Company is not engaged in derivative trading.

(ii) Quantitative Disclosures

(₹ in Lacs)

	As at 31st	March, 2024	As at 31st March, 2023		
Particulars	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives	
i) Derivatives (Notional Principal Amount) For hedging	Nil	Nil	Nil	Nil	
ii) Marked to Market Positions [1]					
a) Asset (+)	Nil	Nil	Nil	Nil	
b) Liability (-)	Nil	Nil	Nil	Nil	
iii) Credit Exposure [2]	Nil	Nil	Nil	Nil	
iv) Unhedged Exposures	-	-	-	-	

21. Asset Liability Management

Maturity pattern of certain items of assets and liabilities as at 31st March, 2024 are as follows:

(₹ in Lacs)

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30/31 days (one month)	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 (Unclaimed)		-	-	-		-	-	-	-	-	-
Advances		-	-	-		-	-	-	-	-	-
Investments [refer note-1 below]		-	-	-		-	-	32,180	-	1,738	33,918
Borrowings		-	-	-		-	-	-	-	-	-
Foreign Currency Assets		-	-	-		-	-	-	-	-	-
Foreign Currency Liabilities		-	-	-		-	-	-	-	-	-

Notes:

¹ The maturity pattern of Investments has been considered on the basis of Managements best estimates.



for the year ended 31st March, 2024 (Contd.)

ANNEXURE I TO NOTES TO FINANCIAL STATEMENTS (Refer Note No. 46)

Disclosure of details as required in terms of Annexure XXII of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 as amended from time to time (the "Master Directions") - Notes to Accounts for NBFCs

Maturity pattern of certain items of assets and liabilities as at 31st March, 2023 are as follows:

(₹ in Lacs)

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30/31 days (one month)	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 (Unclaimed)	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-
Investments [refer note - 1 below]	-	-	-	-	-	-	-	41,031	-	3,017	44,048
Borrowings (refer note - 2 and 3 below)	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-

Notes:

- 1. The maturity pattern of Investments has been considered on the basis of Managements best estimates.
- The ICD of ₹ 25,671 Lacs from the subsidiary Company, Srei Equipment Finance Limited pertains to Pre-CIRP period and repayments are not determinable pursuant to initiation of CIRP.
- 3. Perpetual Debt Instruments amounting to ₹33,000 Lacs are not having fixed due date for repayment and therefore, not considered in the above maturity pattern.

22. Details of financial assets sold to Securitisation Company (SC)/Reconstruction Company (RC) for Asset Reconstruction

(₹ in Lacs)

SI. Particulars	2023-24	2022-23
i) No. of accounts	-	-
ii) Aggregate value (net of provisions) of accounts sold to SC/RC	-	-
iii) Aggregate consideration	-	-
iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
v) Aggregate gain/(loss) over net book value	-	-

23. Details of Security receipts held by Company is as below:

(₹ in Lacs)

Particulars	Backed by NP Banks/Fis/NBFC				Total		
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	
Under Investment	-	-	-	-	-	-	
Under Loans	-	-	-	-	-	-	

24. Details of Assignment transactions undertaken

(₹ in Lacs)

SI. Particulars	2023-24	2022-23
i) No. of accounts	-	-
ii) Aggregate value (net of provisions) of accounts sold	-	-
iii) Aggregate consideration	-	-
iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
v) Aggregate gain/(loss) over net book value	-	-

25. Details of Single Borrower Limit (SGL)/Group Borrower Limit (GBL) exceeded by the applicable NBFC

The Company has not exceeded the Prudential exposure limits during the current period and previous year in respect of exposure towards single borrower and group of borrowers.

for the year ended 31st March, 2024 (Contd.)

ANNEXURE I TO NOTES TO FINANCIAL STATEMENTS (Refer Note No. 46)

Disclosure of details as required in terms of Annexure XXII of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 as amended from time to time (the "Master Directions") - Notes to Accounts for NBFCs

26. Unsecured Loans/Advance

Unsecured Advance as at 31st March, 2024 is ₹ 4 Lacs (Previous year ₹ 6 Lacs)

27. Registration obtained from other financial sector regulators

The Company received a Certificate of Registration from the Reserve Bank of India ('RBI') on 1st August, 1998 to commence/carry on the business of Non-Banking Financial Institution ('NBFI') and was subsequently classified as Infrastructure Finance Company vide Certificate of Registration B-05.02773/dt. 31 March, 2011. The Company has received communication from RBI to reclassify it as Investment and Credit Company. The Company is in the process of surrendering its certificate of Registration of Infrastructure Finance Company. The Company is also a Public Financial Institution (PFI) notified under Section 4A of the Companies Act, 1956.

28. Disclosure of Penalties imposed by RBI and other regulators

SEBI vide its Adjudication Order No. Order/DS/DK/ 2022-23/20903- 20964 dated October 31, 2022 ('Order'), in the matter of Religare Enterprises Limited had imposed a penalty of ₹ 35 Lacs on the Company payable within 45 days from the date of receipt of the Order. However, vide its Corrigendum to Order dated 30th November, 2022, SEBI has clarified that the said period of 45 days shall not be applicable in respect of the Company due to the CIRP proceedings pending against it. The said penalty is payable subject to the provisions of IBC and outcome of the appeal filed by SEBI in the Diwan Housing Finance Limited case matter in the Hon'ble Supreme Court (Appeal No. 206 of 2020). As per Approved Resolution Plan, this liability has been extinguished from the effective date. No penalites has been imposed by RBI and other regulators during the year ended 31st March, 2024.

29. Draw Down from Reserves

Details of draw down from Reserves is disclosed in Note No. 19 of the Notes to the Financial Statements.

30. Off-balance Sheet SPVs sponsored

Particulars	As at 31st March, 2024		As at 31st March, 2023	
rationals	Domestic	Overseas	Domestic	Overseas
Name of SPV sponsored	Nil	Nil	Nil	Nil

31. Details of Financing of Parent Company Products

Financing of Parent Company Products during the year ended 31st March, 2024 is Nil (Previous year Nil).

32. The Company has not done any Securitisation during the year ended 31st March, 2024 and year ended 31st March, 2023.

33. 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

Based on the information available in the public domain, some of the lenders have declared the bank account of the Company as fraud. However, in case of one of the lenders, on the basis of petition filed by the ex-promoter before the Hon'ble High Court of Delhi, the Hon'ble Court has passed interim relief to the petitioner vide order dated April 22, 2022, restraining the said lender from taking any further steps or action prejudicial to the petitioner on the basis of the order declaring the bank account as fraud. Thereafter vide order dated May 15, 2023, the application was disposed off and the Order declaring the account of the Company as fraud was set side. Further, liberty was granted to the banks to proceed ahead in accordance with the direction given in the aforesaid Order.

34. Provisions and Contingencies

SI. Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	As at 31st March, 2024	As at 31st March, 2023
i) Provisions for depreciation on Investment	1,280	-
ii) Provision towards NPA	-	-
iii) Provision for Impairment on Loans	-	-
iv) Provision made towards Income tax	-	-
v) Provision for Standard Assets#	-	-
vi) Other Provision and Contingencies (with details)		
Provision for Impairment on financial assets	(366)	194

[#] Provision for standard assets is included in Provision for Impairment on Loans.



for the year ended 31st March, 2024 (Contd.)

ANNEXURE I TO NOTES TO FINANCIAL STATEMENTS (Refer Note No. 46)

Disclosure of details as required in terms of Annexure XXII of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 as amended from time to time (the "Master Directions") - Notes to Accounts for NBFCs

35. Concentration of Advances

(₹ in Lacs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total Advances to twenty largest borrowers Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	0.00%	- 0.00%

36. Concentration of Exposures

(₹ in Lacs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total Exposure to twenty largest borrowers/customers	-	-
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the NBFC		
on borrowers/customers	0.00%	0.00%

37. Concentration of NPA@

(₹ in Lacs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total Exposure to top four NPA accounts	-	-

[@] NPA accounts refer to stage 3 assets. Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date as defined under Ind AS. 90 Days Past Due is considered as default for classifying a financial instrument as credit impaired.

38. Sector - wise NPAs

(₹ in Lacs)

SI. Sector	As at 31st March, 2024	As at 31st March, 2023
01. 000101	Percentage of NPAs to Total Advances in that sector	Percentage of NPAs to Total Advances in that sector
Agriculture & allied activities	-	-
2. MSME	-	-
3. Corporate borrowers	-	-
4. Services	-	-
5. Unsecured personal loans	-	-
6. Auto loans	-	-
7. Others	-	-

39. Movement of NPAs

SI. Particulars	As at 31st March, 2024	As at 31st March, 2023
i) Net NPAs to Net Advances (%)	0.00%	0.00%
ii) Movement of NPAs (Gross) a) Opening Balance	-	-
b) Additions during the year	-	-
c) Reductions during the year	-	-
d) Closing Balance	-	-
iii) Movement of Net NPAs		
a) Opening Balance	-	-
b) Additions during the year	-	-
c) Reductions during the year	-	-
d) Closing Balance	-	-
iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening Balance	-	-
b) Provisions made during the year	-	-
c) Write - off/write - back of excess provisions	-	-
d) Closing Balance	-	-

for the year ended 31st March, 2024 (Contd.)

ANNEXURE I TO NOTES TO FINANCIAL STATEMENTS (Refer Note No. 46)

Disclosure of details as required in terms of Annexure XXII of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 as amended from time to time (the "Master Directions") - Notes to Accounts for NBFCs

40. Details of Non-performing Loan Assets purchased from other NBFCs

(₹ in Lacs)

SI. Particulars	As at 31st March, 2024	As at 31st March, 2023
(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	-	-

41. Details of Non-performing Loan Assets sold to other NBFCs

(₹ in Lacs)

SI. Particulars	As at 31st March, 2024	As at 31st March, 2023
i) No. of accounts sold	-	-
ii) Aggregate outstanding	-	-
iii) Aggregate consideration received	-	-

42. Related Party Transactions

42.01

The Company is incorporating the details of all material transactions with related parties in the Annual Report of the Company for the Financial year ended March 31st, 2024.

42.02

The Company is incorporating the policy on dealing with related party transactions on its website and also in the Annual Report of the Company for the Financial Year ended March 31st, 2024.

43. Ratings

SI. Particulars	As at 31st March, 2024	As at 31st March, 2023 Brickwork #
i) Long Term Banking facilities*	-	-
ii) Short Term Banking Facilities*	-	-
iii) Short Term Debt Instruments *	-	-
iv) NCDs/Bonds*	-	-
v) Unsecured Subordinated/Tier-II Debentures/Bonds*	-	-
vi) Subordinated Perpetual bonds/debentures (Tier I Capital)	-	BWR D

Detail of migration of ratings :

SI. Particulars	2023-24	2022-23 Brickwork #
i) Long Term Banking facilities*	-	-
ii) Short Term Banking Facilities*	-	-
iii) Short Term Debt Instruments *	-	-
iv) NCDs/Bonds*	-	-
v) Unsecured Subordinated/Tier-II Debentures/Bonds*	-	-
vi) Subordinated Perpetual bonds/debentures (Tier I Capital)	**	BRW D

^{*} Borrowings transferred to Srei Equipment Finance Limited (SEFL), a wholly owned subsidiary of the Company, as part of the business of the Company transferred to SEFL on and from 1st October, 2019 (refer note 47 of Notes to financial statement). The Rating Agencies is still continuing to issue the ratings in the name of the Company. As there is no outstanding in the books of the Company, the same is not being considered in the above table of outstanding ratings including its migration.

^{**} As per the Approved Resolution Plan, the liability of Subordinated Perpetual bonds/debentures are extinguished as per capital reduction process during the period.



for the year ended 31st March, 2024 (Contd.)

ANNEXURE I TO NOTES TO FINANCIAL STATEMENTS (Refer Note No. 46)

Disclosure of details as required in terms of Annexure XXII of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 as amended from time to time (the "Master Directions") - Notes to Accounts for NBFCs

Vide order dated 6th Oct 2022, SEBI had cancelled Certificate of Registration (COR) of Brickwork Ratings India Private Limited as a Credit Rating Agency (CRA). The CRA has been directed to wind down its operations within a period of six months from the date of the aforesaid Order and not to take any new clients/fresh mandates from the date of Order. RBI has also vide press release dated 12th Oct, 2022 communicated the same to all Regulated Entities and advised that the instructions regarding the prudential treatment of the existing ratings issued by the rating agency shall be advised separately, which is still awaited. Further, since the Company was under CIRP, all the debts owed to financial Creditors was crystallized as on Insolvency Commencement Date i.e. October 8, 2021 and all debts were payable as per the Resolution Plan approved by Adjudicating Authority. In view of the above, the Company had not approached other CRAs for getting fresh ratings for the instruments rated by the Brickwork Ratings

44. Remuneration of Directors

The Company is incorporating all pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company in the Annual Report of the Company for the Financial Year ended March 31st, 2024.

45. Management

The Company is incorporating as part of the Directors' report or as an addition thereto, a Management Discussion and Analysis report which shall form part of the Annual Report to the shareholders to the extent applicable. This Management Discussion & Analysis shall include discussion on the following matters within the limits set by the Company's competitive position:

- (i) Industry structure and developments.
- (ii) Opportunities and Threats.
- (iii) Segment-wise or product-wise performance.
- (iv) Outlook.
- (v) Risks and concerns.
- (vi) Internal control systems and their adequacy.
- (vii) Discussion on financial performance with respect to operational performance.
- (viii) Material developments in Human Resources/Industrial Relations front, including number of people employed.

46. Net Profit or Loss for the period, prior period items and changes in accounting policies

The Company does not have any impact of prior period items and changes in accounting policies in the net profit and loss for the current year ended March 31st, 2024 and previous year ended March 31st, 2023.

47. Revenue Recognition

There were no circumstances noted during the current year ended March 31st, 2024 and previous year ended March 31st, 2023, in which the Company has postponed revenue recognition pending the resolution of significant uncertainties.

48. Consolidated Financial Statements (CFS)

As of March 31st, 2024 and March 31st, 2023, the Company has domestic subsidiaries. There are no foreign subsidiaries for the periods. Therefore the Company has prepared consolidated financial statements as required.

Independent Auditors' Report

To the Members of Srei Infrastructure Finance Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying Consolidated Financial Statements of Srei Infrastructure Finance Limited ("hereinafter referred to as the holding company" or "SIFL") and its subsidiaries (the Holding company and its subsidiaries together referred to as "the Group") and Trust, which comprise the Consolidated Balance Sheet as at March 31st, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income) for the year ended on that date, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and Notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects/possible effects of the matter described in the Basis for Qualified Opinion paragraph the aforesaid Consolidated financial statements give a true and fair view in conformity with Indian Accounting Standard the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the 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, 2024, and loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

- a) In case of one of the subsidiaries of the Holding Company, audited by another auditor, who reported that Property, Plant and Equipment includes assets having gross book value of ₹ 5,070 Lacs and written down value of ₹ 525 Lacs as on March 31, 2024 are either not in possession of the Company or not physically found by the Group. No provision for the same has been made in accounts. As informed by the Group, the management has initiated legal proceedings for recovery of the Property, Plant and Equipment against the assets not in the possession of the Group having gross book value ₹ 4,795 Lacs and written down value of ₹ 518 Lacs as on March 31, 2024. Further, as also informed to us by the management of the Group, for the other items of PPE having gross book value ₹ 275 Lacs and written down value of ₹ 7 Lacs as on March 31, 2024, the management is in the process of reverification regarding the availability of these assets. Accordingly, we are unable to comment on the impact of the same, if any, on the Ind AS Financial Statements.
- b) In case of one of the subsidiaries of the Holding Company, audited by another auditor, who reported that Intangible assets having gross book value of ₹ 835 Lacs and written down value of ₹ 165 Lacs as

- on March 31, 2024 are not accessible for use to the Group. No provision for the same has been made in accounts. As informed to us by the management of the Group, the management is in the process of reverification regarding the usability of these assets. Accordingly, we are unable to comment on the impact of the same, if any, on the Consolidated Financial Statements.
- c) We draw reference to Note No. 58 to the Consolidated Financial Statements which explains that SIFL has not received Board approved financial results of 01 subsidiary, viz. Trinity Alternative Investment Managers Limited and 02 subsidiaries of Trinity (step down subsidiaries of SIFL), viz. Hyderabad Information Technology Venture Enterprises Limited and Cyberabad Trustee Company Private Limited for the year ended 31st March, 2024 and year ended 31st March, 2023 and accordingly, the financial statements of these companies have not been considered for consolidation as on 31 March, 2024 the Consolidated Financial statements for the year ended 31 March, 2024 are not comparable with the consolidated financial statements for the year ended 31 March, 2023. We are unable to comment on the possible impact of the same on the consolidated financial statements for the year ended 31 March, 2024 or any other consequences arising out of such non-compliance on the Consolidated Financial Statements.

We conducted our audit of the Consolidated 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 Consolidated Financial Statements Section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated 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 we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the Consolidated Financial Statements.

Emphasis of Matter

We draw attention to the following matters in the notes to the Standalone Financial Statements:

- a. Note No. 1.5 to the Consolidated Financial Statements which describes the significant changes during the year as a result of implementation of the approved resolution plan.
- b. Note No. 52 to the consolidated Financial Statements which describes the impact of various steps undertaken for implementation of the resolution plan approved by Hon'ble NCLT vide its order dated August 11, 2023 in the consolidated Financial Statements.



c. Note No. 56 to the consolidated Financial Statements, SEFL on the basis of abundant prudence, has decided to make provision to the extent of interest income recognized during the period on Net stage-III Accounts and make additional provision to the extent of IRAC provision as management overlay in ECL. Our opinion on the consolidated Financial Statements is not modified in respect of the above stated matters.

Management's Responsibility for the consolidated financial statements

The RBI vide press release dated 4 October, 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 Holding Company and Srei Equipment Finance Limited ("hereinafter referred to as SEFL") and appointed an Administrator under Section 45-IE (2) of the RBI Act. Further, RBI, in exercise of powers conferred under Section 45-1E (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 CIRP against SIFL and SEFL under Section 227 read with clause (zk) of sub-section (2) of Section 239 of 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 NCLT. Hon'ble NCLT vide its order dated 8 October, 2021 admitted the application filed by RBI for initiation of CIRP against SIFL and SEFL. 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 SIFL and SEFL 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 SIFL and SEFL during the CIRP.

The Administrator, after adopting proper procedure, had filed applications for consolidated resolution process before the Hon'ble National Company Law Tribunal-Kolkata Bench (Hon'ble NCLT) in the case of Srei Infrastructure Finance Limited and Srei Equipment Finance Limited (IA No. 1099 of 2021 under CP.294/KB/2021 and IA No. 1100 of 2021 under CP.295/KB/2021). The application in this matter was admitted and the final order was received on February 14, 2022 wherein the Hon'ble NCLT approved the consolidation of the corporate insolvency of Srei Infrastructure Finance Limited and Srei Equipment Finance Limited.

The Consolidated Committee of Creditors (CoC) took on record three Resolution Plans received from Prospective Resolution Applicants (PRAs) on January 18, 2023. The three Resolution Plans received by the Consolidated CoC were put to e-voting. The Consolidated CoC took on record the results of the e-voting in CoC meeting held on February 15, 2023, and the resolution plan submitted by National Asset Reconstruction Company Limited (NARCL) was duly approved by CoC by majority voting under Section 30(4) of the IBC read with Regulation 39(3) of CIRP Regulations, 2016, thereby, declaring NARCL as Successful Resolution Applicant (SRA). The resolution plan of NARCL approved by Consolidated Committee of Creditors (CoC) was filed before

Adjudicating Authority on February 18, 2023 for its approval and the same was approved by Hon'ble NCLT vide its Order dated August 11, 2023

In terms of the resolution plan approved by Hon'ble NCLT order dated August 11, 2023, an Implementation and Monitoring Committee ("IMC") had been constituted which was empowered to supervise the implementation of the approved resolution plan and oversee the management of the affairs of the Group as per the terms of the approved resolution plan. The IMC in its meeting dated August 16, 2023 passed a resolution appointing the Administrator as Chairman of IMC and vide IMC resolution dated August 17, 2023 authorized him to continue to operate all the bank accounts and undertake various activities as are required to ensure the Group's status as a going concern during the implementation of the approved resolution plan. IMC stands dissolved and the Board of the Company was re-constituted on February 26, 2024, to take charge of the affairs of the Company.

The Company's Board of Directors is s responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Consolidated 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 accounting principles generally accepted in India including the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ("the Act").

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the Consolidated 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 controls relevant to
 the audit in order to design audit procedures that are appropriate
 in the circumstances. Under Section 143(3)(i) of the Act, we are
 also responsible for expressing our opinion on whether the Holding
 Company 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated 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.

Other Matter

- . The Consolidated Financial Statements includes the audited financial statements of 08 subsidiaries whose financial statements reflect Group's share of total assets of ₹ 4,63,354 Lacs as at 31 March, 2024, Group's share of total revenues of ₹ 61,590 Lacs, Group's share of total net loss of ₹ 7,65,035 Lacs and Group's share of total comprehensive income of ₹ (7,65,341) Lacs for the year ended 31 March, 2024 respectively and net cash outflows amounting to ₹ 2,21,843 Lacs for the year ended 31 March, 2024, as considered in the Consolidated Financial Statements, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us by the management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the reports of such auditors.
- ii. The Consolidated Financial Statements includes the unaudited financial statements of 1 Trust whose financial statements reflect Group's share of total assets of ₹ 1 Lac as at 31 March, 2024, Group's share of total revenues of ₹ Nil, Group's share of total net profit after tax of ₹ Nil and Group's share of total comprehensive income of ₹ Nil for the year ended 31 March, 2024 respectively and net cash inflows amounting to ₹ Nil for the year ended 31 March, 2024. These unaudited financial statements have been furnished to us by the existing management of the Holding Company and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this Trust is based solely on such unaudited financial statements.
- iii. The audit of comparative financial information of the Group for the year ended 31st March 2023 prepared in accordance with Indian Accounting Standards was carried out by the predecessor auditor. The predecessor auditor had given Disclaimer of Opinion Report for the said period vide their report dated May 16, 2023, whose reports have been furnished to us by the management and which have been relied upon by us for the purpose of our audit of the Financial Statements. Our audit report is not modified in respect of this matter.

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 subsection (11) of Section 143 of the Act, based on our audit and on



the consideration of reports of the other auditors on separate financial statements and the other financial information of the subsidiaries, incorporated in India, as noted in the "Other Matters" Section, we give in the "Annexure A" a statement on the matters specified in paragraph 3(xxi) of the Order.

- ii. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and trust, as noted in the 'other matter' paragraph we report, to the extent applicable, 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 of consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under.
 - e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2024 taken on record by the Board of Directors of the Holding Company none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls with reference to consolidated financial statement and operating effectiveness of such controls, refer to our separate report in "Annexure B" which is based on the auditor's report of the Company and subsidiaries company. Our report express an unmodified opinion on the adequacy and operating effectiveness of internal controls over financial reporting with reference to these consolidated financial statements of these companies.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:
 - In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the

- Holding Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The Group has disclosed the impact of pending litigations on its financial position in its financial statements.
 Refer Note No. 30 of Consolidated Financial Statement.
 - The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.
 - iv. a) As represented by the management, to the best of its knowledge and belief, as disclosed in the note no 39 to Consolidated Financial Statement 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 Group 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 Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) As represented by the management that, to the best of its knowledge and belief, as disclosed in the note no. 39 to Consolidated Financial Statement no funds (which are material either individually or in the aggregate) have been received by the Group from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group 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.

- The Group has not declared/paid any dividend paid during the year. Hence, reporting the compliance with Section 123 of the Act is not applicable.
- vi. a. Based on our examination, which included test checks, except for the instances mentioned below, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which have a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the respective software:
 - i. In case of Holding Company and its subsidiary SEFL, the feature of recording audit trail (edit log) facility was not enabled at the data base level to log any direct data changes for the accounting software's i.e. Oracle, used for maintaining the books of account. Consequently, we were unable to verify the integrity of audit trial throughout the year.
 - In case of one of the subsidiaries the feature of recording audit trail (edit log) facility was not enabled at the application layer.
 - b. Further, based on our examination and audit report of its subsidiaries, the Holding Company and its

subsidiaries SEFL has used accounting software which is operated by a third-party software service provider, for maintaining its books of account. In absence of 'Right to Audit' clause in the agreements entered with the third-party software service provider, we are unable to comment whether audit trial feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trial feature been tampered with.

For S K AGRAWAL AND CO

Chartered Accountants LLP
Chartered Accountants
Firm Registration No.- 306033E/E300272

Hemant Kumar Lakhotia (Partner) Membership No. 068851

UDIN: 24068851BKCAZQ2953

Place: Kolkata Dated: June 5, 2024



Annexure - A to Independent Auditors' Report

Annexure A to the Independent Auditors' Report on the Consolidated Financial Statements of Srei Infrastructure Finance Limited for the year ended 31 March, 2024

(Referred to in paragraph under 'Report on other legal and regulatory requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by Holding Company and the books of account and records examined by us in the normal course of audit and based on audit report of subsidiaries companies incorporated in India and to the best of our knowledge and belief, we state that:

xxi. Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are :

Sr. No.	Name of the entities	CIN	Holding Company/Subsidiary	Clause number of the CARO report which is unfavourable or qualified or adverse
1.	Srei Infrastructure Finance Limited	L29219WB1985PLC055352	Holding Company	3i(c), 3xx(a)
2.	Srei Equipment Finance Limited	U70101WB2006PLC109898	Subsidiary	3i(b), 3i(c), 3iii(c), 3iii(d), 3ix(a), 3ix(b), 3ix(e), 3ix(f), 3xi(a), 3xvii, 3xx(a)
3.	Bengal Srei Infrastructure Development Limited	U70109WB2004PLC100517	Subsidiary	3iii(c), 3ix, 3xvi, 3xix
4.	Srei Mutual Fund Trust Private Limited	U65990WB2009PTC139790	Subsidiary	3xvii
5.	Srei Capital Markets Limited	U67190WB1998PLC087155	Subsidiary	3vii(b), 3xvii
6.	Srei Mutual Fund Asset Management Private Limited	U74110WB2009PTC139801	Subsidiary	3iii(a), 3ii(c), 3iii(d), 3iii(e), 3xvii
7.	Srei Insurance Broking Private Limited	U67120WB2002PTC095019	Subsidiary	3viii

For S K AGRAWAL AND CO

Chartered Accountants LLP Chartered Accountants Firm Registration No.- 306033E/E300272

Sd/-

Hemant Kumar Lakhotia

(Partner)

Membership No. 068851 UDIN: 24068851BKCAZQ2953

Place: Kolkata Dated: June 5, 2024

Annexure - B to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Srei Infrastructure Finance Limited ("the Holding Company"), its subsidiary companies and its trust, which are incorporated in India, as of March 31, 2024 in conjunction with our audit of the consolidated financial statements for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

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.

Opinio

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, 2024, based on the internal control over financial reporting criteria established by the Group 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.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to eight (8) subsidiaries, which is Company incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

For S K AGRAWAL AND CO

Chartered Accountants LLP
Chartered Accountants
Firm Registration No.- 306033E/E300272

Sd/-Hemant Kumar Lakhotia (Partner)

Membership No. 068851 UDIN: 24068851BKCAZQ2953

> Place: Kolkata Dated: June 5, 2024



Consolidated Balance Sheet

as at 31st March, 2024

(₹ in Lacs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
(1) Financial Assets			
(a) Cash and Cash Equivalents	2	63,884	2,56,419
(b) Bank Balance other than (a) above	3	3,107	18,604
(c) Receivables			
- Trade Receivables	4	2,098	2213
(d) Loans	5	2,98,564	9,49,263
(e) Investments	6	69,983	1,08,700
(f) Other Financial Assets	7	841	64,067
(2) Non-Financial Assets			
(a) Current Tax Assets (Net)	8	23,042	6,852
(b) Deferred Tax Assets (Net)	9	642	552
(c) Property, Plant and Equipment	10	80,305 304	1,33,184 507
(d) Right-of-use Assets (e) Goodwill on Consolidation		304	683
(f) Other Intangible Assets	11	315	542
(g) Intangible assets under development	• • • • • • • • • • • • • • • • • • • •	6	-
(h) Other Non-Financial Assets	12	2,912	23,626
TOTAL ASSETS		5,46,003	15,65,212
LIABILITIES AND EQUITY			10,00,212
LIABILITIES			
(1) Financial Liabilities			
(a) Payables			
(i) Trade Payables			
(ii) Total outstanding dues of micro enterprises and small enterprises	13	6	230
(iii) Total outstanding dues of creditors other than micro enterprises and small enterprises	13	271	6,934
(b) Debt Securities	14	2,97,597	2,59,944
(c) Borrowings (Other than Debt Securities)	15 16	525	26,69,340
(d) Subordinated Liabilities (e) Lease Liabilities	10	6,236 353	2,95,458 638
(f) Other Financial Liabilities	17	11,354	15,343
	17	11,004	10,040
(2) Non-Financial Liabilities (a) Deferred Tax Liabilities (Net)	9		
(b) Provisions	9 18	161	15,348
(c) Other Non-Financial Liabilities	19	1,34,985	3,988
	15	1,04,300	0,000
(3) Equity (a) Equity Share Capital	20	100	50,309
(b) Other Equity	21	(10,74,756)	(17,52,324)
Non-controlling Interests	۷.	11,69,171	(17,02,027)
TOTAL LIABILITIES AND EQUITY		546,003	15,65,212
TOTAL LIABILITIES AND EQUIT		J40,00J	10,00,212

Material Accounting Policies and Notes to Consolidated Condensed Financial Statements.

1 to 67

The Notes referred to above form an integral part of the Consolidated Balance Sheet.

This is the Consolidated Balance Sheet referred to in our report of even date.

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

ICAI Firm Registration No.306033E/E300272

Sd/-

Hemant Kumar Lakhotia

Partner

Membership No. 068851

Place: Kolkata Date: June 5, 2024

For and on behalf of Board of Directors

Sd/- Sd/-

Hardayal Prasad Avinash Kulkarni Managing Director & CEO Director

DIN: 08024303 DIN: 02982164

Sd/- Sd/-Vishnu Gopal Agarwal Manoj Kumar

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2024

(₹ in Lacs)

			(\ III Laus
Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Revenue from Operations			
(i) Interest Income	22	45,769	1,28,418
(ii) Dividend Income*		-	-
(iii) Rental Income		12,960	20,355
(iv) Fees and Commission Income		1,654	2,969
(v) Net gain on derecognition of financial instruments under fair value through profit or loss		8	8
(vi) Others		2076	2,670
(I) Total Revenue from Operations		62,467	1,54,420
(II) Other Income	24	11,494	1,869
(III) Total Income (I+II)		73,961	1,56,289
Expenses			
(i) Finance Costs	25	14,217	7,624
(ii) Fees and Commission Expense		2,003	1,781
(iii) Net loss on fair value changes	23	88,408	9,624
(iv) Net loss on derecognition of financial instruments under amortised cost	00	803	5,567
(v) Impairment on Financial Instruments (Net)	26	6,74,562	1,42,216
(vi) Employee Benefits Expenses	27	6,469	8,745
(vii) Depreciation, Amortisation and Impairment Expense	00	30,733	43,582
(viii) Administrative and Other Expenses	28	15,154	19,158
(ix) Loss/write-off on Repossessed Assets and Assets acquired in satisfaction of debt (IV) Total Expenses (IV)		20,416	13,257
(IV) Total Expenses (IV) (V) Profit/(Loss) before Exceptional Items & Tax (III-IV)		8,52,765	2,51,554
(VI) Exceptional Items		(7,78,804)	(95,265) (10,15,593)
(VII) Profit/(Loss) Before Tax and after Exceptional Items(V+VI)		(7 70 004)	(11,10,858)
(VIII) Tax Expense:		(7,78,804)	(11,10,000)
(a) Current Tax			49
(b) Current Tax in respect of earlier year		19	6
(c) Deferred Tax		(88)	(14)
(IX) Profit/(Loss) After Tax but before Loss of Associates (VII-VIII)		(7,78,735)	(11,10,899)
Share of Profit/(Loss) of Associates		(1,10,100)	(11,10,033)
(X) Profit/(Loss) After Tax (IX+X)		(7,78,735)	(11,10,899)
(XI) Other Comprehensive Income		(1,10,100)	(11,10,000)
(i) Items that will not be reclassified to Profit or Loss			
(a) Remeasurement Gains/(Losses) on Defined Benefit Plan		(80)	(163)
(b) Gains/(Losses) on Equity Instruments through Other Comprehensive Income		(8,849)	15.605
(c) Tax related to above		(0,0.0)	(1)
(ii) Items that will be reclassified to Profit or Loss			()
(a) Effective portion of gains and losses on hedging instruments in a cash flow hedge		-	-
(b) Gains on fair valuation of loans		(229)	(719)
(c) Tax related to above		\ <u>'</u>	-
(XII) Total Other Comprehensive Income (XI)		(9,156)	14,722
Total Comprehensive Income (X+XI)		(7,87,891)	(10,96,177)
(XIII) Profit/(Loss) attributable to:			
- Owners of the parent		(7,78,734)	(11,10,900)
- Non-controlling interest		(1)	1
(XIV) Other Comprehensive Income attributable to:			
- Owners of the parent		(9,156)	14,722
- Non-controlling interest		<u>-</u>	-
(XV) Total Comprehensive Income attributable to:			
- Owners of the parent		(7,87,890)	(10,96,178)
- Non-controlling interest		(1)	1
(XVI) Earnings per Equity share (Par Value ₹ 10/- per Equity Share)	29		
Basic Earnings per equity share (in ₹)		(216.07)	(220.82)
basic Earlings per equity share (iii \)		(216.07)	(220.02)

^{*}Amount mentioned as '0' is below rounding off threshold adopted by the Company.

Material Accounting Policies and Notes to Consolidated Financial Statements.

1 to 67

The Notes referred to above form an integral part of the Consolidated Statement of Profit and Loss.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

ICAI Firm Registration No.306033E/E300272

Sd/-

Hemant Kumar Lakhotia

Partner

Membership No. 068851

Place: Kolkata Date: June 5, 2024 For and on behalf of Board of Directors

Sd/- Sd/-

Hardayal Prasad Avinash Kulkarni Managing Director & CEO Director

DIN: 08024303 DIN: 02982164

Sd/- Sd/-

Vishnu Gopal Agarwal Manoj Kumar



Statement of Cash Flows

for the year ended 31st March, 2024

(₹ in Lacs)

P	articulars	As at March 31, 2024	As at March 31, 2023
A.	Cash Flows from Operating Activities		
	Profit/(Loss) Before Tax	(7,78,804)	(11,10,858)
	Adjustments for:	, , ,	, , ,
	Net unrealised fair value (gain)/loss	88,397	9,624
	Net (gain)/loss on derecognition of Property, Plant and Equipment	(988)	7,555
	Interest on Income Tax Refund	(3)	(1,493)
	Liabilities No Longer Required written back	(396)	(362)
	Impairment on Financial Instruments (Net)	6,74,562	1,42,216
	Impairment on Financial Instruments (Net) on Exceptional items	-	9,37,100
	Depreciation, Amortisation and Impairment Expense	30,733	43,582
	Net (gain)/loss on derecognition of Financial Instruments under amortised cost category	803	5,567
	Impairment/Write-off on Assets acquired in satisfaction of debt	20,416	13,257
	Net unrealised fair value (gain)/loss on exceptional items		78,493
	Operating profit before working capital changes	34,720	1,24,681
	Changes in Working Capital		
	Adjustments for:	(4.000)	04.000
	(Increase)/Decrease in Trade Receivables and Others Assets	(1,980)	24,936
	(Increase)/Decrease in Loans Assets	56,346	(83,180)
	Increase/(Decrease) in Trade Payables and Others Liabilities (Increase)/Decrease in Other Bank Balances	(27,749) 15,497	(5,843)
	Cash Generated/(used) in operations	76,834	60.671
	Direct Taxes Paid (net of refund)	(2,574)	13,784
	Net Cash (used in)/generated from Operating Activities	74.260	74,455
D	Cash Flows from Investing Activities	14,200	74,400
υ.	Purchase of Property, Plant and Equipment/ Capital Work-in-Progress/ Intangible Assets	(31)	_
	Proceeds from Sale of Property, Plant and Equipment/Intangible assets	4,809	10,945
	(Increase)/Decrease in Investments (Other than Subsidiaries)	6,797	48,197
	Net Cash (used in)/generated from Investing Activities	11,575	59,142
C	Cash Flows from Financing Activities	,	00,1.12
٥.	(Repayment of)/Proceeds from issuance of Debt securities (including subordinated debt securities)	(84,278)	1,268
	(Repayment of)/Proceeds from Working Capital facilities (Net)	(1,60,672)	3,053
	Repayment of Other Borrowings	(33,420)	(10,577)
	Net Cash (used in)/generated from Financing Activities	(2,78,370)	(6,256)
	Net Increase/(Decrease) in Cash and Cash Equivalents	(1,92,535)	1,27,341
	Cash & Cash Equivalents at the beginning of the year	2,56,419	1,29,078
	Cash and Cash Equivalents at the end of the year	63,884	2,56,419

(₹ in Lacs)

		(=)
Components of Cash and Cash Equivalents:	As at March 31, 2024	As at March 31, 2023
Cash and Cash Equivalents at the end of the year		
(a) Cash on hand	1	8
(b) Balances with Banks - in Current Account	13,139	28,574
(c) Fixed Deposits with original maturity period less than three months	50,744	2,27,837
	63.884	2.56.419

Explanations:

- 1. The above Consolidated Statement of Cash Flows has been prepared under the Indirect Method as set out in the Ind AS 7 'Statement of Cash Flows'.
- 2. Previous period figures have been rearranged/regrouped wherever necessary to conform to the current year's classification. This is the Consolidated Cash Flow Statement referred to in our report of even date.

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants

ICAI Firm Registration No.306033E/E300272

Sd/-

Hemant Kumar Lakhotia

Partner

Membership No. 068851

Place: Kolkata Date: June 5, 2024

For and on behalf of Board of Directors

Sd/- Sd/-

Hardayal Prasad Avinash Kulkarni Managing Director & CEO Director

DIN: 08024303 DIN: 02982164

Sd/- Sd/-Vishnu Gopal Agarwal Manoj Kumar

Statement of Changes in Equity

or the vear ended 31st March, 2024

A. Equity Share Capital

50,309	t	50,309	ł	50,309
Balance as at 31st March, 2023	Changes in equity share capital during the current year	Restated balance at 1st April, 2022	Changes in Equity Share Capital due to prior period errors	Balance as at 1st April, 2022
100	(50,309)	50,309	2	50,309
Balance as at 31st March, 2024	Changes in equity share capital during the current year	Restated balance at 1st April, 2023	Changes in Equity Share Capital due to prior period errors	Balance as at 1st April, 2023
(X III LACS)				and a common of the common of

Other Equity

<u>а</u>

Particulars

Equity Instruments Retained **Reserves and Surplus**

(₹ in Lacs)

Non Controlling

Total

portion of Cash Flow Effective

Instruments

Foreign Currency Reserve

Impairment

Reserve

Earnings

through Other

Fransalation

through Other Comprehen sive Income

Comprehe

nsive Income

interests

(6,56,136)

(719)

 Ξ

15,605

(27,400)

5,70,463

1,36,801 (15,95,424) - (11,10,900) - (163)

10.222

62,441

Items of Other Comprehensive Income

General Reserve Debentures Redemtion Reserve Bond/ Securities Premium I Reserve Capital Income Tax pursuant Section Special reserve 15-IC of the to Section Reserve pursuant Special Reserve Bank of Treasury Shares

1.04.744 36(1)(viii) of the Income Tax 25,834 Act, 1961) 55,219 ndia Act, 1934) Other Comprenensive Income (net of tax) * Reclassified to Consolidated Statement of Profit and Loss Salance as at the 1st April, 2022 Profit for the year

25,834 25,834 55,219 55,219 (10) Shares issued to Kairos ESOP Welfare Trust# Fransfer to/from retained earnings Balance as at 31st March, 2023 Salance as at the 1st April, 2023

Profit for the year

Fransferred to Restructuring reserve and subsequently to Retained Earnings as per the terms of the resolution plan Other Comprehensive Income (net of tax) * Compulsory Convertible Preference Shares (CCPS) # Security premium on new capital issue ransfer to/from retained earnings 3alance as at 31st March, 202

11,69,168

(229)

(8,849)

(78)

(7,78,734)

25,651

(7,78,734) (10) (19,156)

(17,52,324) (17,52,324

233

(11,795)(11,795)

6,15,995 45,532 6,15,995

> (27,52,019) (27,52,019)

1,36,801 1,36,801

10,222

62,441

1,04,744 1,04,744

62,441

(45.532)

11,69,171

(10,74,756) 14,39,817

(20,644)

(6,21,375) 5380

24,54,597 (15,005)

(1,36,801)

(10,222)

(1,04,744)

(25,834)

(27,707) 9,625

37,137

9

25,651 (88,092) - (10,91,239)

Ξ

4

Refer Note No. 21 for nature and purpose of reserves.

Includes gain of ₹ 80 Lacs (Previous year: ₹ 163 Lacs) on account of remeasurement of defined benefit plans.

#In terms of the approved resolution plan, SEFL, a subsidiary Company, had issued CCPS having face value of ₹ 100/- each to NARCL Trust-0007 in lieu of the balance portion of the assigned debt vide IMC resolution on 26 December 2023. (Refer Note - 20.2) This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For S K Agrawal and Co Chartered Accountants LLP

CAI Firm Registration No.306033E/E300272 Chartered Accountants

Hemant Kumar Lakhotia

Membership No. 068851 Partne

Date: June 5, 2024 Place: Kolkata

Avinash Kulkarni Director Hardayal Prasad

For and on behalf of Board of Directors

Managing Director & CEO DIN: 08024303

DIN: 02982164

Vishnu Gopal Agarwal Chief Financial Officer

Company Secretary & CCO Manoj Kumar



Srei Infrastructure Finance Limited

Material Accounting Policies and Notes to Consolidated Financial Statements

1 (a) GENERAL INFORMATION

Implementation of Consolidated Resolution Plan

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 SEFL 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 and SEFL 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 8, 2021, admitted the application filed by RBI for initiation of CIRP against the Company and SEFL. 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.

The Administrator, after adopting proper procedure, had filed applications for consolidated resolution process before the Hon'ble National Company Law Tribunal- Kolkata Bench (Hon'ble NCLT) in the case of Srei Infrastructure Finance Limited and Srei Equipment Finance Limited (IA No. 1099 of 2021 under CP.294/KB/2021 and IA No. 1100 of 2021 under CP.295/KB/2021). The application in this matter was admitted and the final order was received on February 14, 2022 wherein the Hon'ble NCLT approved the consolidation of the corporate insolvency of Srei Infrastructure Finance Limited and Srei Equipment Finance Limited.

The Consolidated Committee of Creditors (CoC) took on record three Resolution Plans received from Prospective Resolution Applicants (PRAs) on January 18, 2023. The three Resolution Plans received by the Consolidated CoC were put to e-voting. The Consolidated CoC took on record the results of the e-voting in CoC meeting held on February 15, 2023, and the resolution plan submitted by National Asset Reconstruction Company Limited (NARCL) was duly approved by CoC by majority voting under Section 30(4) of the IBC read with Regulation 39(3) of CIRP Regulations, 2016, thereby, declaring NARCL as Successful Resolution Applicant (SRA). The resolution plan of NARCL approved by Consolidated Committee of Creditors (CoC) was filed before Adjudicating Authority on February 18, 2023 for its approval and the same was approved by Hon'ble NCLT vide its Order dated August 11, 2023.

In terms of the approved resolution plan, an Implementation and Monitoring Committee ("IMC") was constituted which was empowered to supervise the implementation of the approved resolution plan and oversee the management of the affairs of the Company as per the terms of the approved resolution plan till the closing date. The IMC in its meeting dated August 16, 2023 passed a resolution appointing the Administrator as Chairman of IMC and vide IMC resolution dated August 17, 2023 authorised him to continue to operate all the bank accounts and undertake various activities as are required to ensure the Company's status as a going concern during the implementation of the approved resolution plan.

IMC, vide its resolution dated 19th December 23 has declared that December 31st, 2023 is closing date of balance sheet for the purpose of audit and its handover to the new Board of Directors. The handover of the closing date balance sheet along with other necessary requirement including Reconstitution of the Board of Directors took place on February 26th, 2024. On completion of the handover activities by the IMC to Board of Directors, IMC got dissolved. Accordingly, effect of Resolution Plan has been given in the financial statements for the year ended on March 31st, 2024.

1 (b) MATERIAL ACCOUNTIING POLICIES

1.1 Basis of Preparation

The Consolidated Financial Statements relates to M/s. Srei Infrastructure Finance Limited (the "Company") and its subsidiaries (together hereinafter referred to as "Group"), and Trust. The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under 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. Accordingly, these consolidated financial statements is to be read in conjunction with the annual financial statements for the year ended March 31, 2024 and any public announcement made by the Group during the reporting period. The accounting policies adopted are consistent with those of the immediately previous financial year and corresponding reporting period.

The Consolidated Financial Statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant Accounting Standards.

Accounting policies have been consistently applied to all periods presented, unless otherwise stated.

The preparation of these consolidated financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Group are discussed in Note 1.28-Significant accounting judgements, estimates and assumptions.

The management believes that the estimates used in preparation of Consolidated 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 recognized in the periods in which the results are known/materialized.

The Consolidated Financial Statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lac, except when otherwise indicated.

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

These Consolidated Financial Statements of SIFL, its subsidiaries and trust together referred to as "the Group" for the year ended 31st March, 2024 have been taken on record by the by the Board of Directors of the Company on June 05, 2024. The IMC was dissolved and the Board was reconstituted on February 26, 2024 till that time the affairs of the Company were managed by IMC through the Administrator (acting as a chairman of the IMC). It is also incumbent upon the Resolution Professional, under Section 20 of the Code, to manage the operations of the Company and SEFL as going concern. Since the Administrator has taken charge of the affairs of the Company and SEFL on 04th October, 2021, the Administrator is not liable or responsible for any actions and has no personal knowledge of any such actions of the

Company or SEFL prior to his appointment and has relied on the position of the financial statements of the Company and SEFL as they existed on 04th October, 2021. Regarding information pertaining to period prior to 04th October, 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 Compliance Officer and Legal Head ('the existing official of the Group'), who were also part of the Group prior to appointment of the Administrator. As part of the CIRP, the Administrator has initiated audits/reviews relating to the processes and compliances of the Group and has also appointed professionals for conducting transaction audit as per Section 43, 45, 50 and 66 of the Code.

1.2. Basis of Consolidation

- (i) The Consolidated Financial Statements incorporate the financial statements of the Company and entities controlled by the Company i.e. its subsidiaries. It also includes the Group's share of profits in associate and interest in trust that are consolidated in a manner as explained below.
 - Control is achieved when the Company is exposed to, or has rights to the variable returns of the entity and the ability to affect those returns through its power over the entity. The financial statements of the subsidiaries and associate acquired or disposed off during the period are included in the consolidated statement of Profit and Loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.
- (ii) The financial statements of the subsidiary companies and Trust used in the consolidation are drawn up to the same reporting date as of the Company i.e. year ended 31st March, 2024 and are prepared based on the accounting policies consistent with those used by the Company.
- (iii) The financial statements of the Group have been prepared in accordance with the Ind AS 110-'Consolidated Financial Statements' as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act.

- (iv) The Consolidated Financial Statements have been prepared on the following basis:
 - a) The financial statements of the Group and trust have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions have been fully eliminated except where losses are realized.
 - b) The excess of cost to the Company of its investments in the subsidiary companies and trust over its share of equity/corpus of the subsidiary company/trust, at the dates on which the investments is made, is recognized as 'Goodwill' being an asset in the Consolidated Financial Statements. Alternatively, where the share of equity/corpus as on the date of investment is in excess of cost of investment of the Company, it is recognized under 'Other Equity', in the Consolidated Financial Statements.
 - c) The difference between the proceeds from disposal of investment in subsidiary/Trust and the carrying amount of its assets and liabilities as of the date of disposal is recognized in the statement of Profit and Loss as profit or loss on disposal of subsidiary.
 - d) Minority interest, if any, in the net assets of consolidated subsidiary consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the subsidiary company and further movements in their share in the equity, subsequent to the dates of investments as stated above.
 - e) Investment made by the Company in an associate company is accounted under the equity method, in accordance with the Indian Accounting Standard 28 on 'Investments in Associates and Joint Ventures'.
- (v) The subsidiary companies considered in the Consolidated Financial Statements are as below:

Subsidiaries & Step-down Subsidiaries	Country of Origin	Share of ownership interest as at 31st March, 2024 (%)	Share of ownership interest as at 31st March, 2023 (%)
Srei Equipment Finance Limited	India	100	100
Srei Asset Leasing Limited	India	100	100
Srei Capital Markets Limited	India	100	100
Controlla Electrotech Private Limited	India	100	100
Srei Mutual Fund Asset Management Private Limited	India	100	100
Srei Mutual Fund Trust Private Limited	India	100	100
Srei Insurance Broking Private Limited	India	100	100
Bengal Srei Infrastructure Development Limited	India	51	51
Trinity Alternative Investment Managers Ltd	India	51	51
Hyderabad Information Technology Venture Enterprises Limited (Subsidiary of Trinity Alternative Investment Managers Ltd)	India	51	51
Cyberabad Trustee Company Private Limited (Subsidiary of Trinity Alternative Investment Managers Ltd)	India	51	51
Trusts:			
Srei Mutual Fund Trust	India	100*	100*
* holding % of Corpus			

The accounting policies for some specific items are disclosed in the respective notes to the financial statements. Other material accounting policies and details of significant accounting assumptions and estimates are set out below in Note No. 1.3 to 1.29.

1.3. Presentation of Financial Statements

The Consolidated Financial Statements of the Group and trust are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs



(MCA). Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognized amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

- i. The normal course of business
- ii. The event of default
- The event of insolvency or bankruptcy of the Group and/or its counterparties

Derivative assets and liabilities with master netting arrangements (e.g. International Swaps and Derivative Association Arrangements) are presented net if all the above criteria are met.

1.4. Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, other relevant provision of the Act and guidelines issued by the Reserve Bank of India ("the RBI").

The accounting policies are applied consistently to all the periods presented in the financial statements, unless otherwise stated.

1.5. Significant changes in the interim reporting period

In terms of the resolution plan approved by Hon'ble NCLT order dated August 11, 2023, an Implementation and Monitoring Committee ("IMC") has been constituted which is empowered to supervise the implementation of the approved resolution plan and oversee the management of the affairs of the Group as per the terms of the approved resolution plan till the closing date. The IMC in its meeting dated August 16, 2023 passed a resolution appointing the Administrator as Chairman of IMC and vide IMC resolution dated August 17, 2023 authorised him to continue to operate all the bank accounts and undertake various activities as are required to ensure the Group's status as a going concern during the implementation of the approved resolution plan.

The financial position and performance of the Group was particularly affected as a result of implementation of the approved resolution plan in the following items during the year ended to March 31, 2024:

- All the existing reserves of the Group (other than retained earnings) has been transferred to restructuring reserves. (Refer Note no. 21)
- (ii) Reduction in equity share Capital and the net consideration payable on capital reduction has been transferred to restructuring reserve. (Refer Note no. 20 and 52)
- (iii) All identifiable assets and liabilities of the Group has been recorded at their respective fair value and difference, if any, between the fair value of identifiable assets and liabilities has been transferred to restructuring reserves. (Refer Note no. 10 and 52)
- (iv) After considering the above adjustment, the balance in restructuring reserve account has been transferred/adjusted to the retained earnings of the Group (Refer note no. 21)
- (v) Balance in retained earnings of the Group has been construed as free reserve for the purpose of the Companies Act 2013 and prescribed RBI guidelines. (Refer note no. 21)
- (vi) Any transaction cost incurred in relation to the implementation of the resolution plan has been recognized as expense in profit and loss account. (Refer note no. 28)
- (vii) There is an increase in impairment on financial instruments post reversal of impairment reserve as per RBI approval to give the effect to the resolution plan (Refer note no 26)
- (viii) The Group, on instructions of the IMC, has taken all necessary steps including making payments, to various stakeholders in terms of the approved resolution plan (Refer Note no. 14, 15, 16 and 52)

(ix) All contingent liabilities on account of implementation of the resolution plan has been permanently extinguished, discharged and settled in term of approved resolution plan (Refer note no. 30)

1.6. Goodwill

Goodwill arising on the acquisition of a subsidiary represents the excess of the consideration transferred in the business combination over the Group's interest in the net fair value of the identifiable assets acquired, liabilities assumed and contingent liabilities recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually. If the recoverable amount of the cash-generating unit is less than the carrying value of the unit, the impairment loss is allocated first to reduce the carrying value of any goodwill allocated to the unit and then to the other assets of the unit in proportion to the carrying value of each asset in the unit.

An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of profit or loss on disposal.

1.7. Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Revenue from Operations is recognised in the consolidated statement of Profit and Loss on an accrual basis as stated herein below:

- (a) Interest income from financial assets is recognised by applying the Effective Interest Rate ('EIR') to the gross carrying amount of financial assets, other than credit-impaired assets and those classified as measured at Fair Value through Profit or Loss (FVTPL) or Fair Value through Other Comprehensive Income (FVTOCI). The basis of computation of EIR is discussed in Note No. 1.21.3. Interest Income for borrowers whose transactions are determined as fraudulent in nature is not recognized from the start of the quarter in which the same is determined as fraudulent.
 - Any subsequent changes in the estimation of the future cash flows having impact on EIR are recognised as interest income with the corresponding adjustment to the carrying amount of the assets.
- (b) Income or net gain on fair value changes for financial assets classified as measured at FVTPL and FVTOCI is recognised as discussed in Note No. 1.21.3.
- (c) Income from Credit Impaired Financial Assets is recognised on net basis i.e. after considering Impairment Loss Allowance.
- (d) Interests on delayed payments by customers are treated to accrue only on realisation, due to uncertainty of realisation and are accounted accordingly.
- (e) Income from dividend is recognised when the Group'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.
- (f) Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.
- (g) Rental income from operating leases is recognised on a straightline 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 Group's expected inflationary cost increases.

- (h) Referral income is recognised when it becomes due under the terms of the relevant mutually agreed arrangement.
- (i) Income from joint controlled operation is recognised to the extent of the Group'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.
- (j) Interest income on fixed deposits/margin money/pass through certificates is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (k) In case of assignment transactions, as the Group 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 recognized in the statement of Profit and Loss.

(I) Revenue from Contract with Customers:

Revenue is recognised when transfer of control of promised goods or services to customers in an amount that reflects that the consideration the Group expects to receive in exchange for those goods or services. Revenue is recognised when related services are rendered and performance obligation is satisfied which is based on a five-step model as set out below, unless included in the effective interest calculation:

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

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

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

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

Step 5: Recognise revenue when (or as) the performance obligation is satisfied

Satisfaction of performance obligation in some cases requires acknowledgement/acceptance of service by the Customer.

Revenues in excess of invoicing are classified as contract assets (which we refer to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis.

1.8. 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 Group as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases Initial direct costs are included in the initial measurement of the net investment in the lease and reduce the amount of income recognised over the lease term based on interest rate implicit in the lease.

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. 1.7.

The Group as lessee

Assets held under finance leases are initially recognised as assets of the Group 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 on borrowing costs (see 1.10 below). Contingent rentals are recognised as expenses in the periods in which they are incurred.

The Group's operating lease asset classes primarily consist of leases for buildings or part thereof. The Group 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 Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with low-value assets and short-term leases (i.e., leases with a lease term of 12 months or less). For these short term and low value leases, the Group recognizes the lease payments as an operating expense on a straight line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities excludes these options as there is no reasonable certainty that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability i.e. the present value of future lease payment, adjusted for any lease payment made at or prior to the commencement date of lease plus any initial direct costs, an estimate of costs to be incurred in dismantling and removing or restoring the underlying asset less any lease incentive received. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using interest rate implicit in the lease or if not readily determinable using the incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option. Lease payments are apportioned between finance expenses and reduction of



the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Contingent rentals are recognised as expenses in the periods in which they are incurred. In the event that lease incentives are received to enter into lease, such incentives are adjusted towards right-of-use-asset.

Lease liability and right-of-use asset have been separately presented in the Balance Sheet.

1.9. Foreign currency translation

(i) Functional and presentational currency

The Consolidated Financial Statements are presented in Indian Rupee (INR) in Lacs, the functional currency of the Group. Functional currency is the currency of the primary economic environment in which the Group operates.

(ii) Transactions and balances

Initial recognition:

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the 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), restatement is not required as on reporting date.

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.

1.10. 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.

Interest expense includes origination costs that are initially recognised as part of the carrying value of the financial liability and amortized over the expected life using the EIR. It also include expenses related to borrowing which are not part of effective interest as not directly related to loan origination.

1.11. Employee Benefits

Retirement benefit costs and other employee benefits

(A) Defined Contribution Plans:

Contributions to Provident Fund, Pension Fund and Employee State Insurance are considered as defined contribution plans and are recognised as expenditure based on the amount of contribution required to be made and when an employee renders related services.

(B) Defined Benefit Plans:

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

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

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss when the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. the Group recognises gains and losses on the settlement of a defined benefit plan when the settlement

The retirement benefit obligation recognized in Balance Sheet represents the actual deficit or surplus in Group'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.

(C) Short-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries, including non-monetary benefits, annual leave and sick leave in the period in which related service is rendered.

Liabilities recognised in respect of short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

(D) Other long-term employee benefits (unfunded)

The cost of providing other long term employee benefits is calculated using the Projected Unit Credit Method, and spread over the period during which the benefit is expected to be derived from employees' services. Re-measurement actuarial gains and losses and past service cost are recognised immediately in the statement of profit and loss for the period in which they occur. Other long term employee benefit obligation recognised in the balance sheet represents the present value of related obligation.

1.12. 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 consolidated 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 Group's current tax is calculated using tax rates that have been enacted or substantially enacted at the reporting period.

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

Deferred tax

The Group'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.

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.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities.

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 period

Current and deferred tax are recognised in the consolidated 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. Property, Plant and Equipment

Property, plant and equipment shown in the consolidated balance sheet consists of assets used in provision of services or for administrative purposes, and include assets leased by the Group as lessor under operating leases.

Initial and subsequent recognition

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

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

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 Group 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 consolidated statement of Profit and Loss during the reporting period in which they are incurred.

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 sales proceeds and the carrying amount of the asset and is recognised in the consolidated statement of Profit and Loss.

Depreciation

Depreciation commences when the assets are ready for their intended use. It is recognised to write down the cost of assets less their residual values over their useful lives, using the straight-line basis. 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.

Assets for Own Use:

Assols for Own Osc.		
Assets description as per Note No.10	Useful Life as per the Companies Act 2013	Useful Life as followed by the Group
Buildings	60 years	60 years
Furniture and Fixtures	10 years	10 years
Computers & Office Equipment	3, 5, 6 years	3,5,6 years
Motor Vehicles	8 years	7, 8 years
Plant and Machinery	15, 22 years	8,15,22 years



Assets for Operating lease:

Assets description as per Note No. 10	Useful Life as per the Companies Act 2013	Useful Life as followed by the Group
Computers	3, 6 years	5 years
Earth Moving Equipment	9 years	7 years
Motor Vehicles	8 years	7 years
Plant and Machinery	15, 30 years	8,15 years
Windmills	22 years	20 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 shorter of lease period and their useful life on the same basis as owned assets. Freehold Land is not depreciated.

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

1.14. 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 2-6 years, which reflects the managements estimate.

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 consolidated statement of Profit and Loss when the asset is de-recognised.

1.15. Investment Property

Properties, held to earn rentals and/or capital appreciation are classified as investment property and measured and reported at cost, including transaction costs.

Depreciation is recognised using straight line method so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013 or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of property is recognised in the statement of profit and loss in the same period.

1.16.Impairment of Non-Financial Assets

Tangible and intangible assets

At the end of each reporting period, the Group 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 Group 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 on a shorter period 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 consolidated 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 consolidated statement of Profit and Loss.

1.17. Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group 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 Group 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 Group has a present obligation based on information available up to the date on which the Group's Consolidated 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 Group 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 recognized because it cannot be measured reliably. Group does not recognize contingent liability but discloses its existence in the Consolidated Financial Statements.

Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are not recognised in the Consolidated Financial Statements, but are disclosed where an inflow of economic benefits is probable.

1.18. Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, 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 amounts of cash and which are subject to an insignificant risk of changes in value.

1.19. 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 Group and makes strategic decisions.

Segments are organized based on businesses which have similar economic characteristics as well as exhibit similarities in nature of services offered.

1.20. (i) 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.

(ii) Non-Current Assets held for sale

Non-current assets are classified as held for sale if their carrying amount

is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is probable and is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

1.21. Financial Instruments

Classification of financial instruments

The Group classifies its financial assets into the following measurement categories:

- Financial assets to be measured at amortised cost
- 2. Financial assets to be measured at fair value through other comprehensive income
- Financial assets to be measured at fair value through profit or loss account

The classification depends on the contractual terms of the financial assets' cash flows and the Group's business model for managing financial assets which are explained below:

Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors.

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 realized in a way that is different from the Group's original expectations, the Group 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 is to assess 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, it is considered whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Group classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the consolidated statement of Profit and Loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

1.21.1 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.



1.21.2 Initial Measurement of Financial Instruments:

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

1.21.3 Subsequent Measurement:

(A) Financial Assets

Financial Assets carried at Amortised Cost (AC):

These financial assets comprise bank balances, Loans, Trade receivables, other receivables, investments and other financial assets.

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.

Effective Interest Rate (EIR) Method:

The EIR is a method of calculating the amortized cost of a debt instrument and of allocating interest income or expense over the relevant period. The EIR 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 amortized cost of a financial liability on initial recognition.

The EIR for financial assets or financial liability is computed

- a. By considering all the contractual terms of the financial instrument in estimating the cash flows.
- b. Including fees and transaction costs that are integral part of EIR.

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 neither held for trading nor contingent consideration recognised by the Group in a business combination to which Ind AS 103 'Business Combination' 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 and accumulated in the reserves. The cumulative gain or loss is not reclassified to the consolidated statement of Profit and Loss on disposal of the investments. Dividends on such investments are recognised in the consolidated 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 consolidated 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 consolidated statement of Profit and Loss.

Financial Assets at Fair Value through Profit or Loss (FVTPL):

A financial asset which is not classified as AC 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 Group has not designated any debt instrument as at FVTPL.

Any differences between the fair values of financial assets classified as FVTPL and held by the Group on the balance sheet date are recognized in the consolidated statement of Profit and Loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the consolidated 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 Group 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 Group measures the loss allowance for that financial asset 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 Group 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 Group 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 other comprehensive income with a corresponding effect to the Consolidated statement of Profit and Loss but is not reduced from the carrying amount of the financial asset in the Consolidated Balance Sheet; so the financial asset continues to be presented in the balance sheet at its fair value.

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 Group measures the loss allowance at an amount equal to 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, wherever applicable.

Derecognition of Financial Assets:

The Group 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 fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the consolidated statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves may be 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 Group 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 Group 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 Group recalculates the gross carrying amount of the financial asset and recognises a modification gain or loss in the consolidated 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 amortized 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 Group after deducting all of its liabilities. Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the consolidated statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Financial Liabilities

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. 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 Instruments".

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 consolidated 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 Group 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 Group 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 guarantees are recognised initially as a liability at fair value, adjusted for transactions costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

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 consolidated statement of Profit and Loss.

1.21.4 Off-setting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Consolidated 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.



1.21.5 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
- 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.

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 Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated 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: Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Group has access to at the measurement date. The Group 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 consolidated balance sheet date.

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

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

1.21.6 Overview of the Expected Credit Loss (ECL) principles

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. It also incorporates available information which is relevant to the assessment, including information about past events, current conditions and reasonable and supportable information about future events and economic conditions at the reporting date.

The Group uses the Expected Credit Loss (ECL) Methodology to assess the impairment on funded credit exposures. The application of the model was derived from the combination of the probability of default and loss given default being applied to the exposure at default (EAD) to compute ECL based on historical data on an unsegmented basis due to limitation of count in the past. Owing to transfer of the business, empirical data for the newly constituted business of the Group was not available and hence ECL for non-funded credit exposures is being computed by calculating the difference between the EAD and Net Present Value of the future cash flows and/or expected realisable value of security/collateral. Additionally, the Group carries out reviews for specifically identified exposures as meriting special focus in calculation of ECL for fulfilling the objective of greater prudence.

Unsegmented portfolio for ECL

In case of Loans where financing was restricted to a large extent to the infrastructure sectors, considering the limitations of count over the past years, 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 Group 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 realization of any collateral. It is usually expressed as a percentage of the EAD.

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

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

Write-offs

The Group reduces the gross carrying amount of a financial asset when the Group 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.

The Group 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 Group 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 Group 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 Group 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 at FVTOCI, the loss allowance measured in accordance with the above requirements is recognised in other comprehensive income 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.

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 Group 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, wherever applicable.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109.

1.22. Derivative financial instruments

The Group 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 note 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 consolidated 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 consolidated statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item.

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.

1.23. Hedge Accounting

The Group complies with the principles of hedge accounting where derivative contracts are designated as hedging instruments. At the inception of the hedge relationship, the documentation is done for the relationship between the hedging instrument and the hedged item, along with the risk management objectives and its strategy for undertaking

hedge transaction, which can be a fair value hedge or a cash flow hedge. Furthermore, on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Fair Value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in the consolidated statement of Profit and Loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in fair value of the hedged item attributable to the hedged risk are recognised in consolidated statement of Profit and Loss in the line item relating to the 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. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

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 other comprehensive income 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 consolidated statement of Profit and Loss.

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 recognized 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 recognized in OCI and accumulated in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized 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 recognized immediately in the Statement of Profit and Loss.

1.24. Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included 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 asset and settle the liability simultaneously.

1.25. Earnings Per Share

The Group reports basic and diluted earnings per share in accordance with Ind AS 33 "Earnings per share". Basic earnings per share are calculated by dividing the net profit or loss before other comprehensive income for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss before other comprehensive income for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. 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.

1.26. Dividend

Dividends paid (including dividend distribution tax thereon) are recognized in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders. The amount is recognized directly in equity.

1.27. Treasury Shares

Shares issued to Kairos ESOP Welfare Trust has been classified as Treasury Shares. This has been classified as deduction from other equity.

1.28. 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:

1.28.1 Impairment charges on loans and advances

The measurement of impairment losses requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These are based on the assumptions which are driven by a number of factors resulting in future changes to the impairment allowance.

The impairment loss on loans and advances is disclosed in more detail in Note No. 1.21.6 Overview of ECL principles.

1.28.2 Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

1.28.3 Provisions other than loan impairment

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.

1.28.4 Fair Value measurement

When the fair values of financial assets and financial liabilities recorded in the consolidated 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 consolidated financial instruments.

1.28.5 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.

1.28.6 Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

1.28.7 EIR method

The Group's EIR methodology recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

1.28.8 Identification of Related Parties

Related Parties for the purpose of Companies Act, 2013 and relevant Ind AS, is identified by the Group, for necessary compliance/reporting/disclosures etc, as per the Board approved Related Party Transactions (RPT) Policy.

1.28.9 Other estimates

These include contingent liabilities, useful lives of tangible and intangible assets etc.

1.29. Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

for the year ended 31st March, 2024 (Contd.)

2. Cash and Cash Equivalents

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	1	8
Balances with Banks-in Current Account #	13,139	8,574
Balance with Banks-in Fixed Deposits Accounts having original maturity up to 3 months		
(including accured interest)	50,744	2,27,837
Total	63,884	2,56,419

[#] Includes ₹ 2,589 Lacs pertaining to a cash credit account with a bank, having a debit balance as at 31st March, 2023

(i) Changes in Cash Flow from financing activities

(₹ in Lacs)

		Mov		
Particulars	As at 1st Apri, 2023	Cash	Non-Cash	As at March 31, 2024
Debt Securities	2,59,944	(36,337)	73,990	2,97,597
Borrowings (Other than Debt Securities)	26,69,340	(2,28,351)	(24,40,464)	525
Subordinated Liabilities	2,95,458	(2,094)	(2,87,128)	6,236
Total	32,24,742	(2,66,782)	(26,53,602)	3,04,358

^{*} Refer No. 1, 2 & 52

(₹ in Lacs)

Particulars	As at 1st Apri, 2022	Cash	Non-Cash	As at March 31, 2023	
Debt Securities	2,59,552	-	392	2,59,944	
Borrowings (Other than Debt Securities)	26,76,864	(10,773)	3,249	26,69,340	
Subordinated Liabilities	2,94,582	-	876	2,95,458	
Total	32,30,998	(10,773)	4,517	32,24,742	

^{**}Includes adjustments on account of effective interest rate and other adjustments.

3. Bank Balance other than Note No. 2 above

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Unclaimed Dividend Accounts	14	24
Earmarked Balances	303	5,176
Fixed Deposits with banks having original maturity of more than 3 months (Including accrued interest for fixed deposits)*	2,790	13,404
Total	3,107	18,604

@ Includes ₹ 54 Lacs pertaining to unclaimed interest for earlier issued private placement non convertible debentures pending to be transferred to a seperate bank account as at March 31st, 2024.

*Includes

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Under Lien**:		
- Borrowings	-	40
- Letter of Credit / Bank Guarantees (Refer Note No. i)	94	8,386
- Others	185	2,729

^{**}Does not include Interest accrued but not due as at March 31st, 2024 ₹ Nil (March 31st, 2023 : ₹ 138 Lacs).

i. In terms of the approved resolution plan, all lien has been reduced to nil and permanently settled, discharged and extinguished in full. However, the Company is in the process of removing lien marked by the banks on fixed deposits of ₹ 6 Lacs towards letter of credit/bank gurantee as at May 22nd, 2024.



for the year ended 31st March, 2024 (Contd.)

4. Receivables:

Trade Receivables (₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Considered good-Secured;	-	-
Less: Allowance for impairment loss allowance	-	-
	-	
(b) Considered good-Unsecured;	2,745	2,545
Less: Allowance for impairment loss allowance	651	381
	2,094	2,164
(c) Significant increase in credit risk	4	51
Less: Allowance for impairment loss allowance	-	2
	4	49
(d) Credit impaired	1,989	2,263
Less: Allowance for impairment loss allowance	1,989	2,263
	-	-
Total (a+b+c+d)	2,098	2,213

⁽i) 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.

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.

(ii) Trade Receivables agein schedule as at 31st March, 2024*

(₹ in Lacs)

	Outstanding for	r following p	eriods fro	m due dat	e of payment	
Particulars	Less than 6 months	6 months 1 year	1-2 year	2-3 year	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	1,479	360	255	-	-	2,094
(ii) Undisputed Trade receivables - which have significant increase in credit ris	k 4	-	-	-	-	4
(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	1,483	360	255	-	-	2,098

Trade Receivables agein schedule as at 31st March, 2023*

(₹ in Lacs)

		Outstanding for following periods from due date of payment					
Part	iculars	Less than 6 months	6 months 1 year	1-2 year	2-3 year	More than 3 years	Total
(i)	Undisputed Trade receivables - considered good	1,508	518	138	-	-	2,164
(ii)	Undisputed Trade receivables - which have significant increase in credit risk	21	-	-	28	-	49
(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	-	-	-	-	-	-
Tota	I	1.529	518	138	28	-	2.213

^{*} Figures are net of allowance for impairment loss.

for the year ended 31st March, 2024 (Contd.)

(iii) Movements in Expected Credit Losses Allowance is as below:

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	2,646	2,652
Charge in Consolidated Statement of Profit and Loss	(3)	66
Disposal of entity under control	-	-
Utilized during the year	(3)	(72)
Balance at the end of the year	2,640	2,646

(iv) Ageing of Trade Receivables and Credit Risk arising therefrom is as below:

(₹ in Lacs)

Particulars	As	at 31st March, 2	2024
	Gross carrying amount	Allowance for credit loss	Net carrying amount
Not due	-	-	-
Due till three months	516	8	508
Due between three to six months	980	6	974
Due between six months to one year	584	224	360
Due between one year to two year	669	413	256
More than 2 year due	1,989	1,989	-
	4,738	2,640	2,098

(₹ in Lacs)

	As at	t 31st March, 2	2023
Particulars	Gross carrying A amount	Allowance for credit loss	Net carrying amount
Not due	-	-	-
Due till three months	660	8	652
Due between three to six months	886	9	877
Due between six months to one year	726	208	518
Due between one year to two year	296	158	138
More than 2 year due	2,291	2,263	28
	4,859	2,646	2,213

The contractual amount outstanding on financial assets that were written off during the reporting period but are still subject to enforcement activity is \mathbb{T} Nil (March 31st, 2023 \mathbb{T} 2,200 Lacs).

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.



for the year ended 31st March, 2024 (Contd.)

		1	As at 31st March	ո, 2024					As at 31st March, 2023	rch. 2023		
			At Fair Val	ne					At Fair Value	alue		
Particulars	Amortised cost	Through Other Comprehensive Income	Through Profit or Loss	Designated at Fair Value through Profit or Loss	Subtotal	Total	Amortised cost	Through Other Comprehensive Income	Through Profit or Loss	Designated at Fair Value through Profit or Loss	Subtotal	Total
Loans												
(A)												
(i) Term Loan	27,10,196	1	18,968		18,968	27,29,164	27,03,132	2,687	19,091	1	21,778	27,24,910
(ii) Leasing	835	1				835	2,633			1	•	2,633
(iii) Other Loans:												
Intercorporate Deposit		1			ı		177			1	•	177
Total (A) Gross	27,11,031		18,968		18,968	27, 29, 999	27,05,942	2,687	19,091		21,778	27,27,720
Less: Impairment loss allowance	24,31,435	1		1		24,31,435	17,78,457	1	1			17,78,457
Total (A) Net	2,79,596		18,968		18,968	2,98,564	9,27,485	2,687	19,091		21,778	9,49,263
(B)												
(i) Secured by tangible assets/cash flows*	26,15,261	1	18,968		18,968	26,34,229	25,65,560	2,687	19,091	1	21,778	25,87,338
(ii) Unsecured	92,896	1		1		92,896	1,40,382	ı	1	1	٠	1,40,382
Total (B) Gross	27,11,031	•	18,968		18,968	27,30,125	27,05,942	2,687	19,091		21,778	27,27,720
Less: Impairment loss allowance	24,31,435	1			1	24,31,435	17,78,457			1		17,78,457
Total (B) Net	2,79,596		18,968		18,968	2,98,690	9,27,485	2,687	19,091		21,778	9,49,263
(C) Loans in India												
(i) Public Sector	306	1		1		306	732	1	1	1	•	732
(ii) Others	27,10,725	1	18,968		18,968	27,29,693	27,05,210	2,687	19,091	ı	21,778	27,26,988
Total (C) Gross	27,11,031		18,968		18,968	27, 29, 999	27,05,942	2,687	19,091		21,778	27,27,720
Less: Impairment loss allowance	24,31,435	1				24,31,435	17,78,457			ı		17,78,457
Total (C) Net	2,79,596		18,968		18,968	2,98,564	9,27,485	2,687	19,091		21,778	9,49,263
(C) (II) Loans outside India	1	1	1			•	•					
Less: Impairment loss allowance		1		1	1		1	1	1	1	•	
Total (C) (II) Net		1		ı	ı	1	1	ı	1	ı	ı	
Total (C) (I) Net and C (II) Net	2,79,596	•	18,968		18,968	2,98,564	9,27,485	2,687	19,091		21,778	9,49,263

^{*}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. 36 for valuation of the assets of the Company and assets/collateral held as securities.

for the year ended 31st March, 2024 (Contd.)

5. Loan (Contd....)

i. An analysis of changes in the gross carrying amount of loans, is as follows:

(₹ in Lacs)

Darticular		As at	As at 31st March, 2024	124			As at	As at 31st March, 2023	123	
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount-opening balance	68,974	3,598	27,18,676		27,91,248	5,79,703	1,00,145	20,98,781	ı	27,78,629
New assets originated or purchased/net disbursement @@	1	1	810	ı	810	14,193	1	•	1	14,193
Assets derecognised or repaid (excluding write offs and										
includes interest accruals adjusted) #	(16,466)	(129)	(54,201)	ı	(20,796)	(10,604)	3,063	(37,368)	1	(44,909)
Effective interest on net carrying amount	•	1	10,720		10,720	İ	1	49,723	1	49,723
Other Balances (Refer Note below)	•	1	1		1	82,619	1	•	1	82,619
Transfers to Stage 1	9,781	1	(9,781)	ı	1	009	(208)	(392)	1	1
Transfers to Stage 2	(20)	29	6	1	1	(3,571)	3,582	(11)	1	1
Transfers to Stage 3	(44,663)	(3,469)	48,132	1	•	(5,84,359)	(1,02,977)	6,87,336	1	1
Changes to contractual cash flows due to modifications										
not resulting in derecognition	1	•	•		1	•	•	•	•	•
Amounts written off	1	1	(20,951)	•	(20,951)	(6,607)	(7)	(79,393)	•	(89,007)
Gross carrying amount closing balance@	17,576	29	26,93,396	•	27,11,031	68,974	3,598	27,18,676	•	27,91,248

Note: (1) Pursuant to the approved distribution mechanism in terms of resolution plan, the Company has extinguished the net short fall towards lenders assigned pool receivables as on March 31st, 2024 (Refer Note No.46). Receivables on account of assigned Loans/lease/other receivables have been adjusted from loans only.

As at March 31st, 2023, Other balances includes shortfall in payment to Company lenders who were assigned the pool loans.

© Excludes gross carrying amount of loans designated at fair value through profit or loss amounting to ₹ 18,968 Lacs (March 31st, 2023 ₹ 19,091 Lacs)

@@ On conversion of Investment and AAD to loan. # Represents balancing figure. ii. Reconciliation of ECL balance is given below:*

(₹ in Lacs)

stage 1 Stage 2 Stage 3 Stage 1 Stage 1 Stage 1 Stage 1 Stage 2 ance-opening balance 12,994 455.00 17,65,239 - 17,78,688 35,576 4,174 - so originated or purchased/net disbursement - - 324 - 17,78,688 35,576 4,174 - eriod and reversal of ECL on account of Recovery# (1,954) (17) 6,71,565 - 6,69,594 (12,706) 169 to Stage 1 23 (14) - - (80) 95 to Stage 2 (4,645) (449) 5,094 - (24,873) (3,930) discount - - - - - - - o contractual cash flows due to modifications not derecognition - (17,171) - (17,171) - - - - - n derecognition - - - - - - - - - - -	Darticular		As at	As at 31st March, 2024	024			As at	As at 31st March, 2023	023	
ing balance ing balance 12,994 455.00 17,65,239 - 17,78,688 35,576 4,174 - 324 - 324 3,111 - 17,000 Lof Exposures transferred between stages eversal of ECL on account of Recovery# 4,062 (2) (4,060) - 12,417 (52) (4,060) - 12,417 (52) (4,060) - 12,417 (52) (4,060) - 10,485 (4,645) (4,649) 5,094 - 10,485 (17,171) - 11,171 (17,171) (1		Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Lof Exposures transferred between stages eversal of ECL on account of Recovery# (1,954) (17) (6,71,565 - 6,69,594 (12,706) 169 (12,417 (52) (4,060) - 12,417 (52) (80) 95 (4,645) (4,645) (4,49) 5,094 - (24,873) (3,930) - 10,448 10 24,20,977 - 24,31,435 12,994 455 - (24,31,435	ECL allowance-opening balance	12,994	455.00	17,65,239	,	17,78,688	35,576	4,174	7,47,652	1	7,87,402
Lof Exposures transferred between stages eversal of ECL on account of Recovery# 4,062 (2) (4,060) - 12,417 (52) (52) (4,060) - (24,873) (3,930) 95 (4,645) (4,645) (4,49) 5,094 (24,873) (3,930) (17,171) - (17,171) (451) (1) (1) (1) (1) (1) (1) (1) (1) (1) (New assets originated or purchased/net disbursement	ı	ı	324		324	3,111	1	1	•	3,111
4,062 (2) (4,060) 12,417 (52) (80) 95 (9) 23 (14) - (80) 95 (80) 95 (4,645) (4,645) (4,649) 5,094 (24,873) (3,930) (17,171) - (17,171) (451) (1) (1) (1) (10) (10) (10) (10) (10)	Impact on period end ECL of Exposures transferred between stages during the period and reversal of ECL on account of Recovery#	(1,954)	(17)	6,71,565		6,69,594	(12,706)	169	10,67,651	1	10,55,114
(4,645) (24,873) (3,930) (14) - (24,873) (3,930) (14,645) (4,645) (449) (5,094 - (24,873) (3,930) (3,930) (1,000) (1,0	Transfers to Stage 1	4,062	(2)	(4,060)		Ī	12,417	(52)	(12,365)	•	1
ral cash flows due to modifications not intion (17,171) - (17,171) - (17,171) (451) (3,930) (17,171) - (17,171) (451) (1) (17,171) - (17,171) (451) (1) (17,171) - (17,171) (451) (1)	Transfers to Stage 2	(6)	23	(14)		Ī	(80)	95	(15)	•	1
Lal cash flows due to modifications not ration	Transfers to Stage 3	(4,645)	(449)	5,094		Ī	(24,873)	(3,930)	28,803	•	1
Lal cash flows due to modifications not (17,171) - (17,171) (451) (1) (1) (1) ing balance 10,448 10 24,20,977 - 24,31,435 12,994 455 ·	Unwind of discount	. 1		1		Î	ı		1	•	1
ing balance - (17,171) - (17,171) (451) (1) (1) (1) (1) (1) (1) (1) (1) (1) (Changes to contractual cash flows due to modifications not resulting in derecognition					,					1
10,448 10 24,20,977 - 24,31,435 12,994 455 ·	Amounts written off	1	1	(17,171)		(17,171)	(451)	(1)	(66,487)	•	(66,933)
	ECL allowance-closing balance	10,448	10	24,20,977		24,31,435	12,994	455	17,65,239		17,78,688

* Includes ECL allowance of ₹ Nil (March 31st, 2023 ₹ 7,541 Lacs) on off balance sheet exposure.

* Includes ECL allowance created on loan assets measured through other comprehensive income of ₹ Nil Lacs (March 31st, 2023 ₹ 229 Lacs). & refer note no. 56 of the cosolidated financial statements

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 ₹ 18,919 Lacs (March 31st, 2023 ₹ 59,186 Lacs).

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.



(₹ in Lacs)

Notes to the Consolidated Financial Statements

or the year ended 31st March, 2024 (Contd.)

6. Investment

													-	
			As at 31st l	1st March, 2024						As at 3.	As at 31st March, 2023			
			At	At Fair Value						At	At Fair Value			
Particular	Amortised cost	Amortised Through Other cost Comprehensive Income	Through Profit or Loss	Designated at Fair value through Profit or Loss	Subtotal	Others	Total A	mortised cost	Amortised Through other cost Comprehensive Income	Through Profit or Loss	Designated at fair Value through Profit or Loss	Subtotal	Others	Total
Investments														
Debt securities	18,782	1	7,468	1	7,468	- 2	26,250	18,571	526	9,125	1	9,651		28,222
Equity instrument other than Joint Venture & Associates	•	28,365	17,975	1	46,340	- 4	46,340	٠	17,066	44,583		61,649		61,649
In Units of Trusts and Schemes of Venture Funds	•	5,844	2,787	1	8,631	1	8,631	٠	25,993	2,426	1	28,419		28,419
Total – Gross A	18,782	34,209	28,230		62,439	. 8	81,221	18,571	43,585	56,134		99,719	.1,	1,18,290
(i) Investments outside India	•					-								ı
(ii) Investments in India	18,782	34,209	28,230	1	62,439		81,221	18,571	43,585	56,134	1	99,719	-	1,18,290
Total – B	18,782	34,209	28,230	•	62,439		81,221	18,571	43,585	56,134	ı	99,719	. 1,	1,18,290
Less: Impairment loss allowance (C)	(9,230)	-	(1,648)	-	(1,648)	- (11	(11,238)	(9,290)	-	-	-	•	-	(9,590)
Total – Net $D = (A)-(C)$	9,192	34,209	26,582	•	60,791	9 -	69,983	8,981	43,585	56,134	•	99,719	. 1,	1,08,700

Investment Managers are mandated to provide NAV at least once in every six months. The Company determines the fair valuation of units in the funds based on the NAV provided by Trinity. As of March 31, 2024, Trinity has The Company has investments in units of Alternative Investments Funds which is managed by Trinity Alternative Investment Managers Limited (Trinity), subsidiary of the Company. As per Clause 23 (1) of AIF Regulations, 2012, supplied NAV for funds as of September 30, 2023, forming the basis for the recognition of fair valuation. \equiv

Similarly, as a consequence of the amalgamation, the Infra Construction Fund (ICF) is entitled to an allotment of 31,35,00,000 equity shares of IPCL. However, the allotment of the Fund's holdings has been pending since 2013 due to IPCL's non-compliance with SEBI Regulations. The valuation report submitted by Trinity as of September 30, 2023, has assessed the value of IPCL shares as Nii, reflecting the ongoing delay in the allotment process. has been pending since 2013 due to IPCL's non-compliance with SEBI Regulations. The fair value of IPCL shares, as quoted on March 31, 2024, has been recognized in the books of account of the Company

Pursuant to amalgamation of DPSC Ltd with erstwhile India Power Corporation Limited (IPCL), the Company is entitled to an allotment of 10,55,24,100 equity shares of IPCL. However, the allotment of the Company's holdings

 \equiv

Non Principal Protected Debentures (NPPD) issued by Assets Care & Reconstruction Enterprise Limited were unilaterally redeemed from SEFL Demat account by respective Issuer by using auto corporate action dated May 27th, 2022 for which the necessary accounting has not been considered in books pending clarifications/relevant documents as at March 31st, 2023 and the same has been accounted for during the financial year ended March 31st, \equiv

(iv) The Company had created impairment loss allowance to the extent of 100% of investment exposures on such accounts covered under transaction audits under Section 43, 45, 50 and 66 of the Code against which application were filled under Sections 60(5) and 66 of the Code before the Kolkata bench of the Hon'ble National Company Law Tribunal (NCLT) for adjudication.

The latest available recovery rating for investment in Security receipts (SR) of Prudent ARC Limited was valid till June 30th, 2023. In the absence of reviewed rating post June 30th, 2023 from ARC, the Company has considered the carrying value of these SRs as ₹ Nil.

for the year ended 31st March, 2024 (Contd.)

7. Other Financial Assets

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Income accrued but not due	-	43
Interest retained on Pool Assigned	-	398
Rental accrued but not due	144	546
Less: Impairment loss allowance for Rental accrued but not due	(8)	(19)
Loan to employees		15
Security deposits	1,106	1,059
Less: Impairment loss allowance for Security deposits	(740)	(708)
Excess Corpus in Gratuity Assets	-	11
Claims Receivables	-	62,196
Other Advances and Receivables	338	525
Contribution to trust fund	1	11
Total	841	64,067

8. Current Tax Assets (Net)

(₹ in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance Tax (net of income tax provision)	23,042	6,852
Total	23,042	6,852

The reconciliation of estimated income tax to income tax expense is as below:

(₹ in Lacs)

Particulars	For the period ended 31st March, 2024	For the period ended 31st March, 2023
Profit Before Tax	(7,78,804)	(11,10,858)
Statutory Income Tax Rate	25.168%	25.168%
Expected income tax expense at statutory income tax rate	(1,96,009)	(2,79,581)
(i) Income exempt from tax/Items not deductible (net)	-	2,023
(ii) Net Deferrred Tax assets charged/not recognised to Statement of Proft & Loss	1,52,897	2,50,419
(iii) Other differences	43,024	27,180
(v) Income Tax for earlier years	19	-
Total Tax Expense recognised in Consolidated Statement of Profit and Loss	(69)	41
Total Tax Expense recognised in Other Comprehensive Income	2	(1)



for the year ended 31st March, 2024

9. Deferred Tax Assets/(Deferred Tax Liability) (Net)

							(< III Laus)
Particulars	As at 1st April, 2023	Recognised/ (reversed) to Statement of Profit & Loss	Recognised/ (reversed) in Other Comprehensive Income	Reclassified to Statement of Profit and Loss	Utilisation of MAT credit	Impact due to Gessation of subsidiaries	As at 31st March, 2024
MAT Credit Entitlement	ı				ı	ı	
Financial Assets and Liabilities at FVTPL	27,322	24,510	1	1		•	51,832
Receivables, Financial Assets and Liabilities at Amortised Cost	46,368	(30,280)	1		•		16,088
Unrealised gain on Investment carried at Fair Value	5,252	(T)	2,257				7,508
Carried Forward of Losses & Unabsorbed Depreciation	4,41,012	1,50,607			•	•	5,91,619
Property, Plant and Equipment and Intangible Assets	(6,416)	8,079					1,663
Loss under Income Tax	2,547			ı	1		2,547
Other Temporary Differences	(2,522)	52			1		(2,470)
Disallowances u/s 43B of IT Act	40,348	(1)			1		40,347
Provisions	196	21				•	217
Net Deferred Tax Assets/(Liabilities)	5,54,107	1,52,987	2,257				7,09,351
Net Deferred tax assets not recognised in Statement of Profit & Loss	5,53,555	1,52,897	2,257	ı		·	7,08,709
Net Deferred tax assets recognised in Statement of Profit & Loss	225	06					642
Particulars	As at 1st April, 2022	Recognised/ (reversed) to Statement of Profit & Loss	Recognised/ (reversed) in Other Comprehensive Income	Reclassified to Statement of Profit and Loss	Utilisation of MAT credit	Impact due to Cessation of subsidiaries	As at 31st March, 2023
MAAT Oxodit Entitlowoodt							
ווואן סופתור בוותופווופוור			' 63	•	•	•	1
Financial Assets and Liabilities at FVTPL	71,320	0,014	(71)				21,322
Receivables, Financial Assets and Liabilities at Amortised Cost	61,144	(14,776)			1	1	46,368
Unrealised gain on Investment carried at Fair Value	8,499	(1)	(3,246)	•	1		5,252
Carried Forward of Losses & Unabsorbed Depreciation	1,91,557	2,50,347	(892)		1	•	4,41,012
Property, Plant and Equipment and Intangible Assets	(13,005)	6,589			1	•	(6,416)
Loss under Income Tax	2,547	1		1	1		2,547
Other Temporary Differences	(2,533)	17	(9)		1	•	(2,522)
Disallowances u/s 43B of IT Act	38,277	2,071			1	•	40,348
Provisions	193	2					196
Net Deferred Tax Assets/(Liabilities)	3,07,999	2,50,263	(4,156)	-	•	-	5,54,107
Net Deferred tax assets not recognised in Statement of Profit & Loss	3,07,461	2,50,249	(4,155)		1		5,53,555
Net Deferred tax assets recognised in Statement of Profit & Loss	538	14	(1)				552

for the year ended 31st March, 2024

10. Property, Plant and Equipment

(₹ in Lacs)

	Gros	Gross Carrying Amount	nount			Depreciations	Depreciations/Amortisations and Impairmen	ınd İmpairment		Net Carrying Amount
Particulars	As at 1st April, 2023	Additions	Disposals and other adjustments	As at 31st March, 2024	As at 1st April, 2023	Depreciation/ amortisation Charge	Impairment Charge	Disposals and other adjustments	As at 31st March, 2023	As at 31st March, 2024
Assets for Own use										
Freehold Land	3,316	,		3,316	•		•	•	•	3,316
Buildings *	16,380	2		16,382	1,855	306			2,161	14,221
Plant and Machinery	22,613			22,613	6,194	1,026			7,220	15,393
Furniture and Fixtures	3,105	က	47	3,061	2,301	365		41	2,625	436
Motor Vehicles	339		43	356	322	73		43	352	4
Computers & Office Equipments	710	56	94	642	685	15		92	809	34
Leasehold Improvements	4,356	,		4,356	4,122	162			4,284	72
(A)	50,879	31	184	50,726	15,479	1,947		176	17,250	33,476
Assets given on Operating lease										
Plant and Machinery	1,46,996		6,792	1,40,204	82,489	11,857	16,583	5,013	1,05,916	34,288
Earthmoving Equipments	98,302		18,060	80,242	80,870	9,403	260	17,129	73,704	6,538
Furniture and Fixtures	6,337		54	6,283	3,739	009	853	28	5,164	1,119
Motor Vehicles	61,510		4,792	56,718	52,110	5,278	348	3,811	53,925	2,793
Windmills	7,821			7,821	4,405	734	265		5,736	2,085
Computers & Office Equipments	11,930	•	1,853	10,077	11,499	329	•	1,757	10,071	9
(B)	3,32,896		31,551	3,01,345	2,35,112	28,201	18,941	27,738	2,54,516	46,829
Total (C) = $(A+B)$	3,83,775	31	31,735	3,52,071	2,50,591	30,148	18,941	27,914	2,71,766	80,305

*Building includes Gross carrying amount of ₹ 8,747.34 Lacs in respect of property at Saket Place, New Delhi ('Property'), which was purchased by the Company from third party by execution of deed of declaration and for which is pending and the matter purchase consideration was paid. The builder was supposed to get the required approval of Delhi Development Authority for conversion of Property from leasehold to freehold before conveyance, which is pending and the matter has been referred to the appropriate legal forum, where it is sub-judice.

The Property is in the possession of the Company and being used for its business purposes. Further, the Company is depositing related corporation taxes in its name. Therefore, in accordance to IndAS 16, the said Property (pending its conveyance) is continued to be shown as aforesaid.

Buildings includes 🕏 3,897 Lacs (Net book value of ₹ 3,559 Lacs) in respect of which conveyance is pending. These immovable properties were transferred to the SEFL pursuant to BTA (Refer Note No. 53). # As a matter of prudence, the Company has not considered the impact of upward fair valuation of Property, Plant and Equipment. (₹ in Lacs)

11. Other Intangible Assets

	Gros	Gross Carrying Amount	nount			Depreciations ,	Depreciations/Amortisations and Impairment	nd Impairment		Net Carrying Amount
Particulars	As at 1st April, 2023	Additions	Disposals and other adjustments	As at 31st March, 2024	As at ch, 1st April, 2023	Depreciation/ amortisation Charge	Impairment Charge	Disposals and other adjustments	As at 31st March, 2024	As at 31st March, 2024
Assets for Own use Software	3,062	74	12	3,124	2,520	302		13	2,809	315
Assets given on operating lease Software	443	٠		443	443	•	1	•	443	
Total	3,505	74	12	3,567	2,963	302		13	3,252	315

Breakup of Depreciation / Amortisation and Impairment for the year / period ended 31st March, 2023 is as below:

	(
Particulars	Total
Property, Plant and Equipment	30,148
Other Intangible Assets	302
Right-of-use Assets	283
Total	30,733



for the year ended 31st March, 2024

10. Property, Plant and Equipment

10. Property, Plant and Equipment										(₹ in Lacs)
	Gro	Gross Carrying Amount	nount			Depreciations	Depreciations/Amortisations and Impairment	nd Impairment		Net Carrying Amount
Particulars	As at 1st April, 2022	Additions	Disposals and other adjustments	As at 31st March, 2023	As at 1st April, 2022	Depreciation/ amortisation Charge	Impairment Charge	Disposals and other adjustments	As at 31st March, 2023	As at 31st March, 2023
Assets for Own use										
Freehold Land	3,316	•	•	3,316	,	•		•	•	3,316
Buildings*	16,380		•	16,380	1,513	342			1,855	14,525
Plant and Machinery	22,613			22,613	5,163	1,031	•		6,194	16,419
Furniture and Fixtures	3,134	_	30	3,105	1,848	475	•	22	2,301	804
Motor Vehicles	399		•	336	275	47	•		322	77
Computers & Office Equipments	1,138	က	431	710	1,077	38		430	685	25
Leasehold Improvements	4,356			4,356	3,611	511			4,122	234
(A)	51,336	4	461	50,879	13,487	2,444		452	15,479	35,400
Assets given on Operating lease										
Plant and Machinery	1,57,446		10,450	1,46,996	75,329	13,386	•	6,226	82,489	64,507
Earthmoving Equipments	1,18,848	•	20,546	98,302	81,898	12,794		13,822	80,870	17,432
Furniture and Fixtures	8,227		1,890	6,337	4,127	715		1,103	3,739	2,598
Motor Vehicles	81,875		20,365	61,510	58,432	8,183		14,505	52,110	9,400
Windmills	7,821			7,821	3,671	734			4,405	3,416
Computers & Office Equipments	35,138	•	23,208	11,930	29,212	4,595		22,308	11,499	431
(B)	4,09,355		76,459	3,32,896	2,52,669	40,407	•	57,964	2,35,112	97,784
Total (C) = (A + B)	4.60.691	4	76.920	3,83,775	2,66,156	42,851		58,416	2.50.591	1.33.184

^{*} Building includes Gross carrying amount of ₹ 8,747.34 Lacs in respect of property at Saket Place, New Delhi ('Property'), which was purchased by the Company from third party by execution of deed of declaration and for which is pending and the matter purchase consideration was paid. The builder was supposed to get the required approval of Delhi Development Authority for conversion of Property from leasehold to freehold before conveyance, which is pending and the matter has been referred to the appropriate legal forum, where it is sub-judice.

The Property is in the possession of the Company and being used for its business purposes. Further, the Company is depositing related corporation taxes in its name. Therefore, in accordance to IndAS 16, the said Property (pending its conveyance) is continued to be shown as aforesaid.

Buildings includes ₹ 3,895 Lacs (Net book value of ₹ 3,632 Lacs) in respect of which conveyance is pending. These immovable properties were transferred to the SEFL pursuant to BTA (Refer Note No. 44).

(₹ in Lacs)

Other Intangible Assets

	Gro	Gross Carrying Amount	nount			Depreciations	Depreciations/Amortisations and Impairment	and Impairment		Net Carrying Amount
Particulars	As at 1st April, 2022	Additions	Disposals and other adjustments	As at 31st March, 2023	As at 1st April, 2022	Depreciation/ amortisation Charge	Impairment Charge	Disposals and other adjustments	As at 31st March, 2023	As at 31st March, 2023
Assets for Own use										
Software	3,375	_	314	3,062	2,536	297	1	313	2,520	542
Assets given on Operating lease										
Software	554	1	111	443	552	2	1	111	443	
Total	3,929	1	425	3,505	3,088	299		424	2,963	542

Breakup of Depreciation / Amortisation and Impairment for the year / period ended 31st March, 2023 is as below:

(₹ in Lacs)

Particulars	Total
Property, Plant and Equipment	42,851
Other Intangible Assets	299
Right-of-use Assets	432
Total	43,582

for the year ended 31st March, 2024

12. Other Non-Financial Assets

(₹ in Lacs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Capital Advances	29	30
Employee Advances	22	42
Advance to Vendors for Operating Expenses	339	368
Balances with Government Authorities	1,569	1,419
Repossessed Assets and Assets acquired in satisfaction of debt*	809	21,492
Prepaid expenses	144	275
Total	2,912	23,626

^{*} Includes repossessed assets (net) amounting to \neq 422 Lacs (March 31st, 2023: \neq 3,282 Lacs). It also includes assets/collaterals acquired in satisfaction of debt amounting to \neq Nil, the gross value of these assets/collaterals is \neq 30,301 Lacs (March 31st, 2023: assets/collaterals acquired in satisfaction of debt amounting to \neq 18,210 Lacs, the gross value of these assets/collaterals is \neq 30,301 Lacs).

13. Trade Payables

(i) Total outstanding dues of micro enterprises and small enterprises

(₹ in Lacs)

Par	ticulars	As at 31st March, 2024	As at 31st March, 2023
a)	The principal amount and interest due thereon remaining unpaid to any supplier	6	230
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	-	-
Tota	I	6	230

⁽ii) Total outstanding dues of creditors other than micro enterprises and small enterprises

(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises

(₹ in Lacs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
For Supplies and Services	191	710
Others	80	6,224
Total	271	6,934

(iii) Trade Payables ageing schedule

Trade Payables ageing schedule as at 31st March, 2024:

(₹ in Lacs)

Particulars	Outstanding f	for following per	iods from due da	te of payment	T. 1.1
railiculais	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	6	-	-	=	6
(ii) Others	160	104	6	-	271
(iii) Disputed dues-MSMEs and	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-
Total	167	104	6	-	277

Trade Payables ageing schedule as at 31st March, 2023:

(₹ in Lacs)

Particulars	Outstanding f	for following per	iods from due da	ite of payment	
Faiticulais	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	13	216	-	1	230
(ii) Others	2,253	2,426	553	1,175	6,407
(iii) Disputed dues-MSMEs and	-	-	-	-	-
(iv) Disputed dues-Others	50	-	419	58	527
Total	2.316	2.642	972	1.234	7.164



Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

14. Debt Securities

								(₹ in Lacs)
		As at 31st March, 2024	ırch, 2024			As at 31st March, 2023	ch, 2023	
Particulars	At Amortised Cost	At Fair Value through Profit and Loss	Designated at Fair Value through Profit or Loss	Total	At Amortised Cost	At Fair Value through Profit and Loss	Designated at Fair Value through Profit or Loss	Total
Secured (Refer Note No. 52)								
Non-Convertible Debentures (Refer Note 14.1)	2,97,597	ı	•	2,97,597	2,55,895			2,55,895
Long-Term Infrastructure Bonds (Refer Note 14.2)	ı	•	•	ı	4,049			4,049
Total	2,97,597			2,97,597	2,59,944			2,59,944
Debt securities in India	2,97,597			2,97,597	2,59,944			2,59,944
Debt securities outside India	•	•	•	•				
Total	2,97,597	•		2,97,597	2,59,944			2,59,944

for the year ended 31st March, 2024

14.1 Secured Non-Convertible Debentures

		Amount outstan	ding (₹ in Lacs) ##		
Date of Allotment	Face value per debenture (₹)	As at March 31st, 2024 @	As at March 31st, 2023 (Refer Note No. 1 (a), 52)	Interst rate (%)*	Earliest redemption date / Balance tenure (years)
Private Placement:					
18 January, 2018	10,00,000	-	1,000	11.00%	18 January, 2028
20 December, 2016	10,00,000	-	1,000	11.00%	20 December, 2026
26 March, 2018	10,00,000	-	1,650	11.00%	26 March, 2025
09 December, 2014	10,00,000	-	1,900	12.05%	09 December, 2024
03 October, 2017	10,00,000	-	600	10.99%	03 October, 2024
15 September, 2017	10,00,000	-	2,350	10.50%	15 September, 2024
22 June, 2017	10,00,000	-	2,000	11.23%	22 June, 2024
20 June, 2014	10,00,000	-	1,000	12.90%	20 June, 2024
13 June, 2014	10,00,000	-	1,000	12.92%	13 June, 2024
10 June, 2014	10,00,000	-	1,000	13.40%	10 June, 2024
31 May, 2017	10.00.000	-	1,000	11.32%	31 May, 2024
26 May, 2017	10,00,000	-	2,000	11.45%	26 May, 2024
30 January, 2019	10,00,000	-	30,000	12.50%	30 January, 2024
02 December, 2016	10,00,000	-	500	11.00%	02 December, 2023
29 November, 2013	10,00,000	-	450	13.10%	29 November, 2023
04 April, 2018	10,00,000	-	1,400	10.30%	04 April, 2023
14 March, 2018	10.00.000	-	500	10.30%	14 March, 2023
24 January, 2013	10,00,000	-	110	13.50%	24 January, 2023
05 October, 2012	10,00,000	-	2,000	13.35%	05 October, 2022
31 July, 2012	10,00,000	-	130	13.40%	31 July, 2022
June 08, 2012	10,00,000	_	70	13.40%	08 June, 2022
29 October, 2011	10,00,000	_	3,000	13.90%	29 October, 2021
06 October, 2016	10,00,000	_	500	11.95%	06 October, 2021
09 September, 2011	10,00,000	_	1,000	13.90%	09 September, 2021
26 December, 2023	1,000	**	-	0.00%	27 December, 2024
26 December, 2023	1,000	58,147	_	0.00%	26 December, 2025
26 December, 2023	1,000	87,220	_	0.00%	26 December, 2026
26 December, 2023	1,000	1,93,823		0.00%	26 December, 2027
26 December, 2023	1,000	92,066		0.00%	26 December, 2028
Public Issue:	1,000	92,000		0.00 /0	20 December, 2020
11 May, 2015	1,000		3,215	12.25%-12.50%	7 years
January 17, 2017	1,000		33,842	11.11%-11.75%	7 years 5 years
25 May, 2018	1,000		33,642 41,598	10.75%-11.60%	3 - 10 years
24 January, 2019	1,000		14,005	11.81%-12.75%	3 - 10 years 3 - 5 years
24 January, 2019 06 October, 2016	1,000		15,585	11.60%-12.75%	5 - 5 years 5 years
27 February, 2017	1,000		17,547	11.12%-11.75%	,
		•		10.43%-11.75%	5 years
16 March, 2018	1,000 1.000	•	27,110 9,363	12.05%-13.00%	5 years 3 - 5 years
15 May, 2019	1,000	4.04.050		12.00%-13.00%	s - s years
Total		4,31,256	2,18,425		

[@] In terms of the approved resolution plan (Refer Note No. 1(a) and 52) payment made to the debenture holders and thereafter new instruments issued and remaining liabilities has been extinguished.

Security: The Secured Non-Convertible Debentures are secured by first pari-passu charge on receivables of the Company, both present and future, from its assets.

14.2 Long-Term Infrastructure Bond

		Amount outstan	ding (₹ in Lacs) ***		
	Face value per debenture (₹)	As at March 31st, 2024 (Refer Note No. 1(a), 52)*	As at March 31st, 2023 (Refer Note No. 1(a), 52)*	Interst rate (%)	Earliest redemption date/ Balance tenure (years)
Thursday, March 22 , 2012	1,000	-	967	11.15%	22 March, 2027
Thursday, March 22, 2012	1,000	-	1,055	10.90%	22 March, 2022
Total		-	2,022		

The above debentures are redeemable at par in single instalment.

^{##} Includes Deferred Interest of NCD of ₹ 1,33,639 Lacs (March 31st, 2023: ₹ Nil), effective interest adjustment of ₹ 20 Lacs (March 31st, 2023: ₹ Nil) and does not includes Interest Accrued and not due of ₹ 1 Lacs (March 31st, 2023: ₹ Nil) and overdue interest ₹ Nil (March 31st, 2023: ₹ 37,470 Lacs).

^{*} In terms of the approved resolution plan, in case of early recoveries from the underlying assets, the Company shall have option to make accelerated payment on NCDs at a pre defined discounting rate for computing net present value on the date of accelerated payment. NCDs, if outstanding at the end of respective redemption date from the date of allotment shall be transferred to the security receipt holders in the ratio of their holding of the security receipts issued by the NARCL Trust-0007.

^{**} In terms of the approved resolution plan accelerated payment made to NARCL Trust-0007 against NCD 1 on March 27th, 2024 basis NPV @ 8% for ₹ 18,291 lacs

^{*}Does not include Interest Accrued and not due ₹ Nil (March 31st, 2023: ₹ Nil) and overdue interest ₹ Nil (March 31st, 2023: ₹ 2,027 Lacs).

[@] In terms of the approved resolution plan (Refer Note No. 1(a) and 52) payment made to the debenture holders and thereafter new instruments issued and remaining liabilities has been extinguished.



Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

15. Borrowings (Other than Debt Securities)

13. Dollowings (Other tildii Debt Securities)								(₹ in Lacs)
		As at 31st March, 2024	2024			As at 31st March, 2023	, 2023	
Particulars	At Amortised Cost	At Fair Value through Profit and Loss	Designated at Fair Value through Profit or Loss	Total	At Amortised Cost	At Fair Value through Profit and Loss	Designated at Fair Value through Profit or Loss	Total
(a) Secured (Refer Note No. 1(a) and 52)								
Term Loans (Refer Note No. 15.1)								
From Banks								
- Rupee Loans			ı	r	2,19,881		1	2,19,881
 Foreign Currency Loans 	1	ı	ı	Ī	95,196	1	ı	95,196
From Financial Institutions								
- Rupee Loans	1	ı	ı	ī	2,07,630		1	2,07,630
- Foreign Currency Loans	1	•	1	1	74,778	1	1	74,778
Working Capital Facilities (Refer Note No. 15.2)								
From Banks								
- Rupee Loans	1	ı		1	20,02,432		1	20,02,432
Collateral Borrowings (Refer Note No. 15.3)	525	ı	ı	525	3,251		1	3,251
(b) Unsecured (Refer Note 1(a) and 52)								
Term Loans (Refer Note No. 15.4)								
From Banks								
 Foreign Currency Loans 	•	ı	ı	1	31,765	1	1	31,765
From Others								
 Foreign Currency Loans 	1	ı	1	1	25,178	1	ı	25,178
Inter Corporate Deposits (Refer Note No. 15.6)	1	ı		1	106	1	ı	106
Deferred Payment Liabilities (Refer Note No. 15.5)	ı	ı	ı	ī	9,123		ı	9,123
Total	525	-	-	525	26,69,340	-	-	26,69,340
Borrowings in India	525	ı	1	525	24,42,423	1	ı	24,42,423
Borrowings outside India	-	-	-	-	2,26,917	-	1	2,26,917
Total	525	•		525	26,69,340			26,69,340

or the year ended 31st March, 202

15.1 Secured Term Loans

	Outstanding		F (Refer	Repayment terms (Refer Note No. 1 (a) and 52)	s ind 52)				
Particulars	(₹ in Lacs)			(₹ in Lacs)			Balance	Rate of	Nature of security
	As at 31st March, 2024 @	Overdue	Monthly	Quarterly	Half yearly	Single instalment	tenure (years)	Interest per annum	
Rupee term loans									
From Banks	1	1	•	٠	1	•			
From Financial institutions	•	1	ı	ı	ı	ı			
Total	-		ı			1			
Foreign currency term loans From Banks			ı	,					
From Financial institutions	1	1	1	ı	1	1			
Total	•	ı	ı	ı	ı	ı			

In terms of the approved resolution plan (Refer Note No. 1(a) and 52) payment made to the lenders and thereafter new instruments issued and remaining liabilities has been extinguished

	Outstanding			Repayn (Refer Note N	Repayment terms (Refer Note No. 1 (a) and 52)				
Particulars	(₹ in Lacs)			(₹ in Lacs)			Balance	Rate of	Nature of security
	As at 31st March, Overdue @@ 2023	Overdue @@	Monthly	Quarterly	Half yearly	Single instalment	tenure (years)	interest per annum	
Rupee term loans									Hypothecation of specific assets covered by hypothecation
From Banks	2,19,881	2,19,881	,	1	•		0 - 3	8%-19%	loan agreements and/or lease agreements with customers
From Financial institutions	2,07,630	2,07,630		1	1	1	0 - 2	8%-16%	and/or receivables arising there from.
Total	4,27,511	4,27,511			•				
Foreign currency term loans									Hypothecation of specific assets covered by respective
From Banks	95,196	95,196		•		1	0 - 2	<10%	hypothecation loan agreements and lease agreements with
From Financial institutions	74,778	74,778	1			1	9 - 0	5%-12%	customers and/or receivables arising there from.
Total	1,69,974	1,69,974			•				

@@ It also includes interest overdue.

15.2 Secured Working capital facilities

In terms of the approved resolution plan (Refer Note No. 1(a) and 52) payment made to the lenders and thereafter new instruments issued and remaining liabilites has been extinguished. For previous year refer note no. 1(a), 52, 53, 55 & 56 (1) of the Financial Statements for the year ended March 31st, 2023. Further collateral security in the form of fixed deposits amounting to ₹ Nil (March 31st, 2023: ₹ 41 Lacs) is also given on behalf of the consortium.

- a) As at March 31st, 2024, Working capital facilities from banks include Working capital demand loans (WCDL) is ₹ Nii (March 31st, 2023: ₹ 6,85,646 Lacs). Rate of interest for WCDL is Nii (March 31st, 2023: from 8% to 19% per annum). The above WCDL includes principal and interest overdue.
 - As at March 31st, 2024, Working capital facilities from banks includes Funded Interest Term Loan (FITL) ₹ Nii (March 31st, 2023; ₹ 81,625 Lacs). Rate of interest for FITL is Nii (March 31st, 2023; from 9% to 19% per annum). The above FITL amount includes principal and interest overdue.
 - As at March 31st, 2024, for other working capital facilities (Cash credit) is ₹ Nil (March 31st, 2023: ₹ 12,35,162 Lacs) includes overdue interest, rate of interest is Nil (March 31st, 2023: from 9% to 18% per annum). (c)



for the year ended 31st March, 2024

15.3 Secured Collateralised Borrowings

								(₹ in Lacs)
	Outstanding		R (Refer	Repayment terms (Refer Note No. 1 (a) and 52)	ոd 52)			
Particulars	(₹ in Lacs)			(₹ in Lacs)		Balance	Rate of	Nature of security
	As at 31st March, Overdue @# 2024	Overdue @#	Monthly	Quarterly	Single instalment	tenure (years)	Interest per annum	
Collateralised Borrowings	525		525			0-5	13%	This represents amount against assignment of future lease rentals.
Total	525		525					

Does not include effective interest rate adjustment ${\mathbb R}$ Nil Lacs and Interest accrued and not due ${\mathbb R}$ 0.17 Lacs.

@ It also includes interest overdue.

The balance lying in escrow bank accounts in lieu of of court injunction order has been adjusted with overdue amount.

								(₹ in Lacs)
	Outstanding		Repay (Refer Note	Repayment terms r Note No. 1 (a) and 52)	d 52)			
Particulars	(₹ in Lacs)			(₹ in Lacs)		Balance	Rate of	Nature of security
	As at 31st March, Overdue @# Monthly 2023	Overdue @#	Monthly	Quarterly	Single instalment	tenure (years)	Interest per annum	
Collateralised Borrowings	3,370	47	3,246	77		0-3	8% - 13%	This represents amount against assignment of future lease rentals.
Total	3,370	47	3,246	11				

Does not include effective interest rate adjustment ₹ 134 Lacs and Interest accrued and not due ₹ 15 Lacs.

for the year ended 31st March, 2024

15.4 Unsecured term loans

	Outstanding		Repayment terms	terms			
Particulars	(₹ in Lacs)		(Refer Note No. 1 (a) and 32) (₹ in Lacs)	(a) anu 52) ics)		Balance tenure (years)	Balance tenure (years) Rate of Interest per annum
	As at 31st March, 2024	Overdue @	Quarterly	Half yearly	Yearly		
Foreign currency term loan from bank			1		1		
Foreign currency term loan from financial Institutions	•	ı			ı		
Total	1						

@ In terms of the approved resolution plan (Refer Note No. 1(a) and 52) payment made to the lenders and thereafter new instruments issued and remaining liabilites has been extinguished.

			6				(₹ in Lacs)
	Outstanding		Repayment terms (Refer Note No. 1 (a) and 52)	rt ferms 1 (a) and 52)			
Particulars	(₹ in Lacs)		(₹ in Lacs)	acs)		Balance tenure (years)	Rate of Interest per annum
	As at 31st March, 2023	Overdue @	Quarterly	Half yearly	Yearly		
Foreign currency term loan from bank	31,765	31,765			1	3-6	<10%
Foreign currency term loan from financial Institutions	25,178	25,178			1	0-5	<10%
Total	56,943	56,943			ı		

Pursuant to initiation of CIRP (Refer Note No. 1(a), amount outstanding as at 31st March, 2023 are overdue.

Does not include effective interest rate adjustment ₹ Nil and Interest accrued and not due ₹ Nil.

@ It also includes interest overdue.



for the year ended 31st March, 2024

15.5 Unsecured Deferred payment liabilities

(₹ in Lacs)

	Outstanding			epayment terms Note No. 1 (a) ar			Balance	Rate of
Particulars	(₹ in Lacs)			(₹ in Lacs)			tenure	Interest per
	As at 31st March, 2024	Overdue @	Monthly	Quarterly	Half yearly	Yearly	— (years)	annum
Deferred payment liabilities	-	-	-	-	-	-		
Total	-	-	-	-	-	•		

@ In terms of the approved resolution plan (Refer Note No. 1(a) and 52) payment made to the lenders and remaining liabilities has been extinguished.

(₹ in Lacs)

Particulars	Outstanding			epayment terms Note No. 1 (a) a			Balance	Rate of
Tuttouturo	(₹ in Lacs)			(₹ in Lacs)			tenure	Interest per
	As at 31st March, 2023	Overdue @	Monthly	Quarterly	Half yearly	Yearly	— (years)	annum
Deferred payment liabilities	9,123	9,123	-	-	-	-	0-1	0%-10%
Total	9,123	9,123	-	-	-	-		

[@] It also includes interest overdue.

15.6 Inter-corporate deposits

(₹ in Lacs)

	Outstanding			epayment terms Note No. 1 (a) a			Balance	Rate of
Particulars	(₹ in Lacs)			(₹ in Lacs)			tenure	Interest per
	As at 31st March, 2024	Overdue @	Monthly	Quarterly	Half yearly	Yearly	— (years)	annum
Inter-corporate deposits	-	-	-	-	-	-	-	0%
Total	-	_	-	-		-	-	

[@] In terms of the approved resolution plan (Refer Note No. 1(a) and 52) payment made to the lenders and thereafter new instruments issued and remaining liabilities has been extinguished.

(₹ in Lacs)

Particulars	Outstanding			epayment terms Note No. 1 (a) a			Balance	Rate of
ratticulais	(₹ in Lacs)			(₹ in Lacs)			tenure	Interest per
	As at 31st March, 2023	Overdue @	Monthly	Quarterly	Half yearly	Yearly	— (years)	annum
Inter-corporate deposits	106	106	-	-	-	-	-	7%
Total	106	106	-	-	-	-	-	

Does not includes Interest accrued and not due ₹ Nil.

[@] It also includes interest overdue.

for the year ended 31st March, 2024

16. Subordinated Liabilities

								(₹ In Lacs)
		As at 31st March, 2024	ırch, 2024		4	As at 31st March, 2023	33	
Particulars	At Amortised Cost	At Fair Value through Profit and Loss	Designated at Fair Value through Profit or Loss	Total	At Amortised Cost	At Fair Value through Profit and Loss	Designated at Fair Value through Profit or Loss	Total
Subordinated Perpetual bonds/debentures (Tier I Capital)	1			1	48,164			48,164
Subordinated bonds/debentures (Tier II Capital)	1		•	•	2,30,469			2,30,469
Redeemable Optionally Convertible Debenture-Unsecured (Tier II Capital)	6,236			6,236	•			•
Subordinated Loans-Unsecured (Tier II Capital)	1			Ī	16,825	•	•	16,825
Total	6,236	•	•	6,236	2,95,458			2,95,458
Subordinated Liabilities in India	6,236		•	6,236	2,95,458	ı	1	2,95,458
Subordinated Liabilities outside India	•		•	•		ı	1	ı
Total	6,236			6,236	2,95,458			2,95,458

16.1 Unsecured subordinated perpetual debentures (Tier I Capital) *

During the year ended March 31st, 2024, the Company raised Unsecured subordinated perpetual debentures amounting ₹ Nil (March 31st, 2023 : ₹ Nil). As at March 31st, 2024, the amount of principal outstanding in respect of unsecured subordinated perpetual debentures is ₹ NII (March 31st, 2023 : ₹ 46,750 Lacs). These perpetual debentures had call option as per contractual terms which is exercisable with prior approval of RBI. These perpetual debentures had 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 allotment.

	Earliest call option date	01 April, 2029	22 April, 2029	13 December, 2028	30 December, 2021	
Amount outstanding (₹ in Lacs)	As at 31st March, 2023 (Refer Note No. 1(a) and 52)	32,000	1,000	10,000	3,750	46,750
Amount outstan	As at 31st March, 2024 (Refer Note No. 1(a) and 52)		·			
	Interest rate (%)**	10.00%	10.00%	13.00%	14.50%	Total

[🐵] In terms of the approved resolution plan (Refer Note No. 1(a) and 52) payment made to the debenture holders and thereafter new instruments issued and remaining liabilites has been extinguished.

^{*} Does not include overdue interest ₹ Nil (March 31st, 2023: ₹ 1,414 Lacs).

^{**} Includes penal interest



for the year ended 31st March, 2024

16.2 Unsecured Rupee subordinated loans (Tier II Capital)

	Outstanding	(R	Repayment terms (Refer Note No. 1 (a) and 52)	nd 52)	Ralance teniire	Rate of Interest
Particulars	(₹ in Lacs)		(₹ in Lacs)		(Years)	per annum
	As at March 31st, 2024	Overdue @	Quarterly	Single instalment		•
Rupee Subordinated term Ioans (Tier II Capital)*	•	I	1		ı	Ī
Total	•	-	•	•		

^{*} In terms of the approved resolution plan (Refer Note No. 1(a) and 52) payment made to the debenture holders and thereafter new instruments issued and remaining liabilites has been extinguished.

	Outstanding	(R	Repayment terms (Refer Note No. 1 (a) and 52)	i nd 52)		
Particulars	(₹ in Lacs)		(₹ in Lacs)		Balance tenure	Rate of Interest
	As at March 31st, 2023	Overdue @	Quarterly	Single instalment	(rears)	per ammum
Rupee Subordinated term Ioans (Tier II Capital)	16,825	16,825	1	1	0 - 1	10% - 11%
Total	16,825	16,825	1	•		
Pursuant to initiation of CIRP [Refer Note No. 1(a)], amount outstanding as at 31st March, 2023 are overdue.	ing as at 31st March, 2023 are o	verdue.				

@ It also includes interest overdue.

for the year ended 31st March, 2024

16.3 Unsecured subordinated redeemable non-convertible debentures (Tier II Capital) & optionally convertible debentures (OCD-Tier II Capital)

During the year ended March 31st, 2024, in terms of the approved resolution plan, the Company has issued subordinated optionally convertible debentures qualifying for Tier II Capital amounting ₹8,00,000 Lacs (March 31st, 2023 ₹ Nil). The following table sets forth, outstanding as at the Balance Sheet date:

		Amount outstand	ling (₹ in Lacs) ##		
Date of Allotment	Face value per debenture (₹)	As at March 31st, 2024@	As at March 31st, 202; (Refer Note No. 1(a) and 52)	3 Interst rate (%)*	Earliest redemption date/Balance tenure (years)*
Private Placement:					
10 October, 2018	10,00,000	-	500	12.25%	10 October, 2028
23 June, 2017	10,00,000	-	4,500	11.00%	23 June, 2027
30 March, 2017	10,00,000	-	5,000	12.25%	30 March, 2027
04 November, 2016	10,00,000	-	1,000	11.85%	04 November, 2026
07 October, 2016	10,00,000	-	4,000	12.75%	07 October, 2026
04 October, 2016 24 August, 2016	10,00,000 10,00,000		1,500 3,000	12.75% 11.50%	04 October, 2026 24 August, 2026
26 May, 2016	10,00,000	_	350	12.25%	26 May, 2026
25 May, 2016	10,00,000	_	2,000	12.75%	25 May, 2026
31 March, 2016	10,00,000	-	2,000	12.00%	31 March, 2026
18 March, 2016	10,00,000	-	500	12.70%	18 March, 2026
05 February, 2016	10,00,000	-	500	12.60%	05 February, 2026
20 January, 2016	10,00,000	-	500	12.60%	20 January, 2026
11 January, 2016	10,00,000	-	1,500	12.60%	11 January, 2026
24 September, 2015	10,00,000	-	500	12.50%	24 September, 2025
20 August, 2015	10,00,000	-	1,000	12.50%	20 August, 2025
13 August, 2015	10,00,000	-	15,000 500	12.75% 13.00%	13 August, 2025 16 March, 2025
16 March, 2015 01 March, 2017	10,00,000 10,00,000	Ī.,	500	12.40%	01 June, 2024
03 July, 2018	10,00,000	_	5,000	12.25%	03 May, 2024
25 October, 2016	10,00,000	-	5,000	11.80%	25 April, 2024
10 March, 2017	10,00,000	-	7,500	12.95%	10 March, 2024
17 July, 2013	10,00,000	-	2,300	12.75%	17 July, 2023
29 June, 2013	10,00,000	-	3,540	12.75%	29 June, 2023
07 May, 2013	10,00,000	-	2,080	13.25%	07 May, 2023
24 September, 2015	10,00,000	-	1,200	12.40%	24 April, 2023
29 March, 2016	10,00,000	-	200	12.70%	29 March, 2023
28 March, 2013	10,00,000	-	1,650	13.25%	28 March, 2023
01 March, 2013 28 January, 2013	10,00,000 10,00,000		1,750 700	13.25% 13.80%	01 March, 2023 28 January, 2023
24 January, 2013	10,00,000	_	900	13.25%	24 January, 2023
24 January, 2013	10,00,000	_	6,070	13.80%	24 January, 2023
16 January, 2013	10,00,000	-	250	13.70%	16 January, 2023
16 January, 2013	10,00,000	-	7,000	13.85%	16 January, 2023
17 December, 2012	10,00,000	-	1,700	13.50%	17 December, 2022
31 October, 2012	10,00,000	-	490	13.70%	31 October, 2022
18 October, 2012	10,00,000	-	1,060	13.70%	18 October, 2022
28 September, 2012	10,00,000	-	2,890	13.70%	28 September, 2022
13 August, 2015	10,00,000	-	5,000	12.75%	13 August, 2022
31 July, 2012	1,00,000	-	1,206 500	13.50% 12.18%	31 July, 2022
09 March, 2017 01 June, 2012	10,00,000 1,00,000		1,130	13.50%	09 June, 2022 01 June, 2022
30 March, 2012	10,00,000	_	10,000	13.40%	30 March, 2022
12 January, 2012	1,00,000	-	8,410	13.90%	12 January, 2022
11 January, 2012	1,00,000	-	6,600	13.90%	11 January, 2022
23 December, 2011	1,00,000	-	6,905	13.90%	23 December, 2021
01 February, 2016	10,00,000	-	700	12.15%	01 May, 2021
24 September, 2015	10,00,000	-	2,360	12.30%	24 April, 2021
19 December , 2023**	1,000	6,96,882	-	0.00%	18 December, 2031
19 December, 2023	1,000	25,716	-	0.00%	18 December, 2031
19 December, 2023	1,000	77,402	-	0.00%	18 December, 2031
Public Issue:					
24 January, 2019	1,000	-	1,428	12.75%-13.00%	10 years
08 August, 2017	1,000	-	56,199	11.25%-11.70%	5 - 10 years
16 March, 2018	1,000	-	2,702	11.12%-11.75%	10 years
Total		8,00,000	1,98,770		

[@] In terms of the approved resolution plan (Refer Note No. 1(a) and 52) payment made to debenture holders, new instruments issued and remaining liabilites has been extinguished.

Conversion at the option of holder from the beginning of the 6th year till maturity. Conversion at the option of the Company at the end of 8 years. Any outstanding amount at the end of year 8 shall be converted into equity at fair value.

In terms of the approved resolution plan, the Company has issued OCD on December 19, 2023 having face value of ₹8,00,000 Lacs to various stakeholders and the same has been fair value at ₹ 6,028 Lacs on the initial date of recognition in the books of accounts. The difference between face value and fair value has been transferred to the restructuring reserve, which has been subsequently transferred to retained earnings of the Company. Further, interest to be provided for on the fair value of OCD at the rate of 12% per annum from the initial date of recognition.

^{##} Does not includes Interest Accrued and not due ₹ 208 Lacs (March 31st, 2023: ₹ Nil) and overdue interest ₹ Nil (March 31st, 2023: ₹ 31,699 Lacs).

^{*}In terms of approved resolution plan, any recovery from underlying assets of the Company after payments of all NCDs shall be used to repay the OCDs. In case of early recoveries from the underlying assets, the Company shall have option to make accelerated payment on the OCDs at an net present value (NPV) computed on the date of accelerated payment.

^{**}OCDs of ₹ 151 Lacs pending for allottment to Candor Kolkata One Hi-Tech Structures Pvt Ltd.



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17. Other Financial Liabilities

(₹ in Lacs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unpaid Dividends (Refer Note No. 61)	14	24
Unpaid Matured Debentures and Interest Accrued thereon (Refer Note No. 61)	302	333
Trade Deposits received	7,176	8,510
Security Deposits & Retentions	37	507
Payable to Employees	346	1,317
Liability for Operating Expenses	1,358	2,569
Financial Guarantee Liability	-	105
Adavance from Operating Lease Customers	2,121	1,978
Total	11,354	15,343

18. Provisions

(₹ in Lacs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for employee benefits (Refer Note No. 46)		
Provision for Gratuity	17	-
Provision for Unavailed Leave (including sick leave)	144	340
Others		
Provision against disputed statutory dues under litigation (Refer Note No. 52)	-	15,008
Total	161	15,348

19. Other Non-Financial Liabilities

(₹ in Lacs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Defered Interest on Secured Non Convertible Debentures	1,33,639	-
Interest Capitalisation Account	-	1,878
Advance from Customers	9	4
Statutory Liabilities	1,304	2,013
Pre-received amount for lease contracts	33	93
Total	1,34,985	3,988

20. Equity Share Capital

Particular	As at 31st Ma	rch, 2024	As at 31st Ma	As at 31st March, 2023	
Particulars	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs	
Authorised					
Equity Shares, ₹ 10/- par value per share	1,00,00,00,000	1,00,000	1,00,00,00,000	1,00,000	
Preference Shares, ₹ 100/- par value per share	5,00,00,000	50,000	5,00,00,000	50,000	
		1,50,000		1,50,000	
Issued and subscribed					
Equity Shares, ₹ 10/- par value per share	10,00,000	100	50,30,86,333	50,309	
		100		50,309	
Fully Paid-up					
Equity Shares, ₹ 10/- par value per share	10,00,000	100	50,30,86,333	50,309	
		100		50,309	

20.1 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:

Fauity Chaves	As at 31st Ma	rch, 2024	As at 31st March, 2023		
Equity Shares	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs	
At the beginning of the year	503086333	50,309	503086333	50,309	
Add: Issued during the year	491006197	49,101	-	-	
Less: Reduction during the year	993092530	99,309	-	-	
At the end of the year	1000000	100	503086333	50,309	

for the year ended 31st March, 2024

20.2 Reconciliation of the number of Compulsory Convertible Preference Shares outstanding

b. The reconciliation of the number of Preference Shares outstanding and the corresponding amount thereof as at the Balance Sheet date is set out below:

Faulty Charge	As at 31st Ma	rch, 2024	As at 31st March, 2023		
Equity Shares	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs	
At the beginning of the year	-	-	-	-	
Add: Issued during the year in terms of the approved resolution plan	1,16,91,68,206	11,69,168		-	
At the end of the year	1,16,91,68,206	11,69,168	-	-	

20.3 Rights, preferences and restrictions in respect of each class of shares

The Group's authorised capital consists of two classes of shares, referred to as Equity Shares and Preference Shares having par value of \mathbb{T} 10/- and \mathbb{T} 100/- each respectively. As per Approved Resolution Plan (refer note 1(a), the par value of Equity Shares have been sub-divided into par value of \mathbb{T} 1 each with effect from May 7th, 2024. Each holder of equity shares is entitled to one vote per share. Preference Shareholder has a preferential right over equity share holders, in respect of repayment of capital and payment of dividend.

Dividend are declared in Indian rupees. The dividend, if any, 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 Group, the holders of equity shares will be entitled to receive any of the remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

20.4 Shares allotted as fully paid-up without payment being received in cash/by way of bonus shares (during 5 years preceding 31st March, 2023)

During the year ended 31st March, 2024, the Company had issued 200000 shares to Approving Financial Creditors (AFC) on assignment of Debt of AFCs in exchange of Intercorporate Deposit from SEFL. The Company has also issued 100000 equity shares to ESOP Trust during this period without payment being received in cash. Apart from afroresaid, the Company had not issued any shares without payment being received in cash/by way of bonus shares during preceding 5 years.

Further, SEFL, a subsidiary company, has allotted 116,91,68,206 nos of Preference Shares of ₹ 100 each amounting to ₹ 11,69,168 Lacs in lieu of discharging liabilities towards financial debts of the Company.

20.5 Details of Shareholders holding more than 5% of the equity shares each, are set out below:

	As at 31st Ma	ırch, 2024	As at 31st March, 2023	
Name of the Shareholders	No. of Shares	% of Shareholding	No. of Shares	% of Shareholding
Adisri Commercial Private Limited	-	-	30,36,75,845	60.36
National Asset Reconstruction Company Limited	4,60,000	46.00	-	-
India Debt Resolution Company Limited	2,40,000	24.00	-	-
Kairos ESOP Welfare Trust	1,00,000	10.00	-	-

20.6 Shareholding of promoters as at 31st March, 2024:

Shares held by promoters at the end of the year

SI. Promoter name	No. of shares	% of total shares	% Change during the year
(i) Adisri Commercial Private Limited (Holding Company)	-	-	- 60.36%
(ii) Sunil Kanoria	-	-	- 0.36%
(iii) Hemant Kanoria	-	-	- 0.08%
Total	-	-	

Shareholding of promoters as at 31st March, 2023:

SI. Promoter name	No. of shares	% of total shares	% Change during the year
(i) Adisri Commercial Private Limited (Holding Company)	30,36,75,845	60.36%	-
(ii) Sunil Kanoria	18,02,714	0.36%	-
(iii) Hemant Kanoria	3,80,000	0.08%	-
Total	30,58,58,559	60.80%	

Note: Promoter here means promoter as defined in the Companies Act, 2013.

20.7 Refer Note No. 41-for Company's capital management objectives, policies and processes.



for the year ended 31st March, 2024

Particulars	As at 31st March, 2024	As at 31st March, 2023
Treasury Shares		013t March, 2020
Shares issued to Kairos ESOP Welfare Trust Closing balance	(10) (10)	-
Special Reserve (pursuant to Section 45IC of the Reserve Bank of India Act, 1934)		
Opening balance Add: Transfer from retained earnings	55,219 9,625	55,219
Less: Transferred to Restructuring reserve and subsequently to Retained Earnings as per the terms of the resolution plan Closing balance	(27,707) 37,137	55.219
Income Tax Special Reserve (created pursuant to Section 36(1)(viii) of the Income Tax Act, 1961)	,	
Opening balance Add: Transfer from retained earnings	25,834	25,834
Less: Transferred to Restructuring reserve and subsequently to Retained Earnings as per the terms of the resolution plan Closing balance	(25,834)	25,834
Capital Reserve	1.04.744	,
Opening balance Add/Less: Transferred from/to Surplus	1,04,744 -	1,04,744
Add: Addition during the year Less: Transferred to Restructuring reserve and subsequently to Retained Earnings as per the terms of the resolution plan	(1,04,744)	-
Closing balance Securities Premium	-	1,04,744
Opening balance Add/Less: Transferred from/to Surolus	62,441	62,441
Add: Securities Premium on New Capital Issue	25,651	-
Less: Transferred to Restructuring reserve and subsequently to Retained Earnings as per the terms of the resolution plan Closing balance	(88,092)	62.441
Bond/Debenture Redemption Reserve Opening balance	10,222	10,222
Less: Transfer to retained earnings, on repayment of Bond/Debenture	-	10,222
Less: Transferred to Restructuring reserve and subsequently to Retained Earnings as per the terms of the resolution plan	(10,222)	-
Closing balance General Reserve	-	10,222
Opening balance	1,36,801	1,36,801
Add/Less: Transferred from/to Surplus Less: Transferred to Restructuring reserve and subsequently to Retained Earnings as per the terms of the resolution plan	(1,36,801)	-
Closing balance Equity Instruments through Other Comprehensive Income	•	1,36,801
Opening balance	(11,795)	(27,400)
Add: Additions during the year Less: Reclassification to Retained Earnings (net of tax)	(8,849)	15,605
Closing balance Foreign Currency Translation Reserve	(20,644)	(11,795)
Opening balance Add: Additions during the year	-	11 (11)
Closing balance	-	- (11)
Impairment Reserve Opening balance	6,15,995	5,70,463
Add: Additions during the year Less: Transferred to Restructuring reserve and subsequently to Retained Earnings as per the terms of the resolution plan	5,380 (6,21,375)	45,532
Closing balance	(0,21,010)	6,15,995
Debt Instruments through Other Comprehensive Income Opening balance	233	952
Add: Addition during the year Less: Transferred to Restructuring reserve and subsequently to Retained Earnings as per the terms of the resolution plan	(229) (4)	(719)
Closing balance	-	233
Effective portion of Cash Flow Hedges Opening balance	1	1
Add: Additions during the year Less: Transferred to Restructuring reserve and subsequently to Retained Earnings as per the terms of the resolution plan	(1)	-
Closing balance Restructuring Reserve (Refer note 52)	-	1
Add: Transfer from following reserves:	07.707	
Special Reserve (pursuant to Section 45IC of the Reserve Bank of India Act, 1934) Capital Reserve	27,707 1,04,744	-
Securities Premium Reserve General Reserve	88,092 1,36,801	-
Bond/Debenture Redemption Reserve Impairment Reserve	10,222 6,21,375	-
Transfer from Debt Instruments through Other Comprehensive Income Transfer from Effective portion of Cash Flow Hedges as per the terms of the resolution plan	4	_
Income Tax Special Reserve (created pursuant to Section 36(1)(viii) of the Income Tax Act, 1961) Capital reduction, extinguishment of liabilities and other impacts as per the terms of the resolution plan	25,834 14,39,817	-
Less: Transfer to Retained Earnings	(24,54,597)	
Closing balance Retained Earnings	-	-
Opening balance Add: Profit/(Loss) for the year	(27,52,019) (7,78,734)	(15,95,424) (11,10,900)
Add: Other Comprehensive Income (net of tax)	(78)	(163)
Add: Transfer from restructure reserve account as per the terms of the resolution plan	24,54,597 (10,76,234)	(27,06,487)
Add/Less: Appropriations Transferred to Special Reserve	(9,625)	_
Transferred to Impairment Reserve Transferred to Bond/Debenture Redemption Reserve (Net)	(5,380)	(45,532)
Transferred to Foreign Currency Translation Reserve Reclassification from Other Comprehensive Income	-	-
Total appropriations	(15,005)	(45,532)
Closing balance	(10,91,239)	(27,52,019)
Total Control of the	(10,74,756)	(17,52,324)

for the year ended 31st March, 2024

(i) Treasury Shares:

Treasury shares represents Company's own equity shares held by Kairos ESOP Trust, which is created for the purpose of issuing equity shares to employees under Company's stock option plan.

(ii) Special Reserve:

Every year the Company and its wholly owned subsidiary i.e. Srei Equipment Finance Limited being the Non-Banking Financial Companies, 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 Group 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.

The existing balance of above stated reserve has been transferred to restructuring reserve account and subsequently transferred / adjusted to retained earnings in terms of the approved resolution plan.

iii) Income Tax Special Reserve:

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.

The balance of existing reserve has been transferred to restructuring reserve account and subsequently transferred/adjusted to retained earnings in terms of the approved resolution plan

(iv) Capital Reserve:

This reserve represents capital investment subsidy received, amount forfeited towards warrant subscription and amount on cancellation of forfeited equity shares.

The existing balance of above stated reserve has been transferred to restructuring reserve account and subsequently transferred/adjusted to retained earnings in terms of the approved resolution plan.

(v) 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.

The existing balance of above stated reserve has been transferred to restructuring reserve account and subsequently transferred/adjusted to retained earnings in terms of the approved resolution plan.

(vi) Bond/Debenture Redemption Reserve:

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, 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.

The existing balance of above stated reserve has been transferred to restructuring reserve account and subsequently transferred/adjusted to retained earnings in terms of the approved resolution plan.

(vii) General Reserve:

This reserve include amount transferred from net profit as per provisions of erstwhile Companies Act, 1956 and Reserves created on Amalgamation.

The existing balance of above stated reserve has been transferred to restructuring reserve account and subsequently transferred/adjusted to retained earnings in terms of the approved resolution plan.

(viii) Equity Instruments through Other Comprehensive Income:

This Reserve represents the cumulative gains (net of losses) arising on the changes in Fair Value of Equity Instruments measured at Fair Value through Other Comprehensive Income, net of amounts reclassified, if any, to Retained Earnings when those instruments are disposed off.

(ix) Foreign Currency Translation Reserve:

Exchange differences arising on translation of a foreign associate are recognised in Other Comprehensive Income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to Profit or Loss when the investment is disposed-off.

(x) 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 Srei Equipment Finance Limited.

The existing balance of above stated reserve has been transferred to restructuring reserve account and subsequently transferred / adjusted to retained earnings in terms of the approved resolution plan.

(xi) Debt Instruments through Other Comprehensive Income:

Financial assets 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.

(xii) 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.

(xiii) Restructuring Reserve:

This reserve represents the effect of the approved resolution plan, which was subsequently transferred to retained earnings in terms of the approved resolution plan.

(xiv) Retained Earnings:

This reserve represents the cumulative profits of the Group. This can be utilised in accordance with the provisions of the Companies Act, 2013.



for the year ended 31st March, 2024

22. Interest Income

(₹ in Lacs)

	For	the year ended 31s	t March, 2024		For the year ended 31st March, 2023			
Particulars		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 measued at Amortised cost	Interest Income on Financial Assets measured at fair value through profit or loss	Total
Interest on Loans	-	31,485	3,008	34,493	389	1,14,317	2,999	1,17,705
Interest income from investments	-	528	522	1,050	-	527	424	951
Interest on deposits with Banks	-	10,226	-	10,226	-	9,702	-	9,702
Other interest Income	-	-	-	-	-	60	-	60
Total	-	42,239	3,530	45,769	389	1,24,606	3,423	1,28,418

23. Net gain/(loss) on fair value changes

(₹ in Lacs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
(A) Net gain/(loss) on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments		-
- Derivatives	-	
- Others	-	-
(i) Net gain/(loss) on financial instruments at fair value through profit or loss		
- Derivatives	-	-
- Investments	(23,082)	(11,333)
- Loans	(3,130)	(116)
- Claims Receivable	(62,196)	1,825
Total Net gain/(loss) on fair value changes (A)	(88,408)	(9,624)
Fair Value changes:		
- Realised	(15,681)	-
- Unrealised	(72,727)	(9,624)
Total Net gain/(loss) on fair value changes (B) to tally with (A)	(88,408)	(9,624)

24. Other Income (₹ in Lacs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023	
Liability No Longer Required written back	396	362	
Interest on Income Tax Refund	3	1,493	
Net gain/(loss) on Foreign Currency Transactions	-	-	
Net gain on derecognition of Property, Plant and Equipment	988	-	
Others *	10,107	14	
Total	11,494	1,869	

^{*} Includes unwinding Income of Deferred interest of NCD of ₹10,048 Lacs out of which ₹1,092 Lacs on account of accelerated payment of NCD-1 (March 31st, 2023: ₹ Nil).

25. Finance Costs (₹ in Lacs)

	For the year ended 31st March, 2024		For the year ended 31st March, 2023		
Particulars	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	
Interest on borrowings	-	4,925	-	6,077	
Interest on debt securities		8,958	-	392	
Interest on subordinated liabilities		208	-	874	
Other interest expense		126	-	281	
Total	-	14,217	-	7,624	

for the year ended 31st March, 2024

26. Impairment on Financial Instruments (Net)

(₹ in Lacs)

	For the year ende	d 31st March, 2024	For the year ended 31st March, 2023		
Particulars	On Financial liabilities measured at fair value through OCI	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at fair value through OCI	On Financial liabilities measured at Amortised Cost	
Loans	(229)	6,71,968	(424)	1,48,980	
Other financial assets	-	2,823	-	(6,340)	
Total	(229)	6,74,791	(424)	1,42,640	

27. Employee Benefits Expenses

(₹ in Lacs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Salaries and wages	5,886	8,077
Contribution to provident and other funds	472	557
Staff welfare expenses	111	111
Total	6,469	8,745

28. Administrative and Other Expenses

(₹ in Lacs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Rent, Taxes and Energy Costs	372	562
Repairs and Maintenance	2,305	2,476
Communication Costs	169	186
Printing and Stationery	50	63
Advertisement and Publicity	35	25
Director's Fees, Allowances and Expenses	26	17
Auditor's Fees and Expenses	299	353
Legal and Professional Charges	3,896	3,880
Insurance	382	419
Travelling & Conveyance	942	1,174
Net loss on derecognition of Property, Plant and Equipment	-	7,555
Other Expenditure	336	429
CIRP Cost (Refer Note No. 28.2)	6,342	2,019
Total	15,154	19,158

28.1 Corporate Social Responsibility Expenses

(₹ in Lacs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
(a) Gross amount required to be spent by the Group during the year	-	-
(b) Amount of expenditure incurred (paid in cash)	-	-
(c) Shortfall at the end of the year	-	-
(d) Total of previous years shortfall	-	576
(e) Reason for shortfall	Refer Note No. 60	Refer Note No. 60
(f) Nature of CSR activities	Not Applicable	Not Applicable
(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

28.2 CIRP Expense

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Fees to Resolution professional	1,772	1,302
Fees to Insolvency and Bankrurpcy board of India as per IBC Code	4,073	-
Manpower Cost	76	209
Reimbursement of expenses	6	91
Other Expenses	415	417
Total	6,342	2,019



for the year ended 31st March, 2024

29. Earnings Per Share (EPS) - The numerators and denominators used to calculate Basic and Diluted EPS

(₹ in Lacs)

Particulars		For the year ended 31st March, 2024	For the year ended 31st March, 2023
Profit after Tax attributable to the Equity Shareholders (₹ in Lacs) (a) Number of Equity Shares at the beginning of the year (b) Number of Equity Shares issued during the year (c) Number of Equity Shares reduced during the year (d) Number of Equity Shares at the end of the year (e) Weighted average number of Equity Shares outstanding during the year (f) Nominal Value of each Equity Share (₹) Earnings per share (₹ per share of ₹ 10 each)	(A) (B)	(7,78,735) 50,30,86,333 49,10,06,197 99,30,92,530 10,00,000 36,04,16,992 10	(11,10,899) 50,30,86,333 - 50,30,86,333 50,30,86,333 10
Basic	(A/B)	(216.07)	(220.82)
Diluted #	A/B)	(216.07)	(220.82)

[#] In view of losses during the current year ended 31st March, 2024, the CCPS which are anti-dilutive have been ignored in the calculation of diluted earnings per share. Accordingly, there is no variation between basic and diluted earnings per share.

30. Contingent Liabilities and Commitments (To the Extent Not Provided For)

(₹ in Lacs)

Par	ticulars	As at 31st March, 2024	As at 31st March, 2023
A.	Contingent Liabilities @		
(a)	Claims against the Group not acknowledged as debts:*		
	Disputed Demands:		
	Income Tax	49	6,980
	Service Tax	76	1,868
	Central Sales Tax	-	-
	Entry Tax	-	-
	Sales Tax	-	-
	Value Added Tax (VAT)	-	1,212
	ESIC	-	-
(b)	Guarantees:		
	Corporate Guarantees	-	3,270
	Bank Guarantees	47	471
(c)	Uncalled money for paid up capital towards investments	620	620
(d)	Others**	-	35
Tot	al	792	14,456
B.	Commitments		
Esti	mated amount of capital contracts remaining to be executed and not provided for (Net of advances)	9	-
Cap	ital Commitments (to the extent not provided for)	-	-

[@] In terms of the approved resolution plan, all contingent liabilities and Other commitments on account of implementation of the resolution plan has been permanently extinguished, discharged and settled (Refer Note no. 1(a) and 52).

Based on the directions of RBI, during the year ended March 31st, 2022 provision has been made amounting to ₹ 9,807 Lacs and ₹ 4,991 Lacs in respect of direct tax cases and indirect tax cases respectively where SEFL was under various stages of appeal with the relevant tax authorities (Refer Note No. 1(a)), details of which is as given below:

Entry Tax- ₹ 30 Lacs, Value Added Tax - ₹ 86 Lacs, Central Sales Tax - ₹ 1 Lacs, Service tax - ₹ 400 Lacs, Income Tax - ₹ 225 Lacs, Central Sales Tax - ₹ 211 Lacs, Service tax- ₹ 4,263 Lacs, Income Tax - ₹ 9,582 Lacs.

Further, during the year ended March 31st, 2023 provision amounting to ₹7 Lacs in respect of indirect tax cases was made with the relevant tax authorities details of which is as given below:

Goods and Service Tax - ₹5 Lacs , Value Added Tax - ₹ 2 Lacs.

Further during the year ended March 31st, 2024, appellate order was recevied pertaining to entry tax demand, whereby relief has been granted to the extent of ₹ 17 Lacs from the original demand of ₹ 19 Lacs. Accordingly, the provision has been reduced to such extent. Further In terms of the approved resolution plan, no amount was payable to the statutory authorities and hence all such provisions as stated above required based on the direction of the RBI were extinguished by following the capital reduction.

In certain companies of the Group, they 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 has filed 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.

^{*}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

^{**} SEBI vide its Adjudication Order No. Order/DS/DK/ 2022-23 /20903- 20964 dated October 31, 2022 ('Order'), in the matter of Religare Enterprises Limited had imposed a penalty of ₹ 35 Lacs on SIFL payable within 45 days from the date of receipt of the Order. However, vide its Corrigendum to Order dated 30th November, 2022, SEBI has clarified that the said period of 45 days shall not be applicable in respect of the Company due to the CIRP proceedings pending against it. The said penalty is payable subject to the provisions of IBC and outcome of the appeal filed by SEBI in the Dewan Housing Finance Limited case matter in the Hon'ble Supreme Court (Appeal No. 206 of 2020). As per Approved Resolution Plan, this liablity has been extinguished from the effective date.

for the year ended 31st March, 2024

31. Financial Guarantees

(₹ in Lacs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Bank Guarantee @	-	29,185
Corporate Guarantee @@	-	5,600
Total	-	34,785

[@] Represents bank guarantees issued on behalf of the customer and other parties.

32. No proceedings have been initiated or pending against the group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder during the year ended 31st March, 2024 and 31st March, 2023.

33. Title deeds of Immovable Properties not held in name of the Company

	Desctiption of	Gross carrying val	ue (₹ in Lacs) @	Title deeds held in	Whether title deed	Property held	(₹ in Lacs) Reason for not
Relevant line item in the Balance Sheet	iem of property	As at 31st March, 2024	As at 31st March, 2023	the name of	holder is promoter* director or relative# of promoter/director	since which date \$	being held in the name of the Company
Other Non-Financial Assets- Assets acquired in satisfaction of debt	Building (Saket, New Delhi)	8,747.34	8,747.34	South Lake Properties Pvt Ltd/Pushp Vihar Properties Pvt Ltd/Koshika Properties Pvt Ltd/Wales Properties Pvt Ltd	No	September-2010	**
	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. 62) entered by the Company with its Holding Company, SIFL.
	Land	1,065	1,065	Deccan Chronicle Secunderabad Private Limited and Deccan Chronicle Rajahmundry Private Limited	No	June-2018	
	Land	1,255	1,255	Krystine Vintrade Pvt Ltd Balanced Dealers Pvt Ltd Shivdhan Sales Pvt Ltd Wellknown Vinimay Pvt Ltd Malank Dealtrade Pvt Ltd Balanced Commotrade Pvt Ltd Kavya Dealmark Pvt Ltd Alaukik Commercial Pvt Ltd Kripa Dealmark Pvt Ltd	No	March-2016	Due to procedural issues, title deeds
	Land and Building	2,400	2,400	Kakarlapudi Venkata Madhava Varma	No	September-2015	are not registered in the name of the Company.
	Building	57	57	Sierra Constructions Pvt Ltd	No	September-2016	
	Land	255	255	Kabbalamma, Smt. Sukanya & Sri Prasanna	No	September-2015	
	Building	3,200	3,200	Wianxx Impex Private Limited	No	September-2017 December-2017 March-2018 June-2018	
	Land	342	342	Apex Encon Projects Pvt Ltd	No	March-2014 September-2014	

^{@@} Represents corporate guarantee issued on behalf of the customers.

^{*} Refer Note 1(a) and 52



33. Title deeds of Immovable Properties not held in name of the Company (Contd.)

	Desctiption of	Gross carrying va	lue (₹ in Lacs) @		Whether title deed	Property held	(₹ in Lacs) Reason for not
Relevant line item in the Balance Sheet	iem of property	As at 31st March, 2024	As at 31st March, 2023	the name of	holder is promoter* director or relative# of promoter/director	since which date \$	being held in the name of the Company
	Land	1,031	1,031	Yatin Vintrade Pvt Ltd Sanyam Tradelink Pvt Ltd SPK Food Product Pvt Ltd Original Distributors Pvt Ltd Jalram Tradeling Pvt Ltd Amardhan Mercantile Pvt Ltd Shivdhara Vintrade Pvt Ltd Overtop Vincom Pvt Ltd Oviation Marketing Pvt Ltd Safal Commodity Pvt Ltd	No	December-2014 June-2015	
	Land	124	124	S Kandhswamy	No	March-2013	
	Land	1,600	1,600	Abhijit Technochem Limited	No	December-2014	
	Land	1,223	1,223	Cherry Dealers Pvt Ltd Preview Dealers Pvt Ltd Famous Suppliers Pvt Ltd Juhi Telecom Pvt Ltd Sarvopriya Tradecom Pvt Ltd Swarnabhumi Vanijya Pvt Ltd Shaktiman Commercials Pvt Ltd	No	December-2014 June-2015 September-2015	
	Land	1,050	1,050	Navaj Constructions Pvt Ltd Kripa Educational Institutions Pvt Ltd Aparajitha Institutions Swatantra Infrastructure Pvt Ltd Jeeet Projects	No	December-2014	Due to procedural issues, title deeds are not registered in the name of the Company.
	Land	335	335	Kodur Developers Suhas Infradevelopers Trigya Infradevelopers Darpan House Pvt Ltd Lahar Infrastructure Pvt Ltd Marg Properties Pvt Ltd Trijal Infrastructures Pvt Ltd	No	December-2014	
	Land	115	115	Pathang Constructions Pvt Ltd Kodure Deveopers Pvt Ltd	No	December-2014	
	Land	1,209	1,209	Udant Vintrade Pvt Ltd Pinkrose Vinimay Pvt Ltd Linkplan Shoppers Pvt Ltd Swarnaganga Vinimay Pvt Ltd Virat Vintrade Pvt Ltd Memorable Vincom Pvt Ltd Forever Tradecomm Pvt Ltd	No	December-2014 June-2015	
	Building	835	835	B Ravi Kalyan Reddy	No	June-2013	
	Land	440	440	Sudesh Shriram Mallik Siddharth Sriram Malik	No	December-2014	
	Land and Building	98	98	Binod Kumar Singh Binod Singh Constructions Pvt Ltd	No	May-2017	

^{*} Promoter here means promoter as defined in the Companies Act, 2013.

[#] Relative here means relative as defined in the Companies Act, 2013.

^{\$} Month and year since the property is acquired/credit given by the Company.

^{**} In respect of property at Saket Place, New Delhi ('Property'), which was purchased by the Company from third party by execution of deed of declaration and for which purchase consideration was paid. The builder was supposed to get the required approval of Delhi Development Authority for conversion of Property from leasehold to freehold before conveyance, which is pending and the matter has been referred to the appropriate legal forum, where it is sub-judice.

for the year ended 31st March, 2024

34. Relationship with Struck - off Companies

Name of struck - off Company	Nature of transactions with struck - off Company	Balance outstanding as on off 31st March, 2024 (₹ in Lacs)	Balance outstanding as on off 31st March, 2023 (₹ in Lacs)	Relationship with the struck - off Company, if any, to be disclosed #
Vishal Packaging Private Limited	Receivables (Loans outstanding)	24	24	Not Applicable
Uday Associates Private Limited	Receivables (Loans outstanding)	7	6	Not Applicable
Bhatti Automobiles Private Limited	Receivables (Loans outstanding)	38	36	Not Applicable
Ishanika Plywoods Private Limited	Receivables (Loans outstanding)	34	34	Not Applicable
Shakti Infraestate And Trade Mart Private Limited	Receivables (Loans outstanding) @	-	0	Not Applicable
Rajbala RBR Realcon Private Limited	Receivables (Loans outstanding)	4	4	Not Applicable
Four Seasons Hotel Private Limited	Payable (Fooding & Hotel Expense)	-	*	Not Applicable
Grandways Courier Services Private Limited	Payable (Postage & Courier)	-	**	Not Applicable
Highway Roadlines Private Limited ***	Receivables (Loans outstanding)	31	0	Not Applicable
	Gross Outstanding	138	104	
	Less : Provision	(76)	(51)	
	Net Outstanding	62	53	

^{* ₹ 2,631}

Reduction in balance outstanding amount is due to collection, written off etc.

35. 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

Facility Name	Charge ID Date of charge		Name of charge holder	Charge amount		
		Creation/ Modification		As at March 31st, 2024	As at March 31st, 2023	
Collateralised Borrowings	100407509	30/12/2020	The Karur Vysya Bank Limited	-	-	
Collateralised Borrowings	100392693	11/12/2020	Siemens Financial Services Private Limited	1,587	-	
Collateralised Borrowings	100390650	04/11/2020	The Karur Vysya Bank Limited	-	-	
Collateralised Borrowings	100379993	29/09/2020	The Karur Vysya Bank Limited	-	-	
Collateralised Borrowings	100369351	25/08/2020	The Karur Vysya Bank Limited	5,606	-	
Collateralised Borrowings	100365165	31/07/2020	The Karur Vysya Bank Limited	-	-	
Collateralised Borrowings	100291065	30/08/2019	The Karur Vysya Bank Limited	4,737	-	
Collateralised Borrowings	100237421	17/01/2019	The Karur Vysya Bank Limited	-	-	
Debt Securities	10515565	20/06/2014	IDBI Trusteeship Services Limited	-	-	
Collateralised Borrowings	100275885	June 12th, 2019	Axis Trustees Services Limited	-	-	
Debt Securities	100150739	December 28th, 2017	Catalyst Trusteeship Limited	-	500	
Term Loans	100084037	March 16th, 2017	Small Industries Development Bank of India	-	10,000	
Term Loans	100055724	September 26th, 2016	The Karur Vysya Bank Limited	-	7,500	
Term Loans	10261668	November 24th, 2010	Axis Trustees Services Limited	-	36,800	
Term Loans	100237513	January 8th, 2019	Axis Bank Limited	-	-	
Term Loans	100359690	31/07/2020	Oesterreichische Entwicklungsbank AG	12,470	-	
Term Loans	100281331	02/08/2019	Belgian Investment Company for Developing	,		
			Countries NV SA-BIO	6,967	_	
Term Loans	100248417	06/03/2019	National Bank for Agriculture and Rural	,		
			Development	30.000	_	
Term Loans	100223455	27/11/2018	Syndicate Bank	-	_	
Term Loans	100204762	28/08/2018	National Bank for Agriculture and Rural Development	17,500	_	
Term Loans	100190577	28/06/2018	National Bank for Agriculture and Rural Development	8.750	_	
Term Loans	100180713	11/05/2018	National Bank for Agriculture and Rural Development	50.000	_	
Term Loans	100159815	02/03/2018	FINNISH FUND FOR INDUSTRIAL COOPERATION LTD	11,926	_	
Term Loans	100166748	28/02/2018	Societe de Promotion et de Participation pour la	,		
			Cooperation Economique S.A. (PROPARCO)	21.489	_	
Term Loans	100147683	17/01/2018	AXIS Trustee Services Limited	1,28,115	_	
Term Loans	100144481	18/12/2017	DEG-Deutsche Investitions-UND	1,22,112		
			Entwicklungsgesellschaft MBH	9,771	_	
Term Loans	100123926	22/09/2017	ORIENTAL BANK OF COMMERCE	_	_	
Term Loans	100111137	23/06/2017	National Bank for Agriculture and Rural Development	65.000	_	
Term Loans	100088959	07/04/2017	AXIS Trustee Services Limited	8.049	_	
Term Loans	100087080	21/03/2017	National Bank for Agriculture and Rural Development	50,000	_	
Term Loans	100076643	25/01/2017	DEG-Deutsche Investitions-UND	55,500		
20000	. 300. 00 10		Entwicklungsgesellschaft MBH	17,039	_	
Term Loans	100055724	26/09/2016	The Karur Vysya Bank Limited	,500	_	
Term Loans	10622418	25/02/2016	State Bank of India	_	_	
Term Loans	10615205	28/12/2015	Syndicate Bank	_	_	
Total		20,12,2010	-,	4,49,006	54,800	

^{** ₹ 648}

^{@ ₹48,983 (}as at March 31st, 2023 ₹49,003 less provision amounting to ₹29,448 (March 31, 2023 ₹25,861).

[#] As per the definition of 'related party' under Section 2(76) of the Act.

^{***} Balance outstanding as on March 31st, 2023 $\stackrel{?}{_{\sim}}$ 30 Lacs less provision amounting to $\stackrel{?}{_{\sim}}$ 15 Lacs.

^{\$} The current year and previous year figures are shown net of liability towrads assignments.



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Charges not yet registered with ROC

(₹ in Lacs)

Facility Name	Name of charge holder	Reason for Non-registration	Charge Amount		
			As at March 31st, 2024	As at March 31st, 2023	
Debt Securities Debt Securities	Catalyst Trusteeship Limited Axis Trustee Services Limited	Form CHG-9 filed with ROC but not approved ** (As at March 31st, 2022: Form CHG-9 filed with ROC but yet to be approved **)		10,872 86,739	
Debt Securities	Axis Trustee Services Limited	Novation Agreement signed but Form CHG-9 not filed ** (As at March 31st, 2022: Form CHG-9 filed with ROC but yet to be approved **)	-	81	
Debt Securities	PNB Investment Services Limited.	Form CHG-9 filed with ROC but yet to be approved	4,50,638	-	
Term Loans	HDFC Bank Limited	Form CHG-1 not filed with ROC	-	21	
Term Loans	ICICI Bank Limited		-	25	
Term Loans	Toyota Financial Services India Limited		-	38	
Term Loans	Bank of India		-	38,101	
Term Loans	Canara Bank		-	8,956	
Term Loans	IFCI Limited		-	19,020	
Term Loans	Indian Bank		-	6,862	
Term Loans	Lakshmi Vilas Bank		-	1,113	
Term Loans	Punjab and Sind Bank	Novation Agreement not signed **	-	3,953	
Term Loans	Punjab National Bank		-	18,802	
Term Loans	South Indian Bank Limited		-	295	
Term Loans	State Bank of India		-	2,639	
Term Loans	Union Bank of India		-	23,965	
Working Capital Facilities ***	Consortium with Lead Bank Axis Bank Limited		-	8,78,861	
Total			4,50,638	11,00,343	

The Location of ROC is Kolkata.

36. Undisclosed Income

There are no any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year ended March 31st, 2024 and March 31st, 2023 in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

There are no previously unrecorded income and related assets have been properly recorded in the books of account during the year ended March 31st, 2024 and March 31st, 2023.

- 37. The Company has received show cause notices from few banks for declaring the Company as wilful defaulter and suitable replies for the same has been submitted by the Company to the best of our knowledge and information available. In accordance with the Resolution Plan and Section 32A of the Code, the liability of the Corporate Debtors for any offences committed prior to the commencement of the CIRP shall cease. Consequently, neither the Corporate Debtors nor the Resolution Applicant shall be prosecuted for any such offences from the NCLT Approval Date onward. Therefore, the Company shall not be considered a wilful defaulter for the pre-CIRP period, and the erstwhile promoters of the Company are responsible for addressing the show cause notices related to wilful default for the pre-CIRP period (Also Refer Note No.52).
- **38.** The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- **39.** During the financial year 2023-24, the Company has not raised any borrowings from banks and financial institutions on the basis of security of current assets.

Pursuant to initiation of CIRP (Refer Note No. 1(a)), the Company had not filed quarterly returns or statements of current assets with banks or financial institutions for the quarter ended June 30th, 2023. The Hon'ble NCLT has approved the resolution plan on August 11th, 2023, accordingly in terms of the approved resolution plan (Refer Note No. 1(a) and 52) payment made to financial creditors and remaining liabilities has been extinguished. Hence quarterly returns or statements of current assets with banks or financial institutions for the quarters ended September 30th, 2023, December 31st, 2023 and March 31st, 2024 are not applicable.

During the previous year, pursuant to initiation of CIRP (Refer Note No. 1(a) to the financial statement for the year ended March 31st, 2023) the Company has not filed quarterly returns or statements of current assets with banks or financial institutions for the quarters ended June 30th, 2022, September 30th, 2022, December 31st, 2022 and March 31st, 2023.

Current assets for this purpose includes loans and other receivables which are expected to be realised within twelve months after the reporting date.

^{*} This represents amount outstanding and does not include effective interest rate adjustment and interest accrued and not due.

^{**} Refer Note No. 52.

^{***} Includes WCDL, FITL and Cash credit.

for the year ended 31st March, 2024

40. Utilisation of Borrowed funds and share premium:

- (A) During the year ended 31st March, 2024 and year ended 31st March, 2023, the Group 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 Group (Ultimate Beneficiaries) or
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (I) date and amount of fund advanced or loaned or invested in Intermediaries with complete details of each Intermediary.
 - (II) date and amount of fund further advanced or loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries alongwith complete details of the ultimate beneficiaries.
 - (III) date and amount of guarantee, security or the like provided to or on behalf of the Ultimate Beneficiaries.
 - (IV) declaration that relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering act, 2002 (15 of 2003).
- (B) During the year ended 31st March, 2024 and yearended 31st March, 2023, the Group 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 Group 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.
 - (I) date and amount of fund received from Funding parties with complete details of each Funding party.
 - (II) date and amount of fund further advanced or loaned or invested other intermediaries or Ultimate Beneficiaries alongwith complete details of the other intermediaries' or ultimate beneficiaries.
 - (III) date and amount of guarantee, security or the like provided to or on behalf of the Ultimate Beneficiaries
 - (IV) declaration that relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering act, 2002 (15 of 2003).

41. Details of Crypto Currency or Virtual Currency

The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year ended March 31st, 2024 & March 31st, 2023.

42. Capital Management

The primary objectives of the Group's capital management policy are to ensure that the Group 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. As stated in Note No. 1(a) and 52 CIRP was initiated in respect of the Company w.e.f. October 8, 2021 and the resolution plan of NARCL was approved by Hon'ble NCLT vide order dated August 11, 2023. Based on the implementation steps as per approved resolution plan, the successful resolution applicant has adhered to the indicative timelines and is confident of improving the loan recovery, negotiated settlements, restructurings including pursual of the arbitration awards, claims, legal cases etc. which would result in the Company being able to meet its committed obligations in due course of time. Accordingly, these financial statements have been prepared on a going concern basis.

43. Financial Instruments and Related Disclosures

This section gives an overview of the significance of financial instruments for the Group and provides additional information on consolidated 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. 1(b) to the consolidated financial statements.



for the year ended 31st March, 2024

43. 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 Group's financial instruments:

(₹ in Lacs)

Particulars	As at 31st Ma	As at 31st March, 2023		
ratticulais	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
a) Measured at Amortised Cost				
i) Cash and Cash Equivalents	63,884	63,884	2,56,419	2,56,419
ii) Bank Balance other than (i) above	3,107	3,107	18,604	18,604
iii) Trade Receivables	2,098	2,098	2,213	2,213
iv) Other Receivables	-	-	-	-
v) Loans	2,79,596	2,84,021	9,27,485	9,54,848
vi) Investments	9,192	9,226	8,981	8,993
vii) Other Financial Assets	841	841	1,871	1,871
Sub-total Sub-total	3,58,718	3,63,177	12,15,573	12,42,948
b) Measured at Fair value through Profit or Loss				
i) Loans	18,968	18,968	19,091	19,091
ii) Investments	26,582	26,582	56,134	56,134
iii) Other financial assets	-	-	62,196	62,196
Sub-total Sub-total	45,550	45,550	1,37,421	1,37,421
c) Measured at Fair value through Other Comprehensive Income				
i) Investments	34,209	34,209	43,585	43,585
ii) Loans	-	-	2,687	2,687
Sub-total	34,209	34,209	46,272	46,272
Total Financial Assets	4,38,477	4,42,936	13,99,266	14,26,641
Financial Liabilities				
a) Measured at Amortised Cost				
i) Trade Payables	277	277	7,164	7,164
ii) Debt Securities	2,97,597	2,97,607	2,59,944	2,59,944
iii) Borrowings (Other than Debt Securities)	525	538	26,69,340	26,69,423
iv) Subordinated Liabilities	6,236	6,236	2,95,458	2,95,458
v) Lease Liabilities	353	353	638	638
vi) Other Financial Liabilities	11,354	11,354	15,343	15,343
Sub-total Sub-total	3,16,342	3,16,365	32,47,887	32,47,970
b) Measured at Fair Value through Profit or Loss				
i) Derivative Financial Instruments	-	-	-	-
Sub-total	-	-	-	-
Total Financial Liabilities	3,16,342	3,16,365	32,47,887	32,47,970

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 Group'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 observable future cash flows based on terms, discounted at the 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

Other financial assets have assets with short-term maturity (less than twelve months) as on consolidated balance sheet date and therefore, 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. The fair value of debt securities are estimated using a discounted cash flow model based on contractual

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43. Financial Instruments and Related Disclosures (Contd.)

future cash flows based on terms considering net present value (NPV) for NCD-1, NCD-2,NCD-3, NCD-4 & NCD-5 @ 8%, 10%, 10%,12% & 12% per annum respectively in terms of the approved resolution plan.

The fair values of subordinated liabilities are estimated using a discounted cash flow model based on projected recovery, considering the NPV @ 12% per annum for the next five years.

For all other Debt Securities, Subordinated Liabilities and Other Borrowings, pursuant to CIRP (Refer Note No. 1(a) and 52) the carrying value as at March 31st, 2024 has been considered as fair value.

Other financial liabilities and lease liabilities measured at amortised cost

Other financial liabilities have liability with short-term maturity (less than twelve months) as on consolidated balance sheet date and therefore, the carrying amounts are a reasonable approximation of their fair value.

Such instruments majorly include: Trade and Other payables and Trade Deposits.

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 included in level 3.

(₹ in Lacs)

Particulars	AS at 31st Warch, 2024				
raiticulais	Level 1	Level 2	Level 3	Total	
Financial Assets					
Derivative Financial Instruments	-	-	-	-	
Loans	-	-	18,968	18,968	
Investments	33,752	306	27,259	61,317	
Other Financial Assets	-	-	-	-	
	33,752	306	46,227	80,285	

(₹ in Lacs)

Particulars		As at 31st March, 2023				
	Level 1	Level 2	Level 3	Total		
Financial Assets						
Derivative Financial Instruments	-	-	-	-		
Loans	-	-	21,778	21,778		
Investments	22,942	1,439	75,338	99,719		
Other Financial Assets	-	-	62,196	62,196		
	22,942	1,439	1,59,312	1,83,693		

Note: Fair value of the Company's assets and liabilities that are measured at fair value on a recurring basis.

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis.

	Fair Va	Fair Value	Valuation	Significant	
Particulars	31st March, 2024	31st March, 2023	Heirarchy	Technique and Key Input	Unobservable Input
Financial Assets					
Loans	18,968	21,778	Level 3	Note (i)	Note (v), (vi) & (viii)
Other Financial Assets	-	62,196	Level 3	Note (i)	Note (ix)
Investments	33,752	22,942	Level 1	Note (ii)	Not Applicable
Investments	306	1,439	Level 2	Note (iii) & (iv)	Not Applicable
Investments	27,259	75,338	Level 3	Note (i) & (v)	Note (vi) & (vii)



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43. Financial Instruments and Related Disclosures (Contd.)

(i) Income Approach

The discounted cash flow method was used to capture the present value of the expected future benefits (including contractual cash flows) to be derived from the Loans, Investments and Other Financial Assets.

(ii) Quoted Prices

Quoted bid prices of an active market was used.

(iii) Comparable Company Method

Relevant information from companies operating in similar economic environment and industry 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) Other Inputs

- (a) Market Multiple Method: Relevant information from companies operating in similar economic environment and industry was used.
- (b) Discounted Cash Flow Method: Present value of the expected future benefits to be derived from the underlying Assets.
- (c) Net Asset Valuation Method: Value of the underlying net assets of the business.
- (vi) Discount rate, determined using average lending rate of the Company or discount rate considered by the valuer.
- (vii) Estimated future cash flows.
- (viii) The fair value of loans is derived based on the valuation of the underlying assets.
- (ix) Probability of recovery and discount rate considered by the Valuer.

Reconciliation of Level 3 fair value measurements

(₹ in Lacs)

Reconciliation	L	Loans		Investments (Other Financial Assets @	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	
Opening Balance	21,778	55,649	75,338	1,21,871	62,196	72,542	
Purchases/Addition	3,007	2,190	-	627	-	-	
Sales/Repayments/Transfers to amortised cost *	(2,687)	(13,501)	(6,226)	(13,869)	-	-	
Transfers into Level 3	-	_	-	-	-	-	
Transfers from Level 3	-	-	-	-	-	-	
Net interest income, net trading income and other income	(3,130)	-	(15,681)	-	-	-	
Unrealised income/(loss)#	-	(22,265)	(26,172)	(33,291)	(62,196)	(10,346)	
Other Comprehensive Income	-	(295)	-	-	_		
Closing Balance	18,968	21,778	27,259	75,338	-	62,196	

^{*} includes write off

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.

(₹ in Lacs)

Reconciliation	As at 31st	March, 2024	As at 31st March, 2023		
	Favourable Changes	Unfavourable Changes	Favourable Changes	Unfavourable Changes	
Loans at FVTPL	362	(349)	666	(631)	
Investments @	416	(365)	1,219	(1,193)	
Other Financial Assets	-	-	1,723	(1,172)	
Total	778	(714)	3,608	(2,996)	

@ Impact of increase/decrease in the fair value measurement at 2% excludes those cases of Security Receipts, wherein provision as per RBI circular DOR.STR.REC.51/21.04.048/2022-23 dated June 28, 2022 is higher than fair value measurement as derived by registered valuer.

[#] includes Exceptional Items

for the year ended 31st March, 2024

43. Financial Instruments and Related Disclosures (Contd.)

C) Financial risk management objectives

The Group's activities expose it to market risk, liquidity risk and credit risk.

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 Exectives and the Product & Process Approval Committee. The Asset Liability Management Committee has also been reconstituted. The Financial risk management framework would further undergo revision constitution of Board.

a) Market risk

The Group's Financial Instruments are exposed to market changes. The Group is exposed to the following significant market risk:

- i. Foreign Currency Risk
- ii. Interest Rate Risk
- iii. Other Price Risk

i. Foreign currency risk

The Group 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 Group's functional currency (Indian Rupees).

The Group is having any Foreign Curreny Exposure of USD 245,529 as on 31st March, 2024 (Nil- 31 March 2023). Hence, the Company's profit and loss and equity is exposed to such foreign currency risk.

The borrowings of the Company has been realigned in terms of the approved resolution plan (Refer Note No 1(a) and 52). In terms of the approved resolution plan, there is no foreign currency risk and consequently foreign currency sensitivity is not applicable as at March 31st, 2024.

Foreign Currency Exposure

			(₹ In Lacs)
As at 31st March, 2024	USD	Euro	Total
Financial Asstes	2,45,529	-	2,45,529
As at 31st March, 2023	USD	Euro	Total
Borrowings (Other than Debt Securities)	1,46,388	80,529	2,26,917

(₹ in Lacs)

Hedged Foreign Currency balances:	Currency	As at	As at
		31st March, 2024	31st March, 2023
Borrowings (Other than Debt Securities)	USD	-	-
	EUR	-	-

(₹ in Lacs)

Unhedged Foreigh Curency balances	Currency	As at	As at
		31st March, 2024	31st March, 2023
Borrowings (Other than Debt Securities)	USD	-	1,46,388
	EUR0	-	80,529

Foreign currency sensitivity

Impact on increase in 2%

Currency	As at 31st March, 2024	As at 31st March, 2023
USD	-	-
EUR	-	-
Impact on decrease in 2%		
Currency	As at 31st March, 2024	As at 31st March, 2023
USD	-	-
EUR	-	-



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43. Financial Instruments and Related Disclosures (Contd.)

ii. Interest rate risk

The Group is exposed to interest rate risk as the Group borrows foreign currency funds at fixed plus floating interest rate benchmarks. The Group 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 Group is absolutely dependent on banks for such hedging limits.

SIFL and SEFL have undergone CIRP under the provisions of the Code and subsequently, resolution plan of NARCL has been approved by Hon'ble NCLT vide order dated August 11th, 2023. The borrowings of the Group has been realigned in terms of the approved resolution plan (Refer Note No 1(a) and 52). In terms of the approved resolution plan, there is no interest rate risk and consequently interest rate sensitivity is not applicable as at March 31st, 2024.

The group is further exposed to interest rate risk as the group lends funds at floating interest rates.

Interest Rate Exposure [Financial Instruments at variable interest rates]

(₹ in lacs)

				(< 111 1003)
As at 31st March, 2024	INR	EUR	USD	Total
Financial Assets				
Loans	3,47,608	-	-	3,47,608
Financial Liabilities				
Borrowings (Other than Debt Securities)	-	-	-	-
Subordinated Liabilities	-	-	-	-
As at 31st March, 2023	INR	EUR	USD	Total
Financial Assets				
Loans	5,70,810	-	-	5,70,810
Financial Liabilities				
Borrowings (Other than Debt Securities)	-	-	-	-
Subordinated Liabilities	-	-	-	-

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

Interest Rate Sensitivities for outstanding exposure (impact on increase in 2%)

(₹ in lacs)

		(111100)
Currency	As at 31st March, 2024	As at 31st March, 2023
INR	6,952	11,416
USD	-	-
EUR	-	-
Interest Rate Sensitivities for outstanding exposure (impact on decrease in 2%)		(₹ in lacs)
Currency	As at 31st March, 2024	As at 31st March, 2023
INR	(6,952)	(11,416)
USD	-	-
EUR	-	-

Figures in brackets indicate decrease in profit.

In some cases, the Group has entered into cross currency swap and interest rate swaps to manage its interest rate risk. The Group's profit and loss and equity is not exposed to interest rate sensitivity to that extent.

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 Group. The fair value of quoted investments held by the Group exposes the Group 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 and Loss/fair value through Other Comprehensive Income as at 31st March, 2024 is ₹ 28,607 Lacs (31st March, 2023: ₹ 16,603 Lacs)

A 10% change in equity prices of such securities held as at 31st March, 2024 and 31st March, 2023 would result in an impact of ₹ 2,861 Lacs in 31st March, 2024 (31st March, 2023 ₹ 1,660 Lacs).

or the year ended 31st March, 2024

43. Financial Instruments and Related Disclosures (Contd.)

b) Liquidity risk

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 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. ratios and conduct of liquidity stress tests periodically. 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 ay need to be realigned and revisited in line with the new business plan in terms of implementation of the approved resolution plan

iquidity risk management

										(₹ in Lacs)
		As at 31st	As at 31st March, 2024@				As at 31	As at 31st March, 2023		
Particulars	On demand	Less than 3 months	3 to 12 months	>12 months	Total	On demand	Less than 3 months	3 to 12 months	>12 months	Total
A: Financial Assets										
i) Cash and Cash Equivalents	23,506	40,378		ı	63,884	28,579	2,27,840	ı	ı	2,56,419
ii) Bank Balance other than (i) above	318	307	1,750	732	3,107	24	926	11,723	5,901	18,604
iii) Trade & Other Receivables	114	4,243	230	151	4,738	•	4,778	36	54	4,868
iv) (a) Loans \$ #	995	1,387	18,178	27,09,602	27,30,162	1	1,12,850	30,257	27,83,078	29,26,185
(b) Liability towards Assignment	1			ı	ı	1	(1,94,946)	(3,178)	(80)	(1,98,204)
v) Investments	1	73	15,379	54,531	69,983	1	3,653	2,217	1,02,830	1,08,700
vi) Other Financial Assets	978	6	2,629	1,052	4,668	•	2,067	48,195	15,442	65,704
Total	25,911	46,397	38,166	27,66,068	28,76,542	28,603	1,57,198	89,25	29,07,225	31,82,276
B: Financial Liabilities										
i) Debt Securities *	•	•	ı	2,97,618	2,97,618					
ii) Trade Payables	80	197	1	1	277	•	339	2,464	1	7,164
iii) Borrowings **	33	99	315	111	525	•	1,406	1,454	33,525	32,24,876
iv) Lease Liability	33	99	247	274	620	•	103	250	292	645
v) Other Financial Liabilities	9,351	206	751	345	11,354	24	11,890	2,063	751	15,343
vi)Subordinated Liabilities ***	-	-	-	6,236	6,236					
Total	9,497	1,236	1,313	3,04,584	3,16,630	24	13,738	6,231	34,568	32,48,028

Performing Loans are stipulated in time buckets as per the original/revised repayment schedule and non-performing loans are in the 3 to 5 year time-bucket and over 5 year time-bucket as per RBI guideline.

1st, 2024, time buckets of loans has been shown after considering of liability towards assignment (Refer Note No.52). Receivables on account of assigned loans/lease/other receivables have been adjusted from oans only. Entire operating lease receivables of NPA assigned cases has been reversed, however for ALM purpose the same has been considered "over 3 & upto 5 years" and "above 5years" bucket as per RBI guidelines.

* In terms of the approved resolution plan, in case of early recoveries from the underlying assets, the Company shall have option to make accelerated payment on NCDs at a pre defined discounting rate for computing net present value on the date of accelerated to the security receipts holders in the ratio of their holding of the security receipts

** Repayments of borrowings have been considered as per the contractual obligations.
*** In terms of approved resolution plan, any recovery from underlying assets of the Company after payments of all NCDs shall be used to repay the OCDs.

in case of early recoveries from the underlying assets, the Company shall have option to make accelerated payment on the OCDs at an net present value (NPV) computed on the date of accelerated payment. Conversion at the option of holder from the beginning of the 6th year till maturity. Conversion at the option of the Company at the end of 8 years. Any outstanding amount at the end of year 8 shall be converted into equity at fair value.



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43. Financial Instruments and Related Disclosures (Contd.)

c) Credit risk

Credit Risk is the risk of default of the counterparty to repay its obligations in a timely manner resulting in financial loss. The principal business of the Company was to provide financing in the form of loans to its clients primarily to acquire assets and infrastructure lending. As per the Resolution plan SEFL would be focussing on recovery in the existing portfolio and fresh business will be pursued in SIFL. No fresh business is intended to be pursued in SEFL. Recovery initiatives including periodic reviews to formulate recovery strategies are being done in accordance with the Stressed Asset Management Policy. The new management is also in the process of reviewing the existing Stressed Asset Management Policy.

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.

d) Operational Risk

The Group is exposed to operational risk in view of the nature of its business. Operational risk arises out of failed process, people, system or external events. Accordingly framework for risk control self-assessment has been prepared to evaluate process lapses. In the light of the evolving business scenario, the IT systems of the Group 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(a)] 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 Group viz Credit Policy, Risk Policy and Stressed Asset Management Policy.

44. Transfers of financial assets

Transfers of financial assets that are not derecognised in their entirety:

The Group has not carried out securitisation transactions during year ended 31st March, 2024 and financial year ended 31st March, 2023. There is no carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities as at March 31, 2024 and March 31, 2023.

45. Assets obtained by taking possession of collateral

The Group has obtained certain non-financial assets during the year by taking possession of collaterals or underlying assets on default by the party. The Group'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 Group's policy is to realise collateral on a timely basis.

The table below outlines the nature and values of assets acquired in satisfaction of debt obtained during the year and where still lying with the Company as at the year end:

(₹ in Lacs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Land	-	-
Others	908	2,710
Total assets obtained by taking possession of collateral	908	2,710

46. Disclosure pursuant to Ind AS 19-Employee Benefits

Defined contribution plans

The Group has recognised, in Consolidated Statement of Profit and Loss for the year ended 31st March, 2024 an amount of ₹383 Lacs (for the year ended 31st March, 2023 ₹452 Lacs) as expenses under defined contribution plans.

Defined benefit plans

(A) Gratuity Fund:

The Group makes contributions to Defined Benefit Plans for qualifying employees. The scheme is funded by way of separate irrevocable trust. The fund is managed internally by the Group. These Plans are administered through approved Trusts, which operate in accordance with the Trust Deeds, Rules and applicable Statutes. The concerned Trusts are managed by Trustees who provide strategic guidance with regard to the management of their investments and liabilities and also periodically review their performance. The Trustees of the gratuity scheme for the employees of the Group have interested the administration of the scheme to the Life Insurance Corporation of India (LIC).

for the year ended 31st March, 2024

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. The Group makes regular contributions to these Employee Benefit Plans. Additional contributions are made to these plans as and when required based on actuarial valuation. Some Group companies also participate in these Plans. These participating Group companies make contributions to the Plans for their respective employees on a uniform basis and each entity ascertains their obligation through actuarial valuation. The net Defined benefit cost is recognised by these companies in their respective Financial Statements.

Under the Gratuity plan, every employee is entitled to gratuity, being higher of the amount, calculated under the Group's plan (based on last monthly salary and number of years of service) or calculations as laid down under the Payment of Gratuity Act, 1972. Gratuity is payable on death/retirement/termination and the benefit vests after 5 year of continuous service.

(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 Group 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 31st March, 2024.

46.1 Particulars in respect of employee benefits of the Group are as follows:

(₹ in Lacs)

B	Gra	tuity	Leave		
Description	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023	
Authorised					
Change in the defined benefit obligation					
Present Value of Obligation at the Beginning of the period/year	1,251	1,217	85	88	
Current Service Cost	100	107	103	100	
Interest Cost	78	74	5	-	
Employer Contribution	(6)	(30)	-	-	
Settlement (Credit)/cost	-	-	-	-	
Acquisitions Cost/credit	-	-	-	-	
Actuarial (gain)/loss	57	(1)	(4)	39	
Actuarial (gain)/loss-financial assumptions	5	166	(1)	13	
Actuarial (gain)/loss-demographic assumptions	16	-	-	-	
Benefits paid	(304)	(282)	(126)	(155)	
Present Value of Obligation at the end of the period/year	1,197	1,251	62	85	
Change in plan assets					
Fair value of Plan Assets at the Beginning of the period/year	1,390	841	NA	NA	
Expected return on Plan Assets	3	3	NA	NA	
Interest income on Plan Assets	85	71	NA	NA	
Contributions by the Employer	6	748	NA	NA	
Return on Plan assets greater/(lesser) than discount rate	-	2	NA	NA	
Benefits paid	(304)	(275)	NA	NA	
Fair value of Plan Assets at the end of the year/period	1,180	1,390	NA	NA	

Basis used to determine the Expected Rate of Return on Plan Assets

The expected return on plan assets is determined based on government bond rate.



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46.1 Particulars in respect of employee benefits of the Group are as follows: (Contd.)

(₹ in Lacs)

Description	Grat	tuity	Leave		
Description	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023	
Amount recognised in Consolidated Balance Sheet consists of:					
Fair value of Plan Assets at the end of the period/year	1,180	1,390	-	-	
Present Value of Obligation at the end of the period/year	1,197	1,251	62	85	
Net (Asset)/Liabilities recognised in the Consolidated Balance Sheet in respect of defined benefits	17	(139)	62	85	

(₹ in Lacs)

Description	Gra	tuity	103 - (7) 96	/e	
Description	As at	As at	As at	As at	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023	
Expenses recognised in the consolidated statement of profit and loss consists of:					
Employee benefits expenses:					
Current Service cost	100	107	103	100	
Net Interest cost	(11)	(3)	-	-	
Net Actuarial (gain)/loss	-	-	(7)	48	
Total [A]	89	104	96	148	
Other Comprehensive Income					
Actuarial (Gain)/Loss from experience adjustments	57	(1)	(4)	42	
Actuarial (Gain)/Loss from financial assumptions	22	166	(1)	13	
Return on plan assets (excluding amounts included in net interest cost)	-	(2)	-		
Total [B]	79	163	2	4	
Expense recognised during the year [A+B]	168	267	98	152	

46.2 Particulars of Investment Details of Plan Assets are as follows:

(₹ in Lacs)

	Gratuity ^o	% Invested	Leave %	Leave % Invested		
Description	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023		
Investment Details of Plan Assets						
Schemes of insurance-conventional products	100%	100%	Not Applicable	Not Applicable		
46.3 Principal Assumptions used are as follows:						
Discount rate per annum	7.00%	7.20%	7.00%	7.20%		
Salary escalation rate per annum	7.50%	7.50%	7.50%	7.50%		

^{46.4} The estimate of future salary increase, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employee market.

46.5 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.

for the year ended 31st March, 2024

46.5 Sensitivity Analysis (Contd.)

(₹ in Lacs)

		Gratuity %	6 Invested		Leave % Invested				
Description	Grat	tuity	Lea	ave	Grat	tuity	Lea	ve	
	%	(₹ in Lacs)	%	(₹ in Lacs)	%	(₹ in Lacs)	%	(₹ in Lacs)	
Discount Rate + 100 basis points	-2.42%	(29)	-1.61%	(1)	-27.66%	(346)	-38.82%	(33)	
Discount Rate – 100 basis points	2.59%	31	3.23%	2	31.41%	393	44.71%	38	
Salary Increase Rate + 1%	2.26%	27	3.23%	2	20.22%	253	43.53%	37	
Salary Increase Rate – 1%	-2.09%	(25)	-1.61%	(1)	-18.15%	(227)	-38.82%	(33)	

46.6 Maturity Analysis of The Benefit Payments

(₹ in Lacs)

Expected payment for future years	As a 31st Marc		As at 31st March, 2023		
	Gratuity	Leave	Gratuity	Leave	
Year 1	398	18	97	16	
Year 2	263	13	51	2	
Year 3	212	10	79	3	
Year 4	144	7	115	5	
Year 5	112	6	98	4	
Next 5 Years	235	13	966	37	

46.7 Weighted average duration of defined benefit obligations: Gratuity-12 years (31st March, 2023: 12 years). Leave-12 years (31st March, 2023: 13 years)

47. Disclosure pursuant to Indian Accounting Standard 24 - "Related Party Disclosures"

Related Parties:

Holding Company:	Country of Origin	
Adisri Commercial Private Limited (ceased w.e.f. 19.12.2023)	India	
Subsidiary of Holding Company:	Country of Origin	
Srei Factors Private Limited (ceased w.e.f. 19.12.2023)	India	
Adisri Strategic Advisors Private Limited (ceased w.e.f. 19.12.2023)	India	
Adisri Leasing Private Limited (ceased w.e.f. 19.12.2023)	India	
Shareholders as per Approved Resolution Plan having substantial shareholding:	Country of Origin	
National Asset Reconstruction Company Limited (w.e.f. 19.12.2023)	India	
India Debt Resolution Company Limited (w.e.f. 19.12.2023)	India	
Trusts:	Country of Origin	
Srei Mutual Fund Trust	India	
Others:	Country of Origin	
Srei Infrastructure Finance Limited Employees Gratuity Fund	India	
Discolars (Ver. Management Descound (VMD).		

Directors/Key Management Personnel (KMP):

Name	
Mr. Rajneesh Sharma (w.e.f.	04.10.2021 till 26.02.2024) *

Mr. Sivaraman Naravanaswami (w.e.f. 26.02.2024) Mr. P Santhosh (w.e.f. 26.02.2024)

Mr. Avinash Kulkarni (w.e.f. 26.02.2024) Mr. Sunil Srivastav (w.e.f. 26.02.2024)

Ms. Anuradha Mitra (w.e.f. 05.04.2024)

Mr. Hardayal Prasad (w.e.f. 05.04.2024)

Mr. Manoj Kumar

Mr. Vishnu Gopal Agarwal

Mr. Syed Faisal Aquil (w.e.f. 30.11.2023 till 15.04.2024)

Mr. Souren Mokhopadhyay (ceased w.e.f. 18.07.2022)

Mr. Sandeep Agarwal (w.e.f. 14-08-2023 till 26.02.2024)

Mr. Pavel Poddar (w.e.f. 14-08-2023 till 26.02.2024)

Mr. Manveet Vyas (w.e.f. 14-08-2023 till 26.02.2024) Mr. Sudha Raina (w.e.f. 14-08-2023 till 26.02.2024)

Mrs. Mahua Mukherjee (ceased w.e.f. 18.07.2022)

Designation

Administrator

Chairman & Independent Director

Nominee Director Nominee Director Independent Director Independent Director

Managing Director & CEO

Company Secretary & Chief Compliance Officer

Chief Financial Officer Manager

Deputy Chief Executive Officer

Member of Implementation & Monitoring Committee Member of Implementation & Monitoring Committee Member of Implementation & Monitoring Committee

Member of Implementation & Monitoring Committee Relative of KMP

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^{*} 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 Mr. Rajneesh Sharma as the Administrator of SIFL under Section 45-IE (2) of the RBI Act w.e.f. 04.10.2021. Post implementation of resolution plan as approved by NCLT vide order dated 11.08.2023, the new Board has been re-constituted w.e.f. 26.02.2024 and Mr. Rajneesh Sharma has been appointed as Principal Advisor to Board.



for the year ended 31st March, 2024

47. Disclosure pursuant to Indian Accounting Standard 24 - "Related Party Disclosures" : (Contd.)

(₹ in Lacs)

Name of related party & Nature of relationship	Nature of Transactions	For the year ended	Balance As at	For the year ended	Balance As at
		31st March, 2024	31st March, 2024	31st March, 2023	31st March, 2023
(A) Remuneration to Directors/Key Management Personnel (KMP):					
Mr. Souren Mukhopadhay (w.e.f. 30.06.2021)	Remuneration	-	-	38	-
Mr. Manoj Kumar (w.e.f. 01.04.2021)	Remuneration	67	-	45	-
Mr. Vishnu Gopal Agarwal (w.e.f. 21.03.2022)	Remuneration	46	-	39	-
Mr. Syed Faisal Aquil (w.e.f. 30.11.2023)	Remuneration	3	-	-	-
Mr. Sivaraman Naravanaswami	Sitting Fees	4	-	-	-
Mr. Sunil Srivastav	Sitting Fees	2	-	-	-
Mr. Rajneesh Sharma	Consultancy	90	-	108	-
Mrs. Mahua Mukherjee, relative of KMP (w.e.f. 30.06.2022)	Car Hire Charges	-	-	2	-
Mrs. Sangeeta Agarwal, relative of KMP (w.e.f. 21.03.2022)	Car Hire Charges	6	-	6	-

Note 1. Settlement of outstanding balances as at year end generally occurs in cash.

(C) Compensation to KMPs:

(₹ in Lacs)

Particulars	2023-24	2022-23
Short-term benefit	206	221
Other long-term employee benefit	2	3
Post-employment benefit	4	7

48. Leases

a. In the capacity of Lessee

The following is the summary of practical expedients elected on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- 2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- 3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- 4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.
- (i) The Group has certain cancellable operating lease arrangements for office premises, which range between 11 months to 15 years and are usually renewable by mutual consent, on mutually agreeable terms. Some of these lease agreements have rent escalation upto 5% p.a. or 10% p.a. on renewals.
- (ii) The Company had no non-cancellable operating lease arrangements for office premises during current and previous year.
- (iii) Disclosure in accordance to Ind AS 116 is as below:

No.	Particulars	2023-24	2022-23
a	Short term lease payment	362	575
b	Expense relating to leases of low-value assets	-	-
С	Variance lease payments not included in the measurement of lease liability	-	-
d	Income from subleasing right of use assets	-	-
е	Total Cash outflow for leases	771	1,062
f	Interest expense on Lease liability	103	88

Note 2. Income or expenses are presented excluding GST.

Note 3. All the related party transactions have been made in the ordinary course of business and the same are generally at arm's length price.

for the year ended 31st March, 2024

48. Leases (Contd.)

g The future lease payments considered for lease liability on an undiscounted basis are as follows:

(₹ in Lacs)

Particulars	As at 31st March, 2024
Less than one year	345
One to five years	274
More than five years	-
Total	619

h Details of right of use assets and its movement is as below:

(₹ in Lacs)

Paraticulars	As at 1st April, 2023	Additions	Adjustment	As at 31st March, 2024
Office Premises:				
Right of use Assets	2,506	334	255	2,585
Accumulated Depreciation/Amortisation	1,999	282	-	2,281
Net Carrying amount	507			304

(₹ in Lacs)

Paraticulars	As at 1st April, 2022	Additions	Adjustment	As at 31st March, 2023
Office Premises:				
Right of use Assets	2,280	228	2	2,506
Accumulated Depreciation/Amortisation	1,567	432	-	1,999
Net Carrying amount	713			507

In the capacity of Lessor

- (i) The Group has given assets on Operating lease 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, 2024 is amounting to ₹ 8 Lacs (As at March 31st, 2023 : ₹ 55 Lacs)
- (ii) The Group also has cancellable operating lease arrangements for office premises, which range between 1 to 3 years and are usually renewable by mutual consent on mutually agreeable terms.
- (iii) Details of rental income towards operating lease for assets and office premises including sublease are as follows:

(₹ in Lacs)

Particulars	2023-24	2022-23
Rental Income on the basis of earnings of the Lessee	-	-
Others	12,960	20,355
Total Rental Income	12,960	20,355

(iv) Details of fixed future lease receivable towards operating lease for assets and office premises are as follows:

	As at 31st March 2024	As at 31st March 2023
Not later than one year	2,832	11,357
Later than one year but not later than five years	1,620	3,360
Later than five years	-	560
Total	4,452	15,277



for the year ended 31st March, 2024

49. 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 Lacs)

	As	As 31st March, 2024			As at 31st March, 2023		
Assets	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total	
Cash and Cash Equivalents	63,884	-	63,884	2,56,419	-	2,56,419	
Bank Balance other than above	2,375	732	3,107	12,703	5,901	18,604	
Trade Receivables	2,098	-	2,098	2,213	-	2,213	
Loans # *	8,812	2,89,752	2,98,564	1,28,758	10,18,709	11,47,467	
Liability towards Assignment **	-	-	-	(1,98,124)	(80)	(1,98,204)	
Investments	15,452	54,531	69,983	5,869	1,02,831	1,08,700	
Other Financial Assets	415	426	841	48,553	15,514	64,067	
Current Tax Assets (Net)	368	22,674	23,042	369	6,483	6,852	
Deferred Tax Assets (Net)	-	642	642	-	552	552	
Property, Plant and Equipment	-	80,305	80,305	-	1,33,184	1,33,184	
Rights of Use-Assets	54	250	304	70	437	507	
Other Intangible Assets	-	315	315	-	542	542	
Intangible Assets under development	-	6	6	-	-	-	
Other Non-Financial Assets	2,014	898	2,912	22,702	924	23,626	
Total	95,472	4,50,531	5,46,003	2,79,532	12,84,997	15,64,530	

[#] Performing Loans are stipulated in time buckets as per the original/revised repayment schedule and non-performing loans are in the 3 to 5 year time-bucket and over 5 year time-bucket as per RBI guideline.

(₹ in Lacs)

	As	31st March, 2	024	As at	31st March, 2	2023
Liabilities	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Derivative Financial Instruments	-	-	-	-	-	-
Trade Payables	277	-	277	2,803	-	7,164
Debt Securities*	-	2,97,597	2,97,597	-	-	2,59,944
Borrowings (Other than Debt Securities)**	414	111	525	2,726	525	26,69,340
Subordinated Liabilities***	-	6,236	6,236	-	33,000	2,95,458
Lease Liabilities	82	271	353	91	547	638
Other Financial Liabilities	11,009	345	11,354	13,977	751	15,343
Provisions	27	134	161	70	15,278	15,348
Other Non-Financial Liabilities	1,315	1,33,670	1,34,985	1,976	1,948	3,988
Total	13,124	4,38,364	4,51,488	21,643	52,049	32,67,223

^{*} In terms of the approved resolution plan, in case of early recoveries from the underlying assets, SEFL shall have option to make accelerated payment on NCDs at a pre defined discounting rate for computing net present value on the date of accelerated payment. NCDs, if outstanding at the end of respective redemption date from the date of allotment shall be transferred to the security receipt holders in the ratio of their holding of the security receipts issued by the NARCL Trust - 0007.

In case of early recoveries from the underlying assets, SEFL shall have option to make accelerated payment on the OCDs at an net present value (NPV) computed on the date of accelerated payment.

Conversion at the option of holder from the beginning of the 6th year till maturity. Conversion at the option of SEFL at the end of 8 years. Any outstanding amount at the end of year 8 shall be converted into equity at fair value.

50. Segment Reporting

The Group is primarily engaged in the business of "financial services" which is considered to be the only reportable segment in terms of Ind AS 108. Revenue from other segments is less than 10% of the combined total revenue. Hence, there is no requirement of segment reporting.

^{*} Receivables on account of assigned loans/lease/other receivables have been adjusted from loans only. Entire operating lease receivables of NPA assigned cases has been reversed, however for ALM purpose the same has been considered "over 3 & upto 5 years" and "above 5 years" bucket as per RBI guidelines.

^{**} As at March 31st, 2024, maturity analysis of loans has been shown after considering of assigned pool outstanding. As at March 31st, 2023, amount in first bucket includes certain liabilities prior to initiation of CIRP, which are subject to reconciliation.

^{**} Repayments of borrowings have been considered as per the contractual obligations.

^{***} In terms of approved resolution plan, any recovery from underlying assets of SEFL after payments of all NCDs shall be used to repay the OCDs.

for the year ended 31st March, 2024

51. Additional Information as per Schedule III of The Companies Act, 2013

(₹ in Lacs)

		As at 31st March, 2024	arch, 2024			As at 31st March, 2023	larch, 2023		
SI. No.	Name of the entity	Net Assets, i.e. total assuminus total liabilities	Net Assets, i.e. total assets minus total liabilities	Share in profit or loss (Profit after tax)	ifit or loss ter tax)	Other Comprehensive Income	rehensive me	Total Comprehensive Income	ehensive ne
		As % of consolidated net assets	Amount	As % of consolidated Profit or Loss	Amount	As % of Other Comprehensive Income	Amount	As % of Other Comprehensive Income	Amount
Parent									
-	Srei Infrastructure Finance Limited	87.98%	83,162	0.09%	(662)	%29.96	(8,851)	1.20%	(9,513)
Subsidiaries	ries								
Indian:									
-	Srei Capital Markets Limited	0.34%	319	%00.0	(20)	(0.01%)	-	0.00%	(19)
2	Srei Equipment Finance Limited	(1233.37%)	(11,65,723)	%68.66	(7,77,894)	3.29%	(301)	98.77%	(7,78,195)
е	Trinity Alternative Investment Managers Ltd (Formerly Srei Alternative Investment Managers Limited)	4.54%	4,292	0.00%	1	%00:0	ı	%00:0	1
4	Hyderabad Information Technology Venture Enterprises Limited (Subsidiary of Trinity Alternative Investment Managers Limited)	0.04%	42	0.00%	1	0.00%	ı	0.00%	ı
5	Cyberabad Trustee Company Pvt. Limited (Subsidiary of Trinity Alternative Investment Managers Limited)	0.01%	7	0.00%	1	%00:0		0.00%	1
9	Bengal Srei Infrastructure Development Limited	0.07%	65	0.00%	(1)	0.00%	1	%00.0	(1)
) /	Controlla Electrotech Private Limited	1.95%	1,839	(0.01%)	63	0.00%	1	(0.01%)	63
∞	Srei Mutual Fund Asset Management Private Limited	0.03%	33	%00.0	-	%00.0	1	%00.0	-
6	Srei Mutual Fund Trust Private Limited	0.01%	7	%00.0	1	%00.0	1	0.00%	1
10 %	Srei Insurance Broking Private Limited	1.26%	1,187	0.03%	(229)	0.05%	(2)	0.03%	(234)
=	Srei Mutual Fund Trust	%00.0		%00.0	1	%00.0	ı	%00.0	ı
12 8	Srei Finance Limited (Formerly Srei Asset Finance Limited)	0.12%	114	0.00%	7	%00.0	1	0.00%	7
Adjustmer Step-dowr	Adjustment on disposal/cessation of Subsidiaries, Step-down Subsidiaries and Associate	0.00%		0.00%	1	%00:0		0.00%	
Non-Conti	Non-Controlling Interests in all subsidiaries	1237.02%	11,69,171	%00.0	-	%00:0		%00:0	-
Total		100.00%	94,515	100.00%	(7,78,735)	100.00%	(9,156)	%66'66	(7,87,891)
Note: Figur	Note: Figures are after elimination of related party transactions between entities considered	red for consolidation	ion						

Note: Figures are after elimination of related party transactions between entities considered for consolidation.



Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

51. Additional Information as per Schedule III of The Companies Act, 2013 (Contd.)

Application Application									
Optimized Enginee in Triangle Enginee (e) on The Program Finance Limited Enginee Enginee Enginee Engineer		As at 31st N	larch, 2023			2022-20	123		
As % of mount assets Annount assets		Net Assets, i. (e. total assets I liabilities	Share in pi (Profit a	ofit or loss fter tax)	Other Comp Incor	rehensive me	Total Comp	Total Comprehensive Income
tidiaries incidentest contract that the contrac		As % of consolidated net assets	Amount	As % of consolidated Profit or Loss	Amount	As % of Other Comprehensive Income	Amount	As % of Other Comprehensive Income	Amount
tidaties III. Septial Markets Limited III. Sol. Sep. 340 III. Sol. S	Parent					-			
niiity Alternative Investment Managers Ltd (Formerty Srei Alternative Investment Managers Ltd (Formerty Srei Alternative Investment Managers Ltd (Formerty Srei Alternative Investment Managers Ltd (Formerty Srei Alternative Investment Managers Ltd (Formerty Srei Alternative Investment Managers Ltmitted) 102.03% (17,36,551) 99.98% (11,10,625) (6.12%) rei Equipment Finance Limited (0.25%) 4,292 0.00% - 0.00% rinity Alternative Investment Managers Limited) 0.00% 7 0.00% - 0.00% rinity Alternative Investment Managers Limited) 0.00% 7 0.00% - 0.00% reinfly Alternative Investment Managers Limited) 0.01% 7 0.00% - 0.00% reinfly Alternative Investment Managers Limited) 0.01% 7 0.00% - 0.00% reinfly Alternative Investment Development Limited 0.01% 7 0.00% 4 0.00% reinfluted Formarce Elimited 0.00% 7 0.00% 4 0.00% reinfluted Formarce Elimited (Formerty Srei Asset Finance Limited) 0.00% 7 0.00% - 0.00% reinflutence Limited (Formerty	1 Srei Infrastructure Finance Limited	(1.56%)	26,361	0.03%	(344)	106.13%	15,625	(1.40%)	15,281
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Justiment on disposal/cessation of Subsidiaries, Step-down 0.00% - 0.00% - 0.00% Controlling Interests in all subsidiaries 0.00% 4 0.00% 1 0.00%	12 Srei Finance Limited (Formerly Srei Asset Finance Limited)	(0.01%)	107	0.00%	4	0.00%	•	0.00%	4
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100 00% (17 02 011) 100 00% (11 10 899) 100 00%	Non-Controlling Interests in all subsidiaries	0.00%	4	%00'0	-	0.00%		0.00%	-
	Total	100.00%	(17,02,011)	100.00%	(11,10,899)	100.00%	14,722	100.00%	(10,96,177)

Note: Figures are after elimination of related party transactions between entities considered for consolidation.

for the year ended 31st March, 2024

Statement containing salient features of the

Part "A": Subsidiaries

Name of Companies	Srei Equipment Finance	Srei Insurance Broking Pvt Ltd	Srei Capital Markets Ltd	Controlla Electrotech Pvt Ltd	Srei Mutual Fund Asset Management	Srei Mutual Fund Trust Pvt Ltd	Srei Asset Leasing Limited	Bengal Srei Infrastructure Development	Trinity Alternative Investment	Hyderabad Information Technology	(₹ in Lacs) Cyberabad Trustee Company
Name of Companies	Limited				Pvt. Ltd			. Ef	Managers Ltd	Venture Enterprises Ltd	Pvt Ltd
SI. No.	-	2	က	4	.c	9	7	80	6	10	F
The date since when the subsidiary was acquired	17.06.2016	31.03.2012	26.12.1998	06.06.2008	27.11.2009	27.11.2009	31.03.2015	25.09.2008	25.12.1997	29.08.2007	29.08.2007
Reporting period	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024
Reporting Currency	INR	INR	INR	INR	INR	INR	INR	INB	INR	INR	INR
Exchange rate on last day of reporting year (In INR)											
Share Capital	11,69,268	200.00	505.00	3.53	1,850.00	15.00	100.00	2.00	25*	25*	2,*
Reserves & Surplus	(11,80,309)	686.62	(185.49)	(514.61)	(1,814.82)	(10.30)	13.72	(115.63)	45.77*	16.8*	1.65*
Total Assets	4,59,770	1,237.55	331.49	1,846.01	35.58	7.14	113.87	12.26	4512.8*	47.14*	*26.9
Total Liabilities	4,59,770	1,237.55	331.49	1,846.01	35.58	7.14	113.87	12.26	4512.8*	47.14*	*29.9
Investments	34,068	797.99	192.40	119.86	18.17	•	103.36	3.59	2503.01*	*	*
Turnover	72,750	222.54	8.12	436.15	78.63	0.27	8.18	5.46	*	*	* *
Profit/(Loss) before Tax	(7,64,729)	(326.17)	(31.11)	(44.40)	1.20	(0.22)	6.94	(0.81)	*	*	* *
Provision for Taxation		(78.53)	(9.92)	(0.03)	•		1		*	*	* *
Profit/(Loss) after Tax	(7,64,729)	(247.64)	(21.19)	(44.37)	1.20	(0.22)	6.94	(0.81)	*	*	* *
Proposed Dividend	•	ı	•	1	1	1	1	1	*	*	*
Extent of shareholding (effective) - in percentage	100%	100%	100%	100%	100%	100%	100%	21%	21%	26.01%	26.01%
Notes:											

Notes:

^{1.} Names of subsidiaries which are yet to commence operations: None

^{2.} Names of subsidiaries which have been liquidated or sold during the current reporting year: None

^{3.} Profit/(Loss) Before Tax is shown after taking Exceptional items. Previous year Exceptional items - (₹ 10,15,593) Lacs

^{*} Figures of assets and liabilities as per the Audited Financial Statements for the year ended 31st March, 2022 have been considered here (Refer Note No. 58)

^{**} Refer Note No. 58



for the year ended 31st March, 2024

52. Implementation of Consolidated Resolution Plan

In terms of the approved resolution plan, an Implementation and Monitoring Committee ("IMC") has been constituted which is empowered to supervise the implementation of the approved resolution plan and oversee the management of the affairs of the Company as per the terms of the approved resolution plan till the closing date. The IMC in its meeting dated August 16, 2023 passed a resolution appointing the Administrator as Chairman of IMC and vide IMC resolution dated August 17, 2023 authorised him to continue to operate all the bank accounts and undertake various activities as are required to ensure the Company's status as a going concern during the implementation of the approved resolution plan. IMC stands dissolved and the Board of the Company was re-constituted on February 26, 2024 to take charge of the affairs of the Company.

Important provisions of approved resolution plan along with various steps undertaken for the implementation of approved resolution plan are given below:

- (i) The approved resolution plan shall be binding on the Company and other stakeholders involved in terms of Section 31 of the Code.
- (ii) The administrator shall stand discharged from his duties with effect from the order dated August 11, 2023, save and except the duties envisaged in the resolution plan.
- (iii) An Implementation and Monitoring Committee ("IMC") has been constituted which is empowered to manage the affairs of the Company till the closing date. Thereafter implementation is carried out by IMC for implementation of the resolution plan.
- (iv) IMC has received the Implementation Notice dated September 22, 2023 from NARCL in terms of the approved resolution plan and referring to the Reallocation Notice dated September 21, 2023 issued by the Committee of Creditors (CoC) (CoC Re-allocation Notice), notifying the Effective Date as September 22, 2023, being the date on which NARCL, as the Resolution Applicant proposed to commence the Steps set out in Section 4 (Steps of Implementation) of the approved resolution plan.
- (v) The Company, on instructions of the IMC, has taken necessary steps including making payments, to various stakeholders in terms of the approved Resolution Plan as mentioned hereinafter.
- (vi) The Company had filed the application for delisting of the Equity Shares and the Debt instruments of the Company from the respective stock exchanges i.e. National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in terms of steps for the implementation as provided in the approved resolution plan. Accordingly, the record date for delisting of equity shares and perpetual debt instruments issued by the Company was fixed on Friday, October 6, 2023. Subsequently, these equity shares and Perpetual Debts were delisted by both the Stock Exchanges i.e. BSE and NSE with effect from December 14, 2023.
- (vii) The existing equity share capital of ₹ 50,309 Lacs has been cancelled/extinguished via capital reduction without payment of any compensation to the shareholders. The corresponding amount has been transferred to Restructuring Reserve.
- (viii) The Company has issued 4,60,000 equity shares with a face value of ₹ 10 each to the Resolution Applicant, NARCL, and 2,00,000 equity shares with a face value of ₹ 10 each to India Debt Resolution Company Limited (IDRCL). Additionally, the Company has allotted 2,00,000 equity shares, each with a face value of ₹ 10, totalling ₹ 20 Lacs, to Approving Financial Creditors (AFC) in exchange for the assignment of AFCs' Debt. Furthermore, 1,00,000 equity shares with a face value of ₹ 10 each were issued to Kairos ESOP Welfare Trust.
- (ix) The existing issued share capital of SEFL, amounting to ₹7802 Lacs was cancelled and extinguished by way of Capital Reduction on December 19, 2023. SEFL will make cash payment of ₹ 50,000 Lacs to SIFL as compensation of cancellation of share capital.
- (x) SEFL has allotted Optionally Convertible Debentures (OCD) of ₹8,00,000 Lacs having face value of ₹1,000 each to domestic lenders and PNB Investment Services Ltd as security trustee for the benefit of assenting ECB lenders and assenting NCD holders in terms of the approved resolution plan vide IMC resolution on December 19, 2023 excluding one of the lender amounting to ₹151 Lacs due to non-receipt of necessary documents. In terms of the approved resolution plan, these OCDs are 'payable when able' basis with a possible conversion into equity and considering the non-visibility of future recovery for making payments towards such uncommitted instruments, the Company has considered initial recognition of OCD as "financial liability" as per IND AS 32 and to be recorded at fair value of ₹6,028 Lacs in the books of accounts as per IND AS 109.
- (xi) SEFL has allotted Non-Convertible Debentures (NCDs) of ₹ 4,50,638 Lacs having face value of ₹ 1,000 each to NARCL Trust-0007 as portion of assigned debt in terms of the approved resolution plan vide IMC resolution on December 26, 2023. These New NCDs are secured by a first charge on the receivables of SEFL, both present and future, from its assets. The Company has filed form CHG-9 for the aforesaid securities and the same is pending for approval. In terms of the approved resolution plan, accelerated payment made to NARCL Trust-0007 against NCD 1 on March 27, 2024 basis NPV @ 8% for ₹ 18,291 Lacs and has been extinguished with the depositories.
- (xii) SEFL has allotted Compulsorily Convertible Preference Shares (CCPS) of ₹ 11,69,168 Lacs having face value of ₹ 100 each to NARCL Trust-0007 in lieu of the balance portion of the assigned debt in terms of the approved resolution plan vide IMC resolution on December 26, 2023.

for the year ended 31st March, 2024

(xiii) The Company and SEFL extinguished pre-CIRP liabilities towards outstanding operational creditors, Perpetual Debts and Government dues through capital reduction process and transferred the corresponding amount to Restructuring Reserve.

(xiv) In terms of 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, SEFL has created Impairment Reserve of ₹ 6,21,376 Lacs as on September 30, 2023. Post approval of resolution plan SEFL has sought approval from RBI for reversal of Impairment Reserve. RBI vide their email dated December 28, 2023 gave permission for reversing the Impairment Reserve to give effect to the resolution plan. Accordingly impairment reserve of ₹ 6,21,376 Lacs as on September 30 2023 has been transferred to restructuring reserve, and subsequently to retained earnings in terms of the approved resolution plan.

(xv) The Company and SEFL have transferred both statutory and non-statutory reserves to Restructuring Reserve. The total remaining balance in Restructuring Reserves amounting to ₹ 24,54,593 Lacs which was later transferred to retained earnings.

(xvi) Capital Reserve of ₹ 1,04,744 Lacs created earlier on consolidation and goodwill of ₹ 683 Lacs on consolidation has been transferred to Restructuring Reserve.

(xvii) All identifiable assets and liabilities of the Company has been recorded at their respective fair value and difference, if any, between the fair value of identifiable assets and liabilities has been transferred to restructuring reserves.

(xviii) According to the NCLT order, certain relief and concessions requested in the Resolution Plan fall outside the jurisdiction of the NCLT. Therefore, the SRA must seek these relief and concessions from the appropriate authority. The SRA is currently in the process of filing applications with various authorities to obtain these relief and concessions. The impact of these actions, if any, will be reflected in the books of accounts upon receiving responses from the respective authorities.

53. Business Transfer Agreement (BTA) and Scheme of Arrangement

During the year 2019-20, the Company and its subsidiary Company, Srei Equipment Finance Limited (SEFL) entered into an agreement dated August 16, 2019, as amended ('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 1, 2019 while allotment of shares by SEFL was made on December 31, 2019.

In terms of the resolution plan as approved by Hon'ble NCLT vide its order dated August 11, 2023, for the ease of continuation of the businesses of the Company as going concern and for the purposes of accounting, the slump exchange undertaken between the Company and SEFL shall be considered to be effective from the effective date as provided under the Business Transfer Agreement dated August 16, 2019 (as amended), entered into between SEFL and SIFL, except as provided expressly in the approved resolution plan. Given that the accounting treatment of the BTA has already been reflected in the audited financial statements ending March 31, 2020, no further accounting impact is deemed necessary in the books of accounts to give effect to the resolution plan. It is further clarified that this treatment would be without prejudice to the rights of the CoC to pursue any legal actions in respect of such slump exchange, against the erstwhile Promoters or the Promoter Group.

- 54. IMC, vide its resolution dated December 19, 2023 has declared that December 31, 2023 is closing date of balance sheet for the purpose of audit and its handover to the NARCL. The handover of the closing date balance sheet along with other necessary requirement including Reconstitution of the Board was to be done by the IMC at a later date and post completion of the handover activities by the IMC to SRA it was to be dissolved. The IMC has been dissolved and the Board of the Company has been reconstituted on February 26th, 2024 to take charge of the affairs of the Company in terms of the approved resolution plan. Accordingly, effect of approved resolution plan has been given in the audited financial statements for the year ended on March 31, 2024.
- 55. The audited financial statements of the Company for the year ended March 31, 2024 have been taken on record by the Board of Director of the Company on June 5th, 2024. The IMC was dissolved and the Board was reconstituted on Fenruary 26th, 2024 till that time the affairs of the Company were managed by IMC through the Administrator (acting as a chairman of the IMC). Earlier ,since the Administrator had taken charge of the affairs of the Company on October 4th, 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 results of the Company as they existed on October 4th, 2021. However, subsequent to the approval of the resolution plan, which resolved the matter concerning the Business Transfer Agreement (BTA) as detailed in Note No. 53 above, the financial statements as of the March 31st, 2024 had been prepared in accordance with the treatment specified in the Resolution Plan. All identifiable assets and liabilities of the Company as of the closing date had been recorded at the values stated in Note No.53 above. Regarding information pertaining to period prior to October 4th, 2021 the Administrator has relied upon the explanations, clarifications, representations and statements made by the Company Officials ('the existing officials of the Company'), who were also part of the Company prior to the appointment of the Administrator.



for the year ended 31st March, 2024

As part of the Resolution process, audits and reviews of the Company's processes and compliances were conducted, with professionals appointed to carry out transaction audits under Sections 43, 45, 50, and 66 of the Code. The Administrator received transaction audit reports indicating fraudulent transactions amounting to ₹ 18,37,221 Lacs under Section 66, including ₹ 1,22,731 Lacs deemed as undervalued transactions in SEFL. Subsequently, applications were filed under Sections 60(5) and 66 of the Code before the Kolkata bench of the Hon'ble National Company Law Tribunal (NCLT) for adjudication. SEFL had created ECL provisioning to the extent of 100% of gross exposure on such accounts, despite having some underlying securities as a matter of abundance prudence.

Further, based on transaction audit reports, the Administrator filed another application before the NCLT on November 18, 2022, seeking adjudication for an amount of ₹ 84,787 Lacs representing the net shortfall in payments to SEFL's lenders assigned the Pool Loans as of September 30th, 2021.

Pursuant to the approved distribution mechanism in terms of resolution plan and in view of ongoing litigation of pool lenders of ₹ 81,885 Lacs , SEFL has set-aside fund amounting to ₹ 15,599 Lacs and the balance amount of ₹ 66,287 Lacs has been extinguished by issuance of equity shares followed by subsequent capital reduction. As per the resolution of the 16th IMC dated December 7, 2023 apart from cash set aside portion of ₹ 15,599 Lacs, certain portion of Security Receipts is issued by NARCL Trust - 0007, which are backed by NCDs of ₹ 62,278 Lacs (apart from cash set aside portion of ₹ 15,599 Lacs) issued by SEFL and ₹ 3,994 Lacs out of fund contributed by NARCL has been set aside by the erstwhile CoC in the name of UCO Bank with respect to pool lenders.

The transaction audit has been completed and all the financial impact of the same has been incorporated in the audited financial statements.

56. Loan loss provisioning

SEFL has been following provision policy based on RBI circular on Implementation of Ind AS for NBFCs dated March 13, 2020 to create Impairment Reserve which 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.

Pursuant to aforesaid circular, the Company has created and maintained an Impairment Reserve in financial statement as on September 30, 2023

Hon'ble NCLT vide its Order dated August 11, 2023 has approved the plan of the successful resolution applicant. In terms of approved resolution plan, all the existing reserves of SEFL (other than retained earnings) shall be transferred to restructuring reserve account and the balance in restructuring reserve account shall be transferred/adjusted to retained earnings of SEFL shall be construed as free reserves for the purpose of Companies Act, 2013 and prescribed RBI guidelines. The same has also been approved by RBI vide email dated December 28, 2023.

In terms of approved resolution plan 'the resolution applicant intends to continue corporate debtors as "a going concern" with a special focus on the retail loan/lease portfolio.

Further the turnaround of business, as explained in plan, shall be carried out at SIFL level. SEFL shall continue to be a 100% subsidiary of SIFL. The entire existing loan book portfolio and/or fixed assets/investments etc. which are meant for recovery and disposal shall be retained/transferred in SEFL. Upon completion of recovery from the portfolio, SEFL will either be merged into SIFL or a new vertical of lending business will be started in SEFL, or the business of SEFL may be transferred to any third party following the approach highlighted in the plan.

In view of the above stated facts, we are continuing with the existing ECL policy and wherever the ECL provision is lower than the requirement as per IRAC provision, the Company shall make additional provision to the extent of IRAC provision as a Management overlay in ECL. This shall be done on a consistent basis.

SEFL on the basis of abundant prudence, had decided to make provision to the extent of interest income recognised during the respective period on Net Stage - III accounts. Accordingly, the Company has made a total provision of ₹ 6,734 Lacs on such accounts for year ended March 31, 2024. This has resulted in increase in Impairment on Financial Instruments (Net) by ₹ 6,734 Lacs and thereby increase in loss by ₹ 6,734 Lacs year ended March 31, 2024.

Accordingly based on the ECL policy, SEFL has made ECL provision aggregating to ₹ 77,024 Lacs and ₹ 6,39,549 Lacs for the quarter and year ended March 31, 2024 respectively.

57. Going Concern

CIRP was initiated in respect of the Company w.e.f. October 8, 2021 and the resolution plan of NARCL was approved by Hon'ble NCLT vide order dated August 11, 2023. The Company and SEFL has adhered to the implementation of resolution plan as per the indicative timelines. Accordingly, based on the implementation of the resolution plan, the successful resolution applicant is confident of improving the credit profile of the Company and SEFL, including through time-bound monetisation of assets including arbitration awards, claims and legal cases which would result in it being able to meet its obligations in due course of time. Accordingly, these financial statements have been prepared on a going concern basis.

for the year ended 31st March, 2024

58. The approved financial statements of Trinity Alternative Investment Managers Limited (Trinity) and its two subsidiaries, viz. Hyderabad Information Technology Venture Enterprises Limited and Cyberabad Trustee Company Private Limited for the quarter ended June 30, 2022 onwards have not been received from Trinity despite written request and follow ups. The consolidated financial statement for the year ended March 31st, 2024, has been prepared considering balance sheet of Trinity and its two subsidiaries as of March 31st, 2022, being the last audited balance sheet available from the management of respective companies. SIFL Nominee Director (existing Shareholder Director) called the Board Meeting of Trinity, however, the management of Trinity did not provide the requisite document and infrastructure to hold the meeting and under constraint, the Board Meeting could not be conducted. The possible impact on the consolidated financial results with respect to the aforesaid subsidiaries is not ascertainable.

59. 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 31, 2020 had identified 'certain borrowers' as probable connected/related companies. As a part of the CIRP, the Administrator got conducted 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.

With respect to such accounts, the Administrator has received account wise transaction audit reports, which has identified certain transactions as fraudulent in nature under Section 66 of the Code, including undervalued transactions, the gross exposure of such borrower's amounts to ₹ 10,37,693 Lacs and ₹ 10,45,251 Lacs as on March 31, 2024 and as on March 31, 2023 respectively and the total exposure (net of impairment) towards such borrowers is ₹ Nil and ₹ Nil as on March 31, 2024 and as on March 31, 2023 respectively. In respect of such accounts , the Administrator has filed applications under Section 60(5) and Section 66 of the Code before the Kolkata bench of the Hon'ble National Company Law Tribunal (NCLT) on various dates for adjudication. SEFL has also made 100 % impairment on such accounts. The transaction audit has been completed and the necessary impact of the same have been incorporated in these audited financial statements.

- 60. As on March 31, 2021, SIFL and SEFL were having funds amounting to ₹ 5.76 Crores in relation to the Corporate Social Responsibility ('CSR') which were unspent. These unspent amounts as per the requirements of Section 135 of the 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 SIFL and SEFL had stipulated TRA mechanism effective November 24, 2020, pursuant to which all the payments being made by SIFL and SEFL were being approved/released based on the TRA mechanism. SIFL and SEFL are not able to transfer the aforesaid unspent CSR amount as per the requirements of Section 135 of the Act.
 - Subsequently, as per the approved resolution plan, no amount is payable to the statutory authorities against their dues and hence all such dues are extinguished.
- 61. As per Section 125 of the Act, the Company and SEFL are 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 8, 2021 (CIRP commencement date) an amount of ₹ 18,574/- in SEFL and post commencement of CIRP, an amount of ₹ 7,70,634/- was transferable by SEFL and ₹ 4,84,877/- was transferable by SIFL to IEPF in terms of Section 125 of the Act on different dates till August 11, 2023 i.e. NCLT Order date approving resolution plan.
 - During the CIRP period, the Company was unable to comply with the provision of Section 125 of the Companies Act, 2013 due to technical difficulties in filing the forms. Till date, the Company has transferred all the pending funds lying unpaid to IEPF except one case of SEFL amounting to ₹ 63,536/- pertaining to post commencement of CIRP period.
- **62.** The Company is unable to transfer 66,215 Equity shares pertaining to the Financial Year 2014-15, due for transfer to the Investor Education and Protection Fund in accordance with the applicable provisions of Section 124 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 due to the some technical reasons.
 - After NCLT order dated August 11, 2023, approving the Resolution Plan submitted by National Asset Reconstruction Company Limited, the entire equity shares of all shareholders has been extinguished through capital reduction process. Hence, there is no need to transfer these equity shares to IEPF.
- 63. Based on the information available in the public domain, some of the 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-promoter before the Hon'ble High Court of Delhi, the Hon'ble Court has passed interim relief to the petitioner vide order dated April 22, 2022, restraining the said lender from taking any further steps or action prejudicial to the petitioner on the basis of the order declaring the bank account as fraud. Thereafter vide order dated May 15, 2023, the application was disposed of directing that the order declaring the account of the Company as fraud was set side. Further, liberty was granted to the banks to proceed ahead in accordance with the direction given in the aforesaid order.
 - During the year ended March 31, 2024, the Company has received Show Cause Notices (SCNs) from some of the Banks/Financial Institutions.



for the year ended 31st March, 2024

The Resolution plan states as under:

"Notwithstanding anything contained in the Resolution Plan and in accordance with Section 32A of the Code, the liability of the Corporate Debtors for an offence committed prior to the commencement of the CIRP, if any, shall cease, and neither the Corporate Debtors nor the Resolution Applicant shall be prosecuted for any such offence on and from the NCLT Approval Date. If a prosecution has been instituted during the CIRP against the Corporate Debtors, the Corporate Debtors shall stand discharged from the NCLT Approval Date." Based on the above clause of Resolution plan the Erstwhile promoter of the Company are liable to answer the said Show Cause Notice.

- **64.** Details of loan transferred/acquired during the quarter and year ended March 31, 2024 pursuant to RBI Master Direction RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021 on Transfer of Loan Exposures are given below:
 - (a) The Company has not transferred or acquired any loans not in default during the quarter and year ended March 31, 2024.
 - (b) The Company has not transferred or acquired any stressed loan during the quarter and year ended March 31, 2024.
 - (c) Details on recovery ratings assigned for Security Receipts as on March 31, 2024.

Categories	Anticipated recovery as per recovery rating	Amount (₹ in Lacs)
RR1*	100% - 150%	-
RR1	100% - 150%	12,977
RR2	75% - 100%	-
RR5**	0% - 25%	-

^{*} The last available recovery rating is as at February 08, 2023, valid till June 30, 2023.

- **65.** The Ministry of Corporate Affairs (MCA) vide its letter dated April 18,2023 has initiated inspection into the affairs of the Company and has sought information and documents under Section 206(5) of the Act. The Company has provided necessary documents as required by MCA.
- **66.** The Enforcement Directorate (ED) on January 31st, 2023 conducted simultaneous investigation on office premises of the Company and its subsidiary, Srei Equipment Finance Ltd. The Company and its officials have provided all the necessary information/documents as required by ED.
- **67.** Figures pertaining to the previous year have been rearranged/regrouped, wherever necessary, to make them comparable with those of current year.

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountants ICAI Firm Registration No.306033E/E300272

Sd/-Hemant Kumar Lakhotia Partner

Membership No. 068851

Place: Kolkata Date: June 5, 2024

For and on behalf of Board of Directors

Sd/Hardayal Prasad Avinash Kulkarni
Managing Director & CEO Director

DIN: 08024303 DIN: 02982164

Sd/- Sd/-

Vishnu Gopal Agarwal Manoj Kumar

Chief Financial Officer Company Secretary & CCO

^{**} The last available recovery rating is as at August 28, 2020, valid till December 31, 2020.







Srei Infrastructure Finance Limited

CIN: U29219WB1985PLC055352 Registered Office: 'Vishwakarma', 86C, Topsia Road (South), Kolkata - 700 046 www.srei.com